

**TEXAS HEALTH AND HUMAN SERVICES
COMMISSION**

PROVIDER FINANCE DEPARTMENT

**Notice of Proposed Adjustments to Fees, Rates or
Charges Healthcare Common Procedure Coding
System (HCPCS)**

C(1) – Q1 HCPCS Drugs

C(2) – Q1 HCPCS TOS 9-J-L

C(3) – Q1 HCPCS Non-Drugs – G0138

C(4) – Q2 HCPCS Drugs

Adjustments are proposed to be effective

March 1, 2025

SUMMARY OF PROPOSED ADJUSTMENTS

To Be Effective March 1, 2025

Included in this document is information relating to the proposed adjustments to Medicaid payment rates for Healthcare Common Procedure Coding System (HCPCS). The Texas Health and Human Services Commission (HHSC) intends to submit an amendment to the Texas State Plan for Medical Assistance under Title XIX of the Social Security Act to update the fee schedules to reflect these proposed adjustments. The rates are proposed to be effective March 1, 2025.

Hearing

The Texas Health and Human Services Commission (HHSC) will conduct a hearing to receive public comment on proposed Medicaid payment rates detailed in this document on November 12, 2024, at 9:00 a.m. The hearing will be held in compliance with Texas Human Resources Code §32.0282, which requires public notice of and hearings on proposed Medicaid reimbursements. HHSC will broadcast the public hearing; the broadcast can be accessed at <https://hhs.texas.gov/about-hhs/communications-events/live-archived-meetings>. The broadcast will be archived and can be accessed on demand at the same website.

This hearing will be conducted both in-person and as an online event. Members of the public may attend the rate hearing in person, which will be held in Public Hearing Rooms 1.401, 1.402, 1.403 and 1.404 in the North Austin Complex, 4601 W Guadalupe St, Austin, Texas.

Please register for HHSC Public Rate Hearing for Medicaid Reimbursement Rates on November 12, 2024, 9:00 AM CST at:

<https://attendee.gotowebinar.com/register/5854419373469218647>

Webinar ID

433-069-979

HHSC will consider all concerns expressed at the hearing prior to final rate approval. This public hearing will be held in compliance with the provisions of Human Resources Code §32.0282 which requires a public hearing on proposed payment rate adjustments. Should you have any questions regarding the information in this document, please contact:

Provider Finance Acute Care Services
Texas Health and Human Services Commission
E-mail: PFDAcuteCare@hhs.texas.gov

HHSC will broadcast the public hearing; the broadcast can be accessed at <https://hhs.texas.gov/about-hhs/communications-events/live-archived-meetings>. The broadcast will be archived and can be accessed on demand at the same website.

Background

HHSC is responsible for the reimbursement determination functions for the Texas Medicaid Program. Proposed rates are calculated utilizing established methodologies that conform to the Social Security Act and related federal regulations, the federally approved Texas Medicaid State Plan, all applicable state statutes and rules, and other requirements. HHSC reviews the Medicaid reimbursement rates for all acute care services every two years. These biennial reviews result in rates that are increased, decreased, or remain the same. The reviews are conducted to ensure that rates continue to be based on established rate methodologies.

Methodology

The specific administrative rules that govern the establishment of the fees in this proposal include these rules in the TAC:

- §355.8023, which addresses the reimbursement methodology for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS); and
- §355.8085, which addresses the reimbursement methodology for physicians and other practitioners
- §355.8441, which addresses the reimbursement methodologies for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services (known in Texas as Texas Health Steps).

Proposed Rate Adjustments

A summary of the methodologies used to determine the proposed fee-for-service Medicaid rates is listed below:

- Procedure codes and descriptions used in the Texas Medicaid Program are national standard code sets as required by federal laws; Healthcare Common Procedural Coding System (HCPCS) and Current Procedural Terminology (CPT).
- Resource-based fee (RBF) methodology uses relative value units (RVUs) established by Medicare times a conversion factor. Current conversion factors include \$28.0672 for most services provided to children 20 years of age and younger and \$26.7305 for services provided to adults 21 years of age and older. Fees for services provided to children and identified as having access-to-care issues may be assigned a higher conversion factor, currently \$30.00.
- Access-based fees (ABFs) allow the state to reimburse for procedure codes not covered by Medicare or for which the Medicare fee is inadequate, or account for particularly difficult procedures, or encourage provider participation to ensure access to care.
- ABFs may also be established based on the Medicare fee for a service that is not priced using RVUs. Physician-administered drug pricing methodologies are outlined in §355.8085.
- For services and items that are not covered by Medicare or for which the Medicare rate is insufficient, different approaches are used to develop fees based on available information. These alternate methods include, as applicable:
 - The median or mean of the Medicaid fees from 14 states (the 10 most populous and the 4 bordering Texas) or the median or mean of the states that cover the service
 - Regional Medicare pricing from Novitas or a percentage of the Medicare fee
 - The current Medicaid fee for a similar service (comparable code)
 - 82 percent of the manufacturer suggested retail price (MSRP) supplied by provider associations or manufacturers
 - 89.5 percent of the average wholesale price for enteral and parenteral products
 - Cost shown on a manufacturer's invoice submitted by the provider to HHSC

Specific proposed payment rate adjustments are listed in the attachments outlined below:

HCPCS Att C(1) – Q1 HCPCS Drugs

HCPCS Att C(2) – Q1 HCPCS TOS 9-J-L
HCPCS Att C(3) – Q1 HCPCS Non-Drugs – G0138
HCPCS Att C(4) – Q2 HCPCS Drugs

Written Comments

Written comments regarding the proposed payment rate adjustments will be accepted in lieu of, or in addition to, oral testimony until 5 p.m. the day of the hearing. Written comments may be sent by U.S. mail to the Texas Health and Human Services Commission, Attention: Provider Finance Department, Mail Code H-400, P.O. Box 149030, Austin, Texas 78714-9030; by fax to Provider Finance Department at (512) 730-7475; or by e-mail to PFDAcuteCare@hhs.texas.gov. In addition, written comments will be accepted by overnight mail or hand delivery to Texas Health and Human Services Commission, Attention: Provider Finance Department, Mail Code H-400, North Austin Complex, 4601 W Guadalupe St, Austin, Texas 78751.

Persons with disabilities who wish to attend the hearing and require auxiliary aids or services should contact Provider Finance Department at (512) 730-7401 at least 72 hours in advance for appropriate arrangements.

This public rate hearing briefing packet presents proposed payment rates and is distributed at HHSC public rate hearings and posted by the proposed effective date on the HHSC website at <https://pfd.hhs.texas.gov/rate-packets>. Proposed rates may or may not be adopted, depending on HHSC management decisions after review of public comments and additional information. Provider and public notification about adoption decisions are published on the Texas Medicaid and Healthcare Partnership (TMHP) website at <http://www.tmhp.com> in banner messages, bulletins, notices, and updates to the Texas Medicaid fee schedules. The fee schedules are available in static files or online lookup at <http://public.tmhp.com/FeeSchedules>.

Preferred Communication. For quickest response please use e-mail or phone, if possible, for communication with HHSC related to this rate hearing.

Persons with disabilities who wish to participate in the hearing and require auxiliary aids or services should contact Provider Finance at (512) 730-7401 at least 72 hours before the hearing so appropriate arrangements can be made.

HCPCS Attachment C(1) - Q1 HCPCS Drugs (Proposed to be effective March 1, 2025)

TOS*	Procedure Code	Long Description	Modifier 1	Modifier 2	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		3/1/2025		Percent Change from Current Medicaid Fee
								Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	J0577	Injection, buprenorphine extended-release (Brixadi), less than or equal to 7 days of therapy			0-999	N/F		\$404.09	\$404.09	\$426.97	\$426.97	5.66%
1	J0578	Injection, buprenorphine extended-release (brixadi), greater than 7 days of and up to 28 days of therapy			0-999	N/F		\$1,616.35	\$1,616.35	\$1,707.88	\$1,707.88	5.66%
1	J1202	Miglustat, oral, 65 mg			18-999	N/F		\$34.91	\$34.91	\$35.44	\$35.44	1.52%
1	J1203	Injection, cipaglusosidase alfa-atga, 5 mg			18-999	N/F		\$91.29	\$91.29	\$88.14	\$88.14	-3.45%
1	J1323	Injection, elranatamab-bcmm, 1 mg			18-999	N/F		\$181.67	\$181.67	\$179.92	\$179.92	-0.96%
1	J2277	Injection, motixafortide, 0.25 mg			0-999	N/F		\$25.55	\$25.55	\$24.27	\$24.27	-5.01%
1	J2782	Injection, avacincaptad pegol, 0.1 mg			0-999	N/F		\$111.30	\$111.30	\$107.10	\$107.10	-3.77%
1	J3055	Injection, talquetamab-tgvs, 0.25 mg			18-999	N/F		\$67.72	\$67.72	\$67.61	\$67.61	-0.16%
1	J7165	Injection, prothrombin complex concentrate (human), balfaxar, per i.u. of factor ix activity			18-999	N/F		\$3.38	\$3.38	\$3.21	\$3.21	-5.03%
1	J7354	Cantharidin for topical administration, 0.7%, single unit dose applicator (3.2 mg)			2-999	N/F		\$735.69	\$735.69	\$698.70	\$698.70	-5.03%
1	Q5132	Injection, adalimumab-afzb (abrilada), biosimilar, 10 mg			0-999	N/F		\$706.32	\$706.32	\$670.80	\$670.80	-5.03%
1	J0650	Injection, levothyroxine sodium, not otherwise specified, 10 mcg			0-999	N/F		\$10.77	\$10.77	\$10.77	\$10.77	0.00%
1	J0651	Injection, levothyroxine sodium (fresenius kabi) not therapeutically equivalent to j0650, 10 mcg			0-999	N/F		\$9.05	\$9.05	\$9.53	\$9.53	5.30%
1	J0652	Injection, levothyroxine sodium (hikma) not therapeutically equivalent to j0650, 10 mcg			0-999	N/F		\$7.64	\$7.64	\$7.64	\$7.64	0.00%
1	J1010	Injection, methylprednisolone acetate, 1 mg			0-999	N/F		\$0.13	\$0.13	\$0.14	\$0.14	7.69%
1	J2919	Injection, methylprednisolone sodium succinate, 5 mg			0-999	N/F		\$0.27	\$0.27	\$0.30	\$0.30	11.11%
1	J9073	Injection, cyclophosphamide (ingenus), 5 mg			0-999	N/F		\$0.98	\$0.98	\$0.79	\$0.79	-19.39%
1	J9075	Injection, cyclophosphamide, not otherwise specified, 5 mg			0-999	N/F		\$0.92	\$0.92	\$1.11	\$1.11	20.65%

*Type of Service (TOS)	
1	Medical Services

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HCPCS Attachment C(2) - Q1 HCPCS Non-Drugs TOS 9-J-L (Proposed to be effective March 1, 2025)

TOS*	Procedure Code	Long Description	Modifier 1	Modifier 2	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		3/1/2025		Percent Change from Current Medicaid Fee
								Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	A4438	Adhesive clip applied to the skin to secure external electrical nerve stimulator controller, each			0-999	N/F		Not a Benefit	Not a Benefit	\$2.51	\$2.51	100.00%
9	A4564	Pessary, disposable, any type			0-999	N/F		Not a Benefit	Not a Benefit	\$0.57	\$0.57	100.00%
J	E0736	Transcutaneous tibial nerve stimulator			0-999	N/F		Not a Benefit	Not a Benefit	\$85.32	\$85.32	100.00%
L	E0736	Transcutaneous tibial nerve stimulator			0-999	N/F		Not a Benefit	Not a Benefit	\$8.53	\$8.53	100.00%
J	E2298	Complex rehabilitative power wheelchair accessory, power seat elevation system, any type			0-999	N/F		Not a Benefit	Not a Benefit	\$2,000.30	\$2,000.30	100.00%
L	E2298	Complex rehabilitative power wheelchair accessory, power seat elevation system, any type			0-999	N/F		Not a Benefit	Not a Benefit	\$200.03	\$200.03	100.00%
J	L1320	Thoracic, pectus carinatum orthosis, sternal compression, rigid circumferential frame with anterior and posterior rigid pads, custom fabricated			0-999	N/F		Not a Benefit	Not a Benefit	\$3,785.98	\$3,785.98	100.00%
9	L5841	Addition, endoskeletal knee-shin system, polycentric, pneumatic swing, and stance phase control			0-999	N/F		Not a Benefit	Not a Benefit	\$3,023.20	\$3,023.20	100.00%

*Type of Service (TOS)	
9	Other Medical Items or Services
J	Purchase of DME - New
L	DME Rental - Monthly

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HCPCS Attachment C(3) - Q1 HCPCS Non-Drugs - G0138 (Proposed to be effective March 1, 2025)

TOS*	Procedure Code	Long Description	Modifier 1	Modifier 2	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		3/1/2025		Percent Change from Current Medicaid Fee
								Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	G0138	Intravenous infusion of ciproglucosidase alfa-atga, including provider/supplier acquisition and clinical supervision of oral administration of miglustat in preparation of receipt of ciproglucosidase alfa-atga			18-999	N/F		\$520.40	\$520.40	\$520.40	\$520.40	0.00%

*Type of Service (TOS)	
1	Medical Services
Modifier	
Provider Type	

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HCPCS Attachment C(4) - Q2 HCPCS Drugs (Proposed to be effective March 1, 2025)

TOS*	Procedure Code	Long Description	Modifier 1	Modifier 2	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		3/1/2025		Percent Change from Current Medicaid Fee
								Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	J0687	Injection, cefazolin sodium (wg critical care), not therapeutically equivalent to j0690, 500 mg			0-999	N/F		\$1.08	\$1.08	\$1.08	\$1.08	0.00%
1	J0872	Injection, daptomycin (xellia), unrefrigerated, not therapeutically equivalent to j0878 or j0873, 1 mg			0-999	N/F		\$0.33	\$0.33	\$0.33	\$0.33	0.00%
1	J1597	Injection, glycopyrrolate (glyrx-pf), 0.1 mg			0-999	N/F		\$1.94	\$1.94	\$1.94	\$1.94	0.00%
1	J1598	Injection, glycopyrrolate (fresenius kabi), not therapeutically equivalent to j1596, 0.1 mg			0-999	N/F		\$2.60	\$2.60	\$2.60	\$2.60	0.00%
1	J1748	Injection, infliximab-dyyb (zymfentra), 10 mg			18-999	N/F		\$276.60	\$276.60	\$276.60	\$276.60	0.00%
1	J2183	Injection, meropenem (wg critical care), not therapeutically equivalent to j2185, 100 mg			0-999	N/F		\$1.60	\$1.60	\$1.60	\$1.60	0.00%
1	J2267	Injection, mirikizumab-mrhz, 1 mg			18-999	N/F		\$34.34	\$34.34	\$34.34	\$34.34	0.00%
1	J2373	Injection, phenylephrine hydrochloride (immphentiv), 20 micrograms			18-999	N/F		\$0.20	\$0.20	\$0.20	\$0.20	0.00%
1	J2403	Chloroprocaine hcl ophthalmic, 3% gel, 1 mg			18-999	N/F		\$0.63	\$0.63	\$0.63	\$0.63	0.00%
1	J2470	Injection, pantoprazole sodium, 40 mg			0-999	N/F		\$2.86	\$2.86	\$2.86	\$2.86	0.00%
1	J2471	Injection, pantoprazole (hikma), not therapeutically equivalent to j2470, 40 mg			0-999	N/F		\$6.63	\$6.63	\$6.63	\$6.63	0.00%
1	J3247	Injection, secukinumab, intravenous, 1 mg			18-999	N/F		\$17.56	\$17.56	\$17.56	\$17.56	0.00%
1	J3263	Injection, toripalimab-tpzi, 1 mg			18-999	N/F		\$39.27	\$39.27	\$39.27	\$39.27	0.00%
1	J3393	Injection, betibeglogene autotemcel, per treatment			4-999	N/F		\$3,007,200.00	\$3,007,200.00	\$3,007,200.00	\$3,007,200.00	0.00%
1	J7171	Injection, adams13, recombinant-krhn, 10 iu			0-999	N/F		\$34.68	\$34.68	\$34.68	\$34.68	0.00%
1	J7355	Injection, travoprost, intracameral implant, 1 microgram			18-999	N/F		\$199.76	\$199.76	\$199.76	\$199.76	0.00%
1	J8611	Methotrexate (jylamvo), oral, 2.5 mg			18-999	N/F		\$21.91	\$21.91	\$21.91	\$21.91	0.00%
1	J8612	Methotrexate (xatmp), oral, 2.5 mg			0-18	N/F		\$22.94	\$22.94	\$22.94	\$22.94	0.00%

*Type of Service (TOS)	
1	Medical Services

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