

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop: S2-25-26  
Baltimore, Maryland 21244-1850



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## State Demonstrations Group

September 24, 2024

Emily Zalkovsky  
State Medicaid Director  
Texas Health and Human Services Commission  
4900 Lamar Boulevard  
MC:H100  
P.O. Box 13247  
Austin, Texas 78751

Dear Director Zalkovsky:

Through this approval letter, the Centers for Medicare & Medicaid Services (CMS) is approving multiple items for the section 1115(a) demonstration entitled, “Texas Healthcare Transformation and Quality Improvement Program (THTQIP)” (Project Number 11-W-00278/6).

First, CMS is approving pool limits for Texas’ Public Health Providers Charity Care Pool (PHP-CCP) based on the reassessment of the amount of uncompensated care (UC) costs provided by eligible providers. The limit for the PHP-CCP will equal \$499,193,023 (total computable) in each demonstration year (DY) from DY 13 – DY 17 (FFY 2024 – 2028). Second, CMS is approving technical corrections and clarifications to the Attachment H Protocol and UC cost report tool. This protocol sets guidelines for how UC costs are reported and reconciled by Texas, and the cost report tool collects costs and payment data for services reimbursable under the UC pool and is submitted by providers to the state annually. Finally, CMS is approving a technical correction to the demonstration special terms and conditions (STCs) to explain that Texas provides 12 months of continuous postpartum Medicaid coverage. In addition, at the state’s request, CMS is making a correction to Attachment Q. DSRIP Transition Plan to update the list of counties participating in the Texas Dual-Eligibles Integrated Care Demonstration Project (i.e., the duals demonstration).

We look forward to our continued partnership on the THTQIP section 1115(a) demonstration. If you have any questions, please contact your CMS project officer, Ms. Jamie John, at [Jamie.John@cms.hhs.gov](mailto:Jamie.John@cms.hhs.gov).

Sincerely,

Angela D. Garner  
Director

Division of System Reform Demonstrations

cc: Ford Blunt, State Monitoring Lead, Medicaid and CHIP Operations Group

Enclosure