

**TEXAS HEALTH AND HUMAN SERVICES  
COMMISSION  
RATE ANALYSIS DEPARTMENT**

**Notice of Proposed Adjustments to Fees, Rates or  
Charges for Home Telemonitoring Services**

**Adjustments are proposed to be effective  
February 1, 2019**

## **SUMMARY OF PROPOSED ADJUSTMENTS**

**To Be Effective February 1, 2019**

Included in this document is information relating to the proposed adjustments to Medicaid payment rates for Home Telemonitoring Procedure Code S9110. 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 February 1, 2019.

### **Hearing**

The Health and Human Services Commission (HHSC) will conduct a public hearing to receive comments regarding the proposed adjustments to Medicaid rates detailed in this document on February 7, 2019, at 1:00 p.m. in the Health and Human Services Commission, 909 West 45th Street, Building 2, Room 164, Austin, Texas 78751. 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:

Rate Analysis for Acute Care Services  
Texas Health and Human Services Commission  
E-mail: [RADAcuteCare@hsc.state.tx.us](mailto:RADAcuteCare@hsc.state.tx.us)

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.

## **Methodology**

The proposed payment rates were calculated in accordance with Title 1 of the Texas Administrative Code:

§355.8021, which addresses the reimbursement methodology for home health services; and

§355.8441, which addresses the reimbursement methodology for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Services (also known as Texas Health Steps)

## **Proposed Rate Adjustments**

The methodologies used to determine the proposed fee-for-service Medicaid rates are summarized 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 attachment:

Attachment – TOS 9 - Other Medical Items or Services

### **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: Rate Analysis, Mail Code H-400, P.O. Box 149030, Austin, Texas 78714-9030; by fax to Rate Analysis at (512) 730-7475; or by e-mail to [RADAcuteCare@hhsc.state.tx.us](mailto:RADAcuteCare@hhsc.state.tx.us). In addition, written comments will be accepted by overnight mail or hand delivery to Texas Health and Human Services Commission, Attention: Rate Analysis, Mail Code H-400, Brown-Heatly Building, 4900 North Lamar Blvd, Austin, Texas 78751

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

HCPCS ATTACHMENT 1 - TOS 9 - OTHER MEDICAL ITEMS OR SERVICES (Proposed to be effective February 1, 2019)

TOS*	Procedure Code	Modifier	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		2/1/2019		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	S9110		Set up of telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support	0-999	N/F	Not a Benefit	Not a Benefit	\$50.00	\$50.00	100.00%
9	S9110	U1	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (1-5 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$47.25	\$47.25	100.00%
9	S9110	U2	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (6-10 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$94.50	\$94.50	100.00%
9	S9110	U3	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (11-15 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$141.75	\$141.75	100.00%
9	S9110	U7	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (16-20 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$189.00	\$189.00	100.00%
9	S9110	U8	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (21-25 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$236.25	\$236.25	100.00%
9	S9110	U9	Telemonitoring of patient in their home, including all necessary equipment: computer system, connections, and software: maintenance: patient education and support (26-31 days per month)	0-999	N/F	Not a Benefit	Not a Benefit	\$283.50	\$283.50	100.00%

**\*Type of Service (TOS)**

9	Other Medical Items or Services
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\*\* Required Notice: The five-character code included in this notice is obtained from the Current Procedural Terminology (CPT®), copyright 2019 by the American Medical Association (AMA). CPT is developed by the AMA as a listing of descriptive terms and five character identifying codes and modifiers for reporting medical services and procedures performed by physicians. The responsibility for the content of this notice is with HHSC and no endorsement by the AMA is intended or should be implied. The AMA disclaims responsibility for any consequences or liability attributable or related to any use, nonuse or interpretation of information contained in this notice. Fee schedules, relative value units, conversion factors and/or related components are not assigned by the AMA, are not part of CPT, and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained.