TEXAS HEALTH AND HUMAN SERVICES COMMISSION
PROVIDER FINANCE DEPARTMENT

Notice of Adjustments to Fees, Rates or Charges for Quarterly Healthcare Common Procedure Coding System (HCPCS) Updates Related to Coronavirus Disease 2019 (COVID-19)

Adjustments are to be effective November 10, 2020

SUMMARY OF ADJUSTMENTS

To Be Effective November 10, 2020

In accordance with section 418.016 of the Texas Government code, the Office of the Governor has provided the Texas Health and Human Services Commission a waiver to suspend requirements of Texas Human Resource Code 32.0282 and Title 1, Chapter 355.201(e) and Title 1, Chapter 355.105(g) of the Texas Administrative Code to ensure timely delivery of necessary medical services in relation to the COVID-19 Response. Included in this document is information relating to the adjustments to Medicaid payment rates for Quarterly HCPCS Updates Related to COVID-19. 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 November 10, 2020.

As HHSC has received a waiver to Rate Hearing Requirements, there will not be a rate hearing conducted. Should you have any questions regarding the information in this document, please contact:

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

Background

HHSC is responsible for the reimbursement determination functions for the Texas Medicaid Program. 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 Title 1 of the Texas Administrative Code:

- §355.8021, which addresses the reimbursement methodology for home health services;
- §355.8061, which addresses outpatient hospital reimbursement;
- §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); and
- §355.8610, which addresses the reimbursement for clinical laboratory services.

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).
- 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 payment rate adjustments are listed in the attachments outlined below:

HCPCS Update Att 1 – COVID-19 Code 87428 Effective November 10, 2020

Effective for Duration of Disaster

Rates as presented in this packet are to be effective for the duration of the declared state of disaster stemming from COVID-19. Following the conclusion of the state of disaster, these rates will be reevaluated and potentially repriced according to HHSC methodology.

Written Comments

Written comments regarding the payment rate adjustments in the packet may be sent by U.S. mail to the Texas Health and Human Services Commission, Attention: Provider Finance, Mail Code H-400, P.O. Box 149030, Austin, Texas 78714-9030; by fax to Provider Finance at (512) 730-7475; or by e-mail to PFDAcuteCare@hhs.texas.gov. In addition, written comments will be accepted by overnight mail to Texas Health and Human Services Commission, Attention: Provider Finance, Mail Code H-400, Brown-Heatly Building, 4900 North Lamar, Austin, Texas 78751

This public rate packet presents payment rates adopted and is on the HHSC website at http://rad.hhs.texas.gov/rate-packets. 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.

HCPCS Att 1 - Covid Code 87428 (Effective November 10, 2020)

					CURRENT					11/10/2020									
TOS*	**Procedure Code**	**Long Description**	**Age Range**	**Non-Facility (N)/ Facility (F)**	**Current Clinical Lab Fee**	**Current Sole Community Lab Fee**	**Current DSHS Clinical Lab Fee**	**Current Rural Hospital Fee**	**Current Rural Sole Community Fee**	**Clinical Lab Fee**	**Sole Community Lab Fee**	**DSHS Clinical Lab Fee**	**Rural Hospital Fee**	**Rural Sole Community Fee**	**Percent Change from Current Clinical Lab Fee**	**Percent Change from Current Sole Community Lab Fee**	**Percent Change from Current DSHS Clinical Lab Fee**	**Percent Change from Current Rural Hosptial Fee**	**Percent Change from Current Rural Sole Community Fee**
5	87428	**	0-999	N/F	Not a Benefit	Not a Benefit	Not a Benefit	Not a Benefit	Not a Benefit	$73.49	$75.69	$79.37	$75.69	$75.69	100.00%	100.00%	100.00%	100.00%	100.00%

*Type of Service (TOS)	
5	Laboratory

** Required Notice: The five-character code included in this notice is obtained from the Current Procedural Terminology (CPT®), copyright 2021 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.