



HHSC: Hearing on Various Rate Proposals

February 14, 2022



The Texas Health and Human Services Commission (HHSC) conducted a public hearing to receive public comments on the following rate proposals:

- Medicaid payment rates for the Special Fee Review of the HCPCS Code: J0172 – Aduhelm.
- Long Acting Reversible Contraceptives (LARCS) Calendar Fee Review.
- Medical Transportation Program (MTP)
- Medical Policy Review of Prosigna

Proposed Medicaid Payment Rates for the Special Fee Review of the HCPCS Code: J0172 - Aduhelm

Proposal. The payment rate for the Special Fee Review of the HCPCS Code: J0172 - Aduhelm is proposed to be effective January 1, 2022.

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

§355.8085, which addresses the reimbursement methodology for physicians and other practitioners; and

§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).
- For items or services covered under a Medicare fee schedule, a percentage of the Medicare fee is used in accordance with applicable sections of the Texas Administrative Code and Texas State Plan.
- 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.

Specific proposed payment rate adjustments are listed below.

Special Attachment 1 - Aduhelm (Proposed to be effective January 1, 2022)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		1/1/2022		Percent Change from Current Medicaid Fee
					Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	J0172	Injection, aducanumab-avwa, 2 mg	0-999	N/F	\$11.87	\$11.87	\$6.06	\$6.06	-48.95%

*Type of Service (TOS)	
1	Medical Service

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Proposed Medicaid Payment Rates for the Long Acting Reversible Contraceptives (LARCS) Calendar Fee Review

Proposal. The payment rates for the Calendar Fee Review of LARCS are proposed to be effective April 1, 2022.

Methodology and Justification. The proposed payment rates were calculated in accordance with Title 1 of the Texas Administrative Code:
 §355.8085, Reimbursement Methodology for Physicians and Other Practitioners;
 §355.8441, Reimbursement Methodologies for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Services, also known as Texas Health Steps (THSteps) and the THSteps Comprehensive Care Program (CCP);
 §355.8581, Reimbursement Methodology for Family Planning Services; and
 §355.8641, Reimbursement Methodology for the Women's Health Program.

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

For detailed rates, please follow the link. [04-01-2022-biennial-cal-fee-review-larcs.pdf](https://www.texas.gov/public-records-requests/04-01-2022-biennial-cal-fee-review-larcs.pdf) ([texas.gov](https://www.texas.gov))

Proposed Medicaid Payment Rates for Medical Transportation Program (MTP)

Proposal. The payment rates for the MTP Fee Review are proposed to be effective January 1, 2022.

Methodology and Justification. The proposed payment rates were calculated in accordance with Title 1 of the Texas Administrative Code: §355.8561, which addresses the reimbursement methodology for the Medical Transportation Program.

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

- Pricing proposed in this packet are adjusted to align with the vehicle mile rate set by the legislature for state employees. MTP pricing methodologies are outlined in §355.8561.

Specific proposed payment rate adjustments are listed below

CFR Att A(1) - Medical Transportation Program (proposed to be effective January 1, 2022)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N) / Facility (F)	Provider Type/ Provider Specialty	CURRENT		1/1/2022		% of Proposed Medicaid Fee Increase or Decrease
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	S0215	NONEMERGENCY TRANSPORTATION; MILEAGE, PER MILE	0-999	N/F	MT	\$0.56	\$0.56	\$0.59	\$0.59	5.3600%

*Type of Service (TOS)	
9	Other Medical Items or Services
Provider Type (PT)/Provider Specialty	
MT	Medical Transportation Provider

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Proposed Medicaid Payment Rates for the Medical Policy Review of Prosigna

Proposal. The payment rates for the Medical Policy Review of Prosigna is proposed to be effective April 1, 2022.

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

- §355.8610, which addresses the reimbursement for clinical laboratory services.
- §355.8441, which addresses reimbursement methodologies for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services (known in Texas as Texas Health Steps) and the THSteps Comprehensive Care Program (CCP)
- §355.8085, which addresses the reimbursement methodology for physicians and other practitioners

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.

- For items or services covered under a Medicare fee schedule, a percentage of the Medicare fee is used in accordance with applicable sections of the Texas Administrative Code and Texas State Plan.
- 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 or 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 below

Policy Att B(1)- Prosigna (proposed to be effective April 1, 2022)

TOS	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Current				4/1/2021				Percent Change from Current - Clinical Lab Fee	Percent Change from Current - Adjusted Sole Community Lab Fee	Percent Change from Current - DSHS Clinical Lab Fee	Percent Change from Current - Rural Hospital and Rural Sole Community Fee
					Adjusted Fee Non State Clinical Lab	Current Adjusted Sole Community Lab Fee	Current DSHS Clinical Lab Fee	Current Adjusted Rural Hospital Rural Sole Community Fee	Adjusted Fee Non State Clinical Labs	Adjusted Fee: Sole Community Lab	Proposed DSHS Clinical Lab Fee	Proposed Rural Hospital and Sole Community Fee				
5	81520	***	0-999 Years	N/F	Not a Benefit	Not a Benefit	Not a Benefit	Not a Benefit	\$2,108.58	\$3,438.99	\$2,711.03	\$3,438.99	100.00%	100.00%	100.00%	100.00%

Type of Service
5 Laboratory

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Public Comment



Denise Hall, Cooper Surgical stated their support for the rates related to LARCs.

Adjourn. There being no additional people wishing to testify, the meeting was adjourned.

This summary contains supplemental information from third-party sources where that information provides clarity to the issues being discussed. Not every comment or statement from the speakers in these summaries is an exact transcription. For the purpose of brevity, their statements are often paraphrased. These documents should not be viewed as a word-for-word account of every meeting or hearing, but a summary. Every effort has been made to ensure the accuracy of these summaries. The information contained in this publication is the property of Texas Insight and is considered confidential and may contain proprietary information. It is meant solely for the intended recipient. Access to this published information by anyone else is unauthorized unless Texas Insight grants permission. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted in reliance on this is prohibited. The views expressed in this publication are, unless otherwise stated, those of the author and not those of Texas Insight or its management.
