

General Principles

General Principles

- A county shall provide the basic health care services established by TDSHS in this handbook or less restrictive health care services.
 - The basic health care services are:
 - ◆ Physician services
 - ◆ Annual physical examinations
 - ◆ Immunizations
 - ◆ Medical screening services
 - Blood pressure
 - Blood sugar
 - Cholesterol screening
 - ◆ Laboratory and x-ray services
 - ◆ Family planning services
 - ◆ Skilled nursing facility services
 - ◆ Prescription drugs
 - ◆ Rural health clinic services
 - ◆ Inpatient hospital services
 - ◆ Outpatient hospital services
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General Principles (continued)

General Principles
(continued)

- In addition to providing basic health care services, a county may provide other department-established optional health care services that the county determines to be cost-effective.
 - o The department-established optional health care services are:
 - ◆ Advanced practice nurse services provided by
 - o Nurse practitioner services
 - o Clinical nurse specialist
 - o Certified nurse midwife (CNM)
 - o Certified registered nurse anesthetist
 - ◆ Ambulatory surgical center (freestanding) services
 - ◆ Colostomy medical supplies and equipment
 - ◆ Counseling services provided by
 - o Licensed clinical social worker (LCSW)
 - o Licensed marriage family therapist (LMFT)
 - o Licensed professional counselor (LPC)
 - o Ph.D. psychologist
 - ◆ Dental Care
 - ◆ Diabetic medical supplies and equipment
 - ◆ Durable medical equipment (DME)
 - ◆ Emergency medical services
 - ◆ Home and community health care services
 - ◆ Physician assistant services
 - ◆ Vision care, including eyeglasses
 - ◆ Federally qualified health center services
 - ◆ Occupational therapy services
 - ◆ Physical therapy services
 - ◆ Other medically necessary services or supplies that the local governmental municipality/entity determines to be cost effective.

General Principles (continued)

General Principles
(continued)

- Services or supplies must be reasonable and medically necessary for diagnosis and treatment.
 - For a listing of services, supplies and expenses that may not be CIHCP benefits, refer to the Texas Provider Procedures Medicaid Manual at http://www.tmhp.com/Pages/Medicaid/Medicaid_Publications_Provider_manual.aspx. Section 1 Provider Enrollment and Responsibilities “Texas Medicaid Limitations and Exclusions.”
 - Chapter 61, Health and Safety Code, Section 61.035, states, “The maximum county liability for each state fiscal year for health care services provided by all assistance providers, including hospital and skilled nursing facility, to each eligible county resident is:
 - 1) \$30,000; or
 - 2) the payment of 30 days of hospitalization or treatment in a skilled nursing facility, or both, or \$30,000, whichever occurs first, if the county provides hospital or skilled nursing facility services to the resident.”
 - ◆ 30 days of hospitalization refers to inpatient hospitalization.
 - Use the client’s actual dates-of-service when determining which fiscal year to apply the maximum county liability.
 - For claim payment to be considered, a claim should be received:
 - 1.) Within 95 days from the approval date for services provided before the household was approved
 - 2.) Within 95 days from the date of service for services provided after the approval date, or
 - 3.) Within the agreed upon timeframe in a legal contract between the providers and the local indigent program.
 - The payment standard is determined by the date the claim is paid.
 - For additional information on claim payment, the User’s Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.
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Basic Health Care Services

TDSHS-established Basic Health Care Services

Payment Method

- **Physician Services** Physician Fee Schedule
- **Annual Physical Examinations** Physician Fee Schedule
- **Immunizations** Physician Fee Schedule
- **Medical Screening Services** Physician Fee Schedule
- **Laboratory and X-Ray Services** Physician Fee Schedule
- **Family Planning Services** Physician Fee Schedule
- **Skilled Nursing Facility Services** Daily Rate
- **Prescription Drugs** Formula
- **Rural Health Clinic Services** Rate per Visit
- **Inpatient Hospital Services** DRG or Inpatient Percent Rate
- **Outpatient Hospital Services** Outpatient Percent Rate or ASC Rate

Negotiate rates with providers for basic service procedure codes not listed in the Fee Schedules. For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Physician Services

Physician services include services ordered and performed by a physician that are within the scope of practice of their profession as defined by state law. Physician services must be provided in the doctor's office, the patient's home, a hospital, a skilled nursing facility, or elsewhere.

Payment Standard for Physicians. Use the Fee Schedule for Texas Medicaid Physician at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

(Physician Services Payment Standard continued on next page)

Basic Health Care Services (continued)

Physician Services
(continued)

Payment Standard for Anesthesia Services. Using the Fee Schedule for Texas Medicaid Physician at www.tmhp.com, use the number of Relative Value Units (RVUs) listed in the Total RVUs column, the conversion factor listed in the Conversion Factor column, and the calculation instructions below.

1. Calculate the anesthesia units of time by using the following formula.

$$\frac{\text{total anesthesia time in minutes}}{15} = \text{anesthesia units of time}$$

2. Calculate the reimbursement for anesthesia services by using the following formula.

$$(\text{anesthesia units of time} + \text{RVUs}) \times \text{Conversion Factor} = \text{reimbursement amount}$$

Reduce the reimbursement amount by 2% for dates of services rendered on or after February 1, 2011.

Payment Standard for Podiatrists. Use the Fee Schedule for Texas Medicaid Podiatrist at www.tmhp.com and proceed using the instructions for Payment Standard for Physicians.

Payment Standard for Injections. Use the Fee Schedule for Texas Medicaid Physician at www.tmph.com.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Basic Health Care Services (continued)

**Annual
Physical
Examinations**

These are examinations provided once per calendar year by a physician, a physician assistant (PA), or an Advance Practice Nurse (APN).

Associated testing, such as mammograms, can be covered with a physician's referral.

These services may be provided by an Advanced Practice Nurse (APN) if they are within the scope of practice of the APN in accordance with the standards established by the Board of Nurse Examiners and published in 22 Texas Administrative Code §221.13.

Payment Standard for a Physician. Use the Fee Schedule for Texas Medicaid Physician at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Basic Health Care Services (continued)

Immunizations These are given when appropriate.

Payment Standard. Use the Fee Schedule for Texas Medicaid Physician at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Medical Screenings

These health care services include blood pressure, blood sugar, and cholesterol screening.

Payment Standard. Use the Fee Schedule for Texas Medicaid Physician at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Basic Health Care Services (continued)

**Laboratory
and X-ray
Services**

These are professional and technical services ordered by a physician and provided under the personal supervision of a physician in a setting other than a hospital (inpatient or outpatient).

Payment Standard. Use the Fee Schedule for Texas Medicaid Physician at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

Basic Health Care Services (continued)

**Family
Planning
Services**

These are preventive health care services that assist an individual in controlling fertility and achieving optimal reproductive and general health.

Payment Standard. Use the Fee Schedule for Texas Medicaid Physician Fee Schedule at www.tmhp.com and proceed as follows:

1. Use the amount listed in the age appropriate Facility or Non-Facility Adjusted Fee for Report Date Column.
2. If the Adjusted Fee for Report Date Column is blank and the Note Code is 5 or blank, DSHS does not have a payable amount; however, a payment amount may be negotiated with the provider.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

**Skilled
Nursing
Facility
Services**

Services must be

- Medically necessary,
- Ordered by a physician, and
- Provided in a skilled nursing facility that provides daily services on an inpatient basis.

Payment Standard. The skilled nursing facility rate is \$118.00 per day.

This \$118.00 daily rate does not include physician services or three prescription drugs per month. These additional services must be billed separately.

Basic Health Care Services (continued)

**Prescription
Drugs**

This service includes up to three prescription drugs per month. New and refilled prescriptions count equally toward this three prescription drugs per month total. Drugs must be prescribed by a physician or other practitioner within the scope of practice under law.

The quantity of each prescription depends on the prescribing practice of the physician and the needs of the patient.

Payment Standard. Use the following information and formula.

- Utilizing any pharmaceutical company's database that provides average wholesale pricing, look-up the drug's 11-digit NDC number and the quantity dispensed to determine the average wholesale price (AWP).
- Net Cost for:
 - **Generic** prescription drugs is **AWP minus 50%**
 - **Brand** name prescription drugs is **AWP minus 15%**
- **The drug dispensing fee is \$3.00.**
- The formula for computing the TDSHS Payable is:

Net Cost + drug dispensing fee = TDSHS Payable

Example: Prescription is written for 34 generic tablets

AWP for 25 tablets is \$100.00.

1. \$100.00 divided by 25 = \$4.00 per tablet

2. \$4.00 per tablet x 34 tablets (prescribed quantity) = \$136.00

3. \$136.00 - \$68.00 (50% for generic) = \$68.00

4. \$68.00 + \$3.00 (dispensing fee) = \$71.00 TDSHS Payable

- A payment amount may be negotiated with the provider for:
 - Prescription compound drugs,
 - Prescription drugs not found in any pharmaceutical database, or
 - Prescription drugs that do not have an NDC number.

**Rural Health
Clinic (RHC)
Services**

RHC services must be provided in a freestanding or hospital-based rural health clinic and provided by a physician, a physician assistant, an advanced practice nurse (including a nurse practitioner, a clinical nurse specialist, and a certified nurse midwife), or a visiting nurse.

Payment Standard: Use the Rate per Visit in the "Medicare-Approved Rural Health Clinic Rates" included in Appendix A.
