

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Dallas Regional Office
1301 Young Street, Room 833
Dallas, Texas 75202



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

September 26, 2014

Our Reference: WA- TX NorthSTAR BHO SFY 2015 Rates Only

Kay Ghahremani
State Medicaid Director
Texas Health and Human Services Commission
Post Office Box 13247
Austin, Texas 78711

Dear Ms. Ghahremani:

We have approved your request to amend your NorthSTAR Behavioral Health Organization (BHO) capitation rates. The contract for the ValueOptions BHO is approved for the period September 1, 2013 through August 31, 2015; and the associated capitation rates are approved for State Fiscal Year 2015 (September 1, 2014 through August 31, 2015).

With this rate amendment, the State proposes to adjust SFY 2014 to reflect an overall increase of 3.2% for the SFY 2015 capitation rates. State hospital costs previously paid for outside of the capitation were included as a programmatic change for SFY 2015 resulting in an increase of \$9.4 million over all rate cells program-wide. The proposed SFY 2015 capitation rates reflect Legislatively-mandated adjustments to the Medicaid budget.

CMS accepts the report submitted by the State's contracted actuary, which certifies that the new rates were developed in accordance with CMS' regulations at 42 Code of Federal Regulations (CFR) 438.6(c), for the Medicaid population enrolled and the services covered during the approved rating period.

We always appreciate your staff's assistance and we look forward to working with you again. Please contact Mary Foster of my staff at (214)767-4419 if you have any questions.

Sincerely,

Bill Brooks
Associate Regional Administrator
Division of Medicaid and Children's Health