

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



DIVISION OF MEDICAID & CHILDREN'S HEALTH - REGION VI

September 18, 2012

Our Reference: TX NorthSTAR SFY 2013 Rates Amendment

Mr. Chris Traylor
Deputy Executive Commissioner
Health and Human Services Commission
Post Office Box 13247
Mail Code: H100
Austin, Texas 78711

Dear Mr. Traylor:

We are writing to inform you that the Centers for Medicare and Medicaid Services (CMS) is approving Texas' request to amend capitation rates for the NorthSTAR 1915(b) Waiver for the participating Behavioral Health Organization serving the Dallas Service Area. This rate amendment proposed a decrease to monthly premium rates for state fiscal year (SFY) 2013 from the previous fiscal year's rates for four of the five risk groups. Use of updated base experience (SFY2011) for the development of these rates resulted in rates that were lower than projected when the SFY2012 rates were developed. The rate amendment was requested effective September 1, 2012.

CMS accepts the report submitted by the State's contracted actuary, which certifies that the new rates were developed in accordance with the regulations at 42 CFR 438.6, for the Medicaid population enrolled and the behavioral health services covered during the approved rating period from September 1, 2012 through August 31, 2013.

In order to allow a sufficient timeframe for review, CMS requests that updated capitation rates for this program are submitted to the CMS Dallas Regional Office 45 days prior to the expiration of the current rates (current rates expire August 31, 2013) or prior to the State's proposed effective date for revised capitation rates. CMS reminds the State that rates revisions are subject to prior approval; and federal financial participation cannot be claimed until after the rates are approved.

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,

A handwritten signature in black ink that reads "Bill Brooks". The signature is written in a cursive style with a large initial "B".

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

Cc: Billy Bob Farrell, DMCH
Cheryl Rupley, DMCH
Mary Foster, DMCH