

## **Additional 1 Percent Reimbursement Reduction for February 2011**

Information posted December 27, 2010

Effective for dates of service on or after February 1, 2011, Medicaid fee-for-service, Medicaid managed care, family planning (Titles V, X, and XX services), and the Children with Special Health Care Needs (CSHCN) Services Program will institute an additional one percent reduction in the final payment amounts for professional and outpatient facility services. The additional one percent reduction will be added to the one percent reduction that was effective for dates of service on or after September 1, 2010, which will result in a two percent total reduction that will be applied to the current Medicaid rate for affected services that are rendered on or after February 1, 2011.

### **Services Affected by the Two Percent Reduction**

The two percent total reduction (including both the one percent from September 1, 2010, and the one percent for February 1, 2011) will be applied to the following services:

- Services rendered to Medicaid Title XIX fee-for-service clients.
- Services rendered to Medicaid managed care Primary Care Case Management (PCCM) clients.
- The Medicaid managed care case management fee that is remitted to PCCM primary care providers for each PCCM client in the provider's panel.
- Family planning Titles V, X, and XX services.
- Services rendered to CSHCN Services Program clients.

**Note:** Medicaid Title XIX personal care services (PCS) were included in the one percent reduction from September 1, 2010, but will not be included in the additional one percent reduction for February 1, 2011. Only one percent total reduction will be applied to PCS.

### **Services *Not* Affected by the Two Percent Reduction**

The following will *not* be affected by the two percent total reduction:

- School Health and Related Services (SHARS).
- Tax Equity and Fiscal Responsibility Act (TEFRA)-reimbursed inpatient hospitals (children's and state teaching hospitals).
- State hospital freestanding psychiatric facilities.
- Department of Assistive and Rehabilitative Services (DARS)-Early Childhood Intervention (ECI) Case Management and Developmental Rehabilitation Program.
- Rural health clinics (RHCs).
- Department of State Health Services (DSHS) clinical labs.
- Birthing centers.
- Indian Health Services.
- Medicare crossover claims.

- Case Management and Rehabilitative Services—Blind Children's Vocational Discovery and Development Program (BCVDDP).
- Case Management and Rehabilitative Services—ECI.
- Case Management and Rehabilitative Services—Intellectual Disabilities.
- Outpatient Behavioral Health—Chemical Dependency Treatment Facility (CDTF).

Effective for dates of service on or after February 1, 2011, reimbursements to FQHCs for Titles V, X, and XX family planning services will be reduced by an additional one percent. No other FQHC services will be reduced by an additional one percent. However, the one percent reimbursement reduction that will be applied to the alternative prospective payment system (APPS) annual adjustment that will be effective on or after January 1, 2011, will remain in effect.

For more information, call the TMHP Contact Center at 1-800-925-9126 or the TMHP-CSHCN Services Program Contact Center at 1-800-568-2413.