



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

CHRIS TRAYLOR  
EXECUTIVE COMMISSIONER

October 1, 2015

The Honorable Dan Patrick  
Lieutenant Governor  
State Capitol, Room 2E.13  
Austin, Texas 78701

The Honorable Jane Nelson  
State Senator  
State Capitol Building, Room 1E.5  
Austin, Texas 78701

Dear Governor Patrick and Senator Nelson:

Thank you for your letter of September 30, 2015, explaining the Legislature's intent and your direction concerning the Medicaid therapy rate cuts contained in Rider 50 of the Health and Human Services Commission's (HHSC's) bill pattern. I understand your letter to direct HHSC to preserve access to care even if it means the full rate reductions contemplated by Rider 50 cannot be achieved.

As you know, HHSC was sued by therapy providers who claimed they would no longer provide services to Medicaid clients at the rates proposed on September 4. And, just last week, a state district court issued an injunction to prevent implementation of those rates in part because the court specifically found that implementing the full therapy rate cuts would likely impact access to care.

Given your direction, and the court's injunction, HHSC will continue its efforts to achieve the maximum therapy rate reductions possible while maintaining adequate access to care. Even though this direction will not result in the full amount of savings identified in Rider 50 and will result in spending levels above appropriations, I am confident that the State can achieve meaningful Medicaid savings, while preserving adequate access to care.

I look forward to effectuating your direction as soon as possible.

Sincerely,

A handwritten signature in blue ink that reads "Chris Traylor".

Chris Traylor