

June 23, 2016

Mr. Andrew M. Slavitt, Acting Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
200 Independence Avenue, SW
Room 445-G
Washington, DC 20201

RE: Texas State Plan Amendment for Acute Therapy Rate Reductions

Dear Administrator Slavitt:

Last summer, the Texas Health and Human Services Commission proposed rate reductions that would have a devastating impact on the ability of children and frail elderly to access medically necessary therapy services. We want to reiterate those concerns to you since the Texas Health and Human Services Commission has chosen to move forward with rate reductions that take effect July 15, 2016.

In 2015, Rider 50 (c), H.B. 1, 84th Texas Legislature, directed the Texas Health and Human Services Commission to make \$150 million of reductions in general revenue over the FY 2016-2017 state biennium to Medicaid acute care therapy services through a combination of rate reductions and policy changes. Rate reductions for therapy services were originally scheduled to be implemented September 1, 2015, and then a new rate proposal was scheduled to be implemented October 1, 2015. While the second proposal had smaller rate reductions for some therapy services and used a different basis for calculating reductions compared to the first proposal, the overall impact the proposed rates will have on the ability of providers to deliver therapy services is still quite significant. Some therapy rates would be reduced up to 26%.

Concerns over the impact of the new rates prompted a bipartisan group of state lawmakers to reach out individually to the Texas Health & Human Services Commission, asking the agency to reconsider its proposal. Additionally, 60 Democratic legislators issued an August 14, 2015 letter to the Joint-Chairs of the Texas Legislative Budget Board, asking them to step in and mitigate the impact of the rate reductions. Those concerns have, as of yet, remained unaddressed.

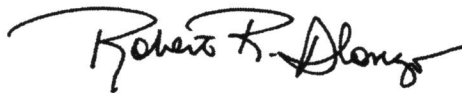
It is our understanding that the Texas Health and Human Services Commission will submit a State Plan Amendment to the Centers for Medicare and Medicaid Services (CMS) as soon as June 27th to implement the proposed rate reductions. We urge CMS to expeditiously review the State Plan Amendment to ensure that the proposed rate reductions do not restrict access to medically necessary therapy services, regardless of the setting, type of therapy, or whether the therapy service is provided in a managed care or fee for service model. Furthermore, CMS should request as part of the review of the State Plan Amendment that HHSC demonstrate how access to care will be maintained and monitored in both fee for service and managed care delivery models.

Thank you for your attention to this matter.

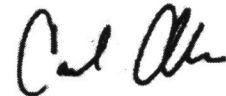
Sincerely,



Rep. Alma Allen



Rep. Roberto Alonzo



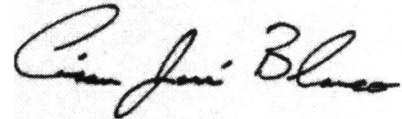
Rep. Carol Alvarado



Rep. Rafael Anchia



Rep. Diego Bernal



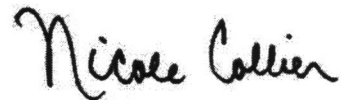
Rep. César Blanco



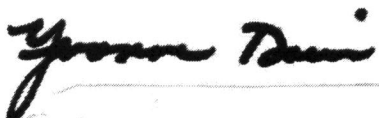
Rep. Terry Canales



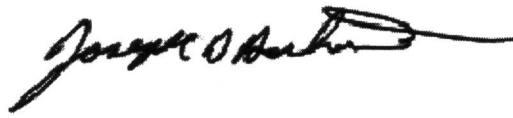
Rep. Garnet Coleman



Rep. Nicole Collier



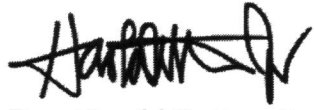
Rep. Yvonne Davis



Rep. Joe Deshotel



Rep. Dawna Dukes



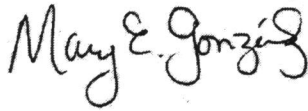
Rep. Harold Dutton, Jr.



Rep. Jessica Farrar



Rep. Helen Giddings



Rep. Mary González



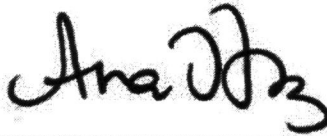
Rep. R.D. "Bobby" Guerra



Rep. Ryan Guillen



Rep. Roland Gutierrez



Rep. Ana Hernandez



Rep. Abel Herrero



Rep. Donna Howard



Rep. Celia Israel



Rep. Eric Johnson

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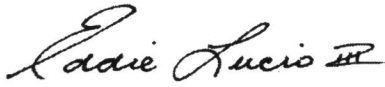
Rep. Jarvis Johnson



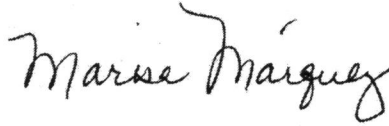
Rep. Tracy King



Rep. Oscar Longoria



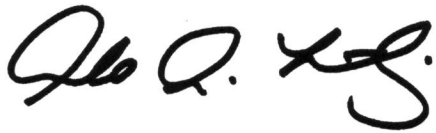
Rep. Eddie Lucio III



Rep. Marisa Márquez



Rep. Trey Martinez Fischer



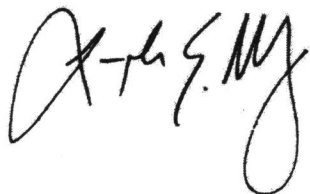
Rep. Armando "Mando" Martinez



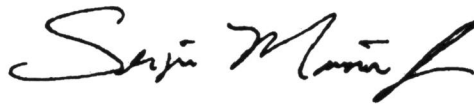
Rep. Borris Miles



Rep. Ina Minjarez



Rep. Joe Moody



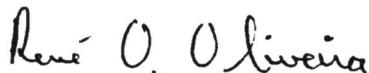
Rep. Sergio Muñoz, Jr.



Rep. Elliott Naishtat



Rep. Poncho Nevárez



Rep. René Oliveira



Rep. Joe Pickett



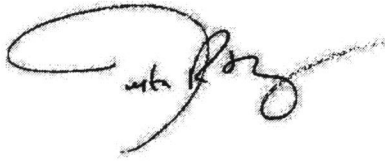
Rep. Richard Peña Raymond
Chair, House Human Services Committee



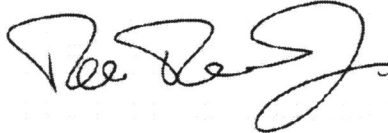
Rep. Ron Reynolds



Rep. Eddie Rodriguez



Rep. Justin Rodriguez



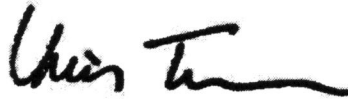
Rep. Ramon Romero, Jr.



Rep. Toni Rose



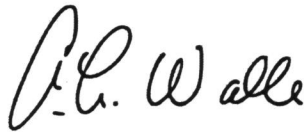
Rep. Senfronia Thompson



Rep. Chris Turner



Rep. Hubert Vo



Rep. Armando Walle



Rep. Gene Wu