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House of Representatives Committee on Human Services

September 18, 2015

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

Dear Administrator Slavitt:

The Texas Medicaid program provides health care services to over 4 million Texans including physical, speech, and occupational therapy services. These services are often provided to medically fragile children who have conditions like cerebral palsy, muscular dystrophy, and autism.

Due to actions at the state level, these therapy services are faced with deep rate reductions that may impact access to care and adversely affect those whose health and well-being depend on therapy services.

Specifically, we are concerned that the severity of the rate reductions being proposed by the Texas Health and Human Services Commission will have a devastating impact on the ability of children to access medically necessary therapy services.

It should be noted that patients with disabilities who receive medically necessary therapy to assist them in improving their functional abilities have better long-term outcomes and potential reductions in long-term care costs. Absent therapy, some patients will go on to develop costly complications such as contracture deformities, skin breakdown, and the formation of decubitus ulcers. The cost of treating one of these complications could greatly exceed the cost of therapy for dozens of other patients.

While most people are familiar with the need of speech therapy for communication related disabilities, it is also critical in the treatment of swallowing disorders. Absent this therapy, some patients will require feeding tubes to meet their nutritional needs and will be at greater risk for costly complications, such as aspiration pneumonia. The cost of aspiration pneumonia could greatly exceed the cost of medically necessary speech therapy.

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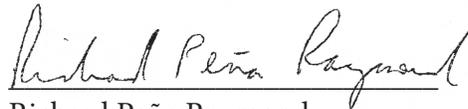
As background, the first of the rate reductions are scheduled to take effect October 1, 2015. Rider 50 (c), H.B. 1, 84th Texas Legislature, directs the Texas Health and Human Services Commission to make \$150 million in reductions to general revenue during the FY 2016-2017 budget cycle to Medicaid acute care therapy services through a combination of rate reductions and policy changes.

Because this provision is scheduled to be implemented on October 1, while CMS approval/disapproval is pending, it is important that CMS act quickly. In the event CMS reviews and subsequently disapproves the State Plan Amendment after October 1, the rates for these important services will be reduced until CMS acts. Such a scenario unnecessarily will impact the stability of the program.

We urge CMS to carefully review any rate reductions to acute care therapy services submitted by the Texas Health and Human Services Commission to ensure that the amount of rate reductions and the methods being employed by the state to reduce rates or utilization do not restrict access to medically necessary therapy services, regardless of the setting or type of therapy.

Thank you for your prompt attention to this matter.

Sincerely,



Richard Peña Raymond
Committee Chairman



Toni Rose
Committee Vice-Chair



Elliott Naishtat
Committee Member



Stephanie Klick
Committee Member



Mark Keough
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Stuart Spitzer
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cc: Chris Taylor, Executive Commissioner, Health & Human Services Commission
House Members
Senate Members