

**Optional Health Care Services**

**TDSHS-established Optional Health Care Services**

Payment Method

- **Advanced Practice Nurse Services**.....[NP/CNS/PA Fee Schedule](#)– (92%)
- **Ambulatory Surgical Center (Freestanding) Services**...ASC Fee Schedule
- **Colostomy Medical Supplies and Equipment**.....DME Fee Schedule
- **Counseling Services** .....Psychologist Fee Schedule
- **Dental Care** .....Dentist-Orthodontist Fee Schedules
- **Diabetic Medical Supplies and Equipment**.....DME Fee Schedule
- **Durable Medical Equipment**.....DME Fee Schedule
- **Emergency Medical Services** .....Ambulance Fee Schedule
- **Home and Community Health Care Services** .....Rate Per Visit
- **Physician Assistant Services** .....Physician Fee Schedule (92%)
- **Vision Care, including Eyeglasses**.....Optometrist & Optician Fee Schedules
- **FQHC (Federally Qualified Health Center) Services**..Rate Per Visit

**Negotiate rates with providers for optional service procedure codes not listed in the Fee Schedules.** For additional information on claim payment, the User’s Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

**Advanced Practice Nurse (APN) Services**

An APN must be licensed as a registered nurse (RN) within the categories of practice, specifically, a nurse practitioner, a clinical nurse specialist, a certified nurse midwife (CNM), and a certified registered nurse anesthetist (CRNA), as determined by the Board of Nurse Examiners. APN services must be medically necessary, provided within the scope of practice of the APN, and covered in the Texas Medicaid Program. [The Medicaid rate for NPs and CNSs is 92% of the rate paid to a physician for the same service and 100 % of the rate paid to physicians for laboratory, X-ray, and injections.](#)

Payment Standard for a Nurse Practitioner, a Clinical Nurse Specialist, and a CNM. Use the Fee Schedule for Texas Medicaid [Nurse Practitioner, Clinical Nurse Specialist, and Physician Assistant](#) at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Advanced Practice Nurse/Certified Nurse Midwife Fee Schedule, the TDSHS Payable is 0.

If the RBF or Access Based Max Fee is used, reduce the listed amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

(APN Payment Standard continued on next page)

**Optional Health Care Services**

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**APN Services**  
(continued)

Payment Standard for a CRNA. Use the Fee Schedule for Texas Medicaid Certified Registered Nurse Anesthetist at [www.tmhp.com](http://www.tmhp.com).

For TOS 7, use the number of Relative Value Units (RVUs) listed in the Total RVUs column, the conversion factor listed in the Conv Factor column, and the calculation instructions below.

1. Calculate the anesthesia units of time by using the following formula.

$$\frac{\text{total anesthesia time in minutes}}{15} = \text{anesthesia units of time}$$

2. Calculate the reimbursement for physician anesthesia services by using the following formula.

$$(\text{anesthesia units of time} + \text{RVUs}) \times \text{Conversion Factor} = \text{reimbursement amount}$$

3. Use 92% of this physician amount to reimburse CRNA services.

Reduce the CRNA reimbursement by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

For TOS 1, 2, 5, and F, proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Certified Registered Nurse Anesthetist Fee Schedule, the TDSHS Payable is 0.

If the RBF or Access Based Max Fee is used, reduce the listed amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

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**Optional Health Care Services**

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**Ambulatory  
Surgical  
Center (ASC)  
Services**

These services must be provided in a freestanding ASC and are limited to items and services provided in reference to an ambulatory surgical procedure. A freestanding ASC service should be billed as one inclusive charge on a CMS-1500, using the TOS "F." If more than one procedure code is listed, only the code with the highest TDSHS Payable amount should be paid.

Payment Standard. Use the Fee Schedule for Texas Medicaid ASC Group Rate Amounts and ASC Group # at [www.tmhp.com](http://www.tmhp.com).

Reduce the ASC payment amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

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**Colostomy  
Medical  
Supplies and  
Equipment**

These supplies and equipment must be medically necessary and prescribed by a physician or an APN within the scope of their practice in accordance with the standards established by the Board of Nurse Examiners and published in 22 Texas Administrative Code §221.13. The county may require the supplier to receive prior authorization.

Items covered are: cleansing irrigation kits, colostomy bags/pouches, paste or powder, and skin barriers with flange (wafers).

Payment Standard. For covered items listed above, use the Fee Schedule for Texas Medicaid Durable Medical Equipment/Medical Supplies at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
  2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
  3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
  4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
  5. If the procedure code is not listed in the Texas Medicaid Durable Medical Equipment/Medical Supplier Fee Schedule, the TDSHS Payable is 0.
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For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

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**Optional Health Care Services**

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**Counseling Services**

Psychotherapy services must be medically necessary; based on a physician referral; and provided by a licensed clinical social worker (LCSW, previously known as LMSW-ACP), a licensed marriage family therapist (LMFT), licensed professional counselor (LPC), or a Ph.D. psychologist. These services may also be provided based on an APN referral if the referral is within the scope of their practice in accordance with the standards established by the Board of Nurse Examiners and published in 22 Texas Administrative Code §221.13.

Payment Standard for LCSW, LMFT, and LPC. The following procedure codes are covered for TOS 1 counseling services provided by these providers: 90806, 90847, and 90853 (CPT codes only copyright 2004 American Medical Association. All Rights Reserved). The TDSHS Payable amounts may be accessed in the Texas Medicaid Physician Fee Schedule. Reduce the payment amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

Payment Standard for Ph.D. Psychologist. Use the Fee Schedule for Texas Medicaid Physician at [www.tmhpc.com](http://www.tmhpc.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Psychologist Fee Schedule, the TDSHS Payable is 0.

If the RBF or Access Based Max Fee is used, reduce the listed amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

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**Optional Health Care Services**

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**Dental Care**

These services must be medically necessary and provided by a DDS, a DMD, or a DDM. The county may require prior authorization.

Items covered are: an annual routine dental exam, annual routine cleaning, one set of annual x-rays, and the least-costly service for emergency dental conditions for the removal or filling of a tooth due to abscess, infection or extreme pain.

Payment Standard. For covered items listed above, use the Fee Schedule for Texas Medicaid Dentist-Orthodontist at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column is 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Dentist – Orthodontist Fee Schedule, the TDSHS Payable is 0.

**Optional Health Care Services**

(This page is reserved for future use, if necessary.)

**Optional Health Care Services**

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**Diabetic  
Medical  
Supplies and  
Equipment**

These supplies and equipment must be medically necessary and prescribed by a physician. These supplies and equipment may also be prescribed by an APN if this is within the scope of their practice in accordance with the standards established by the Board of Nurse Examiners and published in 22 Texas Administrative Code §221.13. The county may require the supplier to receive prior authorization.

Items covered are: test strips, alcohol prep pads, lancets, glucometers, insulin syringes, humulin pens, and needles required for the humulin pens.

Insulin syringes, humulin pens, and the needles required for humulin pens are dispensed with a National Dispensing Code (NDC) number and are paid as prescription drugs; they do not count toward the three prescription drugs per month limitation. Insulin and humulin pen refills are prescription drugs (not optional services) and count toward the three prescription drugs per month limitation.

Payment Standard. For covered items listed above, use the Fee Schedule for Texas Medicaid Durable Medical Equipment/Medical Supplies at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Durable Medical Equipment/Medical Supplier Fee Schedule, the TDSHS Payable is 0.

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**Optional Health Care Services**

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**Durable  
Medical  
Equipment  
(DME)**

This equipment must be medically necessary; meet the Medicare/Texas Title XIX Medicaid requirements; and be provided under a physician's prescription. These supplies and equipment may also be prescribed by an APN if this is within the scope of their practice in accordance with the standards established by the Board of Nurse Examiners and published in 22 Texas Administrative Code §221.13. Items can be rented or purchased, whichever is the least costly. The county may require the supplier to receive prior authorization.

Items covered are: appliances for measuring blood pressure that are reasonable and appropriate, canes, crutches, home oxygen equipment (including masks, oxygen hose, and nebulizers), hospital beds, standard wheelchairs, walkers.

Payment Standard. For covered items listed above, use the Fee Schedule for Texas Medicaid DME at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Durable Medical Equipment/Medical Supplies Fee Schedule, the TDSHS Payable is 0.

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For additional information on claim payment, the User's Guide to Fee Schedules is provided at the end of Section Four, Service Delivery.

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**Optional Health Care Services**

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**Emergency  
Medical  
Services**

Emergency Medical Services (EMS) services are ground ambulance transport services. When the person's condition is life-threatening and requires the use of special equipment, life support systems, and close monitoring by trained attendants while en route to the nearest appropriate facility, ground transport is an emergency service.

Payment Standard. Use the Fee Schedule for Texas Medicaid Ambulance at [www.tmph.com](http://www.tmph.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
  2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
  3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
  4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
  5. If the procedure code is not listed in the Texas Medicaid Ambulance Fee Schedule, the TDSHS Payable is 0.
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**Optional Health Care Services**

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**Home and Community Health Care Services**

These services must be medically necessary; meet the Medicare/Medicaid requirements; and are provided by a certified home health agency.

A plan of care must be recommended, signed, and dated by the recipient's attending physician prior to care being provided.

The county may require prior authorization.

Items covered are: Registered Nurse (RN) visits for skilled nursing observation, assessment, evaluation, and treatment provided a physician specifically requests the RN visit for this purpose. A home health aide to assist with administering medication is also covered.

Visits made for performing household services are not covered.

The skilled nurse visit is also called an SNV, RN, or LVN visit. The \$100.94/visit TDSHS Payable in the chart below includes \$10 maximum for incidental supplies used during the visit.

The home health aide visit is also called an HHA visit. The \$47.03/visit TDSHS Payable in the chart below includes incidental supplies used during the visit.

Payment Standard. Use the TDSHS Payable in the chart below. Reduce the payment amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007.

TOS	Procedure Code	TDSHS Payable
C	G0154	\$100.94
C	G0156	\$47.03

**Physician Assistant (PA) Services**

These services must be medically necessary and provided by a PA under the supervision of a physician and billed by and paid to the supervising physician.

Payment Standard. Use the Fee Schedules for Texas Medicaid Nurse Practitioner, Clinical Nurse Specialist, and Physician Assistant at [www.tmhp.com](http://www.tmhp.com). Reduce the payment amount by 2.5% for dates of service from September 1, 2003 thru August 31, 2007. [The Medicaid rate for PAs is 92% of the rate paid to a physician for the same service and 100 % of the rate paid to physicians for laboratory, X-ray, and injections.](#)

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**Optional Health Care Services**

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**Vision Care,  
Including  
Eyeglasses**

Every 24 months one examination of the eyes by refraction and one pair of prescribed eyeglasses may be covered. The county may require prior authorization.

Payment Standard for Examination of the Eyes by Refraction. Use the Fee Schedule for Texas Medicaid Optometrist at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Optometrist Fee Schedule, the TDSHS Payable is 0.

Payment Standard for Prescribed Eyeglasses. Use the Fee Schedule for Texas Medicaid Optician at [www.tmhp.com](http://www.tmhp.com) and proceed as follows:

1. Use the amount listed in the age appropriate Resource-Based Fee (RBF) column.
2. If the RBF column lists 0, use the amount listed in the Access Based or Max Fee column.
3. If the RBF column is 0 and the Access Based or Max Fee is 0 and the Note Code is 5, a payment amount may be negotiated with the provider.
4. If the RBF column is 0 and the Access Based or Max Fee is 0 and there is no 5 in the Note Code column, the TDSHS Payable is 0.
5. If the procedure code is not listed in the Texas Medicaid Optician Fee Schedule, the TDSHS Payable is 0.

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**Optional Health Care Services**

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**Federally  
Qualified  
Health Center  
(FQHC)  
Services**

These services must be provided in an approved FQHC by a physician, a physician assistant, an advanced practice nurse, a clinical psychologist, or a clinical social worker.

Payment Standard. Use the Rate Per Visit in the "FQHC Rates" included in Section Four.

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