Date: July 20, 2017

To: Community First Choice (CFC) Providers
Financial Management Services Agencies (FMSAs)
Home and Community-based Services (HCS) Providers
Local Intellectual and Developmental Disability Authorities (LIDDDAs)
Texas Home Living (TxHmL) Providers

Subject: Information Letter No. 17-16 - Rate Changes in the HCS and TxHmL Waiver Programs (Effective August 1, 2017)

The Texas Health and Human Services Commission (HHSC) has approved rate changes for the HCS and TxHmL programs. The payment rates are effective August 1, 2017.

In order to align the HCS Supported Home Living (SHL) (including SHL Transportation), HSC SHL Community First Choice (CFC), TxHmL Community Support Services (CSS) (including CSS Transportation), and TxHmL CSS CFC rates more closely with the STAR+PLUS CFC rates, HHSC has approved rate decreases to these services effective August 1, 2017.

The revised rates are as follows:

<table>
<thead>
<tr>
<th>Service</th>
<th>Current Rate</th>
<th>New Rate Effective August 1, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCS SHL and SHL Transportation</td>
<td>$22.41</td>
<td>$17.73</td>
</tr>
<tr>
<td>HCS SHL CFC</td>
<td>$22.41</td>
<td>$17.73</td>
</tr>
<tr>
<td>TxHmL CSS and CSS Transportation</td>
<td>$22.41</td>
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</tr>
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<td>TxHmL CSS CFC</td>
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</tr>
</tbody>
</table>

As per Article II of the 2018-19 General Appropriations Act, S.B. 1, 85th Legislature, Regular Session, 2017 (Health and Human Services, Rider 214), HHSC has exempted the rates for the Consumer Directed Services (CDS) option from these rate reductions. All providers should share with any CDS employers to whom they provide any HCS or TxHmL services that the CDS option is specifically exempted from these rate decreases.
The HCS rates, the TxHmL rates, and the CFC Rates can all be found online. The new rates will be posted on or before August 1, 2017.

The proposed rates were determined in accordance with the reimbursement methodology at Title 1 of the Texas Administrative Code (1 TAC) §355.112(l) and 1 TAC §355.723.

Please contact Sarah Hambrick at sarah.hambrick@hhsc.state.tx.us or (512) 707-6066 if you have questions regarding the payment rates. Please visit the HHS Long-term Care Providers website to find contact information for the HCS and TxHmL waiver programs and the CDS Option if you have questions regarding program policies.

Sincerely,

signature on file

Victor Perez
Director
Rate Analysis for Long Term Services and Supports