



Health and Human Services

Various Medicaid Rates Hearing

May 26, 2026

This summary contains supplemental information from reliable sources where that information provides clarity to the issues being discussed. Power Point tables used in the presentations may also be used in this summary. Names of individuals may be misspelled but every attempt has been made to ensure accuracy. Tables and Text have been used from executive and legislative agencies and departments' presentations and publications.





On May 26, 2026 HHSC held combine hearings on various payment rates including:
[Notice of Public Hearing on Proposed State Fiscal Year 2026 Interim Medicaid Reimbursement Rates for State Veterans Nursing Homes, Effective Retroactive to September 1, 2025](#)

[Proposed Medicaid Payment Rates for Medicaid Biennial Calendar Fee Reviews, Healthcare Common Procedure Coding System \(HCPCS\) Updates, and Special Reviews](#)

[Notice of Public Hearing on Proposed Payment Rate Actions for the Comprehensive Rehabilitation Services \(CRS\) Program and the STAR Kids/STAR Health Prescribed Pediatric Extended Care Center \(PPECC\), Effective September 1, 2026](#)

[Proposed Medicaid Payment Rates for a Medicaid Special Review](#)

See below for the specific rate adjustments and combined public comment

State Veterans Nursing Homes

Proposal. HHSC proposes the interim rates determined by the Veterans Land Board (VLB) for the State Veterans Nursing Homes. The proposed interim rates account for actual and projected cost changes to operate these facilities. The proposed rate will be effective retroactive to September 1, 2025.

Methodology and Justification. HHSC maintains the interim rates program so that Medicaid-eligible veterans can reside in State Veterans Nursing Homes. Ten homes are currently in operation and overseen by the VLB. To better align with the 1 Texas Administrative Code (TAC) Section 355.311, HHSC performed rate-setting functions and provided rate recommendations to the VLB. The interim rate is determined by the VLB and adopted by HHSC. The VLB's determined rates can be viewed on the VLB Costs webpage at glo.texas.gov/veterans/Texas-state-veterans-homes, within Important Links "Cost Breakdown." The VLB is authorized to operate these nursing facilities under Chapter 164, Natural Resources Code.



Rate Hearing Packet. A briefing packet describing the proposed payment rates is available, at [9-1-2025-notice-pub-hearing-proposed-interim-rates-state-vet-home.pdf](#) Interested parties may obtain a copy of the briefing packet on or after that date by contacting PFD by telephone at (512) 730-7401, fax at (512) 730-7475, or email at PFD-LTSS@hhs.texas.gov.

Background HHSC maintains a program so that Medicaid-eligible veterans can reside in State Veteran's Nursing Homes. Currently, ten homes are in operation, overseen by the Veterans Land Board (VLB). The VLB is authorized to operate these nursing facilities under Chapter 164, Natural Resources Code. The VLB determines rates for the Texas State Veterans Homes (VLB-determined rates). However, HHSC is responsible for setting the Medicaid rates paid to these homes through our rate-setting process.

Proposed Rate Adjustments Specific proposed payment rate adjustments for State Veterans Homes Interim Payment Rates are listed below.

Facility	Contract Number	SFY2025 Interim Rate	SFY2026 Interim Rate
Amarillo	1015095	\$ 149.80	\$ 160.00
Big Spring	1003133	\$ 149.80	\$ 160.00
Bonham	1003135	\$ 149.80	\$ 160.00
El Paso	1013393	\$ 147.00	\$ 160.00
Floresville	1003040	\$ 147.00	\$ 160.00
Fort Worth	N/A	\$ 259.00	\$ 259.00
Houston	1030787	\$ 260.80	\$ 260.80
McAllen	1013394	\$ 147.00	\$ 160.00
Temple	1003109	\$ 147.00	\$ 160.00
Tyler	1019998	\$ 246.80	\$ 246.80

Proposed Medicaid Payment Rates for Medicaid Biennial Calendar Fee Reviews, Healthcare Common Procedure Coding System (HCPCS) Updates, and Special Reviews

Hearing. The Texas Health and Human Services Commission (HHSC) conducted a public hearing to receive public comments on proposed Medicaid payment rates for Calendar Fee Reviews, Healthcare Common Procedure Coding System (HCPCS) Updates and Special Reviews.



Proposal. The effective date of the proposed payment rates for the topics presented during the rate hearing are as follows:

Proposed to be effective January 1, 2026:

Indian Health Services

Medical Transportation Program/Individual Transportation Participant (MTP/ITP)

Proposed to be effective September 1, 2026:

Calendar Fee Review

- Cardiovascular System Surgery
- Digestive System Surgery
- Eye and Ocular Adnexa
- G Codes
- G Codes Hospital
- G Codes Rural Hospital
- Medical Transportation Program (MTP)- Non-Emergency Medical Transportation (NEMT) – T2003
- Physician Administered Drugs - Non-Oncology
- Physician Administered Drugs - Oncology
- Physician Administered Drugs - Vaccines & Toxoids
- Proton Therapy

- R Codes
- Renal Dialysis Medication
- Respiratory System Surgery
- T Codes
- Urinary System Surgery
- Vision Devices

Quarterly HCPCS Updates

- Q3 HCPCS Drugs
- Q3 HCPCS TOS 9-J-L
- Q3 HCPCS Vaccines
- Q4 HCPCS Drugs

Special Review

- Dental

Rate Proposals:

Indian Health Services (Proposed to be effective January 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		1/1/2026		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	T1015	CLINIC VISIT/ENCOUNTER, ALL-INCLUSIVE	0-999	N/F	PT 69	\$801.00	\$801.00	\$826.00	\$826.00	3.12%

*Type of Service (TOS)	
1	Medical Services
*Provider Type	
PT 69	Indian Health Services

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Medical Transportation Program (Proposed to be effective January 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		1/1/2026		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	S0215	NONEMERGENCY TRANSPORTATION; MILEAGE, PER MILE	0-999	N/F	MT	\$0.70	\$0.70	\$0.73	\$0.73	4.29%

*Type of Service (TOS)	
9	Other Medical Items or Services
Provider Type	
MT	Medical Transportation Provider

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Rate Proposals: HCPCS

Proposed Rate Adjustments A summary of the methodologies used to determine the proposed fee-for-service Medicaid rates is listed below:

- Procedure codes and descriptions used in the Texas Medicaid Program are national standard code sets as required by federal laws; Healthcare Common Procedural Coding System (HCPCS) and Current Procedural Terminology (CPT).
- Resource-based fee (RBF) methodology uses relative value units (RVUs) established by Medicare times a conversion factor. Current conversion factors include \$28.0672 for most services provided to children 20 years of age and younger and \$26.7305 for services provided to adults 21 years of age and older. Fees for services provided to children and identified as having access-to-care issues may be assigned a higher conversion factor, currently \$30.00.
- Access-based fees (ABFs) allow the state to reimburse for procedure codes not covered by Medicare or for which the Medicare fee is inadequate, or account for particularly difficult procedures, or encourage provider participation to ensure access to care.
- ABFs may also be established based on the Medicare fee for a service that is not priced using RVUs. Physician-administered drug pricing methodologies are outlined in §355.8085.
- For services and items that are not covered by Medicare or for which the Medicare rate is insufficient, different approaches are used to develop fees based on available information. These alternate methods include, as applicable:
 - The median or mean of the Medicaid fees from 14 states (the 10 most populous and the 4 bordering Texas) or the median or mean of the



states that cover the service o Regional Medicare pricing from Novitas or a percentage of the Medicare fee

- o The current Medicaid fee for a similar service (comparable code)
- o 82 percent of the manufacturer suggested retail price (MSRP) supplied by provider associations or manufacturers
- o 89.5 percent of the average wholesale price for enteral and parenteral products o Cost shown on a manufacturer's invoice submitted by the provider to HHSC

- Q3 HCPCS Drugs (Proposed to be effective September 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		9/1/2026		Percent Change from Current Medicaid Fee
					Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	J0458	Injection, aztreonam/avibactam, 7.5 mg/2.5 mg (10 mg)	18-999	N/F	\$1.76	\$1.76	\$1.68	\$1.68	-4.55%
1	J0614	Injection, treosulfan, 50 mg	1-999	N/F	\$32.33	\$32.33	\$31.11	\$31.11	-3.77%
1	J0668	Instillation, bupivacaine and meloxicam, 1 mg/0.03 mg	18-999	N/F	\$0.77	\$0.77	\$0.77	\$0.77	0.00%
1	J0738	Injection, lenacapavir, 1 mg, fda approved prescription, only for use as hiv pre-exposure prophylaxis (not for use as treatment for hiv)	16-999	N/F	\$11.63	\$11.63	\$15.52	\$15.52	33.45%
1	J0752	Oral, lenacapavir, 300 mg, fda approved prescription, only for use as hiv pre-exposure prophylaxis (not for use as treatment for hiv)	16-999	N/F	\$449.03	\$449.03	\$599.63	\$599.63	33.54%
1	J0759	Injection, clevoprine butyrate, 1 mg	0-999	N/F	\$3.60	\$3.60	\$3.71	\$3.71	3.06%
1	J1809	Injection, fosdenopterin, 0.1 mg	0-999	N/F	\$16.97	\$16.97	\$17.24	\$17.24	1.59%
1	J3402	Injection, remestemcel-l-rknd, per therapeutic dose	0-18	N/F	\$208,356.00	\$208,356.00	\$197,880.00	\$197,880.00	-5.03%
1	J3403	Implant, allogeneic retinal pigment epithelial expressing rhCNTF	18-999	N/F	\$268,500.00	\$268,500.00	\$255,000.00	\$255,000.00	-5.03%
1	J7173	Injection, concizumab-mtcl, 0.5 mg	12-999	N/F	\$86.41	\$86.41	\$85.50	\$85.50	-1.05%
1	J7174	Injection, fitusiran, 0.04 mg	12-999	N/F	\$138.67	\$138.67	\$132.62	\$132.62	-4.36%
1	J9011	Injection, datopotamab deruxtecandink, 1 mg	18-999	N/F	\$51.56	\$51.56	\$51.55	\$51.55	-0.02%
1	Q5136	Injection, denosumab-bbdz (jubqont/wyost), biosimilar, 1 mg	0-999	N/F	\$27.27	\$27.27	\$27.27	\$27.27	0.00%
1	Q5151	Injection, eculizumab-aagh (epysqll), biosimilar, 2 mg	0-999	N/F	\$31.05	\$31.05	\$31.05	\$31.05	0.00%
1	Q5152	Injection, eculizumab-aeab (bkemv), biosimilar, 2 mg	0-999	N/F	\$39.92	\$39.92	\$39.92	\$39.92	0.00%
1	J0163	Injection, epinephrine in sodium chloride (endo), 0.1 mg	0-999	N/F	\$0.97	\$0.97	\$0.88	\$0.88	-9.28%
1	J0164	Injection, epinephrine in sodium chloride (baxter), 0.1 mg	0-999	N/F	\$0.97	\$0.97	\$0.93	\$0.93	-4.12%
1	J0166	Injection, epinephrine (bpl), not therapeutically equivalent to J0165, 0.1 mg	0-999	N/F	\$1.06	\$1.06	\$1.11	\$1.11	4.72%
1	J0167	Injection, epinephrine (hospira), not therapeutically equivalent to J0165, 0.1 mg	0-999	N/F	\$1.42	\$1.42	\$1.40	\$1.40	-1.41%
1	J0169	Injection, epinephrine (adrenalin), not therapeutically equivalent to J0165, 0.1 mg	0-999	N/F	\$1.36	\$1.36	\$0.83	\$0.83	-38.97%
1	J0525	Injection, cefotetan disodium, 10 mg	0-999	N/F	\$0.26	\$0.26	\$0.26	\$0.26	0.00%
1	J0582	Injection, bivalirudin (endo), not therapeutically equivalent to J0583, 1 mg	0-999	N/F	\$0.14	\$0.14	\$0.14	\$0.14	0.00%
1	J1370	Injection, esomeprazole sodium, 1 mg	0-999	N/F	\$0.89	\$0.89	\$0.89	\$0.89	0.00%
1	J1807	Injection, ethacrynate sodium, 1 mg	0-999	N/F	\$77.52	\$77.52	\$20.40	\$20.40	-73.68%
1	J1834	Injection, isoniazid, 1 mg	0-999	N/F	\$0.30	\$0.30	\$0.30	\$0.30	0.00%
1	J2151	Injection, mannitol, 250 mg	0-999	N/F	\$0.06	\$0.06	\$0.06	\$0.06	0.00%
1	J2291	Injection, nafcillin sodium (baxter), 20 mg	0-999	N/F	\$0.15	\$0.15	\$0.15	\$0.15	0.00%
1	J3290	Injection, tranexamic acid, 5 mg	0-999	N/F	\$0.10	\$0.10	\$0.15	\$0.15	50.00%
1	J9341	Injection, thiotepa (tepylute), 1 mg	0-999	N/F	\$44.57	\$44.57	\$38.55	\$38.55	-13.51%



*Type of Service (TOS)	
1	Medical Services

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- Q3 HCPCS TOS 9-J-L (Proposed to be effective September 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		9/1/2026		Percent Change from Current Medicaid Fee
					Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
9	A4288	Valve for breast pump, replacement	0-999	N/F	\$4.75	\$4.75	\$4.75	\$4.75	0.00%
J	E0658	Segmental pneumatic appliance for use with pneumatic compressor, integrated, 2 full arms and chest	18-999	N/F	\$1,020.77	\$1,020.77	\$1,746.71	\$1,746.71	71.12%
L	E0658	Segmental pneumatic appliance for use with pneumatic compressor, integrated, 2 full arms and chest	18-999	N/F	\$102.08	\$102.08	\$174.67	\$174.67	71.11%
J	E0659	Segmental pneumatic appliance for use with pneumatic compressor, integrated, head, neck and chest	18-999	N/F	\$1,020.77	\$1,020.77	\$1,746.71	\$1,746.71	71.12%
L	E0659	Segmental pneumatic appliance for use with pneumatic compressor, integrated, head, neck and chest	18-999	N/F	\$102.08	\$102.08	\$174.67	\$174.67	71.11%
9	L1007	Scoliosis orthosis, sagittal-coronal control provided by a rigid lateral frame, extends from axilla, to trochanter, includes all accessory pads, straps, and interface, custom fabricated	0-20	N/F	\$338.08	\$338.08	\$338.08	\$338.08	0.00%
9	L6034	Partial hand, finger, and thumb prosthesis without prosthetic digit(s)/thumb, amputation at transmetacarpal level, including flexible or non-flexible interface, molded to patient model, for use without external power and/or passive prosthetic digit/thumb, not including inserts described by I6692	0-999	N/F	\$3,374.96	\$3,374.96	\$3,374.96	\$3,374.96	0.00%
9	C9807	Implantable neurostimulator electrode, each	0-999	N/F	\$287.97	\$287.97	\$287.97	\$287.97	0.00%
9	C9808	Transcutaneous electrical joint stimulation device system, includes all accessories	0-999	N/F	\$915.94	\$915.94	\$1,298.70	\$1,298.70	41.79%

*Type of Service (TOS)	
9	Other Medical items or services
J	DME Purchase - New
L	DME Rental - Monthly

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Q3 HCPCS Vaccines (Proposed to be effective September 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	Provider Type/ Provider Specialty	CURRENT		9/1/2026		Percent Change from Current Medicaid Fee
						Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	90593	**	0-999	N/F		\$280.50	\$280.50	\$280.50	\$280.50	0.00%
1	90624	**	19-999	N/F		\$255.64	\$255.64	\$255.64	\$255.64	0.00%
S	90624	**	19-999	N/F		\$255.64	\$255.64	\$255.64	\$255.64	0.00%

*Type of Service (TOS)	
1	Medical Services
S	THSteps

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Q4 HCPCS Drugs (Proposed to be effective September 1, 2026)

TOS*	Procedure Code	Long Description	Age Range	Non-Facility (N)/ Facility (F)	CURRENT		9/1/2026		Percent Change from Current Medicaid Fee
					Current Medicaid Fee	Current Adjusted Medicaid Fee	Proposed Medicaid Fee	Proposed Adjusted Medicaid Fee	
1	20013	Esketamine, nasal spray, 1 mg	18-999	N/F	\$8.15	\$8.15	\$8.15	\$8.15	0.00%
1	20654	Injection, liothyronine, 1 mcg	0-999	N/F	\$44.94	\$44.94	\$44.94	\$44.94	0.00%
1	21073	Testosterone pellet, implant, 75 mg	0-999	N/F	\$110.35	\$110.35	\$110.35	\$110.35	0.00%
1	21837	Injection, posaconazole, 1 mg	0-999	N/F	\$0.35	\$0.35	\$0.35	\$0.35	0.00%
1	22516	Injection, pentamidine isethionate, 1 mg	0-999	N/F	\$0.24	\$0.24	\$0.24	\$0.24	0.00%
1	22711	Injection, neostigmine methylsulfate 0.1 mg and glycopyrrolate 0.02 mg	2-999	N/F	\$0.72	\$0.72	\$0.72	\$0.72	0.00%
1	23387	Injection, elivaldogene autolemel, per treatment	0-20	N/F	\$3,060,000.00	\$3,060,000.00	\$3,060,000.00	\$3,060,000.00	0.00%
1	29184	Injection, gemcitabine hydrochloride (avysa), 200 mg	0-999	N/F	\$410.44	\$410.44	\$410.44	\$410.44	0.00%
1	29256	Injection, nivalimab-aahu, 3 mg	12-999	N/F	\$32.74	\$32.74	\$32.74	\$32.74	0.00%
1	29282	Mitomycin, intravesical instillation, 1 mg	18-999	N/F	\$278.33	\$278.33	\$278.33	\$278.33	0.00%
1	29326	Injection, telitumumab vedotin-tlv, 1 mg	18-999	N/F	\$145.87	\$145.87	\$145.87	\$145.87	0.00%
1	29361	Injection, efbemalenograstim alfa-vuxw, 0.5 mg	18-999	N/F	\$117.30	\$117.30	\$117.30	\$117.30	0.00%
1	Q5098	Injection, ustekinumab-srf (imuldosa), biosimilar, 1 mg	6-999	N/F	\$26.43	\$26.43	\$26.43	\$26.43	0.00%
1	Q5156	Injection, tocilizumab-anoh (avtozma), biosimilar, 1 mg	2-999	N/F	\$4.64	\$4.64	\$4.40	\$4.40	-5.17%
1	Q5157	Injection, denosumab-bmwa (stoboclo/esevvelt), biosimilar, 1 mg	0-999	N/F	\$29.33	\$29.33	\$27.85	\$27.85	-5.05%
1	Q5158	Injection, denosumab-bnht (bomynta/conexence), biosimilar, 1 mg	0-999	N/F	\$29.95	\$29.95	\$28.44	\$28.44	-5.04%
1	20162	Injection, epinephrine (fresenius), not therapeutically equivalent to j0165, 0.1 mg	0-999	N/F	\$0.46	\$0.46	\$0.46	\$0.46	0.00%
1	20462	Injection, atropine sulfate, not therapeutically equivalent to j0461, 0.01 mg	0-999	N/F	\$0.13	\$0.13	\$0.13	\$0.13	0.00%
1	22596	Injection, vasopressin (long grove), not therapeutically equivalent to j2598, 1 unit	0-999	N/F	\$1.79	\$1.79	\$1.79	\$1.79	0.00%
1	23291	Injection, tranexamic acid in sodium chloride, 5 mg	0-999	N/F	\$0.09	\$0.09	\$0.09	\$0.09	0.00%
1	23376	Injection, vancomycin hcl (hikma), not therapeutically equivalent to j3375, 10 mg	0-999	N/F	\$0.02	\$0.02	\$0.02	\$0.02	0.00%
1	23379	Injection, valproate sodium, 5 mg	0-999	N/F	\$0.05	\$0.05	\$0.05	\$0.05	0.00%

*Type of Service (TOS)	
1	Medical Services

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Biennial Fee Review Rates: Because of the size of the file, please follow the links for the rate detail. [9-1-2026-biennial-cal-fee-review-att.zip](#)

Special Review—Dental Rates and CRS Rates: Because of the size of the file, please follow the links for the rate detail, [9-1-2026-special-review-crs-dental.pdf](#)

Proposed Payment Rate Actions for the Comprehensive Rehabilitation Services (CRS) Program and the STAR Kids/STAR Health Prescribed Pediatric Extended Care Center (PPECC), Effective September 1, 2026

Hearing. The Texas Health and Human Services Commission (HHSC) will conduct a public hearing to receive public comments on the proposed payment rate actions for the Comprehensive Rehabilitation Services (CRS) Program and the STAR Kids/STAR Health Prescribed Pediatric Extended Care Center (PPECC) on May 26, 2026, at 9:00 a.m. CDT.

Proposal. HHSC proposes payment rate actions for the CRS Program and the STAR Kids/STAR Health PPECC Program. The proposed rates will be effective September 1, 2026.

Methodology and Justification. HHSC proposes payment rate actions and revisions to the rate methodology resulting from the PFD LTSS Biennial Fee Review (BFR) process, which requires staff to review all reimbursement rates at least every two years. The proposed CRS payment rate was calculated in accordance with Title 1 of the Texas Administrative Code (TAC) Section 355.9040. The proposed STAR Kids/STAR Health PPECC payment rate was calculated in accordance with 1 TAC Section 355.9080.

Rate Hearing Packet. [9-1-2026-notice-pub-hearing-proposed-pmnt-crs-ppecc.pdf](#)

Proposed Rate Adjustments The CRS and PPECC proposed payment rate adjustments are listed below:



Proposed Rates For CRS Post-Acute Rehabilitation Services (PARS) Residential Services, Effective September 1, 2026

Core Services Tier	Core Service Hours	Current Base per Diem	Current Core Services Tier Rate	Current Therapy Evaluation per Diem	Current Total Rate	Proposed Base per Diem	Proposed Core Services Tier Rate	Proposed Therapy Evaluation per Diem	Proposed Total Rate	Rate Change, %
Base	Tier base-no billable core services	\$ 236.09	\$ -	\$ 3.48	\$ 239.57	\$ 454.02	\$ -	\$ 4.23	\$ 458.25	91%
Base Plus	Greater than 0 but less than 1 hour of core services	\$ 236.09	\$ 70.08	\$ 3.48	\$ 309.65	\$ 454.02	\$ 71.59	\$ 4.23	\$ 529.85	71%
1	Greater than or equal to 1 hour per day but less than 2 hours per day, not exceeding 7 hours per week of core services	\$ 236.09	\$ 210.24	\$ 3.48	\$ 449.81	\$ 454.02	\$ 214.78	\$ 4.23	\$ 673.03	50%
2	Greater than or equal to 2 hours per day but less than 3 hours per day, not exceeding 14 hours per week of core services	\$ 236.09	\$ 350.40	\$ 3.48	\$ 589.97	\$ 454.02	\$ 357.97	\$ 4.23	\$ 816.22	38%
3	Greater than or equal to 3 hours per day but less than 4 hours per day, not exceeding 21 hours per week of core services	\$ 236.09	\$ 490.56	\$ 3.48	\$ 730.13	\$ 454.02	\$ 501.16	\$ 4.23	\$ 959.41	31%
4	Greater than or equal to 4 hours per day but less than 5 hours per day, not exceeding 28 hours per week of core services	\$ 236.09	\$ 630.72	\$ 3.48	\$ 870.29	\$ 454.02	\$ 644.35	\$ 4.23	\$ 1,102.60	27%
5	Greater than or equal to 5 hours per day but less than 6 hours per day, not exceeding 35 hours per week of core services	\$ 236.09	\$ 770.88	\$ 3.48	\$ 1,010.45	\$ 454.02	\$ 787.54	\$ 4.23	\$ 1,245.79	23%
6	Greater than or equal to 6 hours per day but less than 7 hours per day, not exceeding 42 hours per week of core services	\$ 236.09	\$ 911.04	\$ 3.48	\$ 1,150.61	\$ 454.02	\$ 930.73	\$ 4.23	\$ 1,388.98	21%
7	Greater than or equal to 7 hours per day but less than 8 hours per day, not exceeding 49 hours per week of core services	\$ 236.09	\$ 1,051.20	\$ 3.48	\$ 1,290.77	\$ 454.02	\$ 1,073.91	\$ 4.23	\$ 1,532.17	19%
8	Greater than or equal to 8 hours per day but less than 9 hours per day, not exceeding 56 hours per week of core services	\$ 236.09	\$ 1,191.36	\$ 3.48	\$ 1,430.93	\$ 454.02	\$ 1,217.10	\$ 4.23	\$ 1,675.35	17%

Proposed Rates for Non-Residential Post-Acute Rehabilitation Services (PARS), Effective September 1, 2026

Code	Core Services	Unit	Current Rate	Proposed Rate	Rate Change, %
	Aquatic Therapy				
01001	Aquatic Therapy Individual	15 minutes	\$ 39.73	\$ 39.73	0%
01004	Aquatic Therapy Group	15 minutes	\$ 7.95	\$ 7.95	0%
01005	Aquatic Therapy Small Group	15 minutes	\$ 19.86	\$ 19.86	0%
	Art Therapy				
02001	Art Therapy Individual	15 minutes	\$ 31.17	\$ 40.01	28%
02004	Art Therapy Group	15 minutes	\$ 6.23	\$ 8.00	28%
02005	Art Therapy Small Group	15 minutes	\$ 15.59	\$ 20.00	28%
	Behavior Management				
03001	Behavior Management Individual	15 minutes	\$ 28.31	\$ 40.01	41%
	Chemical Dependency Counseling Treatment				
04001	Chemical Dependency Individual	15 minutes	\$ 33.39	\$ 34.41	3%
04004	Chemical Dependency Group	15 minutes	\$ 6.68	\$ 6.88	3%
04005	Chemical Dependency Small Group	15 minutes	\$ 16.70	\$ 17.21	3%
	Cognitive Rehabilitation Therapy (CRT)				
05001	Cognitive Rehabilitation Therapy Individual	15 minutes	\$ 29.03	\$ 36.26	25%
05004	Cognitive Rehabilitation Therapy Group	15 minutes	\$ 5.81	\$ 7.25	25%
05005	Cognitive Rehabilitation Therapy Small Group	15 minutes	\$ 14.51	\$ 18.13	25%
	Family Therapy				
06001	Family Therapy Individual	15 minutes	\$ 33.39	\$ 34.41	3%
06004	Family Therapy Group	15 minutes	\$ 6.68	\$ 6.88	3%
	Massage Therapy				
07001	Massage Therapy	15 minutes	\$ 31.16	\$ 34.93	12%
	Mental Health Counseling				
08001	Mental Health Counseling Individual	15 minutes	\$ 33.39	\$ 34.41	3%
08004	Mental Health Counseling Group	15 minutes	\$ 6.68	\$ 6.88	3%
08005	Mental Health Counseling Small Group	15 minutes	\$ 16.70	\$ 17.21	3%
	Music Therapy				
09001	Music Therapy Individual	15 minutes	\$ 31.17	\$ 40.01	28%
09004	Music Therapy Group	15 minutes	\$ 6.23	\$ 8.00	28%
09005	Music Therapy Small Group	15 minutes	\$ 15.59	\$ 20.00	28%
	Neuropsychiatric Services				
10001	Neuropsychiatric Services Individual	15 minutes	\$ 32.61	\$ 43.04	32%
10002	Neuropsychiatric Services Evaluation	15 minutes	\$ 48.15	\$ 60.95	27%
10003	Neuropsychiatric Services Re-Evaluation	15 minutes	\$ 21.95	\$ 27.81	27%
10004	Neuropsychological Services Group	15 minutes	\$ 6.52	\$ 8.61	32%
10005	Neuropsychological Services Small Group	15 minutes	\$ 16.31	\$ 21.52	32%
	Neuropsychological Services				
11001	Neuropsychological Services Individual	15 minutes	\$ 32.61	\$ 43.04	32%
11002	Neuropsychological Services Evaluation	15 minutes	\$ 48.15	\$ 59.98	25%
11003	Neuropsychological Services Re-Evaluation	15 minutes	\$ 21.95	\$ 27.81	27%
11004	Neuropsychological Services Group	15 minutes	\$ 6.52	\$ 8.61	32%
11005	Neuropsychological Services Small Group	15 minutes	\$ 16.31	\$ 21.52	32%
	Occupational Therapy				
12001	Occupational Therapy Individual	15 minutes	\$ 34.38	\$ 38.78	13%
12002	Occupational Therapy Evaluation	15 minutes	\$ 33.24	\$ 38.78	17%



Code	Core Services	Unit	Current Rate	Proposed Rate	Rate Change, %
12003	Occupational Therapy Re-Evaluation	15 minutes	\$ 31.32	\$ 36.64	17%
12004	Occupational Therapy Group	15 minutes	\$ 6.88	\$ 7.76	13%
12005	Occupational Therapy Small Group	15 minutes	\$ 17.19	\$ 19.39	13%
Physical Therapy					
13001	Physical Therapy Individual	15 minutes	\$ 29.25	\$ 34.46	18%
13002	Physical Therapy Evaluation	15 minutes	\$ 45.01	\$ 49.70	10%
13003	Physical Therapy Re-Evaluation	15 minutes	\$ 43.25	\$ 52.23	21%
13004	Physical Therapy Group	15 minutes	\$ 5.85	\$ 6.89	18%
13005	Physical Therapy Small Group	15 minutes	\$ 14.62	\$ 17.23	18%
Recreational Therapy					
14001	Recreational Therapy Individual	15 minutes	\$ 31.17	\$ 40.01	28%
14004	Recreational Therapy Group	15 minutes	\$ 6.23	\$ 8.00	28%
14005	Recreational Therapy Small Group	15 minutes	\$ 15.59	\$ 20.00	28%
Speech/Language Pathology					
15001	Speech/Language Pathology Individual	15 minutes	\$ 27.81	\$ 32.79	18%
15002	Speech/Language Pathology Evaluation	15 minutes	\$ 40.24	\$ 54.32	35%
15003	Speech/Language Pathology Re-Evaluation	15 minutes	\$ 33.81	\$ 37.02	9%
15004	Speech/Language Pathology Group	15 minutes	\$ 5.56	\$ 6.56	18%
15005	Speech/Language Pathology Small Group	15 minutes	\$ 13.90	\$ 16.40	18%
Case Management					
16001	Case Management Individual	15 minutes	\$ 50.02	\$ 66.90	34%
Community Independence Supports-Certified Brain Injury Specialist (CBIS)					
17001	Certified Brain Injury Specialist (CBIS) Individual	15 minutes	\$ 8.75	\$ 9.04	3%
Community Independence Supports-Paraprofessional					
18001	Community Independence Supports-Paraprofessional Individual	15 minutes	\$ 4.96	\$ 6.16	24%
Medical Team Conference					
19001	With Patient and/or family present	15 minutes	\$ 28.43	\$ 29.45	4%
20001	Patient and/or family not present	15 minutes	\$ 18.59	\$ 22.56	21%
Non-Residential PARS per hour fees					
21001	Facility-based per hour	1 hour	\$ 15.86	\$ 18.92	19%
22001	Community-based per hour	1 hour	\$ 14.65	\$ 18.34	25%
Transportation					
23001	Transportation per day	1 day	\$ 47.08	\$ 51.75	10%

Proposed Rates for Prescribed Pediatric Extended Care Centers (PPECC), Effective September 1, 2026

Service Description	Bill Code	Modifier 1	Unit	Current Total Rate	Proposed Total Rate	Rate Increase (%)
Prescribed Pediatric Extended Care, greater than 4 hours	T1025		1 day	\$ 389.49	\$ 481.07	24%
Prescribed Pediatric Extended Care, up to 4 hours	T1026		1 hour	\$ 32.46	\$ 40.09	24%
Prescribed Pediatric Extended Care, greater than 4 hours	T1025	U6	1 day	\$ 389.49	\$ 481.07	24%
Prescribed Pediatric Extended Care, up to 4 hours	T1026	U6	1 hour	\$ 32.46	\$ 40.09	24%
Prescribed Pediatric Extended Care Transportation	T2002		1 day	\$ 37.94	\$ 43.86	16%
Prescribed Pediatric Extended Care Transportation (MDCP)	T2002	U6	1 day	\$ 37.94	\$ 43.86	16%

*Bill codes, modifiers, and billing units were current according to the STAR Kids Handbook, updated on Sept 1, 2025, at the time this rate sheet was published. For the most up-to-date bill code information please see: <https://www.hhs.texas.gov/handbooks/starplus-handbook/appendix-xvi-long-term-services-supports-codes-modifiers> .



Public Comment

HHSC stated comments received would be reviewed and the updates and final rates would be published via provider notification on the TMHP website. If approved, rates would change on the listed effective dates; if claims were paid at prior rates for services after the effective date, the contractor would reprocess claims for supplemental payments or recoupment. Implementation depends on executive management approval, and significant negative comments would be summarized with alternatives presented for executive decision.

David Maman (Founder/Chair, Texas PPECC Association; CEO, Sunshine Pediatric Day Centers) supported proposed increases for Prescribed Pediatric Extended Care Centers (PPECC/PPACs), specifically transportation and day/hourly rates. Mr. Maman cited transportation underfunding, giving examples of wheelchair vehicles cost ~\$90k-\$110k; staffing includes drivers (~\$18-\$22/hr) and nurses (~\$30-\$45/hr) plus insurance/maintenance/fuel; current reimbursement cited as \$38 round trip despite trips sometimes 60+ minutes for a single child. [Home | Ppecc](#) ; [Sunshine Pediatrics](#)

Mr. Maman also supported increases for T1025 (per diem) and related PPECC rates, noting facility build costs of \$3-\$4M and rising nursing/operational costs. He referenced having submitted written evidence including comparisons to other states.

Vincent Wang (Senior Advisor, Sunshine Pediatrics; former pediatric emergency medicine leader/medical director in Dallas) supported the PPECC rate increases, emphasizing keeping medically complex children out of the hospital and supporting safe development while being able to return home nightly.

Carlos Ruiz (CEO, Little Stars Pediatric Center in Houston) supported the PPECC increases, highlighting developmental and psycho-emotional benefits, family/parent support, and the operational and safety burden facing transportation as a major component needing attention. . [Little Stars Pediatric Center | Child Medical Daycare](#)

Brenda Garcia (CEO/Administrator, Quality Medical Supplies DME) requested review of reimbursement for incontinence supplies/DME, stating codes have not had raises in years and that payments decreased as of Sep 1; she cited affected codes including A4554 and T4528 and emphasized these are essential items for elderly and



disabled communities. [QUALITY MEDICAL SUPPLIES, INC. in Carrollton, TX | Company Info](#)

Javiel Gonzalez, Little Stars Pediatric Center testified about the current rates for PTAC services and transportation. He referenced a previously submitted lengthy written discussion about the rates and requested additional attention and a review of the rates, stating the current rates will not be a good fit going forward, especially regarding services and transportation. [Little Stars Pediatric Center | Child Medical Daycare](#)

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