



COMMISSIONER
Chris Traylor

October 28, 2011

To: Medically Dependent Children Program
Home and Community Support Services Agency Providers

Subject: Information Letter No. 11-136
Cost Containment Initiative Update

In Information Letter No. 11-103, dated September 8, 2011, the Department of Aging and Disability Services (DADS) notified home and community support services agencies (HCSSA) with Medically Dependent Children Program (MDCP) contracts of cost containment measures effective December 1, 2011. The letter addressed new service limits for selected MDCP services and the process for requesting an exception to a service limit.

<http://www.dads.state.tx.us/providers/communications/2011/letters/IL2011-103.pdf>

In response to stakeholder feedback, DADS has implemented a second level review as part of the cost containment initiative for a:

- service for which DADS first level review indicates there should be a denial of the service limit exception; and
- voluntary service reduction request based on a new service limit.

DADS will contact the individual or legally authorized representative to ensure the individual is fully aware of the exception process if a voluntary reduction request has been submitted. DADS also will work with providers, as necessary, to determine if additional information is available to support an exception request prior to denial.

If, as a result of the second level review, DADS final decision regarding an exception request is delayed beyond December 1, 2011, the provider will continue to deliver, and be able to bill for, the service at the current level until the final decision is issued.

If you have any questions about this information letter, please contact the MDCP mailbox at mdcp@dads.state.tx.us.

Sincerely,

[Signature on file]

Teresa Richard
Director
Center for Policy and Innovation

[Signature on file]

Gary Jessee
Assistant Commissioner
Access and Intake