

OFFICE OF INSPECTOR GENERAL

TEXAS HEALTH AND HUMAN SERVICES COMMISSION

TEXAS MEDICAID SPEECH THERAPY

*Informational Report
on Payment Trends and Service Delivery*



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HHSC IG

TEXAS HEALTH AND HUMAN SERVICES COMMISSION
INSPECTOR GENERAL

TEXAS MEDICAID SPEECH THERAPY

Informational Report on Payment Trends and Service Delivery

WHY THE IG COMPILED THIS REPORT

Speech therapy includes (a) services for patients with language, hearing, and speech disorders and (b) diagnosis and treatment of swallowing disorders. For patients under age 21, speech therapy is a covered service available under Texas Medicaid.

Medicaid providers receive payment for the speech therapy services they provide in one of two ways:

- Managed care organizations (MCOs) pay providers for services provided to MCO members. MCOs are compensated from the capitated amount negotiated with and received from the State of Texas.
- The Texas Medicaid Health Partnership (TMHP) pays fee-for-service (FFS) care claims directly to providers for services provided to Medicaid enrollees who are not part of an MCO.

In early 2016, IG executive management met with the ten MCOs that received the highest Texas Medicaid capitated payments in prior years. In those meetings, the MCOs discussed issues they were facing, including escalating costs associated with acute speech therapy. As a result, the IG is performing acute speech therapy audits.

THIS INFORMATIONAL REPORT

This informational report is not an audit report under generally accepted government auditing standards. This report is the IG Audit Division's compilation and analysis of non-audited information obtained from HHS System agencies.

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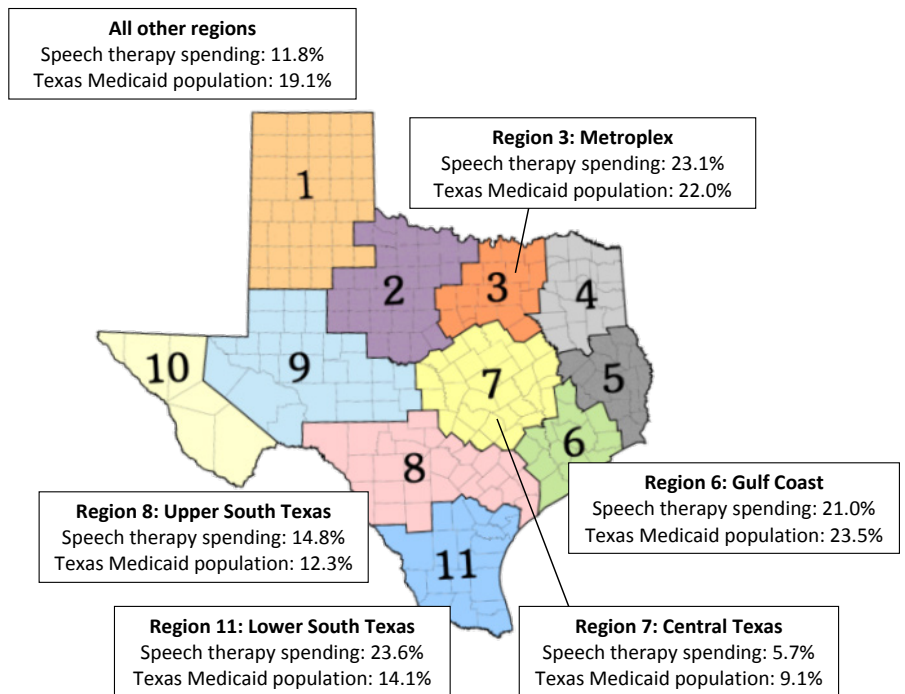
For more information, contact: IG.AuditDivision@hhsc.state.tx.us

WHAT THE IG FOUND

In 2015, 87 percent of all Texas Medicaid clients were members of MCOs; however, by 2016, MCO providers received 51 percent of total speech therapy payments and FFS received 49 percent. This high proportion of FFS payments for speech therapy was in contrast to the Medicaid delivery model trend toward managed care seen in Medicaid in general over the same period.

The age group that received the most speech therapy services from MCOs were children ages 3 to 7, while 7- to 18-year-olds received more speech therapy services from FFS programs. Neither model had many clients over 18, which is not unusual since speech therapy is an optional service for members age 21 and older.

The data showed regions with the largest Medicaid populations were generally where most of the speech therapy payments were made. However, Region 11 had a notably larger proportion of speech therapy spending relative to its Medicaid enrollment, while speech therapy payments in Region 7 were lower than would be expected based on its Medicaid population.



In 2016, the top 3 MCOs provided more than 50 percent of the speech therapy payments, while the bottom 8 provided less than 3.5 percent. The highest-paid providers ranked highest as both MCO and FFS providers.

Among the types of entities providing services, home health agencies received 59 percent of speech therapy payments in 2016. One of the 17 speech therapy codes, Individual Speech Therapy (92507), represented 95 percent of all speech therapy payments in 2016.

The IG Audit Division will conduct speech therapy provider audits and publish the final reports.

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INTRODUCTION

Health and Human Services (HHS) agencies administer health care programs for low-income individuals in Texas. Medicaid and the Children’s Health Insurance Program (CHIP) are jointly funded state-federal programs that provide medical coverage to eligible individuals. Medicaid serves primarily low-income families, children, related caretakers of dependent children, pregnant women, people age 65 and older, and adults and children with disabilities. CHIP provides health coverage to low-income, uninsured children in families with incomes too high to qualify for Medicaid. In federal fiscal year 2015, total Medicaid expenditures in Texas were \$38 billion. The Medicaid budget represented 28.6 percent of the entire 2015 Texas state budget.

Medicaid pays for acute care services¹ and long-term services and supports (LTSS).² Medicaid clients are served through a traditional fee-for-service (FFS) model or a managed care model. Under the FFS model, health care providers are paid through the Texas Medicaid and Healthcare Partnership (TMHP) for each acute care service they provide, such as an office visit, test, or procedure. HHSC pays LTSS FFS claims directly to providers through the Claims Management System.³ Under the managed care model, the Texas Health and Human Services Commission (HHSC) contracts with managed care organizations (MCOs), also known as health plans, and pays a monthly per person amount called a capitation payment⁴ to MCOs.

The MCOs contract with Medicaid providers for the delivery of health care services to Medicaid enrollees.⁵ The MCOs contract directly with doctors and other health care providers to create provider networks their members can use. The MCOs are required to provide all covered medically necessary services to their members, including speech therapy. The managed care model was designed based on the theory that by coordinating Medicaid program health care services through an MCO, states reduce Medicaid program costs and

¹ “Acute care services” include physician, inpatient, outpatient, pharmacy, lab, and x-ray services.

² LTSS include home and community-based services, nursing facility services, and services provided in intermediate care facilities for individuals with an intellectual disability or related conditions.

³ Until August 31, 2016, Medicaid LTSS providers billed for services delivered to Medicaid recipients in FFS programs through the Texas Department of Aging and Disability Services (DADS) Claims Management System. Effective September 1, 2016, responsibility of LTSS programs was transferred to HHSC by legislative mandate.

⁴ “Capitation payments” are monthly prospective payments HHSC makes to MCOs for the provision of covered services. HHSC makes capitation payments to MCOs at fixed, per member, per month, rates based on members’ associated risk groups. These capitation payments include federal and state funds, and both medical and pharmacy payments.

⁵ MCOs refer to enrollees as “members.” An “enrollee” is an individual who is eligible for Medicaid or CHIP services and is enrolled in an MCO either as a subscriber or a dependent.

better manage utilization of health services.⁶ There is a shift away from FFS that has resulted in nearly all Texas Medicaid clients transitioning to managed care.

A high percentage of Medicaid services in Texas, and all CHIP services, are delivered through MCOs. Within the HHS system, the HHSC Medicaid and CHIP Services Department contracts directly with the 21 MCOs included in the information contained in this report.⁷ In state fiscal year 2015, the most recent year for which comprehensive figures are readily available, MCO members represented 3.5 million (87 percent) of the state's 4.1 million Medicaid clients.

In early 2016, IG executive management met with the ten MCOs that received the highest Texas Medicaid capitated payments in prior years. In those meetings, the MCOs discussed issues they were facing, including escalating costs associated with acute speech therapy. As a result, the IG is performing acute speech therapy audits.

Background

Speech therapy includes (a) services for patients with language, hearing, and speech disorders and (b) diagnosis and treatment of swallowing disorders. For clients under age 21, speech therapy is a mandatory benefit under Texas Medicaid.⁸ Speech language pathologists treat the three types of communication disorders:

- Language disorders, which involve difficulty in understanding others or expressing one's self by speaking, writing, or using other symbol systems, such as numbers and gestures. Children with language disorders may face trouble in school with reading, writing, math, comprehension, discipline, and social skills.
- Speech production disorders, which involve difficulty in producing the sounds required for speaking. Impairments in speech production may stem from a variety of root causes, including motor coordination required for speech production; hearing impairment; genetic, neurological, and developmental disorders; and other illnesses or injuries.
- Oral motor, swallowing, and feeding disorders, which affect the ability to eat and drink. Children with these disorders are at risk for choking, malnutrition, dehydration, aspiration, and pneumonia.

⁶ Centers for Medicare and Medicaid Services, Managed Care Overview, <https://www.medicare.gov/medicaid/managed-care/>.

⁷ There were 21 MCOs providing speech therapy from 2013 through 2015. In 2016, a total of 19 MCOs are contracted with the State of Texas.

⁸ See Appendix A for a detailed breakdown of mandatory and optional acute care services and LTSS.

While this report is focused on data related to programs administered by the HHSC Medicaid and CHIP Services Department, speech therapy is available to Texans through several other programs:

- Comprehensive Care Program under Texas Health Steps—administered by HHSC.
- School Health and Related Services (SHARS)—administered by the Texas Education Agency.
- Early Childhood Intervention (ECI)—administered by the Department of Assistive and Rehabilitative Services (DARS) until August 31, 2016, and by Health, Developmental, and Independence Services Department at HHSC after that time. Texas Medicaid pays ECI claims for children who are enrolled in Medicaid.
- LTSS—administered by HHSC. Programs include:
 - Home and Community-based Services
 - Community Living Assistance and Support Services
 - Texas Home Living

This Informational Report

This informational report is not an audit report under generally accepted government auditing standards. This report is the IG Audit Division’s compilation and analysis of non-audited information obtained from HHS System agencies. Throughout this informational report, MCOs are referenced by abbreviated names. Appendix B contains each MCO’s full company name and the associated abbreviations used in this report. Unless otherwise described, any year that is referenced is the state fiscal year, which covers the period from September 1 through August 31.

This information report is focused on acute speech therapy care.

DATA AND OBSERVATIONS

The information presented throughout this report is based on unaudited claim and encounter payment data⁹ from the IG's Medicaid Fraud and Abuse Detection System (MFADS)¹⁰ for 2013, 2014, 2015, and 2016.¹¹ It is presented as an overview of the Medicaid acute speech therapy landscape in Texas.

Medicaid providers receive payment for the acute care services they provide in one of two ways:

- MCOs pay providers from the total capitated amount negotiated with and received from the State of Texas. If members' aggregate health care costs exceed the capitated amount, the MCO may suffer losses. If members' total health care costs are less, the MCO may produce a profit. This gives the MCO an incentive to control costs.
- TMHP pays FFS acute care claims directly to providers.

Texas Medicaid waiver programs may offer assistance to persons with developmental disabilities. A developmental disability is a severe chronic disability that begins before age 22 and is likely to continue throughout one's lifetime. Waiver programs provide many adaptive aids and services, including speech therapy. Over that period, waiver payments for acute speech therapy were only \$31,523 out of nearly \$1.6 billion in total acute speech therapy payments, so waiver programs are not considered drivers of any trends or observations presented in this report.

In the data presented in this report, the source of the payment to the provider may be noted as either MCO or FFS.

⁹ "Encounter data" is defined as information derived from a contact or service delivered by a health care provider for any capitated service provided to an eligible member.

¹⁰ MFADS is the IG's data warehouse to access FFS and encounter payment data. Payment data is supplied through data feeds from TMHP.

¹¹ Data was extracted November 30, 2016.

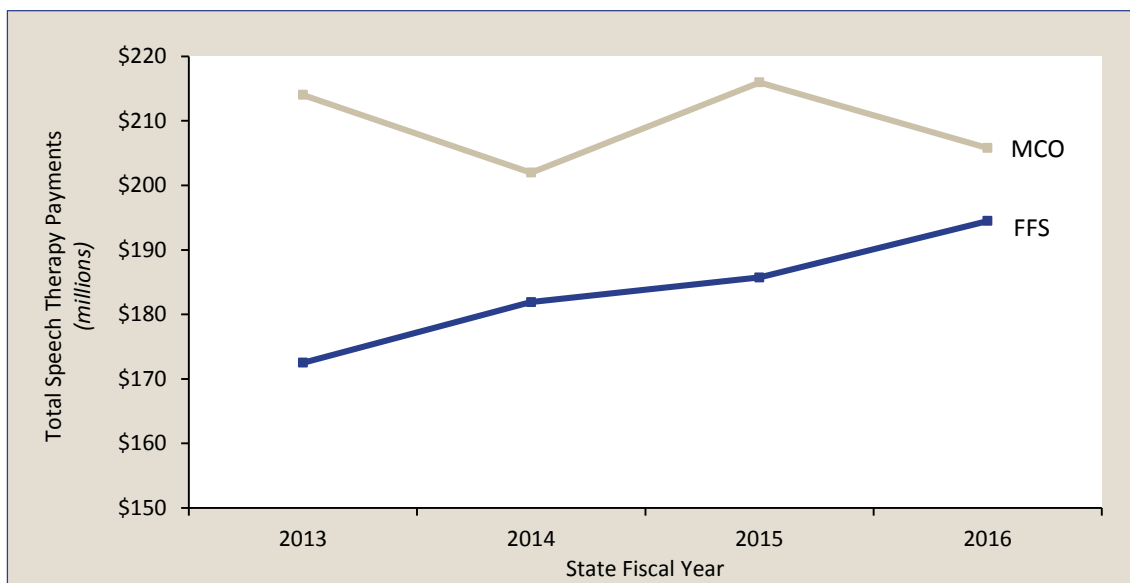
SECTION 1: PAYMENTS BY SERVICE MODEL, AGE, REGION, AND PROCEDURE TYPE

Medicaid payments for acute speech therapy were first considered by payment type, client age group, and region. When considering the type of procedures provided in speech therapy, the results were relatively uniform from year to year.

Payments by Service Delivery Model

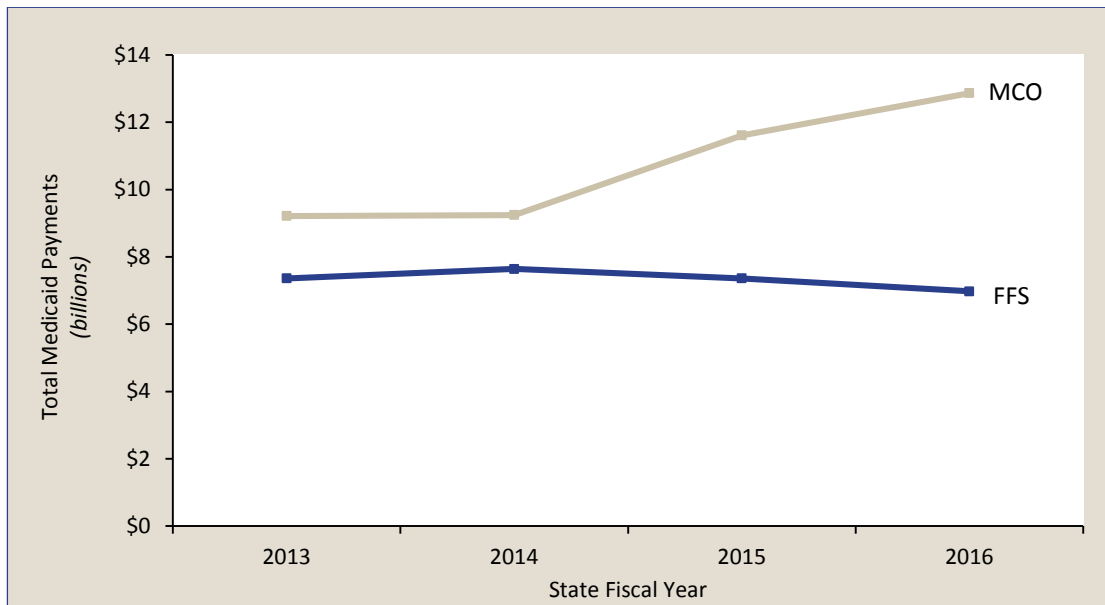
Between 2013 and 2016, MCO provider payments for acute speech therapy declined and rebounded, resulting in a net change of less than one percent. FFS payments had the most growth the first year but still increased by nearly eight percent overall. By 2016, MCO providers received 51 percent of total speech therapy payments and FFS received 49 percent. Figure 1.1 shows MCO provider and FFS speech therapy payments from 2013 to 2016.

Figure 1.1: Total Speech Therapy Medicaid Payments, MCO vs. FFS, 2013-2016



Source: MFADS

This trend of a rising proportion of FFS payments was in contrast to the Medicaid delivery model trend toward managed care seen in Medicaid in general over the same period. To consider the trend in general Medicaid payments, the total Medicaid MCO provider amount paid versus the total Medicaid FFS amount paid between 2013 and 2016 is shown in Figure 1.2. These show the source of payments over the four-year span for Medicaid payments is generally trending away from FFS toward the MCO model.

Figure 1.2: Total Medicaid Payments for all Acute Services, MCO vs. FFS, 2013-2016

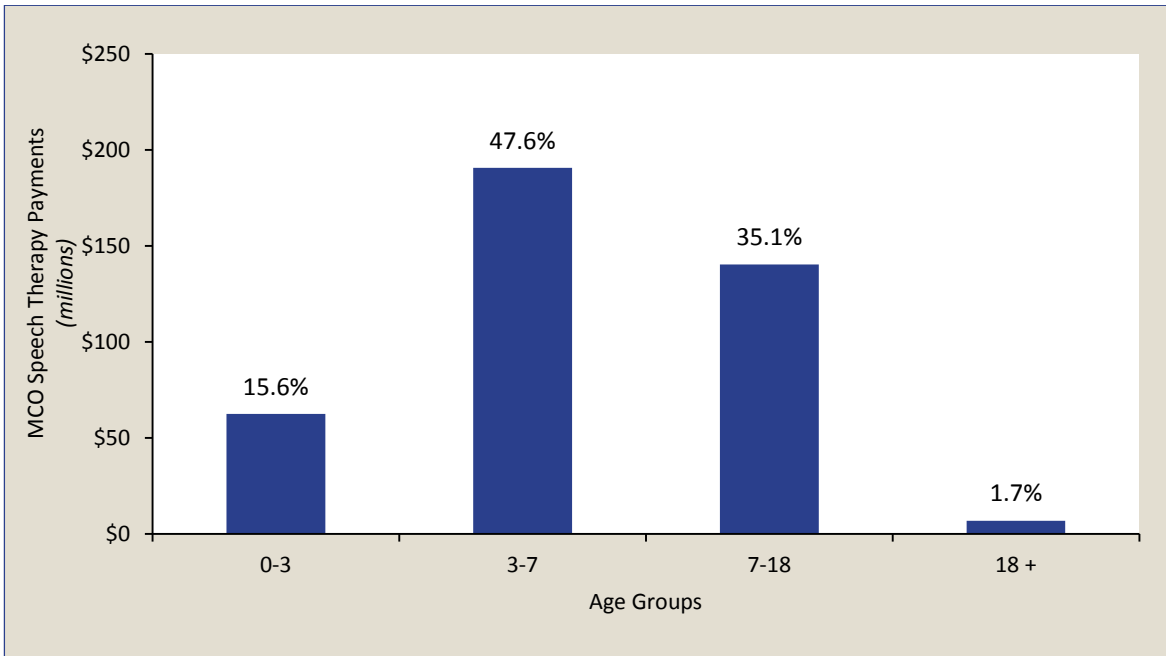
Source: MFADS

The high share of FFS payments for acute speech therapy may relate to the debate between lawmakers and advocacy groups since the 2015 legislative decision to reduce Medicaid physical, occupational, and speech therapy benefits. That decision was based in part on the question of whether Texas Medicaid had been overpaying for acute therapy services. Those rate reductions took effect in December 2016. Around the same time, a new Texas Medicaid managed care program, STAR Kids, that provides benefits to members under age 21 who have disabilities became available. Starting November 1, 2016, participation in the STAR Kids program is required for those age 20 or younger, covered by Medicaid, and receive services through at least one of a number of other state or federal programs, such as Supplemental Security Income (SSI), Medicare, and waiver programs. The participation requirement is expected to shift the proportion of acute speech therapy payments toward MCOs.

Payments by Patient Age

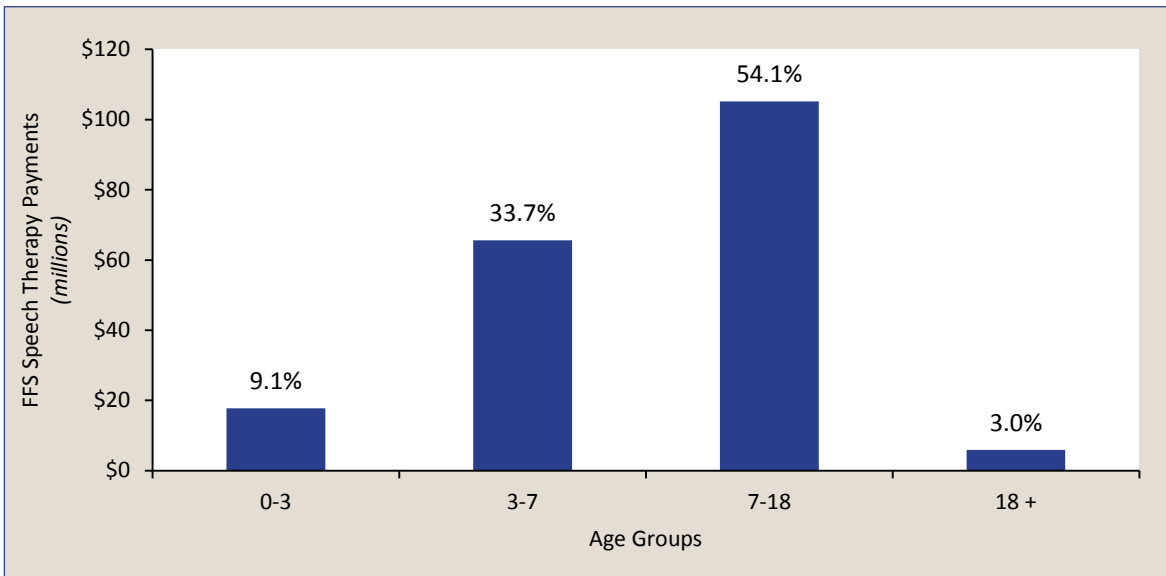
When the speech therapy totals by service delivery model were broken down by age group served, the difference between MCO provider payments and FFS payments was apparent. The age group that received the most speech therapy services from MCOs were children ages 3 to 7, while 7- to 18-year-olds received more speech therapy services from FFS programs. Neither model had many clients over 18, which is not unusual since speech therapy is an optional service for members age 21 and older. Figures 1.3 and 1.4 show the proportions of 2016 speech therapy by age group for MCO and FFS payments, respectively.

Figure 1.3: MCO Provider Payments for Speech Therapy Services in 2016



Source: MFADS

Figure 1.4: FFS Payments for Speech Therapy Services in 2016



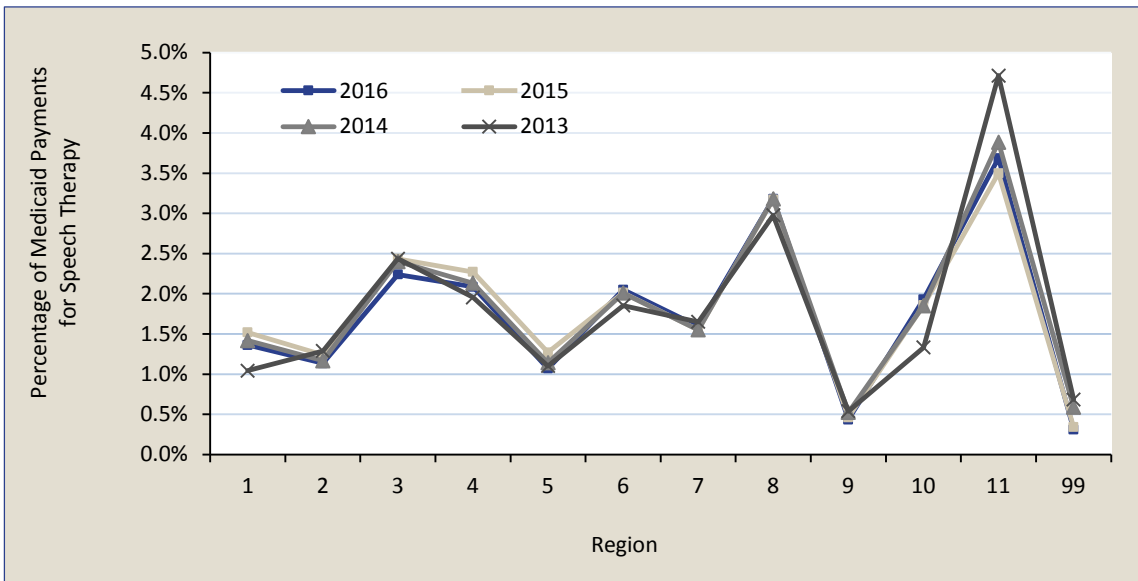
Source: MFADS

Payments by HHSC Service Region

By HHSC service region, the portion of Medicaid payments made for speech therapy was stable from 2013 to 2016. Regions were based on the current provider addresses reflected in

the enrollment data as of August 2016. As seen in Figure 1.5, Medicaid payments for speech therapy in most regions was generally between one and three percent of total Medicaid payments. Regions 9 and 99 each received about 0.5 percent of total Medicaid payments for speech therapy and only Region 11 received 3.5 percent or more. According to HHSC’s Center for Analytics and Decision Support, Region 99 is not a geographic region, but rather the default system setting for when the region is not provided in the FFS or MCO provider payment data, or the service took place out-of-state.

Figure 1.5: Speech Therapy Medicaid Payments as a Percentage of Total Medicaid Payments by Region, 2013-2016



Source: MFADS

The data showed regions with the largest Medicaid populations were generally where most of the speech therapy payments were made. However, among those with the largest Medicaid populations, Region 11 had a notably larger proportion of speech therapy spending relative to its Medicaid enrollment, while speech therapy payments in Region 7 were lower than would be expected based on its Medicaid population. Table 1.1 shows each region ranked according to its speech therapy spending along with its percentage of Texas Medicaid enrollees.

Table 1.1: Speech Therapy Payments and Population in 2016

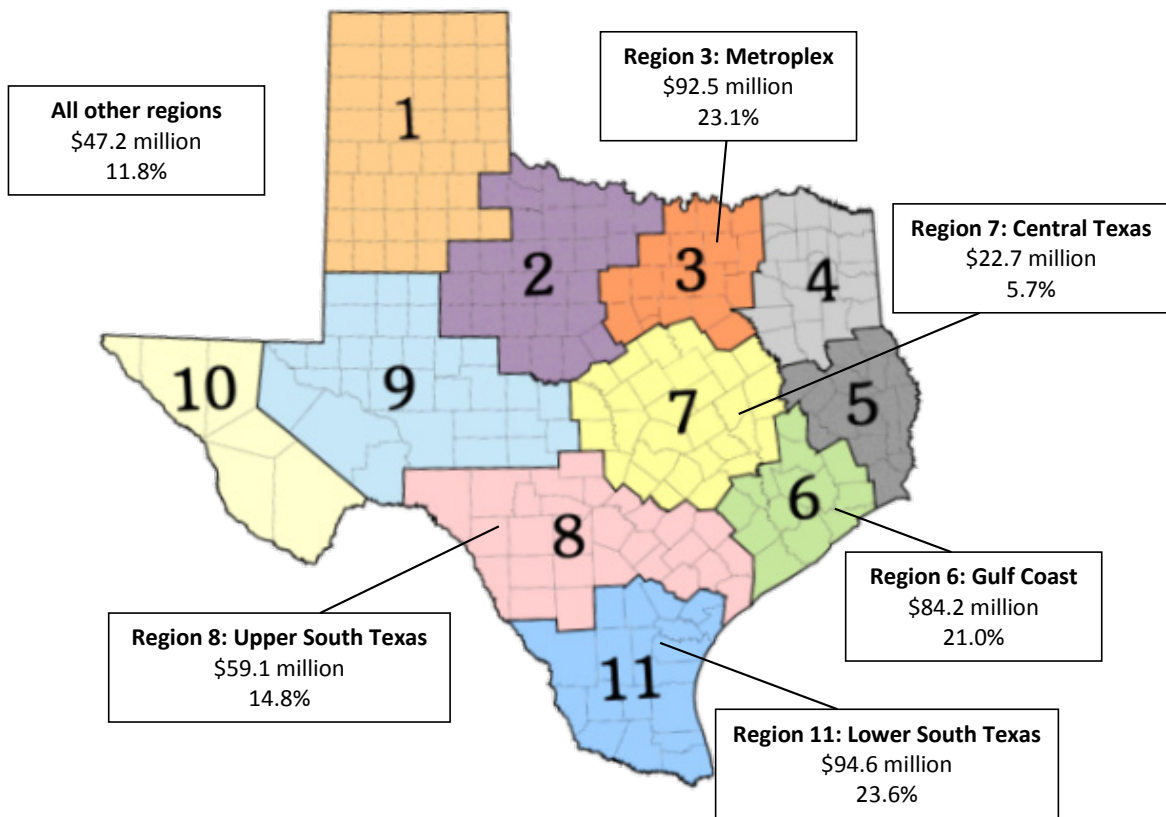
Region	Total Payment (\$ millions)	Speech Therapy Payment Percentage	Medicaid Population Percentage ¹²
11	\$ 94.6	23.6%	14.1%
3	92.5	23.1%	22.0%
6	84.2	21.0%	23.5%
8	59.1	14.8%	12.3%
7	22.7	5.7%	9.1%
4	12.5	3.1%	4.5%
99	10.1	2.5%	0.1%
10	9.8	2.4%	4.2%
1	6.3	1.6%	3.1%
5	3.9	1.0%	3.2%
2	3.3	0.8%	2.0%
9	1.1	0.3%	2.1%
Total	\$ 400.3	100.0%	100.0%

Source: MFADS and U.S. Census Bureau

Figure 1.6 shows the HHS regions with the highest speech therapy payments in 2016, both by dollar value and percentage of all payments statewide. The main metropolitan areas in Dallas (Region 3), Houston (Region 6), and San Antonio (Region 8) had high total speech therapy payments, which seems correlated to their general population. Central Texas (Region 7) had a lower-than-expected total speech therapy payments, and Lower South Texas (Region 11) had a higher-than-expected total speech therapy payments, considering its general population.

¹² Average of monthly Medicaid enrollment from September 2015 through June 2016. Figures for July and August 2016 were not available at the time of this report.

Figure 1.6: Speech Therapy Payments by Region in 2016



Source: MFADS

Payments by Procedure Type

From 2013 through 2016, there were 17 speech therapy procedure codes used for billing acute speech therapy services.¹³ Table 1.2 shows the dollar value and percentage accounted for by the most-used codes in 2016. Individual¹⁴ speech therapy (code 92507) accounted for 95 percent of the total speech therapy expenditures for 2016. The amounts include payments for managed care and FFS.

¹³ See Appendix C for a complete list of the speech therapy codes.

¹⁴ Speech therapy can be delivered on an individual or group basis.

Table 1.2: Speech Therapy Payments by Procedure in 2016

Procedure Code	Total Payment (\$ millions)	Payment Percentage
Individual Speech Therapy (92507)	\$ 380.5	95.1%
Oral Function Therapy (92526)	8.4	2.1%
Speech Production Evaluation with Language Comprehension (92523)	5.9	1.4%
Speech Language Pathology Re-evaluation (S9152)	4.9	1.2%
All Other Speech Therapy Procedure Codes	1.0	0.3%
Total 2016 Expenditures	\$ 400.3	100.0%

Source: MFADS

SECTION 2: PAYMENTS BY PROVIDER

The highest-paid providers generally ranked highest as both MCO and FFS providers. Table 2.1 shows the top 20 providers in terms of overall payments, along with each provider's respective ranking among total FFS and MCO payments in 2016. Six providers ranked in the top 20 overall, while not being in the top 20 providers for both FFS and MCO payments.

Table 2.1: Top Speech Therapy Providers by Payments, 2016

Provider Name	Total Payment (\$ millions)	FFS Ranking	MCO Ranking
Epic Health Services Inc.	\$ 16.4	1	2
Care Options for Kids	14.6	3	1
Therapy 2000	11.1	2	10
KidsCare Therapy	9.3	5	3
Circle of Care	7.9	6	4
At Home Healthcare	7.4	4	11
Epic Pediatric Therapy LP	7.0	7	8
Pathfinder Pediatric Home Care Inc.	7.0	12	5
A to Z Pediatric Therapy	6.1	10	12
Childs Play Therapeutic Home Care Inc.	6.1	17	6
Cole Speech and Language Center LP	6.1	16	7
Mercy Rehab Services Inc.	5.5	8	16
Winter and Associates Pediatric Therapy Center Ltd	5.1	--	9
PT Home Services of San Antonio	4.8	15	13
Children's Home Care LLC	4.4	9	--
Step by Step Home Care And Therapy PLLC	4.3	20	14
RiverKids Pediatric Home Health	4.2	13	--
Mockingbird Capital LLC	4.1	11	--
Little Engine Homecare Inc.	4.0	14	--
Himmel Home Health LLC	3.4	--	15

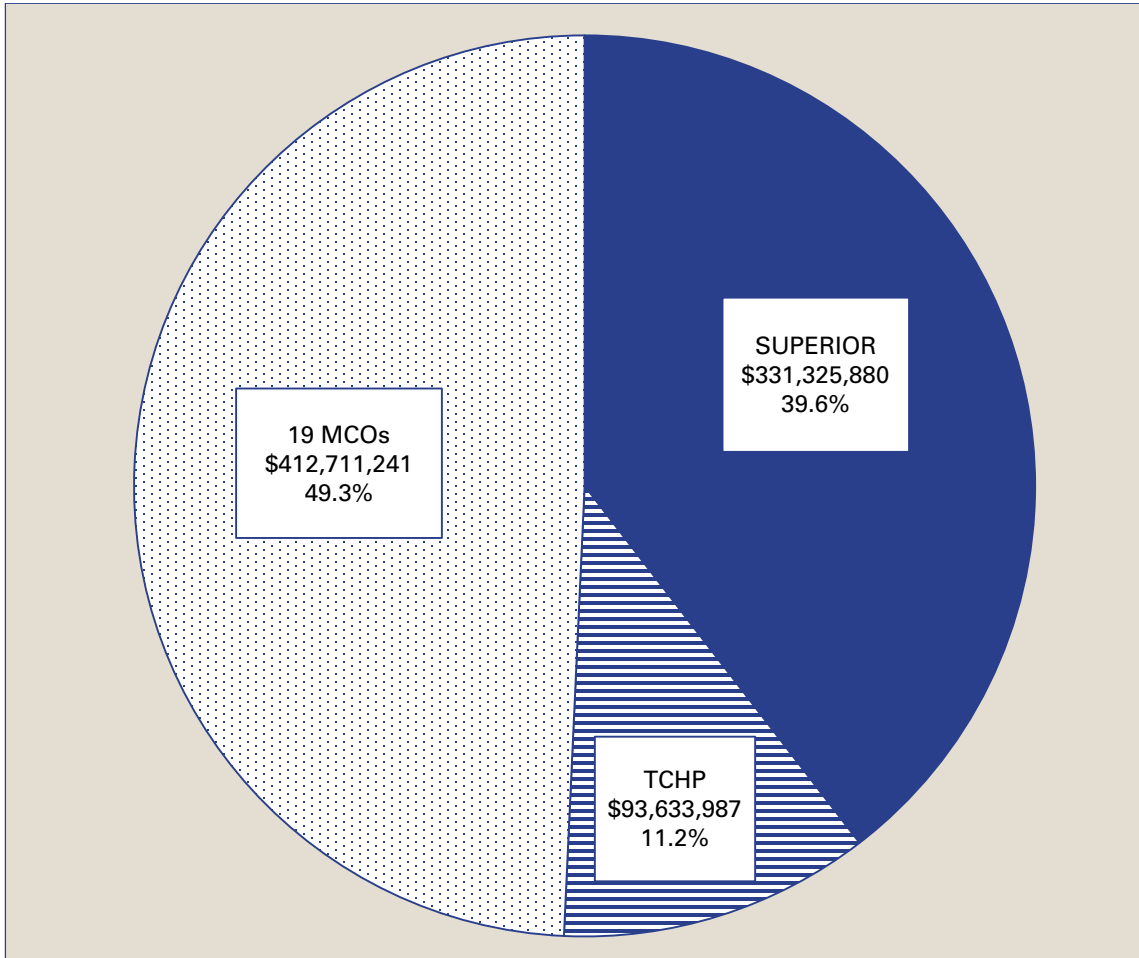
Source: MFADS

Figure 2.1 shows the portion of payments from 2013 through 2016 associated with Superior HealthPlan, Inc. (Superior), Texas Children's Health Plan, Inc. (TCHP), and other providers combined.¹⁵ Of the 21 MCOs providing speech therapy over the period from 2013 to 2016, only 2 accounted for more than 10 percent of total payments over the 4-year period: Superior and TCHP. Superior is the largest Texas MCO and serves most areas of the state. Superior coordinates health services for managed care programs: STAR, STAR+PLUS, CHIP, and Medicaid STAR Health programs. Superior had \$70 million in total speech therapy provider

¹⁵ See Appendix D for a complete breakdown of payments by MCO.

payments in 2016. TCHP provides services through the Medicaid STAR and CHIP programs for members in Harris and Jefferson Counties. TCHP had \$19.2 million in total speech therapy provider payments in 2016.

Figure 2.1: Total Speech Therapy Payments by MCO: 2013–2016



Source: MFADS

Table 2.2 shows the total speech therapy payments and number of services for the 19 MCOs providing speech therapy in 2016.¹⁶ Combined, the top 3 MCOs provided more than 50 percent of the speech therapy payments, while the bottom 8 provided less than 3.5 percent.

Table 2.2: MCO Share of 2016 Speech Therapy Provider Payments and Services

MCO	# Speech Therapy Services	Total Paid (\$ millions)	Percentage of Total Payments
Superior	621,611	\$ 70.0	34.0%
Amerigroup ¹⁷	207,691	22.1	10.7%
TCHP	169,219	19.2	9.3%
Community Health Choice	140,485	18.7	9.1%
Parkland HealthFirst	140,857	18.2	8.9%
United	129,899	16.3	7.9%
Community First Health Plans	85,466	10.1	4.9%
Cook Children's Health Plan	63,128	8.4	4.1%
El Paso 1st Premier Plan	48,138	5.6	2.7%
FirstCare STAR	44,208	5.2	2.5%
Aetna	43,329	4.8	2.4%
Scott and White	12,978	1.7	0.8%
Driscoll Children's Health Plan	10,374	1.4	0.7%
Molina	13,448	1.4	0.7%
Blue Cross and Blue Shield of Texas	7,508	1.1	0.5%
Sendero Health Plans	5,681	0.8	0.4%
Seton Health Plan	3,966	0.4	0.2%
Cigna	2,236	0.3	0.1%
Evercare of Texas	445	0.0	0.0%
Total	1,750,667	\$ 205.8	100.0%

Source: MFADS

¹⁶ Neither Bravo nor Christus provided speech therapy services in 2016.

¹⁷ As seen in Appendix D, Amerigroup's payments for speech therapy rose significantly in 2016, while Texas Children's Health Plan's payments dropped at the same time.

SECTION 3: PAYMENTS BY PROVIDER TYPE

Provider type refers to type of entity providing health services. Table 3.1 shows the provider types performing the majority of acute speech therapy in Texas Medicaid programs: home health agencies, comprehensive outpatient rehabilitation facilities (CORF) and outpatient rehabilitation facilities (ORF), speech therapists, and ECI program providers.

Table 3.1: Speech Therapy Payments by Provider Type in 2016

Provider Type	# of Services	Percentage of Total Services	Total Paid (\$ millions)	Percentage of Total Payments
Home Health Agencies	1,877,550	55.6%	\$ 236.7	59.1%
CORF/ORF	587,022	17.4%	78.1	19.5%
Speech Therapists	545,876	16.2%	59.1	14.8%
All Others	253,688	7.5%	13.5	3.4%
ECI	110,712	3.3%	12.9	3.2%
Total	3,374,848	100.0%	\$ 400.3	100.0%

Source: MFADS

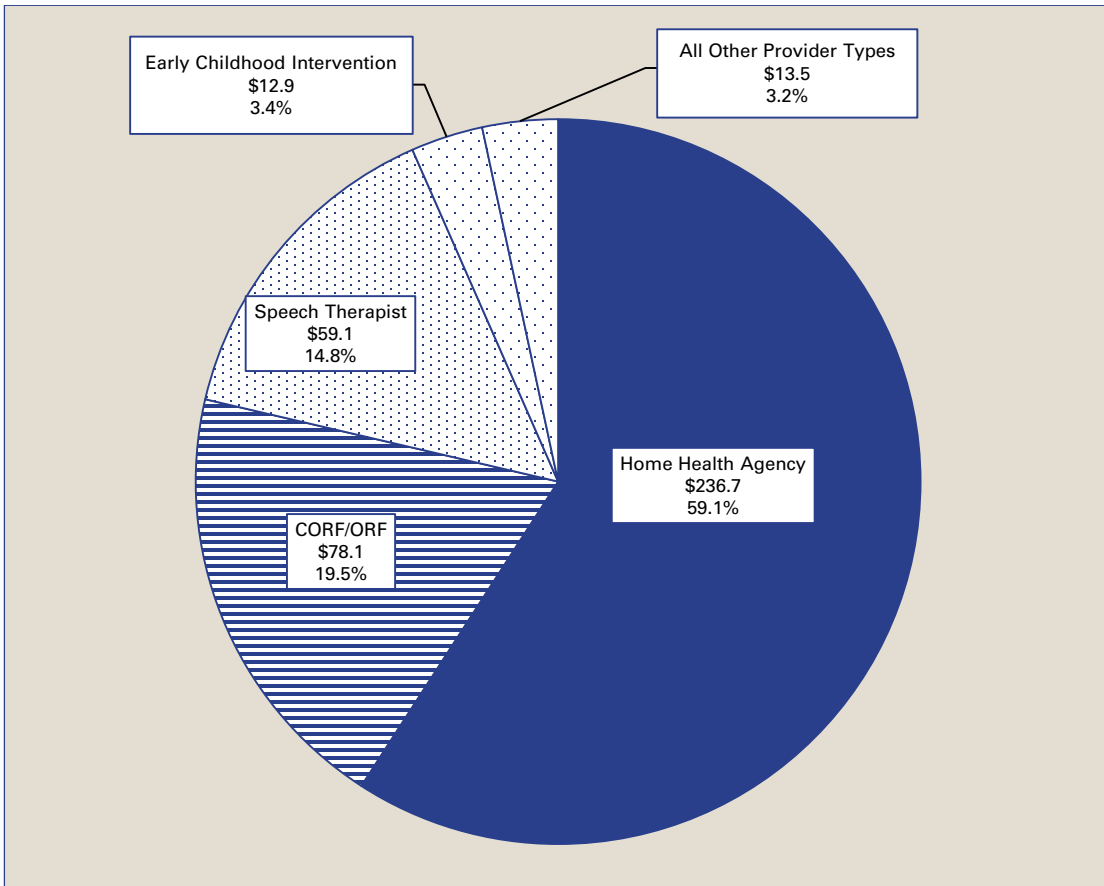
As seen in Figure 3.1, home health agencies received 59.1 percent of speech therapy payments in 2016. Services provided by home health agencies include part-time or intermittent skilled nursing services, physical therapy, occupational therapy, speech-language pathology services, part-time or intermittent home health aide services, and medical supplies and durable medical equipment.

CORFs and ORFs received 19.5 percent of speech therapy payments in 2016. Whether comprehensive or not, outpatient rehabilitation facilities are primarily engaged in providing diagnostic, therapeutic, and restorative services to outpatients for the rehabilitation of injured, disabled, or sick persons.

Individually enrolled speech language pathologists, categorized here as speech therapists, received 14.8 percent of speech therapy payments in 2016. Speech therapists may work in a variety of settings, including their own offices, clients' homes, clinics, hospitals, schools, nursing homes, and physicians' offices.

ECI accounted for 3.4 percent of speech therapy payments in 2016. ECI is authorized by the Individuals with Disabilities Education Improvement Act of 2004 (IDEA) part C. ECI is a statewide-system of services to families and children up to the age of three with developmental delays or disabilities. The therapy providers are employed by or contracted by local community agencies for the delivery of services. They may include early intervention specialists, nurses, psychologists, dietitians, paraprofessionals, teachers, social workers, and physical, occupational, speech and language therapists.

Figure 3.1: Total 2016 Speech Therapy Payments by Provider Group (millions)



Source: MFADS

Table 3.2 illustrates the total payments each provider group received in 2016 relative to each age group. In this view, home health agencies remained the largest provider in each category. The population for ECI services is children up to age three, so their absence from the categories of older children is expected.

Table 3.2: Total Speech Therapy Payments in 2016 by Provider Group and Age Group

Provider Type	Age 0–3 (\$ millions)	Age 3–7 (\$ millions)	Age 7–18 (\$ millions)	Age 18+ (\$ millions)	Total (\$ millions)
Home Health Agency	\$ 33.1	\$ 120.9	\$ 79.1	\$ 3.7	\$ 236.7
CORF/ORF	7.3	37.3	31.9	1.6	78.1
Speech Therapist	5.4	25.6	27.0	1.1	59.1
ECI	12.7	0.2	0.0	0.0	12.9
All Others	4.0	6.5	2.4	0.5	13.5
Total	\$ 62.4	\$ 190.6	\$ 140.4	\$ 6.9	\$ 400.3

Source: MFADS

CONCLUSION

The speech therapy payment data evaluated demonstrate several areas of interest that may warrant further review. In order of consequence, the top observations are:

- (1) Approximately 87 percent of Texas Medicaid clients were in managed care in 2015, so it is noteworthy that 49 percent of speech therapy payments were paid under FFS in 2016.
- (2) Over half of the total payments for speech therapy services were associated with 2 of the 21 MCOs in Texas active during the review period: Superior (40 percent) and TCHP (11 percent). The remaining 19 MCOs combined for 49 percent.
- (3) In most regions, speech therapy represented between one and three percent of total Medicaid payments. The exceptions are Region 9 (West Texas) and Region 99 (Unknown), where percentage of payments for speech therapy was lower than the typical range, and Region 11 (Lower South Texas), where the percentage was higher than typical.
- (4) Home health agencies provided the most Medicaid speech therapy, in terms of services provided, payments, and age ranges served.
- (5) One of the 17 speech therapy codes, Individual Speech Therapy (92507), represented 95 percent of all speech therapy payments. This code and three others combined represented virtually all of the total speech therapy payments. The other 13 codes combined for about a quarter of 1 percent.

Appendix A: Mandatory and Optional Services Covered by Texas Medicaid

The state may choose to provide some, all, or no optional services specified under federal law. Some optional services Texas chooses to provide are available only to clients under age 21, and one optional inpatient service is available for clients who are under 21 or are 65 or over in an institution for mental disease. Note: If the client is under age 21, all federally allowable and medically necessary services must be provided as required by federal law.

Mandatory and optional services provided in Texas include:

Mandatory Acute Care Services	Optional* Acute Care Services
<ul style="list-style-type: none"> • Inpatient hospital services • Outpatient hospital services • Laboratory and x-ray services • Physician services • Medical and surgical services provided by a dentist • Early and periodic screening, diagnostic, and treatment services for individuals under 21 • Family planning services and supplies • Federally qualified health centers services • Rural health clinic services • Nurse-midwife services • Certified pediatric and family nurse practitioner services • Home health services Freestanding birth center services • Transportation to medically necessary services • Tobacco cessation counseling for pregnant women • Extended services for pregnant women 	<ul style="list-style-type: none"> • Prescription drugs • Medical or remedial care furnished by other licensed practitioners • Podiatry** • Limited chiropractic services • Optometry, including eyeglasses and contacts • Telemedicine • Home telemonitoring • Hearing instruments and related audiology • Home health supplies provided by a pharmacy • Rehabilitation and other therapies (including physical, occupational, and speech therapy) • Clinic services • Tuberculosis clinic services • Case management services for high-risk pregnant women

Mandatory Long-Term Services and Supports	Optional* Long-Term Services and Supports
<ul style="list-style-type: none"> • Nursing facility services for clients 21 or over 	<ul style="list-style-type: none"> • Intermediate care facility services for an individual with intellectual disability or related conditions • Inpatient services for clients under age 21 or 65 and over in an institution for mental diseases • Services furnished under a program of all-inclusive care for the elderly • Day activity and health services • Home and community-based adult mental health services • Community first choice services • Attendant services • Targeted case management for individuals with intellectual or developmental disabilities • Targeted case management for individuals with chronic mental illness • Nursing facility services for individuals under 21 years of age • Prescribed pediatric extended care centers • Services prescribed in religious nonmedical health care institutions

Source: HHSC, "Texas Medicaid and CHIP in Perspective," 11th ed. (February 2017)

Notes:

*Includes optional Medicaid services provided in Texas. Does not include all optional services allowed under federal policy.

**Except when delivered by a M.D. or D.O.

Appendix B: MCO NAMES AND ABBREVIATIONS

Abbreviations	MCO Name
Aetna	Aetna Better Health of Texas, Inc.
Amerigroup	Amerigroup Texas, Inc.
Blue Cross	Blue Cross and Blue Shield of Texas
Bravo	Bravo Health
Christus	Christus Health Plan
Cigna	Cigna-HealthSpring
Community First	Community First Health Plans
Community Health	Community Health Choice
Cook	Cook Children's Health Plan
Driscoll	Driscoll Children's Health Plan
El Paso	El Paso First Health Plans, Inc.
EverCare	EverCare of Texas
FirstCare	FirstCare Health Plans
Molina	Molina Healthcare of Texas, Inc.
Parkland	Parkland Community Health Plan, Inc.
Scott and White	Scott and White Health Plan
Sendero	Sendero Health Plans, Inc.
Seton	Seton Health Plan, Inc.
Superior	Superior HealthPlan, Inc.
TCHP	Texas Children's Health Plan, Inc.
UnitedHealthcare	UnitedHealthcare Community Plan of Texas, L.L.C.

Appendix C: SPEECH THERAPY PROCEDURE CODES

Procedure Code Number	Procedure Code
5456X	Speech Language Pathology Re-evaluation (before 2014)
92506	Evaluation (before 2014)
92507	Individual Speech Therapy
92508	Group Speech Therapy
92521	Speech Fluency Evaluation
92522	Speech Production Evaluation
92523	Speech Production Evaluation with Language Comprehension
92524	Voice Analysis
92526	Oral Function Therapy
92610	Swallowing Function Evaluation
92626	Evaluation of Auditory Rehabilitation Status (first hour)
92627	92626 Add-on (additional 15 minute increments)
92630	Auditory Rehab Pre-Lingual
92633	Auditory Rehab Post-Lingual
97535	Self Care Management Training
G0153	Home Health/Hospice Speech Language Pathology Services
S9152	Speech Language Pathology Re-evaluation (after 2014)

Appendix D: SPEECH THERAPY EXPENDITURES BY MCO

MCO	2013 (\$ millions)	2014 (\$ millions)	2015 (\$ millions)	2016 (\$ millions)	Total (\$ millions)	Percentage
Superior	\$ 104.45	\$ 82.01	\$ 74.86	\$ 70.01	\$ 331.33	39.55%
Texas Children's	21.67	26.53	26.27	19.17	93.63	11.18%
Parkland	18.85	16.61	20.00	18.24	73.70	8.80%
Amerigroup	14.23	16.26	17.11	22.08	69.68	8.32%
Cook	12.40	14.64	17.73	8.40	53.17	6.35%
Community Health	8.87	9.65	15.20	18.67	52.39	6.25%
United	7.56	9.61	12.44	16.33	45.93	5.48%
Community First	7.42	8.72	10.95	10.11	37.21	4.44%
El Paso	2.16	4.88	6.19	5.61	18.84	2.25%
FirstCare	3.01	4.10	4.72	5.23	17.07	2.04%
Aetna	3.96	3.19	4.09	4.83	16.07	1.92%
Molina	6.18	1.74	1.28	1.38	10.57	1.26%
Scott and White	0.90	1.25	1.43	1.67	5.25	0.63%
Driscoll	0.86	0.81	1.23	1.44	4.34	0.52%
Seton	0.46	0.71	1.02	0.43	2.62	0.31%
Sendero	0.31	0.48	0.66	0.78	2.23	0.27%
Blue Cross	0.13	0.14	0.23	1.11	1.60	0.19%
Cigna	0.30	0.28	0.27	0.29	1.13	0.14%
Christus	0.27	0.32	0.14	0.00	0.73	0.09%
Evercare	0.01	0.02	0.06	0.04	0.13	0.02%
Bravo	0.04	0.02	0.00	0.00	0.07	0.01%
Total	\$214.04	\$201.98	\$215.86	\$ 205.80	\$ 837.67	100.00%

Appendix E: REPORT TEAM AND REPORT DISTRIBUTION

Report Team

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Appendix F: IG MISSION AND CONTACT INFORMATION

Inspector General Mission

The mission of the IG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of IG's mission and statutory responsibility includes:

- Stuart W. Bowen, Jr. Inspector General
- Sylvia Hernandez Kauffman Principal Deputy IG
- Christine Maldonado Chief of Staff and Deputy IG for Operations
- Olga Rodriguez Senior Advisor and
Director of Policy and Publications
- Roland Luna Deputy IG for Investigations
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