Nursing Facility Services Transition into Medicaid Managed Care

Medicaid and CHIP Division

Health and Human Services Commission
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Managed Care

• Managed care is healthcare provided through a network of doctors, hospitals and other healthcare providers responsible for managing and delivering quality, cost effective care.

• The State pays a managed care organization (MCO) a capitated rate for each member enrolled, rather than paying for each unit of service (fee-for-service).
STAR+PLUS

• Integrates the delivery of acute care and long term services and supports (LTSS) through a managed care system
• More than 519,910 members served statewide
• Each member is enrolled in an MCO
• Service coordination is the cornerstone feature available to all members

Date Source: Data Analytics
Nursing Facility Services

• HHSC transitioning nursing facility (NF) services for most clients 21yrs and older, from traditional fee-for-service (FFS) Medicaid to STAR+PLUS managed care
  • Effective March 1, 2015, statewide
  • Directed by S.B. 7, 83rd Legislature, Regular Session, 2013

• Intended to improve quality of care and health outcomes for NF residents through:
  • Coordination of healthcare and access to services
  • Ensuring needs are addressed in the least restrictive, most appropriate setting
  • Reduction of unnecessary hospitalizations and potentially preventable events
Nursing Facility Services

• Approximately 50,000 – 60,000 Medicaid clients in NFs will transition to STAR+PLUS
  • Residents (or authorized representatives) should select an MCO in their service area by February 11, 2015, if done in person or on-line
  • If mailing in enrollment, must be received by February 6, 2015
  • Those who do not select an MCO will be assigned to an MCO
  • Members can change MCOs at any time by contacting the enrollment broker, Maximus
Nursing Facility Services: STAR+PLUS Populations

• Mandatory:
  • Adults age 21 and older
  • Covered by Medicaid
  • Meet STAR+PLUS eligibility requirements

• Excluded:
  • Individuals age 20 and younger
  • Individuals living in the Truman W. Smith Children’s Care Center
  • Individuals living in a state veteran’s home
Nursing Facility Services: Roles and Responsibilities

• Texas Department of Aging and Disability Services (DADS) will:
  • Maintain NF licensing, certification, and contracting responsibilities
  • Maintain the minimum data set (MDS) function
  • Maintain the service authorization data that includes level of care
  • Continue trust fund monitoring
  • Continue regulatory monitoring activities

• Nursing facility providers will:
  • Continue completing and submitting the MDS to CMS database
  • Long Term Care Medicaid Information (LTCMI) forms to TMHP Portal
  • Continue submitting 3618 and 3619 forms to TMHP
  • Bill MCOs for services provided to managed care members
Nursing Facility Services: Roles and Responsibilities

• STAR+PLUS MCOs will:
  • Contract directly with NFs
  • Reimburse providers for services provided to NF residents enrolled in STAR+PLUS
  • Ensure appropriate utilization of NF add-on and acute care services
Nursing Facility Services: Significant Traditional Providers

• Significant Traditional Providers (STP): NF providers currently serving Medicaid clients
  • MCOs generally initiate contract, but STPs may initiate
    • MCO obligated to offer STPs the opportunity to be in-network
      • NF meets criteria as provider of healthcare services to substantial number of Medicaid recipients
      • Must be a DADS licensed, certified and contracted provider as of September 1, 2013
      • Expires February 28, 2018
    • STP must accept MCO conditions for contracting and credentialing
    • MCO will contact physicians and ancillary providers based on NF demographic forms
Nursing Facility Services: Service Coordination

• MCOs will assign a service coordinator for each NF
  • Licensed RN, NP, LVN, or social worker

• Service coordination includes:
  • Identifying and addressing residents’ physical, mental or long term needs
  • Assisting residents and families to understand benefits
  • Ensuring access to and coordination of needed services

• MCO service coordinators will visit residents at least quarterly
Nursing Facility Services:  
MCO Service Coordinator Responsibilities

- MCO service coordinators will assist with:
  - Finding providers to address specific needs
  - Coordination and notification of add-on services not included in the daily rate
  - Collection of applied income
    - Business office manager (BOM) is responsible for collecting applied income
    - BOM can notify MCO service coordinator if they have made two unsuccessful collection attempts
Nursing Facility Services: MCO Service Coordinator Notifications

- NFs should notify the MCO service coordinators within one business day for:
  - NF admission/readmission and discharge
  - Change in payer source (Medicaid/Medicare) or bed type (skilled/non-skilled)
  - Transition to hospice
  - Use of emergency room or emergency transportation
  - Prior authorization not required for emergency services
  - Significant change in resident condition requiring hospitalization
Nursing Facility Services: Unit Rate Services and Co-insurance

- NF unit rate services include DADS daily care services, such as:
  - Room and board
  - Medical supplies and equipment
  - Personal needs items
  - Social services
  - Over-the-counter drugs
  - Applicable nursing facility staff rate enhancements
  - Applicable professional and general liability insurance
  - Medicare Part A co-insurance

- NFs must bill MCOs within one year of providing NF unit rate services
- NFs must bill MCOs within one year for Medicare Part A NF co-insurance for dual eligible residents enrolled in STAR+PLUS
- MCOs must adjudicate clean claims within 10 days of submission
- Assessments and authorizations related to NF unit rate services will not change under managed care
Nursing Facility Services: Add-on Services

• Add-on services are services outside the NF unit rate, including:
  • Emergency dental services
  • Physician-ordered rehabilitation services (e.g. goal directed therapy)
  • Durable medical equipment such as:
    • Customized power wheelchairs
    • Augmentative communication devices

• MCOs will authorize all add-on services
• MCOs will adjudicate clean claims within 30 days of submission of add-on services
Nursing Facility Services: Add-on Services

• Add-on providers must:
  • Be credentialed and enrolled in Medicaid
  • Contract with an MCO to be paid for services
  • Bill the MCO within 95 days of providing a service
  • Request authorization of services from MCO

• Therapy add-on services
  • NFs may submit claims to MCOs on behalf of employed or contracted providers for therapy add-on services only
  • MCOs cannot accept therapy claims submitted by a contracted therapist who is not enrolled in Medicaid
Nursing Facility Services: Acute Services

- Acute care means preventive care, primary care, and other medical care provided under the direction of a physician for a condition having a relatively short duration

- Acute care providers must:
  - Contract with an MCO to be paid for services
  - Be credentialed and enrolled in Medicaid
  - Bill MCOs directly within 95 days
  - Bill Medicare for individuals dually eligible for Medicare and Medicaid

- MCO must adjudicate a clean claim within 30 days
Nursing Facility Services: Authorizations Process

• DADS will continue to authorize services for:
  • NF unit rate (daily care and room and board)
  • Medicare coinsurance
  • Child tracheostomy care
  • Ventilator care

• MCOs will authorize add-on services for:
  • Physical therapy
  • Speech therapy
  • Occupational therapy
  • Durable medical equipment (such as customized power wheel chairs)
Nursing Facility Services: Authorizations for Add-ons and Acute Care

• For add-on and acute care services, providers must:
  • Request authorizations from MCO using the MCO portal
  • Use the MCO-specific prior authorization request form
    • MCO website
    • Provider manual

• MCOs:
  • Provide authorizations based on medical necessity criteria
  • Respond to authorization requests within 72 hours
  • May issue authorizations for more than 30 days
Nursing Facility Services: Authorizations in Progress

- **Therapy services:**
  - MCOs will receive open service authorizations as of 3/1/15 for managed care members
  - NFs should submit claims to TMHP for dates of service prior to 3/1/15 for managed care members
  - NFs or therapists should submit claims incurred on or after 3/1/15 to MCOs for managed care members

- **Durable Medical Equipment (DME):**
  - Service authorizations requested prior to 3/1/15 to DADS or TMHP will continue to be processed and paid by TMHP
  - NFs should not submit a fee for service DME claim to TMHP for payment if the resident is a managed care member
  - Details of payment for these DME will be forthcoming from DADS
Nursing Facility Services: Billing and Reimbursement

- MCOs pay providers:
  - Daily rate - based on resident’s minimum data set (MDS) resource utilization group (RUG) level
  - Negotiated rates for other medically necessary services including add on and acute care services
    - Rates for goal directed therapy are set by the State
- For services under the NF unit rate, MCOs must pay NFs no less than the Medicaid fee-for-service (FFS) rate
  - Unit rate includes staff rate enhancement and liability insurance
Nursing Facility Services:
Services Excluded from Managed Care

• Providers must bill traditional FFS Medicaid for:
  • Hospice services
  • Preadmission Screening and Resident Review (PASRR) services
  • For new admits that have not yet enrolled in managed care

• Although NF residents may receive services billed to FFS, the residents remain in managed care

• MCOs will pay for all other services for NF residents
Nursing Facility Services: Billing and Reimbursement

- MCOs may pend claims if more information is needed to adjudicate
  - For example: explanation of payment (EOP) for other insurance, payment reconsideration
  - Providers must follow-up directly with the MCO
- MCOs may require providers to bill unit rate and add-on services separately
- Submitting claims directly to the MCO and through the state portal will require input in fields that include:
  - Primary diagnosis
  - Admit date
  - Other insurance (if applicable)
  - Taxonomy
Nursing Facility Services: Other Insurance on Claims

- NFs must continue to follow DADS policy guidance on Cost Avoidance
  - DADS IL-13 Cost Avoidance Update – Medicare Supplemental Insurance Policies
    - Providers are not required to file a claim to determine liability of a Medicare Supplemental Insurance policy for non-Medicare covered services (e.g., daily care)
    - Phone confirmation, web searches, and mailed correspondence are valid forms of eligibility verification
    - Providers must maintain details of eligibility verification and obtain them once a year
  - DADS IL-30 Cost Avoidance Update – Comprehensive Insurance Policies
    - Claim submission, phone confirmation, web searches, and mailed correspondence are valid forms of eligibility verification
    - Providers must maintain the details of eligibility verification and obtain them once a year
- As of March 1, 2015
  - NFs must submit any other insurance paid amount on the Medicaid claim to allow the claim to be reduced by that amount
  - NFs are not required to submit the denial information from the other insurance carrier on the Medicaid claim
Nursing Facility Services: MCO Portals

- HHSC strongly encourages NFs to bill MCOs directly
  - MCO portals allow enhanced functionality, tracking, submission of attachments, and additional timeliness
  - NFs can submit claims for unit rate services through the state portal to forward to the appropriate MCO
  - NFs must use MCO portal to make corrections/adjustments or request an appeal of their claims
  - NFs must use MCO portal to obtain status of submitted claims
Nursing Facility Services: Contracting

• HHSC encourages NFs to contract with MCOs
  • Non-contracted NFs in the geographic service area of the MCO will be paid an out-of-network rate
  • The 10-day adjudication of clean claims for out-of-network providers is not protected
Nursing Facility Services: Client Enrollment Activities

- November 2014 – Clients received:
  - Introduction letters
  - Enrollment packets

- January 2015 – Clients receive:
  - Reminder letters (if not yet enrolled with an MCO)

- February 2015 – Clients:
  - Who do not choose an MCO by February 11, 2015, will be assigned to one
  - May change MCOs at any time by contacting the enrollment broker

- March 1, 2015:
  - STAR+PLUS MCOs become responsible for nursing facility residents’ care
Nursing Facility Services: Client Enrollment Activities

• In November communications, NF residents received a yellow MCO comparison chart

• In choosing an MCO, residents should review offered value-added services, which may include:
  • Extra dental, vision or podiatry services
  • Health and wellness services (e.g., smoking cessation)
  • NF welcome kits
  • Gift cards
Nursing Facility Services: Client Enrollment Activities

- Mail: Must be received by February 6, 2015
  - PO Box 149023, Austin, TX 78714-9023
- Phone: 1-877-782-6440
- Fax: 1-855-671-6038
- In person at enrollment events: [http://www.txmedicaidevents.com](http://www.txmedicaidevents.com)
- Home visit: Request by calling 1-800-964-2777
- Online: [http://www.yourtexasbenefits.com](http://www.yourtexasbenefits.com)
- Deadline: February 11, 2015
Nursing Facility Services: Client Complaints

• NF residents may need assistance in determining the appropriate avenue to file a complaint
  • If the complaint is about managed care services or service coordination, contact the MCO directly
  • If complaint is about the NF, contact DADS:
    • Allegations of Abuse, Neglect or Exploitation involving NF staff
    • Long-Term Care Ombudsman involving perceived violations of resident rights
  • Other allegations
    • Adult Protective Services Abuse Hotline 1-800-252-5400
    • Local Law Enforcement
Nursing Facility Services: Provider Complaints

- Contact the MCO first and exhaust the MCO resolution process before filing a complaint with HHSC
- Contact the MCO directly:
  - Questions about claim adjudication
  - Appeals, grievances or dispute resolution
- Contact DADS:
  - Issues with RUG (daily rate) or permanent medical necessity
  - Self Reports of abuse/neglect/exploitation
- Contact TMHP:
  - LTCMI issues
  - Medical Necessity denials
- Contact HHSC:
  - Email HPM complaints, if you feel you do not receive resolution from the MCO at HPM_Complaints@hhsc.state.tx.us
Nursing Facility Services: Appeals and Fair Hearings

- If services are denied, reduced or terminated, clients may:
  - Appeal to the MCO
  - File a fair hearing request with the State
- Services may continue during the review of the appeal or fair hearing if:
  - The request was submitted within the adverse action period
  - The member requests continued services pending the appeal.
- Medicaid appeal process will not change with managed care
  - Members have 30 days to file an appeal with the MCO
  - Members can also file an appeal through the Fair Hearings Office within 90 days
  - No changes have occurred with medical necessity determination outcome appeals process
Nursing Facility Services: Next Steps

• **Contract with MCOs**
  • Know the STAR+PLUS MCOs
  • Notify each MCO of providers serving Medicaid clients
  • Encourage your providers to reach out to MCOs
  • Reach out to third party billers to inform them of new required fields for 5010 compliance

• **Prepare for enrollment**
  • Ensure staff understand the enrollment process
  • Encourage staff to explain enrollment to residents and families

• **Understand updated processes**
  • Ensure staff understand billing
  • Ensure staff understand authorization processes
Nursing Facility Services: Dual Demonstration

• The Center for Medicare and Medicaid Services (CMS) and HHSC are establishing a federal-state partnership to better serve individuals eligible for both Medicare and Medicaid

• The initiative will test an innovative payment and service delivery model to improve coordination of services for dual eligibles with goal of enhancing quality of care and reducing cost
  • Require one health plan to be responsible for the full array of services
  • Create a single point of accountability for the delivery, coordination and management of Medicare and Medicaid services
  • Integrate the fragmented model of care for dual eligibles
Nursing Facility Services: Dual Demonstration

• Starting August 1, 2015, for NF residents in the following six counties:
  • Bexar
  • Dallas
  • El Paso
  • Harris
  • Hidalgo
  • Tarrant

• Fully integrated managed care model for individuals who are enrolled in Medicare and Medicaid (dual eligibles).
• Each member is enrolled in a Medicare-Medicaid Plan (MMP).
• Enrollment for most eligible residents will be conducted using a passive enrollment process, with the opportunity to opt out
  • August 1, 2015: Bexar and El Paso
  • September, 2015: Harris
  • October 1, 2015: Dallas, Hidalgo and Tarrant
Nursing Facility Services: Dual Demonstration Billing

• Providers will only be required to submit one bill to MCO for acute and long term care services covered under Medicare and Medicaid
• Payment for Medicare and Medicaid services will be sent from MCO
• MCO will authorize services
• Prior authorizations are not required for emergency services
• Hospice, non-emergency medical transportation and PASRR specialized services will remain in FFS
• Residents can be admitted under skilled criteria without having required 3 day hospital stay
  • May also be able to stay within facility without hospitalization by obtaining authorization from MCO
Nursing Facility Services: Dual Demonstration Client Appeals

- Health plans will use integrated denial notices
- Clients have 60 days to file an appeal directly through the plan
- Services for Medicare and Medicaid will continue during an appeal if requested by client within 10 days
- For Medicaid appeals by client or responsible party:
  - May also appeal through fair hearings office within 90 days
- Medicare appeals:
  - Part D process is unchanged
  - Continue to have appeal rights to an Independent Review Entity and to higher levels
Nursing Facility Services: Questions and Resources

Email general managed care questions to:
Managed_Care_Initiatives@hhsc.state.tx.us

Email re: Eligibility and enrollment questions:
ManagedCareExpansion2015@hhsc.state.tx.us

NF Provider page

For more information on NF Managed Care Initiatives Webpage
http://www.hhsc.state.tx.us/medicaid/managed-care/mmc.shtml

Dual demonstration Webpage
http://www.hhsc.state.tx.us/medicaid/managed-care/dual-eligible/