



COMMISSIONER
Jon Weizenbaum

July 3, 2013

To: Nursing Facilities
Hospice Providers
Intermediate Care Facilities for Individuals with an Intellectual Disability or Related
Condition Providers

Subject: Information Letter No 13-30
Cost Avoidance Update - Comprehensive Insurance Policies

This information letter includes new forms of valid verification providers can use to determine the liability of Comprehensive Insurance Policies and instructions for filing Medicaid claims. Please refer to Information Letter 13-13 for instructions when the Medicaid individual has a Medicare Supplemental Insurance Policy.

When billing for non-Medicare covered services (e.g. daily care), claim submission, phone confirmation, web searches, and mailed correspondence are now valid forms of eligibility verification to determine the liability of a Comprehensive Insurance Policy.

Providers must maintain the details of the eligibility verification that confirms that the Comprehensive Insurance Policy will not cover a daily care service. The Texas Department of Aging and Disability Services (DADS) will require providers to verify liability of the Comprehensive Insurance Policy as a once-a-year requirement only. The date of eligibility verification can be used for 365 days.

Filing the Medicaid Claim - What to enter in the Other Insurance (OI) disposition fields when the Comprehensive Insurance Policy does not cover non-Medicare services.

- OI – Disposition: Enter ‘Denied’;
- OI - Disposition Reason: Enter ‘Policy does not cover custodial care’;
- OI - Billed Date: Enter the date of the claim submission, written request, phone call, or web verification;
- OI - Disposition Date: Enter either the date of the letter for written responses or the date resulting in verification from phone or web verification. Due to an edit in the system, if the verification is received on the same date as the request date, enter the date plus one day; and
- Insurance Claim No.: Enter the claim number or method of eligibility verification, e.g., letter, phone call, web search.

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Providers must:

- continue to submit claims to the insurance carrier to determine the liability of all other types of policies that are Long Term Care (LTC) relevant;
- file the claim with insurance carriers for Comprehensive Insurance policies when billing Medicare Skilled Coinsurance;
- call the Texas Medicaid and Healthcare Partnership (TMHP) LTC Help Desk at 1-800-626-4117, Option 1, with questions about this process or any other cost avoidance claims and adjudication processes;
- call TMHP Third Party Liability at 1-800-626-4117, Option 6, with questions related to the OI information on file; and
- monitor the LTC homepage at http://www.tmhp.com/Pages/LTC/ltc_home.aspx for future information notices about the Cost Avoidance project.

For questions about the content of this information letter, contact DADS Third Party Recovery Unit by phone at (512) 438-2200, Option 4.

Sincerely,

[signature on file]

James Jenkins
Chief Financial Officer

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