



COMMISSIONER
Jon Weizenbaum

January 18, 2015

To: Nursing Facility Providers
Hospice Providers

Subject: Information Letter No. 15-12
Nursing Facility Managed Care Transition: Selection of a Managed Care Organization
Required by Individuals Receiving Hospice Services

Hospice services will continue to be provided under Medicaid fee-for-service (FFS) after nursing facility (NF) services transition to managed care effective March 1, 2015. There will be no change in the way hospice services are delivered or billed. However, NF residents receiving hospice services will be required to choose a STAR+PLUS health plan, if they are 21 or older, are eligible for Medicaid, and meet STAR+PLUS criteria. This requirement includes Medicaid-only and dually-eligible (Medicare and Medicaid) residents. The STAR+PLUS health plan will be responsible for adjudicating claims outside of hospice services, such as acute care claims for services not related to the terminal diagnosis.

Medicaid-only coverage beginning March 1, 2015

For Medicaid-only individuals, the hospice agency bills for all services pertaining to the terminal illness, including the room and board payments for the NF. Medicaid-only residents receiving hospice services are required to choose a STAR+PLUS health plan and a primary care physician (PCP).

Dually-eligible (Medicare-Medicaid) coverage beginning March 1, 2015

Hospice direct care services for dually-eligible residents will continue to be paid by Medicare. The hospice agency will bill Medicaid only for room and board payments for the NF. Dually-eligible residents receiving hospice services are required to choose a STAR+PLUS health plan; they are not required to choose a PCP.

In both situations noted above, the hospice agency reimburses the NF no less than 95 percent of the room and board rates.

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For additional questions please email HHSC at: Managed_Care_Initiatives@hhsc.state.tx.us.

Sincerely,

[signature on file]

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Director
Center for Policy and Innovation

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Elisa J. Garza
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