



COMMISSIONER  
Jon Weizenbaum

December 31, 2015

To: Medicaid Hospice Providers

Subject: Information Letter No. 15-79  
Increased Medicaid Hospice Routine Home Care Payment Rates

The purpose of this letter is to inform Medicaid Hospice Providers of the Centers for Medicare and Medicaid Services (CMS) changes to routine home care payments. These changes reflect resource intensity in the provision of care and services during the course of hospice care. This change was authorized under the "FY 2016 Hospice Wage Index and Payment Rate Update and Hospice Quality Reporting Requirements" published August 6, 2015.

Beginning January 1, 2016, the changes to the routine home care (RHC) per diem rate will be implemented. Days 1 through 60 of an individual's initial hospice election will be paid at the RHC 'High' rate, where the cost of care is generally higher. Days 61 and after will be paid at the RHC 'Low' rate. Although the RHC "High" rate will be implemented on January 1, 2016, Texas Medicaid Healthcare Partnership (TMHP) will not be able to process claims for this service until March 1, 2016.

When an individual elects Medicaid hospice services, and is receiving RHC, the hospice provider will be eligible for increased per diem rates during the first 60 days of service based on the following:

- The day is an RHC level of care day.
- The day occurs during the first 60 days of an election.
- If an individual receiving hospice services is discharged and readmitted to Medicaid Hospice within 60 days of the discharge, the prior hospice days will follow the individual and count toward the individual's initial 60 days of hospice service. The total number of days the individual received hospice service will be used to determine whether the hospice may claim the high or low RHC rate.
- If an individual receiving hospice service is discharged from hospice after more than 60 days, the re-election of hospice services resets the individual's 60-day window payable at the RHC 'High' rate; and
- The hospice provider, based on a conversation with the individual or their representative, is required to determine if and when the individual had a prior hospice election to determine whether the hospice provider may bill the high or low RHC rate.

Two billing codes have been created under the RHC rate for submission of high and low RHC claims. The billing code used for the lower rate (61 days and ongoing) will be T0100 and the new billing code for the first 1 through 60 days of service will be T0101. Both of these billing codes are under Service Group 8 / Service Code 1.

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If you have any questions or need additional information, please contact the Medicaid Hospice program by email at [Hospice@dads.state.tx.us](mailto:Hospice@dads.state.tx.us).

Sincerely,

*[signature on file]*

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Director

Community Services and Program Operations

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