



COMMISSIONER  
Chris Traylor

April 18, 2012

To: Medicaid Hospice Providers  
Nursing Facility Providers

Subject: Information Letter No. 12-39  
Retroactive Medicaid Eligibility and Billing for Nursing Facility Room and Board in the Medicaid Hospice Program (Replaces Provider Letter #02-06)

Dear Provider:

The purpose of this letter is to clarify which provider, the hospice agency or the nursing facility, is responsible for billing room and board when an individual, residing in a nursing facility, elects hospice prior to becoming Medicaid eligible. Prior to the individual becoming eligible for Medicaid, the Medicaid hospice provider is not responsible for the room and board payments made to the nursing facility.

Individuals who are dually eligible for Medicare and Medicaid must elect hospice in both programs at the same time. However, individuals who are eligible for Medicare hospice before they are Medicaid eligible must elect Medicaid hospice as soon as their Medicaid eligibility is established. Hospice providers will be held accountable for ensuring Medicaid hospice is elected upon notification of Medicaid eligibility.

When the individual residing in a nursing facility is determined eligible for Medicaid and Medicaid hospice benefits, Medicaid will pay for hospice services from the hospice election effective date forward, after all eligibility requirements are met. Texas Department of Aging and Disability Services (DADS) will reimburse the hospice provider for room and board at no less than 95 percent of the nursing facility rate, and the hospice provider is responsible for payment to the nursing facility for the room and board payment.

If Medicaid Eligibility for Persons with Disabilities (MEPD) determines an individual met all Medicaid eligibility criteria for three months prior to the Medicaid application date, Medicaid eligibility may be established both prospectively, from the date of the application forward, and retrospectively, for up to three months prior to the date of the application.

If the individual is eligible for Medicaid benefits for the three months prior to the date of the application, the nursing facility is required to refund any payments received from the individual for nursing facility care and request payment through DADS via the Texas Medicaid and Healthcare Partnership (TMHP) online portal. The nursing facility will be reimbursed by DADS for the three month period if all required forms are completed for the three months prior. The

Texas Medicaid Hospice Provider Manual, Section 3200 Three-Month Prior Eligibility, encourages providers to maintain open communication with individuals, nursing facility staff, and family members so the hospice provider will have immediate and current information when an individual receiving hospice care becomes eligible for Medicaid.

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Hospice providers are not required but may choose to maintain signed and dated Medicaid hospice eligibility forms (Form 3071 and Form 3074) for individuals not yet determined Medicaid eligible at the time Medicare hospice is elected, on file. Hospice providers will not be paid for services provided three months prior to the determination of Medicaid eligibility if the election form was not signed and dated three months prior.

If you have questions or need further assistance, please contact Pam Lovell, R.N. at (512) 438-3519 or by email at [pam.lovell@dads.state.tx.us](mailto:pam.lovell@dads.state.tx.us)

Sincerely,

[signature on file]

Carol Sloan  
Section Manager  
Community Services and Program Operations

CS:lr