



COMMISSIONER
Jon Weizenbaum

February 20, 2013

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

Subject: Information Letter 13-09

Re: Implementation of the Cost Avoidance Project – February 22, 2013

This information letter is to provide billing guidelines to providers for the final implementation of the Cost Avoidance Project effective February 22, 2013.

As providers have previously been notified, effective February 22, 2013, and forward, all claims submitted to the Texas Medicaid and HealthCare Partnership (TMHP) for services provided February 22, 2013, and forward must include all Other Insurance (OI) information.

Because the February 22, 2013, Cost Avoidance Project implementation date falls within the month of February, providers are encouraged to separate claims for dates of service before and after February 22, 2013. Claims with dates of service prior to February 22, 2013, should be billed on a separate detail line from claims for dates of service billed on or after February 22, 2013. Services rendered prior to February 22, 2013, will not be subject to cost avoidance. Services rendered February 22, 2013, and forward will be subject to cost avoidance.

Example:

Line item 1 – 2/1/2013 through 2/21/2013 [not cost-avoided]

Line item 2 – 2/22/2013 through 2/28/2013 [cost-avoided]

Providers who choose to submit claims for services that include the February 22, 2013, implementation date, must include all OI information as required by cost avoidance, even though some of the services billed are before the specified implementation date. Therefore, separating claims for dates of service before and after February 22, 2013, will facilitate the transition to cost avoidance and provide an accurate audit trail of specific costs avoided on Long Term Care (LTC) Medicaid claims.

Please note that providers must attest to the following attestation on all claims submitted to TMHP regardless of the dates of services:

“By checking this box, you attest to the fact that you understand that Federal regulations dictate that the Medicaid Program is the payer of last resort and that the client has no additional third party coverage that is relevant to the service(s) billed on this claim. You further attest that all Other Insurance information entered on this claim is true and accurate when present and that every Explanation of Benefits (EOB) received from the other insurance carrier(s) is kept on file.”

Resources

Providers should:

- Call the TMHP LTC Help Desk at 1-800-626-4117, Option 1, for questions about LTC cost avoidance claims processing and adjudication.
- Call the TMHP LTC Help Desk at 1-800-626-4117, Option 6, for questions related to the OI information on file.
- Monitor the LTC homepage at http://www.tmhp.com/Pages/LTC/ltc_home.aspx for future information notices about the Cost Avoidance Project.

If you have any questions about this information letter, contact Yvette Walters at Yvette.Walters@dads.state.tx.us or (512) 438-2177.

Sincerely,

[signature on file]

James Jenkins
Chief Financial Officer