



Nursing Facility Services Transition into Medicaid Managed Care

Medicaid and CHIP Division
Health and Human Services Commission

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Managed Care

- Managed care is healthcare provided through a network of doctors, hospitals and other healthcare providers responsible for managing and delivering quality, cost effective care.
- The State pays a managed care organization (MCO) a capitated rate for each member enrolled, rather than paying for each unit of service (fee-for-service).

STAR+PLUS

- Integrates the delivery of acute care and long term services and supports (LTSS) through a managed care system
- More than 519,910 members served statewide
- Each member is enrolled in an MCO
- Service coordination is the cornerstone feature available to all members

Nursing Facility Services

- HHSC transitioning nursing facility (NF) services for most clients 21yrs and older, from traditional fee-for-service (FFS) Medicaid to STAR+PLUS managed care
 - Effective March 1, 2015, statewide
 - Directed by S.B. 7, 83rd Legislature, Regular Session, 2013
- Intended to improve quality of care and health outcomes for NF residents through:
 - Coordination of healthcare and access to services
 - Ensuring needs are addressed in the least restrictive, most appropriate setting
 - Reduction of unnecessary hospitalizations and potentially preventable events

Nursing Facility Services

- Approximately 50,000 – 60,000 Medicaid clients in NFs will transition to STAR+PLUS
 - Residents (or authorized representatives) should select an MCO in their service area by February 11, 2015, if done in person or on-line
 - If mailing in enrollment, must be received by February 6, 2015
 - Those who do not select an MCO will be assigned to an MCO
 - Members can change MCOs at any time by contacting the enrollment broker, Maximus

Nursing Facility Services: STAR+PLUS Populations

- **Mandatory:**
 - Adults age 21 and older
 - Covered by Medicaid
 - Meet STAR+PLUS eligibility requirements
- **Excluded:**
 - Individuals age 20 and younger
 - Individuals living in the Truman W. Smith Children's Care Center
 - Individuals living in a state veteran's home

Nursing Facility Services: Roles and Responsibilities

- Texas Department of Aging and Disability Services (DADS) will:
 - Maintain NF licensing, certification, and contracting responsibilities
 - Maintain the minimum data set (MDS) function
 - Maintain the service authorization data that includes level of care
 - Continue trust fund monitoring
 - Continue regulatory monitoring activities
- Nursing facility providers will:
 - Continue completing and submitting the MDS to CMS database
 - Long Term Care Medicaid Information (LTCMI) forms to TMHP Portal
 - Continue submitting 3618 and 3619 forms to TMHP
 - Bill MCOs for services provided to managed care members

Nursing Facility Services: Roles and Responsibilities

- STAR+PLUS MCOs will:
 - Contract directly with NFs
 - Reimburse providers for services provided to NF residents enrolled in STAR+PLUS
 - Ensure appropriate utilization of NF add-on and acute care services

Nursing Facility Services: Significant Traditional Providers

- Significant Traditional Providers (STP): NF providers currently serving Medicaid clients
 - MCOs generally initiate contract, but STPs may initiate
 - MCO obligated to offer STPs the opportunity to be in-network
 - NF meets criteria as provider of healthcare services to substantial number of Medicaid recipients
 - Must be a DADS licensed, certified and contracted provider as of September 1, 2013
 - Expires February 28, 2018
 - STP must accept MCO conditions for contracting and credentialing
 - MCO will contact physicians and ancillary providers based on NF demographic forms

Nursing Facility Services: Service Coordination

- MCOs will assign a service coordinator for each NF
 - Licensed RN, NP, LVN, or social worker
- Service coordination includes:
 - Identifying and addressing residents' physical, mental or long term needs
 - Assisting residents and families to understand benefits
 - Ensuring access to and coordination of needed services
- MCO service coordinators will visit residents at least quarterly

Nursing Facility Services: MCO Service Coordinator Responsibilities

- MCO service coordinators will assist with:
 - Finding providers to address specific needs
 - Coordination and notification of add-on services not included in the daily rate
 - Collection of applied income
 - Business office manager (BOM) is responsible for collecting applied income
 - BOM can notify MCO service coordinator if they have made two unsuccessful collection attempts

Nursing Facility Services: MCO Service Coordinator Notifications

- NFs should notify the MCO service coordinators within one business day for:
 - NF admission/readmission and discharge
 - Change in payer source (Medicaid/Medicare) or bed type (skilled/non-skilled)
 - Transition to hospice
 - Use of emergency room or emergency transportation
 - Prior authorization not required for emergency services
 - Significant change in resident condition requiring hospitalization

Nursing Facility Services: Unit Rate Services and Co-insurance

- NF unit rate services include DADS daily care services, such as:
 - Room and board
 - Medical supplies and equipment
 - Personal needs items
 - Social services
 - Over-the-counter drugs
 - Applicable nursing facility staff rate enhancements
 - Applicable professional and general liability insurance
 - Medicare Part A co-insurance
- NFs must bill MCOs within one year of providing NF unit rate services
- NFs must bill MCOs within one year for Medicare Part A NF co-insurance for dual eligible residents enrolled in STAR+PLUS
- MCOs must adjudicate clean claims within 10 days of submission
- Assessments and authorizations related to NF unit rate services will not change under managed care

Nursing Facility Services: Add-on Services

- Add-on services are services outside the NF unit rate, including:
 - Emergency dental services
 - Physician-ordered rehabilitation services (e.g. goal directed therapy)
 - Durable medical equipment such as:
 - Customized power wheelchairs
 - Augmentative communication devices
- MCOs will authorize all add-on services
- MCOs will adjudicate clean claims within 30 days of submission of add-on services

Nursing Facility Services: Add-on Services

- Add-on providers must:
 - Be credentialed and enrolled in Medicaid
 - Contract with an MCO to be paid for services
 - Bill the MCO within 95 days of providing a service
 - Request authorization of services from MCO
- Therapy add-on services
 - NFs may submit claims to MCOs on behalf of employed or contracted providers for therapy add-on services only
 - MCOs cannot accept therapy claims submitted by a contracted therapist who is not enrolled in Medicaid

Nursing Facility Services: Acute Services

- Acute care means preventive care, primary care, and other medical care provided under the direction of a physician for a condition having a relatively short duration
- Acute care providers must:
 - Contract with an MCO to be paid for services
 - Be credentialed and enrolled in Medicaid
 - Bill MCOs directly within 95 days
 - Bill Medicare for individuals dually eligible for Medicare and Medicaid
- MCO must adjudicate a clean claim within 30 days

Nursing Facility Services: Authorizations Process

- DADS will continue to authorize services for:
 - NF unit rate (daily care and room and board)
 - Medicare coinsurance
 - Child tracheostomy care
 - Ventilator care
- MCOs will authorize add-on services for:
 - Physical therapy
 - Speech therapy
 - Occupational therapy
 - Durable medical equipment (such as customized power wheel chairs)

Nursing Facility Services: Authorizations for Add-ons and Acute Care

- For add-on and acute care services, providers must:
 - Request authorizations from MCO using the MCO portal
 - Use the MCO-specific prior authorization request form
 - MCO website
 - Provider manual
- MCOs:
 - Provide authorizations based on medical necessity criteria
 - Respond to authorization requests within 72 hours
 - May issue authorizations for more than 30 days

Nursing Facility Services: Authorizations in Progress

- Therapy services:
 - MCOs will receive open service authorizations as of 3/1/15 for managed care members
 - NFs should submit claims to TMHP for dates of service prior to 3/1/15 for managed care members
 - NFs or therapists should submit claims incurred on or after 3/1/15 to MCOs for managed care members
- Durable Medical Equipment (DME):
 - Service authorizations requested prior to 3/1/15 to DADS or TMHP will continue to be processed and paid by TMHP
 - NFs should not submit a fee for service DME claim to TMHP for payment if the resident is a managed care member
 - Details of payment for these DME will be forthcoming from DADS

Nursing Facility Services: Billing and Reimbursement

- MCOs pay providers:
 - Daily rate - based on resident's minimum data set (MDS) resource utilization group (RUG) level
 - Negotiated rates for other medically necessary services including add on and acute care services
 - Rates for goal directed therapy are set by the State
- For services under the NF unit rate, MCOs must pay NFs no less than the Medicaid fee-for-service (FFS) rate
 - Unit rate includes staff rate enhancement and liability insurance

Nursing Facility Services: Services Excluded from Managed Care

- Providers must bill traditional FFS Medicaid for:
 - Hospice services
 - Preadmission Screening and Resident Review (PASRR) services
 - For new admits that have not yet enrolled in managed care
- Although NF residents may receive services billed to FFS, the residents remain in managed care
- MCOs will pay for all other services for NF residents

Nursing Facility Services: Billing and Reimbursement

- MCOs may pend claims if more information is needed to adjudicate
 - For example: explanation of payment (EOP) for other insurance, payment reconsideration
 - Providers must follow-up directly with the MCO
- MCOs may require providers to bill unit rate and add-on services separately
- Submitting claims directly to the MCO and through the state portal will require input in fields that include:
 - Primary diagnosis
 - Admit date
 - Other insurance (if applicable)
 - Taxonomy

Nursing Facility Services: Other Insurance on Claims

- NFs must continue to follow DADS policy guidance on Cost Avoidance
 - **DADS IL-13 Cost Avoidance Update – Medicare Supplemental Insurance Policies**
 - Providers are not required to file a claim to determine liability of a Medicare Supplemental Insurance policy for non-Medicare covered services (e.g., daily care)
 - Phone confirmation, web searches, and mailed correspondence are valid forms of eligibility verification
 - Providers must maintain details of eligibility verification and obtain them once a year
 - **DADS IL-30 Cost Avoidance Update – Comprehensive Insurance Policies**
 - Claim submission, phone confirmation, web searches, and mailed correspondence are valid forms of eligibility verification
 - Providers must maintain the details of eligibility verification and obtain them once a year
- As of March 1, 2015
 - **NFs must submit any other insurance paid amount on the Medicaid claim to allow the claim to be reduced by that amount**
 - **NFs are not required to submit the denial information from the other insurance carrier on the Medicaid claim**

Nursing Facility Services: MCO Portals

- HHSC strongly encourages NFs to bill MCOs directly
 - MCO portals allow enhanced functionality, tracking, submission of attachments, and additional timeliness
 - NFs can submit claims for unit rate services through the state portal to forward to the appropriate MCO
 - NFs must use MCO portal to make corrections/adjustments or request an appeal of their claims
 - NFs must use MCO portal to obtain status of submitted claims

Nursing Facility Services: Contracting

- HHSC encourages NFs to contract with MCOs
 - Non-contracted NFs in the geographic service area of the MCO will be paid an out-of-network rate
 - The 10-day adjudication of clean claims for out-of-network providers is not protected

Nursing Facility Services: Client Enrollment Activities

- November 2014 – Clients received:
 - Introduction letters
 - Enrollment packets
- January 2015 – Clients receive:
 - Reminder letters (if not yet enrolled with an MCO)
- February 2015 – Clients:
 - Who do not choose an MCO by February 11, 2015, will be assigned to one
 - May change MCOs at any time by contacting the enrollment broker
- March 1, 2015:
 - STAR+PLUS MCOs become responsible for nursing facility residents' care

Nursing Facility Services: Client Enrollment Activities

- In November communications, NF residents received a yellow MCO comparison chart
- In choosing an MCO, residents should review offered value-added services, which may include:
 - Extra dental, vision or podiatry services
 - Health and wellness services (e.g., smoking cessation)
 - NF welcome kits
 - Gift cards

Nursing Facility Services: Client Enrollment Activities

- Mail: Must be received by February 6, 2015
 - PO Box 149023, Austin, TX 78714-9023
- Phone: 1-877-782-6440
- Fax: 1-855-671-6038
- In person at enrollment events:
<http://www.txmedicaidevents.com>
- Home visit: Request by calling 1-800-964-2777
- Online: <http://www.yourtexasbenefits.com>
- Deadline: February 11, 2015

Nursing Facility Services: Client Complaints

- NF residents may need assistance in determining the appropriate avenue to file a complaint
 - If the complaint is about managed care services or service coordination, contact the MCO directly
 - If complaint is about the NF, contact DADS:
 - Allegations of Abuse, Neglect or Exploitation involving NF staff
 - Long-Term Care Ombudsman involving perceived violations of resident rights
 - Other allegations
 - Adult Protective Services Abuse Hotline 1-800-252-5400
 - Local Law Enforcement

Nursing Facility Services: Provider Complaints

- Contact the MCO first and exhaust the MCO resolution process before filing a complaint with HHSC
- Contact the MCO directly:
 - Questions about claim adjudication
 - Appeals, grievances or dispute resolution
- Contact DADS:
 - Issues with RUG (daily rate) or permanent medical necessity
 - Self Reports of abuse/neglect/exploitation
- Contact TMHP:
 - LTCMI issues
 - Medical Necessity denials
- Contact HHSC:
 - Email HPM complaints, if you feel you do not receive resolution from the MCO at HPM_Complaints@hhsc.state.tx.us

Nursing Facility Services: Appeals and Fair Hearings

- If services are denied, reduced or terminated, clients may:
 - Appeal to the MCO
 - File a fair hearing request with the State
- Services may continue during the review of the appeal or fair hearing if:
 - The request was submitted within the adverse action period
 - The member requests continued services pending the appeal.
- Medicaid appeal process will not change with managed care
 - Members have 30 days to file an appeal with the MCO
 - Members can also file an appeal through the Fair Hearings Office within 90 days
 - No changes have occurred with medical necessity determination outcome appeals process

Nursing Facility Services: Next Steps

- Contract with MCOs
 - Know the STAR+PLUS MCOs
 - Notify each MCO of providers serving Medicaid clients
 - Encourage your providers to reach out to MCOs
 - Reach out to third party billers to inform them of new required fields for 5010 compliance
- Prepare for enrollment
 - Ensure staff understand the enrollment process
 - Encourage staff to explain enrollment to residents and families
- Understand updated processes
 - Ensure staff understand billing
 - Ensure staff understand authorization processes

Nursing Facility Services: Dual Demonstration

- The Center for Medicare and Medicaid Services (CMS) and HHSC are establishing a federal-state partnership to better serve individuals eligible for both Medicare and Medicaid
- The initiative will test an innovative payment and service delivery model to improve coordination of services for dual eligibles with goal of enhancing quality of care and reducing cost
 - Require one health plan to be responsible for the full array of services
 - Create a single point of accountability for the delivery, coordination and management of Medicare and Medicaid services
 - Integrate the fragmented model of care for dual eligibles

Nursing Facility Services: Dual Demonstration

- Starting August 1, 2015, for NF residents in the following six counties:
 - Bexar
 - Dallas
 - El Paso
 - Harris
 - Hidalgo
 - Tarrant
- Fully integrated managed care model for individuals who are enrolled in Medicare and Medicaid (dual eligibles).
- Each member is enrolled in a Medicare-Medicaid Plan (MMP).
- Enrollment for most eligible residents will be conducted using a passive enrollment process, with the opportunity to opt out
 - August 1, 2015: Bexar and El Paso
 - September, 2015: Harris
 - October 1, 2015: Dallas, Hidalgo and Tarrant

Nursing Facility Services: Dual Demonstration Billing

- Providers will only be required to submit one bill to MCO for acute and long term care services covered under Medicare and Medicaid
- Payment for Medicare and Medicaid services will be sent from MCO
- MCO will authorize services
- Prior authorizations are not required for emergency services
- Hospice, non-emergency medical transportation and PASRR specialized services will remain in FFS
- Residents can be admitted under skilled criteria without having required 3 day hospital stay
 - May also be able to stay within facility without hospitalization by obtaining authorization from MCO

Nursing Facility Services: Dual Demonstration Client Appeals

- Health plans will use integrated denial notices
- Clients have 60 days to file an appeal directly through the plan
- Services for Medicare and Medicaid will continue during an appeal if requested by client within 10 days
- For Medicaid appeals by client or responsible party:
 - May also appeal through fair hearings office within 90 days
- Medicare appeals:
 - Part D process is unchanged
 - Continue to have appeal rights to an Independent Review Entity and to higher levels

Nursing Facility Services: Questions and Resources

Email general managed care questions to:

Managed_Care_Initiatives@hhsc.state.tx.us

Email re: Eligibility and enrollment questions:

ManagedCareExpansion2015@hhsc.state.tx.us

NF Provider page

<http://www.hhsc.state.tx.us/medicaid/managed-care/mmc/starplus-adding-nursing.shtml>

**For more information on NF Managed Care Initiatives
Webpage**

<http://www.hhsc.state.tx.us/medicaid/managed-care/mmc.shtml>

Dual demonstration Webpage

<http://www.hhsc.state.tx.us/medicaid/managed-care/dual-eligible/>