



Date: June 14, 2022

To: Nursing Facility Providers (NF)

Subject: Information Letter No. 2022-34 UPDATED (Replaces IL 2022-29) Changes to the Nursing Facility Liability Insurance Rate Add-ons Effective May 1, 2022

Effective May 1, 2022, Texas Health and Human Services Commission (HHSC) adopted amendments to Title 1 of the Texas Administrative Code (1 TAC) Section 355.312, concerning Reimbursement Setting Methodology--Liability Insurance Costs. The amendment aims to streamline the payment of liability insurance rate add-ons by replacing the current certification requirements with an annual provider attestation.

## **Open Enrollment Period**

All Nursing Facility (NF) Providers must complete a liability insurance attestation during an open enrollment period between July 1, 2022 and August 1, 2022, to receive liability insurance add-on rates for the upcoming rate year (September 1, 2022 to August 31, 2023).

Per 1 TAC Section 355.312, NF providers must submit an electronic attestation on an annual basis during the open enrollment period before the rate year the liability insurance add-ons will be paid. The electronic attestation must be completed annually during the prescribed open enrollment period for providers to receive the rate add-ons for the upcoming rate year beginning September 1, 2022.

## **Liability Insurance Attestation**

The electronic attestation will include the following:

- The liability insurance attestation will require NF providers to indicate that they carry general liability and professional liability insurance, general liability insurance without professional liability insurance, or only professional liability insurance.
- The NF provider must attest that it has purchased liability insurance through an entity that has been authorized by the Texas Department of Insurance to issue liability insurance policies in the State of Texas.

- If an NF provider purchased insurance through a captive insurance company, the NF provider must attest those taxes on the premiums of captive insurance were paid to and received by the Texas Comptroller for the calendar year in which the policy was procured, continued, or renewed.
- The NF provider must attest that it has not obtained insurance from an insurer or person engaged in unauthorized insurance, as described in Chapter 101 of the Texas Insurance Code, Unauthorized Insurance.

## **Liability Insurance Renewals Prior to September 1, 2022**

NF providers must submit all documentation by July 1, 2022, to renew their liability insurance add-on to be paid through August 31, 2022. Submit documentation to HHSC Provider Finance Department (PFD) via email at [PFD-LTSS@hhs.texas.gov](mailto:PFD-LTSS@hhs.texas.gov). Please visit the HHSC PFD Website [here](#) for instructions on completing renewals.

After June 1, 2022, HHSC PFD will not accept liability insurance renewals for the rate period ending August 31, 2022.

All providers who wish to maintain liability insurance add-ons from September 1, 2022 to August 31, 2023, must complete the required electronic attestation during the annual open enrollment period.

## **General Enrollment Instructions**

The annual fiscal year 2023 open enrollment period for liability insurance rate add-ons effective on September 1, 2022, begins July 1, 2022, and ends August 1, 2022. HHSC will email all authorized NF provider representatives to notify them of open enrollment. Authorized representatives are indicated on the signature authority designation form applicable to the NF provider's contract or ownership type.

PFD NF providers must use the HHSC PFD Open Enrollment Portal to request Liability Insurance Rate Add-ons through the Open Enrollment Process. Mail and emails will no longer be accepted. Providers must access the HHSC PFD Open Enrollment Portal to receive the NF Liability Add-on for the next rate year, September 1, 2022 – August 31, 2023. This portal is on our HHSC PFD website. Providers will complete the attestation form on the HHSC PFD Open Enrollment

portal during the 2023 Open Enrollment in July. There will be no exceptions regarding this attestation timeframe.

A link to the HHSC PFD Open Enrollment Portal and information for logging into the portal will be available on July 1, 2022 and will be posted the HHSC PFD Website.

Once the NF provider gains access to the HHSC Portal, please follow the instructions to complete the attestation form.

For questions regarding the NF liability insurance rate add-ons, please contact HHSC PFD at [PFD-LTSS@hhs.texas.gov](mailto:PFD-LTSS@hhs.texas.gov).

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