



Date: April 5, 2023

To: Nursing Facility (NF) Providers
Hospice Providers

Subject: Information Letter 2023-14 Ending of Temporary Emergency
Rate Increases for the Nursing Facility program, including
Hospice services provided in the Nursing Facility setting,
Effective during the COVID-19 Emergency Declaration

On March 13, 2020, President Donald Trump issued Proclamation 9994 declaring a national emergency concerning the Novel Coronavirus Disease (COVID-19) Outbreak, and Governor Greg Abbott declared a state of disaster in all Texas counties due to COVID-19. Subsequently, on March 19th, Dr. John Hellerstedt, Commissioner of the Texas Department of State Health Services (DSHS), issued a Public Health Disaster Declaration in Texas.

The Texas Health and Human Services Commission (HHSC) adopted temporary emergency payment rate add-ons for Nursing Facility (NF) providers to support access and safety during the emergency declaration related to COVID-19. NF providers may utilize the additional funding for COVID-related expenses, including direct care staff salary and wages, personal protective equipment (PPE), and dietary needs or supplies. As it relates to direct care staff salary and wages, NF providers may use the additional funding only to increase staff compensation through reimbursement of overtime or lump sum bonuses, including bonuses for hazard pay, or other methodologies that will not result in future reductions in hourly wages when the temporary rate increases are terminated.

The emergency payment rate add-ons were made effective retroactive to April 1, 2020. They will conclude at the end of the federally-declared Public Health Emergency (PHE) on May 11, 2023.

These temporary emergency rate increases are paid in the form of add-on payments to applicable service providers' current rates. The temporary rate increases are applicable to Medicaid NF providers in both fee-for-service and managed care, including services delivered through STAR+PLUS and Dual Eligible residents served through Medicare-Medicaid Partnerships (MMP).

Information Letter 2023-14 Ending of Temporary Emergency Rate Increases for the NF, including Hospice services provided in the NF setting, Effective during the COVID-19 Emergency Declaration

April 5, 2023

Page 2

In addition, the temporary emergency rate increases apply to Medicaid hospice NF per diem rates. The State of Texas pays the Medicaid hospice provider a hospice-NF rate that is no less than 95 percent of the Medicaid NF rate for each individual in an NF to take into account the room and board furnished by the facility (Title 26 of the Texas Administrative Code [TAC] Section 266.305[d] Medicaid hospice-NF per diem rates). Per the [Medicaid Hospice Provider Manual](#), Section 6310 – NF Per Diem Rate, the hospice will then pass that amount on to the NF.

Payment Add-on Rate Information

The approved payment add-ons effective April 1, 2020, can be accessed on the [Provider Finance Department, Long Term Services and Supports website](#).

Claims Submission

Providers should continue to bill their current services using their normal billing process; except, providers must split the claims into two details to avoid any rejections:

- Detail 1 – 5/1/2023 to 5/11/2023
- Detail 2 – 5/12/2023 to 5/31/2023 or whatever end date.

Resources

Please contact the HHSC Provider Finance Department Long-term Services and Supports, Center Information and Training Team at PFD-LTSS@hhs.texas.gov if you have questions regarding the rates or this letter.

Sincerely,

[signature on file]

Samuel West
Director, Long-Term Services and Supports of Provider Finance Department