
Date: May 14, 2015 **MEPD Policy Bulletin Number: #15-06**

To: Eligibility Services – Regional Directors
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

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Subject: Nursing Facility Medicaid to Managed Care and Incurred Medical Expense Changes

Bulletins are sent to supervisors and other regional managers who must share the information with eligibility staff. Please ensure that copies are provided to staff without access to email. For questions regarding the information in this memo, follow regional procedures. Active bulletins are posted on the following respective handbook websites:

- Medicaid for the Elderly and People with Disabilities (MEPD): http://www.dads.state.tx.us/handbooks/mepd_policy/index.htm
- Texas Works: http://www.dads.state.tx.us/handbooks/texasworks_bulletins/index.htm

Background

Effective March 1, 2015, Nursing Facilities (NFs) residents began receiving services through STAR+PLUS managed care. STAR+PLUS managed care organizations (MCOs) will now provide services to the following Medicaid mandatory recipients who meet the STAR+PLUS criteria:

- Medicaid-eligible adults who are 21 years of age or older residing in NFs.
- Individuals receiving hospice services or Preadmission Screening and Resident Review (PASRR) specialized services.

The following individuals are excluded from managed care and will remain in traditional fee-for-service (FFS) Medicaid:

- Individuals who are 20 years of age or younger residing in NFs;
- Individuals residing in the Truman W. Smith Children’s Care Center; and
- Individuals residing in a state veteran’s home.

STAR+PLUS MCOs assign service coordinators (SCs) to each NF. The SCs ensure that each Medicaid recipient’s care is integrated and coordinated to avoid preventable hospital admissions,

readmissions, and emergency room visits. The SC also coordinates authorization for NF add-on and acute care services.

- NF add-on services include medically necessary durable medical equipment such as customized power wheelchairs (CPWCs), augmentative communication devices (ACDs), emergency dental services, and physician ordered rehabilitation services (also called goal directed therapies).
- Under managed care, NF residents also have access to value-added services (VAS). VAS are extra benefits offered by the MCOs outside of Medicaid. VAS may include extra routine dental, vision, or podiatry services and health and wellness services.

Current Policy

Incurred Medical Expense

When determining a recipient's co-payment amount, the Health and Human Services Commission (HHSC) allows deductions for certain incurred medical expenses (IMEs) not covered by a third party. These expenses include medical care and services not covered under the Medicaid state plan, which includes durable medical equipment and non-emergency dental services.

New Policy

Durable Medical Equipment (DME)

Medically necessary DME expenses are now covered by the MCO (either under the NF vendor rate or as a NF add-on service). IME deductions for DME are no longer allowed. DME requests for MCO members, including requests for CPWCs, must be submitted to the recipient's MCO.

Examples of medically necessary DME include hospital beds, ventilators, air mattresses, orthotic devices, and communication devices. These items should be requested through the recipient's MCO.

Staff should use the new policy for all IME requests for items or services delivered on or after March 1, 2015.

Note: *Customized manual wheelchairs* (CMWCs) are included in Medicaid covered services for NF residents with a PASRR qualifying condition and should be requested by the facility through traditional Medicaid fee for service. CMWCs continue to be allowable as an IME for NF residents without a PASRR qualifying condition.

Dental

Dental services, except for emergency dental, are not a Medicaid covered service. NF Medicaid recipients can continue to use the IME process for non-emergency dental services.

Some STAR+PLUS MCOs may offer dental services as value-added services (VAS) to NF Medicaid recipients. The recipient may choose to utilize the MCO VAS or the IME process for

non-emergency dental services. If the recipient chooses to use the MCO VAS for dental services, an IME request may be approved for dental services not covered by the MCO. Staff should review the invoice or billing statement provided with the IME request to identify dental services covered by the MCO VAS. Staff should process the IME request for any remaining dental services billed to the recipient.

Note: Emergency dental services continue to be a Medicaid benefit and the MCO is responsible for payment.

Additional Information

The following information is intended to assist state staff with questions from recipients or providers.

Managed Care Enrollment

NF Medicaid recipients may call Maximus, the state Enrollment Broker, at 1-877-782-6440 for MCO enrollment questions or to change MCOs.

Complaints

NF Medicaid recipient complaints about managed care services or service coordination should be referred to the recipient's MCO directly.

NF Medicaid recipient complaints about the NF, such as allegations of abuse, neglect or exploitation involving NF staff, should continue to be referred to DADS at 1-800-458-9858.

Appeals

Services

If authorized services are denied, reduced, or terminated, recipients may appeal to the MCO. Recipients may also request an appeal with the state at the same time. Recipients may call 2-1-1 or their service coordinator to request an appeal. Recipients may request the contact information of the assigned service coordinator from the NF staff.

Eligibility

For decisions regarding Medicaid eligibility, recipients may continue to request an appeal with HHSC.

More information on STAR+PLUS Managed Care, including MCO contact information, is available on the HHSC STAR+PLUS website:

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

Handbook

MEPD Handbook will be updated with the September 2015 revision.

Training

There are no training requirements.

Effective Date

The policy is effective March 1, 2015.