



COMMISSIONER
Adelaide Horn

July 28, 2009

To: Community Service Providers

Subject: Information Letter No. IL 09-94
Reminder: 12-Month Claims Payment Rule

This is to remind Community Service Providers of the following 12-month rule that requires providers to bill for services provided within 12 months from the end of the service delivery month. Failure to bill within this time period may result in providers not being reimbursed for services provided. As noted below, references to DHS now refer to DADS, the Texas Department of Aging and Disability Services.

40 Texas Administrative Code 49.41 (c) (10) (A) (B) (C)

(c) A provider agency is entitled to payment if:

(10) the DHS claims processor receives a complete and accurate claim for services for which the provider agency is entitled to payment within 12 months after the date of services.

Note: For purposes of this rule "date of services" is defined as the last day of the month in which the service was provided.

(A) In the event that Medicaid eligibility for benefits is established after the provision of services, the 12-month period for the submission of claims will start on the date of eligibility.

(B) DHS's claims processor must receive adjustments to claims during the applicable 12-month period. Claims and adjustments rejected or denied during the 12-month period through no fault of the provider agency may be paid upon approval by DHS.

(C) The requirement to submit claims within 12 months of the date of service does not prohibit a provider agency from re-billing in the case of state-generated retroactive adjustments;

Note: DADS is the successor agency to the Department of Human Services, DHS, for the programs which cover these services.

For questions related to this letter, providers should call the Claims Management System (CMS) regional coordinator in their region.

Sincerely,

[signature on file]

Gordon Taylor
Chief Financial Officer

GT:mgm