



COMMISSIONER
Jon Weizenbaum

October 15, 2013

To: Community Based Alternatives Providers
Community Living Assistance and Support Services Providers
Deaf Blind with Multiple Disabilities Providers
Financial Management Services Agencies
Medically Dependent Children Program Providers

Subject: Information Letter No. 13-69
Respite Rates for 1915(c) Medicaid Waiver Providers - Room and Board Charges

The purpose of this Information Letter (IL) is to provide current information regarding when room and board is included in the reimbursement rate for in-home and out-of-home respite.

The Department of Aging and Disability Services (DADS) rescinded Policy Clarification 2001-04 regarding respite care on March 21, 2012.

In accordance with Code of Federal Regulations, Title 42, Section 447.15, a Medicaid provider must accept the state's reimbursement rate for a service, as payment in full for performance under its Medicaid contract, and must not make an additional charge to the individual, any member of the individual's family, or any other source for performance under the contract unless specifically allowed by federal or state law. This requirement is included in the provider's Medicaid waiver contract with DADS under "Claims" Section III.A.

The rate for out-of-home respite, which is respite provided in an institutional or approved camp setting as described in program rules, includes payment for room and board and, therefore, a Medicaid waiver provider must not charge room and board to an individual receiving out-of-home respite in those settings. In addition, in accordance with the provider's Medicaid waiver contract under "Provisions governing staff and subcontractors" Section III.A., a provider must bind subcontractors to comply with the waiver contract through written documentation and, therefore, must ensure that subcontractors do not charge individuals receiving out-of-home respite for room and board.

In contrast to the rate for out-of-home respite, the rate for in-home respite, which is respite provided in a private residence, does not include payment for room and board.

Providers and Financial Management Services Agencies should educate the individuals served about the program requirements and ask the individual to notify the provider if they receive a bill for services.

Information Letter No 13-69

October 15, 2013

Page 2

If a provider becomes aware that an individual is being charged for room and board for out-of-home respite, the provider must submit a complaint to DADS Consumer Rights and Services by telephone at (800) 458-9858 or email at CRSComplaints@dads.state.tx.us. An individual or legally authorized representative may also file a complaint.

If you have questions about the content of this letter, please contact DADS via email at PDO@dads.state.tx.us. If you have questions about the rates established by the Health and Human Services Commission (HHSC), contact HHSC Rate Analysis by email at costinformation@hhsc.state.tx.us.

Sincerely,

[Signature on file]

Lynn W. Blackmore
Director
Center for Policy and Innovation