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To: Medicaid Hospice Providers

Subject: Long Term Care (LTC)
Medicaid Hospice Information Letter No. 03-04
Services and the State Hospitals/Institutions for Mental Disease (IMD)

The Texas Department of Human Services (DHS) has received numerous inquiries regarding the provision of Medicaid hospice services in the state hospitals and Institutions for Mental Disease (IMD). DHS will utilize the question and answer format in answering these inquiries.

Can Medicaid hospice be provided to a person residing in a state hospital or IMD?

Hospice services can be provided by a hospice to individuals residing in a state hospital/IMD setting. This setting is considered the individual's home. The state hospital/IMD and hospice providers would follow the same rules as someone in their own home. The state hospital/IMD must follow and will be held accountable for following their state and federal rules and guidelines, just as the hospice will be responsible for following all federal and state rules and guidelines applicable to hospices. The state hospital/IMD would meet the client needs unrelated to the terminal illness. The hospice would be responsible for client needs related to the terminal illness.

Do the providers need to enter into a contract and pay room and board as they do now with the nursing facility (NF) and intermediate care facilities for persons with mental retardation (ICF/MR) providers?

The State Operations Manual §2082 Election of the Hospice Benefit by Resident of Skilled Nursing Facility (SNF), Nursing Facility (NF), Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) or Non-certified Facilities, is applicable **only** to NFs and ICF/MR providers. IMDs/state hospitals do not fall under this category. The providers are not required to enter into a contract with each other. There are no room and board payments between the two providers. Billing and payment is the same as it was prior to the election of hospice. The state hospital/IMD will be paid their rate and the hospice will receive their per diem rate for hospice services. Both providers will bill for their services separate from each other.

Can the state hospital enter into an inpatient care agreement with the hospice provider?

The State Medicaid Manual §4305.5 Covered Services states that short term in-patient care is provided in a participating hospice inpatient unit, or a participating hospital or nursing facility that additionally meets the special hospice standards regarding staffing and patient areas. 40 Texas Administrative Code (TAC) §97.403 (v) states that inpatient care must be provided by a licensed freestanding hospice or hospital or nursing facility that meets the requirements outlined by under §97.403 (w) (1) and (5). A state hospital/IMD does not meet the standards as an inpatient care provider nor an acute medical facility; therefore they are unable to enter into an inpatient care agreement with the hospice provider.

Who does the state hospital/IMD personnel contact if they would like to be a participating inpatient unit?

If the state hospital/IMD would like to become an inpatient care provider they must contact the Home and Community Support Services Agency (HCSSA) staff at the local DHS office.

If you have any questions, please contact Maxcine Tomlinson, Medicaid Hospice Program Specialist, at (512) 438-3169.

Sincerely,

Signature on file

Becky Beechinor
Assistant Deputy Commissioner
Long Term Care Services

BB:ck

c: Jack Harrington, Director of Revenue Management
Texas Department of Mental Health and Mental Retardation

Stephanie Ryan, Director, Mental Health Reimbursement
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