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May 5, 2004

To: Hospice Providers
Nursing Facility Providers

Subject: Long Term Care (LTC)
Hospice Provider Letter No. 04-03
Dually Eligible and Medicaid Hospice Nursing Facility Recipients and the
Initial Home and Community Support Services Agency Survey

The Texas Department of Human Services (DHS) has received requests for clarification regarding providing hospice services to Medicaid-eligible clients residing in a nursing facility (NF) and the initial Home and Community Support Services Agency (HCSSA) survey.

The steps that need to be taken by a hospice provider to obtain a Medicaid contract, in order, are as follows:

1. Interested parties must become a HCSSA with a hospice license. Appendix M, Survey Procedures-Hospice, Revision 265, page M-3, Types of Surveys, allows for any Medicaid-eligible client to be part of the initial HCSSA survey.
2. A licensed provider must obtain certification from the Centers for Medicare and Medicaid (CMS).
3. Once licensed and certified, providers can continue to provide hospice services to the client in the NF; however, the Medicaid Hospice Standard §30.30, Requirements for Participation as a Medicaid Hospice Provider, does not allow for Medicaid payment to a hospice provider for Medicaid hospice services or room and board until the provider has a Medicaid hospice contract with DHS. To receive payment for services provided to Medicaid-eligible clients, providers must have a Medicaid hospice contract with DHS. Only services provided after the effective date of the contract will be reimbursed. To obtain a contract application packet, contact Provider Enrollment at (512) 438-2530.

If the NF agrees to enter into an agreement with the hospice provider, the NF will continue to bill Medicaid directly until the:

1. Hospice has its Medicaid hospice contract;

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2. NF and hospice agreement is established; **and**
3. Client elects the Medicaid hospice benefit and obtains the physician certification of terminal illness. No Medicaid payment will be made for services provided before the date of the client's Medicaid hospice election.

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

Sincerely,

Signature on file

Marilyn Eaton
Director
Long Term Care Services

ME:ck