



July 17, 2020

To: Nursing Facility Providers
Hospice Providers

Subject: Information Letter 20-34
Temporary Emergency Rate Increases for the Nursing Facility program,
including Hospice services provided in the Nursing Facility setting,
Effective April 1, 2020

This Information Letter Replaces IL 2020-31 and provides additional information regarding the temporary emergency rate increases for the Nursing Facility (NF) program, including fee-for-service, STAR+PLUS plans, and Medicare-Medicaid health plans, and NF services provided while a resident is enrolled in Hospice.

On March 13, 2020, President Donald Trump issued Proclamation 9994 declaring a national emergency concerning the Novel Coronavirus Disease (COVID-19) Outbreak and Governor Greg Abbott declared a state of disaster in all Texas counties due to COVID-19. Subsequently, on March 19, Dr. John Hellerstedt, Commissioner of the Texas Department of State Health Services (DSHS), issued a Public Health Disaster Declaration in Texas.

The Texas Health and Human Services Commission (HHSC) adopted temporary emergency payment rate add-ons for NFs providers to support access and safety during the emergency declaration related to COVID-19.

The emergency payment rate add-ons will be effective retroactive to April 1, 2020 and are assumed to conclude on August 31, 2020 or the end of the federally-approved public health emergency.

These temporary emergency rate increases will be paid in the form of add-on payments to applicable service providers' current rates. The temporary rate increases are applicable to Medicaid NF providers in both fee-for-Service and managed care, including services delivered through STAR+PLUS and Dual Eligible residents served through Medicare-Medicaid Partnerships (MMP).

In addition, the temporary emergency rate increases will apply to Medicaid hospice NF per diem rates. The State of Texas pays the Medicaid hospice provider a hospice-nursing facility rate that is no less than 95 percent of the Medicaid NF rate

for each individual in a NF to take into account the room and board furnished by the facility (40 TAC §30.60(c) Medicaid hospice-NF per diem rates). Pursuant to the [Medicaid Hospice Provider Manual](#), Section 6310-NF Per Diem Rate, the hospice will then pass that amount on to the NF.

This add-on payment is separate from and cannot be used to fulfil spending requirements associated with current supplemental payment programs, including the Direct Care Staffing Enhancement Program or Liability Insurance Add-Ons.

NF Payment Add-ons and Required Provider Attestation

NF providers may utilize the additional funding for COVID-related expenses, including direct care staff salary and wages, personal protective equipment (PPE), and dietary needs/supplies. As it relates to direct care staff salary and wages, NF providers may only use the additional funding to increase staff compensation through reimbursement of overtime or lump sum bonuses, including bonuses for hazard pay, or other methodologies that will not result in future reductions in hourly wages when the temporary rate increases are terminated.

Per 1 TAC §355.205 - Emergency Rule for Emergency Temporary Reimbursement Rate Increases and Limitations on Use of Emergency Temporary Funds for Medicaid in Response to Novel Coronavirus (COVID-19), NF providers receiving increased funding associated with add-on payments for COVID-19 must submit an attestation affirming that the rate increases will be used only in the manner prescribed above. Only one attestation for each NF provider is required to cover both the add-on funding associated with the applicable NF services they bill directly to HHSC and the hospice services provided in the NF setting. NF providers who receive add-ons but fail to complete the required attestation will be subject to recoupment of the associated payment add-ons. The attestation form can be found [here](#). Please utilize Google Chrome (Preferred Browser), Firefox, or Safari to access the form.

Payment Add-on Rate Information

The approved payment add-ons effective April 1, 2020 can be accessed at: <https://rad.hhs.texas.gov/long-term-services-supports/>.

Claims Submission

Providers should continue to bill their current services using their normal billing process.

The electronic payment system was updated with the new rates on June 19, 2020; no additional action is required by individual providers.

Any fee-for-service claims already paid with dates of service from April 1, 2020 to the present will be automatically reprocessed on June 20, 2020, while fee-for-service claims that are in an approved-to-pay status will reprocess once they reach a final paid status.

Resources

Please contact the HHSC Rate Analysis Long-term Services and Supports Center, Information and Training team at RAD-LTSS@hhsc.state.tx.us if you have questions regarding the rates or this letter.

Sincerely,

[signature on file]

Brooke Ellison

Director, Long-Term Services and Supports Rate Analysis