



COMMISSIONER
Jon Weizenbaum

February 12, 2015

To: Nursing Facilities

Subject: Information Letter 15-10
Nursing Facilities – Claims with Other Insurance Liability

Senate Bill 7, 83rd Legislature, Regular Session, 2013, directs the Health and Human Services Commission to deliver nursing facility services through the STAR+PLUS managed care model. Effective March 1, 2015, STAR+PLUS Managed Care Organizations (MCOs) will provide services to most Medicaid residents in a nursing facility.

Currently, nursing facilities must verify on all claims if a Medicaid resident has other insurance, and must bill the other insurance carrier before billing Medicaid. As nursing facility services for most adults transition to managed care, the Department of Aging and Disability Services (DADS) cost avoidance policies will not change. Providers will still be required to bill Long Term Care (LTC) nursing facility claims for residents with other insurance. For both fee-for-service and managed care claims, phone, web searches and mailed correspondence are valid forms of eligibility verification of LTC Relevant other insurance coverage.

Providers will continue to:

- determine the liability of third party insurance companies;
- report on the claim the other insurance paid amount collected; and
- maintain third party insurance documentation on file.

Between now and March 1, 2015, the LTC Relevant indicator in the Texas Medicaid and Healthcare Partnership (TMHP) system will be removed for each nursing facility resident who is a candidate for managed care. After March 1, 2015, the provider should contact TMHP Third Party Liability (TPL) at 1-800-626-4117, option 6, to request that the LTC Relevant indicator be removed as needed, when an individual enrolls in managed care. By removing the indicator the individual's LTC Relevant other insurance coverage will no longer auto-populate on the claim in TexMedConnect.

To report an other insurance paid amount when billing for managed care services through TexMedConnect, the provider must click the 'Add New Policy' button on the Other Insurance/Finish tab and fill in the required fields. The other insurance attestation continues to be required for both TexMedConnect and Electronic Data Interchange (EDI) submissions of claims at TMHP. If the provider chooses to report other insurance denials on the claim when billing for managed care services, additional information may be required by the MCO for the claim to be adjudicated.

Following are the types of other insurance coverage considered by DADS to be LTC Relevant:

- Comprehensive - when billing for non-Medicare covered services (e.g. daily care), providers are not required to file a claim to determine the liability of a comprehensive insurance policy. Refer to DADS Information Letter 13-30, Cost Avoidance Update - Comprehensive Insurance Policies, for more information.
- Health Maintenance Organization
- LTC/Nursing Facility
- Medicare supplemental - when billing for non-Medicare covered services (e.g. daily care), providers are not required to file a claim to determine the liability of a Medicare supplemental insurance policy. Refer to DADS Information Letter 13-13, Cost Avoidance Update - Medicare Supplemental Insurance Policies, for more information

For questions regarding managed care claims, please contact the appropriate MCO:

- Amerigroup: 1-800-454-3730
- Cigna-HealthSpring: 1-877-725-2688
- Molina: 1-866-322-4080
- Superior: 1-877-391-5921
- United Healthcare: 1-866-842-3278

Sincerely,

[signature on file]

David Cook
Chief Financial Officer

DC:sjw