FAQ: Medicaid CHIP, Managed Care and the Medicaid Hospice Program

April 12, 2018

Disclaimer: The answers provided in this document are the result of the Texas and New Mexico Hospice Organization’s research and analysis. Answers to many of these questions were extrapolated from Health and Human Services Commission (HHSC) Managed care and hospice policy staff over the past few years. If you have specific questions on rules and interpretation, contact the HHSC, managed care and hospice policy State Office staff. Contact information is included at the end of this document.

Question: How many Health and Human Services Commission Managed Care Programs are there?
Answer: There are six (6) managed care programs, under HHSC. There are managed care programs for dental as well. They are not included in this count. The programs are:

- STAR;
- STAR+PLUS;
- STAR Health;
- STAR Kids;
- Dual Demonstration; and,
- CHIP.

The programs are defined at: http://www.hhsc.state.tx.us/medicaid/managed-care/plans.shtml.

Question: Where can we submit managed care questions?
Answer: General managed care questions can be submitted via email to: Managed_Care_Initiatives@hhsc.state.tx.us.

Question: Is hospice “carved out” of these six (6) programs?
Answer: Hospice services are carved out of Medicaid managed care. Hospice services for Medicaid clients are administered by the HHSC regardless of whether the individual is in fee-for-service (FFS) or managed care. Medicaid MCO members can receive hospice services by submitting the hospice election form to HHSC Medicaid Hospice Program.

- If a member is in the STAR Medicaid managed care program and enrolls in the Medicaid Hospice Program, the member will be dis-enrolled from STAR managed care and transferred to FFS Medicaid.
- Members in the STAR+PLUS, STAR Health and STAR Kids Medicaid managed care programs who enroll in the Medicaid Hospice Program remain in managed care for all of their non-hospice services.

Hospice services are not carved out of CHIP and are delivered by CHIP MCOs. CHIP MCOs are required to contract with hospice providers to provide medically necessary hospice services to members.

Question: What is the difference between a child on Medicaid and a child in CHIP?
Answer: CHIP is health insurance designed for families who earn too much money to qualify for Medicaid, yet cannot afford to buy private health insurance. To qualify for CHIP, a child must be under age 19, a Texas resident and a U.S. citizen or legal permanent resident. A child in CHIP can only receive services through a CHIP MCO.

1 Texas Medicaid Provider Procedures Manual. Volume 1. 4.4.3 Hospice Program.
2 Uniform Managed Care Contract (UMCC). Attachment B-2.1 – CHIP Covered Services.

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♦ 1-800-580-9270 ♦ (512) 454-1247 ♦
♦ FAX (512) 454-1248 ♦ tmh@sbclglobal.net ♦ www.TxNMHospice.Org
A child enrolled in Medicaid may receive their medical services through a MCO or traditional FFS Medicaid depending on the child's medical needs and the Medicaid programs for which they qualify. A child enrolled in Medicaid receives their dental services through a dental maintenance organization.

**Question:** Do all children on Medicaid or CHIP have to be in a managed care?

**Answer:** Medicaid has mandatory, voluntary, and excluded populations for managed care. The majority of children are enrolled in a MCO. All children in CHIP are enrolled with a MCO.

**Question:** Can a managed care organization (MCO) “make me” enter into an agreement with them if my hospice program is carved out?

**Answer:** No. For Medicaid members, hospice services are reimbursed through the FFS Medicaid Hospice Program.

A CHIP MCO is required to ensure appropriate access to hospice services. A CHIP MCO cannot make you enter an agreement with them, but they will refer their members to other hospice providers.

**Question:** What are the names of the different MCOs in Texas? What areas do they cover? Which ones provide services to children?

**Answer:** MCOs vary by Medicaid managed care program. This HHSC map outlines the managed care services areas and lists the MCOs by Medicaid managed care program for each service area. Go to: https://www.hhsc.state.tx.us/medicaid/managed-care/mmc/Managed-Care-Service-Areas-Map.pdf.

**Question:** What is CHIP?

**Answer:** CHIP stands for Children’s Health Insurance Program. CHIP covers children in families who have too much income to qualify for Medicaid, but cannot afford to buy private insurance. To qualify for CHIP, a child must be under age 19, a Texas resident and a U.S. citizen or legal permanent resident, and meet income requirements.

**Question:** Is hospice a covered service in CHIP?

**Answer:** Yes, hospice is a covered service. CHIP services are delivered by an MCO. MCOs are required to enter into a contract with hospice providers for the provision of hospice services to its CHIP members. Please be aware that MCOs may require an authorization and prescription for the hospice services from the attending/hospice physician.

**Question:** If hospice providers want to provide services to children on CHIP, are they required to enter into agreements with MCOs?

**Answer:** Yes, if a hospice provider wants to provide services to a CHIP member, they must enter into an agreement with the MCO.

**Question:** Does a CHIP MCO have to enter into an agreement/contract with all hospice providers?

**Answer:** No. CHIP MCOs must ensure a member has access to needed services within 75 miles of the member’s residence. The MCO will determine the number of contracts available to members.

**Question:** If I receive a hospice referral for a child, what should I do?

**Answer:** The hospice provider will determine if the child is CHIP or Medicaid.

**Question:** Can a child receive concurrent care if hospice is elected?

**Answer:** Concurrent hospice care and treatment is a benefit of Texas Medicaid for clients who are 20 years of age or younger and who elect hospice care. A family that chooses hospice care for a child is not required to waive treatment of the child’s terminal illness. Concurrent hospice care and treatment services include:

- Services unrelated to the client’s terminal illness.
- Services related to the client’s terminal illness.
- Hospice care (palliative care and medical and support services related to the terminal illness).

This policy is in place to maintain compliance with Title II, Subtitle D, Section 2302 of the Patient Protection and Affordable Care Act (PPACA).

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4 Texas Medicaid Provider Procedures Manual. Volume 1. 4.4.3 Hospice Program.
Question: Does the MCO have to authorize hospice services? The Centers for Medicare and Medicaid Services (CMS) states that the attending/hospice certifying physician is the entity that authorizes the need for hospice. There are times when hospice services need to begin immediately and waiting for a MCO to authorize in addition to the attending/hospice physician is not prudent.

Answer: Hospice services are carved out of Medicaid managed care. Medicaid MCO members can receive hospice services by submitting the hospice election form to the HHSC Medicaid Hospice Program.

CHIP MCOs may choose to have prior authorization processes for hospice services. Only emergency services may not have a prior authorization process.

Question: I have heard that MCO’s in the CHIP program are refusing to pay Medicaid hospice providers their CMS directed per diem rate. We have a right to be paid in full for services rendered under each per diem (routine, inpatient care, respite care and continuous home care). Each rate is substantially different in dollar amounts and what services they cover. Legally, how can a MCO state that they will ONLY pay us for all per diems at the routine home care rate?

Answer: MCO’s can decide that they will pay a hospice provider one set rate for all per diem levels of care, such as the routine home care rate. CHIP MCOs enter into contracts with hospice providers. The contracts must outline the reimbursement for these services, and hospice providers may choose not to sign a contract if they disagree with the terms and conditions. HHSC does not set rate reimbursement requirements with the exception of a few services that are specified by state or federal law.

Question: Hospice providers receive two tiered routine home care payments and they are paid the service intensity add-on (SIA) the last seven days of an individual’s life under certain circumstances. Are MCO’s in the CHIP program legally required to pay this? When we have approached our MCO regarding this, they stated they will only pay one rate and were surprised about the SIA payments.

Answer: MCO’s can decide that they will pay a hospice provider one set rate for all per diem levels of care. This means that providers may not be paid the two-tiered routine home care rate or the SIA payments. CHIP MCOs enter into contracts with hospice providers. The contracts must outline the reimbursement for these services, and hospice providers may choose not to sign a contract if they disagree with the terms and conditions. HHSC does not set rate reimbursement requirements with the exception of a few services that are specified by state or federal law.

Question: What steps should a hospice provider take if they have not received payment for authorized hospice services?

Answer: For Medicaid – Hospice services are non-covered services in Medicaid managed care (STAR, STAR PLUS, STAR HEALTH, etc.). These services are reimbursed by HHSC. Contact Provider Claims Payment, HHSC for reimbursement questions.

For CHIP – Hospice providers should first contact the health plan. You can find the information on how to file a payment dispute with the health plan by checking the MCO provider manuals.

Question: What if the hospice is not satisfied with the payment. Is dispute resolution available to the hospice provider?

Answer: All expectations, including payment, should be outlined in your agreement/contact with the MCO. Always read the paperwork carefully to ensure you are fully aware of each entities responsibility and billing and payment. Providers can appeal payment dispute resolutions. The payment dispute resolution letter should include a description of the process for appeal, including deadlines for the appeals process and for the final decision on the appeal.

Question: What rules do MCO’s follow?

Answer: The following list includes some of the rules and guidelines for providers and members.

- Texas Medicaid and CHIP Uniform Managed Care Manual at: http://www.hhsc.state.tx.us/medicaid/managed-care/umcm/.
- Contracts and Manuals are located at: http://www.hhsc.state.tx.us/medicaid/managed-care/forms.shtml.
- Member Handbooks can be found at: http://www.hhsc.state.tx.us/medicaid/managed-care/plans.shtml.
- The Pink Book can be located at: http://www.hhsc.state.tx.us/medicaid/about/PB/PinkBook.pdf. Managed care is addressed in Chapter 7.
**Question:** Is there any contact information available?

**Answer:** Please note the following information. For:

- Medicaid hospice policy questions, email: [hospicepolicy@hhsc.state.tx.us](mailto:hospicepolicy@hhsc.state.tx.us).
- Medicaid hospice billing, claims, rate and authorization questions call: (512) 438-2200.
- CHIP Complaints involving MCO’s claims issues should be directed to the Department of Insurance, Consumer Protection (111-1A), P.O. Box 149104, Austin Texas 78714-9104. The consumer hotline is (800) 252-3439.
- Other CHIP complaints can be emailed to: [provider.resolutions@hhsc.state.tx.us](mailto:provider.resolutions@hhsc.state.tx.us) or you can submit your complaint in writing to HHSC Customer Service/Provider Relations, H-610, 1100 West 49th Street, Austin, Tx 78756-3172. Customer Services/Provider Relations phone is: (512) 338-6569.
- Medicaid Managed Care (STAR, STAR PLUS, and STAR HEALTH) must exhaust the complaints or grievance process with the MCO before filing a complaint with HHSC. When the provider/person has exhausted all means of resolution with the MCO, you can contact HHSC via email at [hpml_complaints@hhsc.state.tx.us](mailto:hpml_complaints@hhsc.state.tx.us) or submit your complaint in writing to HHSC Medicaid/CHIP, Health Plan Management, Mail Code H-100, P.O. Box 85200, 4900 North Lamar, Austin, Tx 78708-5200.
- Medicaid Fee for Service providers must exhaust the administrative and medical appeals provider resolution process with HHSC claims administrator contractor before filing an appeal or complaint with HHSC. Written appeals and complaints may be sent to the claims administrator. Once exhausted, send written complaints to: HHSC Claims Administrator Contract Management, P.O. Box 204077, Mail Code 91-X, Austin, Tx 78720-4077.