



COMMISSIONER  
James R. Hine

January 30, 2006

To: Hospice Providers  
Nursing Facility Providers

Subject: Long Term Care (LTC) Provider Letter No. 06-07 (Regulatory Services)  
Information Letter No. 06-09 (Community Services)  
Dually eligible and Medicaid hospice nursing facility recipients, the Initial Home and Community Support Services Agencies (HCSSA) survey, and submission of hospice forms when contracts are not valid.

The Department of Aging and Disability Services (DADS) replaces the April 29, 2005, hospice and nursing facility Provider Letter 05-20 with this letter to emphasize that Medicaid hospice providers will not be paid for services until all of the following requirements are met:

1. The hospice has a Medicaid hospice contract with DADS. DADS suggests that a copy of the Medicaid contract be shared with the NF.
2. The individual elects the Medicaid hospice benefit. DADS will not accept a Medicaid hospice election that is effective before the hospice has a valid Medicaid hospice contract. An individual cannot successfully choose a hospice provider that is not part of the Medicaid program.
3. To receive payment for services, Medicaid hospice providers must submit Medicaid hospice eligibility forms: Medicaid Hospice Election Form 3071, and Medicaid Hospice Physician Certification for Terminal Illness Form 3074, to Provider Claims Services to initiate payment for services. The forms must not be signed by an individual or submitted to Provider Claims Services until the hospice provider has a fully executed Medicaid hospice contract with DADS. Any forms received by DADS from hospice providers without a fully executed Medicaid hospice contract will be returned to the hospice provider and neither hospice per diem nor room-and-board payments will be made.

As a reminder, the State Medicaid Manual §4308.2 Additional Amount for Nursing Facility requires that the hospice and NF providers enter into an agreement, signed by both providers.

**The procedure for obtaining a Medicaid hospice contract is:**

1. An interested provider must become a licensed HCSSA with a hospice license. Any Medicaid-eligible individual may be part of the initial HCSSA survey (Appendix M, Survey Procedures-Hospice, Revision 265, page M-3, Types of Surveys).
2. Once licensed, the provider must obtain certification from the Centers for Medicare & Medicaid (CMS).
3. Once licensed and certified, the provider must obtain a Medicaid hospice contract. To receive Medicaid payment for services provided to Medicaid-eligible individuals, hospice providers must have a Medicaid hospice contract with DADS (Medicaid Hospice Standard §30.30, Requirements for Participation as a Medicaid Hospice Provider). To obtain a contract application packet, contact Institutional Services at (512) 438-2546.

**If licensed and certified hospice providers provide hospice services to an individual in a NF without a Medicaid hospice contract, the hospice will not be paid.**

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

Sincerely,

*(Signature on File)*

Barry C. Waller  
Assistant Commissioner  
Provider Services

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