



COMMISSIONER
Adelaide Horn

April 30, 2008

To: Nursing Facility Providers
Hospice Providers

Subject: Texas Department of Aging and Disability Services
Information Letter No. 2008-41
Helpful Nursing Facility Provider Information for the TILEs to RUGs Transition

In preparation for the September 1, 2008, transition from the Texas Index for Level of Effort (TILE) to the federal Resource Utilization Group (RUG), providers should note the following important information. This information is provided to help ensure a successful transition. It is also essential for providers to monitor future updates on the Texas Medicaid & Healthcare Partnership (TMHP) website at www.tmhp.com or the DADS Provider Communications website at <http://www.dads.state.tx.us/providers/communications/index.cfm>.

Information is detailed below regarding the following dates and other important changes to be aware of:

- | | | |
|--------------------------------|---|--------------------|
| ▪ Beginning May 1, 2008 | Providers add Medicaid RUG Grouper to their MDS Software | - See Item 8 below |
| ▪ July 24 – Aug. 24, 2008 | Nursing Facilities permitted to submit 3652 Purpose Code 3 or 4 to extend TILE to November 30, 2008 | - See Item 6 below |
| ▪ August 1, 2008 | Paper forms 3652, 3618 and 3619 no longer accepted | - See Item 2 below |
| ▪ August 24, 2008 | Deadline to submit Form 3618 or 3619 & corresponding Form 3652 to avoid payment delays | - See Item 5 below |
| ▪ August 25-31, 2008 | TMHP LTC Online Portal down | - See Item 1 below |
| ▪ August 31, 2008 | DADS ends all TILEs on Nov. 30, 2008 | - See Item 6 below |
| ▪ September 1, 2008 | Form 3652 replaced | - See Item 7 below |
| ▪ Sept.1, 2008 – Aug. 24, 2009 | Form 3652 – Only Purpose Code E allowed | - See Item 4 below |

1. LTC Online Portal Downtime

As part of the transition from TILEs to RUGs, the LTC Online Portal will be unavailable for Form 3652-A, 3618 and 3619 entries and inquiries from August 25 through August 31, 2008. This means that the last date for submission of Form 3652-A (except for Form 3652-A Purpose Code E) is August 24, 2008. Please see below for new form requirements outlined in Section 7 –“Provider Forms Changing with RUG Implementation.”

During this portal downtime, providers can obtain forms status by contacting the TMHP Call Center/Help Desk at 1/800-626-4117, option 1. When calling the TMHP Call Center/Help Desk, providers must have the following information ready: Nine-digit long term care (LTC) provider number; four-digit Vendor/Facility or Site Identification number; and Medicaid or Social Security number for inquiries about a specific individual.

2. Discontinuance of Paper Forms

Effective August 1, 2008, TMHP will no longer accept paper versions of the forms listed below. This means that these forms must be submitted electronically through the current LTC Online Portal beginning August 1, 2008.

- Form 3652-A - Client Assessment, Review and Evaluation (CARE)
- Form 3618 - Resident Transaction Notice
- Form 3619 - Medicare/SNF Patient Transaction Notice

Any paper Forms 3652-A, 3618 and 3619 that TMHP receives on or after August 1, 2008, will be returned to the submitting provider with a letter indicating that only electronic submissions will be accepted.

Announcement of the elimination of paper forms was published February 5, 2008, in DADS Information Letter No. 08-02 *Elimination of Paper Forms 3618, 3619 and 3652-A Effective August 1, 2008 / Requirement for Electronic Submission Effective August 1, 2008*. This DADS Information Letter is available for reference on the TMHP website at www.tmhp.com and on the DADS website at <http://www.dads.state.tx.us/providers/communications/2008/letters/IL2008-02.pdf>.

If you are a LTC paper forms submitter, please contact the TMHP Call Center/Help Desk at 1/800-626-4771, option 3 to receive assistance in transitioning to electronic submissions.

3. Resolve Form 3618, 3619 and 3652-A Issues

Providers are encouraged to resolve issues involving Form 3618, 3619, and 3652-A data prior to August 25, 2008; the LTC Online Portal will be unavailable August 25-31, 2008. Reviewing MESAV (Medicaid Eligibility Service Authorization Verification) and/or the Remittance and Status (R&S) Report will clarify whether any records are missing, identify any gaps in payment or services, explain the reason for a denied claim, etc. Please allow sufficient time to take care of any issues in order to insure that your forms are processed prior to the RUG transition on September 1, 2008, and to avoid delays in payment.

4. CARE Form 3652-A Purpose Code E

The CARE Form 3652-A Purpose Code E (Recovery of Lost Payment) will continue to be accepted on the LTC Online Portal after August 31, 2008, to allow providers to fill a gap for periods before the September 1, 2008, transition date. Purpose Code E entry will be available from September 1, 2008, through August 31, 2009; however, DADS and TMHP encourage providers to submit any missed assessments (PC E) prior to August 25, 2008, to prevent billing delays and assist with the transition process.

5. Form 3618 Admission

For a Form 3618 - Admission submitted on the LTC Online Portal before August 25, 2008, the corresponding CARE Form 3652-A must also be submitted before August 25, 2008, to avoid delays in payment. If the CARE Form 3652-A is not submitted before August 25, 2008, the provider must submit a CARE Form 3652-A Purpose Code E via the LTC Online Portal on or after September 1, 2008.

6. TILE Expiration

Beginning September 1, 2008, Nursing Facility provider TILES will expire with the submission of an MDS Assessment. To facilitate this transition, on August 31, 2008, DADS will end all TILES covering dates beyond November 30, 2008, to ensure that only RUGs are in use by December 1, 2008.

Nursing Facility providers that have TILES scheduled to expire after August 24, 2008, but prior to the next MDS Assessment due date (Quarterly or Annual) will have two options:

1. Starting July 24, 2008, and ending with the August 24, 2008, TMHP cutoff date, Nursing Facility providers will be allowed to submit a Form 3652-A Purpose Code 3 or Purpose Code 4 to extend their client's TILE coverage to November 30, 2008. The current Form 3652-A submission rules prohibiting form submission earlier than 45 days will be suspended to accommodate this transition.
2. Starting September 1, 2008, Nursing Facility providers can submit an off-cycle MDS Quarterly Assessment to establish a new RUG for their client, depending on the software the provider is using for MDS assessments. Providers are encouraged to check with their software vendor to determine whether this capability exists for the software they are using.

7. Provider Forms Changing with RUG Implementation

Effective September 1, 2008, the CARE Form 3652-A is being replaced. Changes for LTC nursing facility providers are summarized below.

Nursing Facilities

Effective September 1, 2008, Nursing Facilities will submit the required MDS *Omnibus Budget Reconciliation Act* (OBRA) Assessments to the federal MDS database for Medicaid reimbursement. Nursing facility providers also will be required to submit Long Term Care Medicaid Information (LTCMI) using the LTC Online Portal. The new LTCMI replaces the MDS Section S and contains Texas-specific LTC Medicaid Information. In addition, providers will be required to complete revised electronic versions of Forms 3618 and 3619 using the LTC Online Portal.

Additionally, Nursing Facilities will begin completing the Pre-Admission Screening and Resident Review (PASARR) screening electronically on the LTC Online Portal for individuals who are seeking admission any may qualify for PASARR.

Swing Bed Providers

Effective September 1, 2008, Swing Bed providers will submit an MDS Quarterly Assessment to the federal MDS Database. This assessment will be used for Medicaid reimbursement of services provided to a Medicaid client.

8. Updating the MDS Software

Effective **May 1**, 2008, the Medicaid RUG Grouper needs to be added to your MDS software. This will enable you to receive the correct RUG rate when assessments are transmitted. Please note that DADS will not use the RUG value for Medicaid payment until September 1, 2008.

The following instructions apply to the free Resident Assessment Validation and Entry (RAVEN) software available through the Centers for Medicare & Medicaid Services (CMS).

If you need assistance with the RAVEN setup below, please contact the Quality Improvement and Evaluation System (QIES)/RAVEN Help Desk by phone at 1-800-339-9313 or email at RAVEN_help@ifmc.org. If you use another software, please contact your software vendor for assistance in setting up the Medicaid RUG Grouper.

1. Click on the Administration Menu on the main RAVEN screen, then click Grouper Configuration.
2. A screen will appear with the State RUG Options (bottom half of screen). If existing RUG options are in the shaded box at the top of the State RUG Options section, highlight each row and click delete (to remove all previous state calculations).
3. Select ALL of the following to create the Texas RUG configuration:
 - RUG Model – 34 Group
 - Calculation Method – Index Maximizing
 - Case Mix Index Set – D01 Research 34 group
 - Begin Date – 01/01/1998 (this date is required)
 - End Date – 12/31/9999 (this date is required)
4. Click “Add” then click “Update State Rug Options”. Next click “Validate and Save”.

Note: The CMI default set may not provide the most accurate RUG value for Texas. The Texas Custom CMI Set will be released in June 2008 and will calculate the actual RUG value for Texas providers.

The *Long Term Care Provider Bulletin* publishes quarterly updates on the TILES to RUGs Transition Project. See the May 2008 issue for the most recent information. This bulletin is available online at www.TMHP.com/LTC_Programs.com.

If you have questions related to the TILES to RUGs Transition, please send them to RUGS@dads.state.tx.us.

Sincerely,

[signature on file]

Gordon Taylor
DADS Chief Financial Officer

GT: kd