



COMMISSIONER
Jon Weizenbaum

February 20, 2013

To: Nursing Facilities
Hospice Providers
Intermediate Care Facilities for Individuals with an Intellectual Disability or Related Conditions

Subject: Information Letter 13-10
Cost Avoidance Project – New Report Available

As providers already know, the Cost Avoidance Project will be implemented February 22, 2013. This information letter provides information on a new report that was created to assist providers in identifying claims that will be recouped by the Texas Department of Aging and Disability Services (DADS) if no action is received from the provider within 120 days from the date the claim appears on the report.

New Report - Claims Identified for Potential Recoupment (CIPR) Provider Report

With the implementation of the Cost Avoidance Project, a new report titled "Claims Identified for Potential Recoupment (CIPR) Provider Report" was created. As the Texas Medicaid and HealthCare Partnership (TMHP) identifies consumer's long term care relevant third party insurance policies with retroactive dates of coverage, claims previously paid by Medicaid will be identified (on the report) if the claim would have processed differently based on the third party resource coverage. The CIPR Provider Report will contain a list of impacted claims and the insurance company information for the corresponding policy.

For each claim identified on the CIPR Provider Report, providers must file a claim with the appropriate third party resource for the services previously billed to Medicaid. Providers must then adjust the claim listed on the CIPR Provider Report, indicating the Other Insurance (OI) Disposition information received from the third party resource.

Claims not adjusted by the provider within 120 days from the date the claim appears on the CIPR Provider Report (i.e., date added to the CIPR Provider Report), will be recouped by DADS.

The first report will appear the first time a provider has a consumer that has a change to the OI that would have caused the claims to process differently. Thereafter, the CIPR Provider Reports will be generated on a weekly basis.

TMHP will maintain each CIPR Provider Report for a six-month period. The report can be downloaded and viewed via the My Account page on TMHP.com or in the submitter folder used to retrieve the electronic Remittance and Status (R&S) reports, where applicable. Providers will need Adobe Acrobat Reader software on their computers if reports are retrieved via My Account on TMHP.com. TMHP recommends using Adobe Acrobat reader version 6.0 or higher to view PDF files on the TMHP.com website.

The R&S Report will include new Explanation of Benefits (EOBs) when processing cost avoidance claims at TMHP.

Claims included on the CIPR Provider Report not adjusted within the 120 days of identification on the report will appear on the R&S report with EOB F0314 "*Claim was recouped due to changes to one or more covering OI policies. See the Client's MESAV for OI coverage details. Obtain new EOBs from the changed insurance then resubmit the claim.*" The claim will appear on the report until it has been adjusted or after 120 days if not adjusted.

Resources

Providers should:

- Call the TMHP LTC Help Desk at 1-800-626-4117, Option 1, for questions about LTC cost avoidance claims processing and adjudication.
- Call the TMHP LTC Help Desk at 1-800-626-4117, Option 6, for questions related to the OI information on file.
- Monitor the LTC homepage at http://www.tmhp.com/Pages/LTC/ltc_home.aspx for future information notices about the Cost Avoidance Project.

If you have any questions about this information letter, contact Yvette Walters at Yvette.Walters@dads.state.tx.us or (512) 438-2177.

Sincerely,

[signature on file]

James Jenkins
Chief Financial Officer