Patient Pay Updates April 2016

Month of Transition from Nursing Home to HCBS
As explained in the Medicaid Memo dated September 2, 2015, patient pay for an individual is calculated on a monthly basis and it is deducted automatically from the first claim for that month (and subsequent claims if not fully utilized) regardless of the provider. Members in nursing facilities usually have a much larger patient pay than members in Home and Community-based Services (HCBS). In the month of transition from a nursing home to HCBS, HCBS providers have complained that the "nursing home" patient pay has been deducted from their claims. To avoid this situation, nursing facility and HCBS providers should communicate and coordinate the billing and collection of patient pay.

- Nursing facilities should bill promptly following discharge to home and community based services (HCBS).
- HCBS providers should "coordinate" billing with nursing facilities (and bill after the nursing facility bills).
- Nursing facilities should promptly refund to the member any overpayments of patient pay which were collected from the member, when the member discharges home to HCBS services. The nursing facility is not entitled to the patient pay if it has not been deducted from its claims.

However, if the patient pay has been deducted from a HCBS provider's claim, that provider is responsible for collecting the patient pay from the member regardless whether it is "for nursing home" or "for HCBS".

Patient Pay for Members Newly Eligible for LTC Services
Since September 2015, the VaCMS eligibility system at the Department of Social Services has not been able to communicate patient pay information to the DMAS Medicaid Management Information System (MMIS) for members newly eligible for Long-Term Care services. As a result, the MMIS claims system has not deducted patient pay from claims for members newly eligible for Long Term Care (LTC) since October when the patient pay claims changes were implemented.   Likewise, providers cannot find out the patient pay amount from the system through the normal avenues. This problem does not affect the patient pay calculated for other members or the ability to update patient pay for other members. DMAS and DSS are working on a system fix that is scheduled to be implemented in early June. DMAS now has the capability to manually add the patient pay amounts and will be correcting as many as it can before the system fix is completed. After the system is fixed, local departments of social service (LDSS) will enter in any missing patient pay information back to the month the individual was approved for Medicaid coverage. When the patient pay is updated in the system, claims will be identified in the monthly discrepancy report where patient pay was not deducted and DMAS will manually correct these claims.

DMAS understands that the eligibility problems and the length of time to resolve the problem are straining many Long Term Care providers. We advise providers to do the following.

- Providers should collect the identified patient pay amount from the individual each month regardless of what is documented in the MMIS system. Some LDSS have provided patient pay information via written means (either by the use of the DMAS-225 or letter) to inform providers of the amount which needs to be collected. LDSS have been provided guidance to annotate the DMAS-225 with the identified patient pay amount until the necessary system updates have been

completed.   Patient pay is the responsibility of the individual receiving long-term care services and the provider should always collect it if it is known to the provider.

- Providers are encouraged to bill the Medicaid program for services rendered at the time they are rendered. Providers should not be holding claims until the eligibility system updates have been completed as this has the potential to affect timely filing of claims. Providers will be "overpaid", but patient pay collected can be used to offset the recovery when claims are reprocessed.

DMAS appreciates your patience as we work through the challenges of implementing the necessary system changes.