



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION
BUREAU OF TENNCARE
310 Great Circle Road
Nashville, Tennessee 37243

Bill Haslam
Governor

Mark Emkes
Commissioner

IMPORTANT MEMO

DATE: August 20, 2013

TO: Medicaid Nursing Facility (NF) Providers
TennCare Managed Care Organizations

FROM: Patti Killingsworth, Assistant Commissioner
Chief of Long Term Services and Supports (LTSS)

SUBJECT: **System Change in place for Bypassing Patient Liability Amounts on
SNF Crossover Claims for CHOICES Members**

The purpose of this memo is to notify you that the TennCare system used to process crossover payments has been modified to process Medicare crossover claims for skilled nursing facility (SNF) services, without deducting any applicable patient liability amounts for recipients who are also enrolled in CHOICES on that date of service.

On May 3, 2013, TennCare issued a memo entitled "Additional Guidance Regarding Collection of Monthly Patient Liability". An accompanying *Guide to Patient Liability for Nursing Facility Services* was included in that communication. In the *Guide*, we advised that a system change was forthcoming with respect to collection of patient liability to offset the Medicaid payment for Medicare deductibles and co-insurance for Skilled Nursing Facility (SNF) services. This was detailed in the *Guide* on Page 8 as an example for Resident J.

Effective June 28, 2013, systems changes are in place to bypass patient liability collections on Medicare SNF crossover claims when the person was enrolled in CHOICES Group 1 on the date of service that the Medicare SNF benefit was received. In such instances, this will allow all of the patient liability to be collected in the processing of the Medicaid NF claims by the resident's MCO and eliminate the need for a facility to notify the MCO when patient liability amounts have been deducted in the processing of crossover claims. For claims processed prior to June 28, 2013, in which patient liability has been used by TennCare to offset the crossover payment, you should notify your MCO assigned provider representative. In these instances, the facility must

continue to work with the MCO to ensure that such collections are appropriately accounted for in the application of patient liability for the Medicaid NF services, since the MCO will have no way of knowing about the SNF stay or patient liability collection for Medicaid crossover payments. Please consult with your MCO regarding any specific documentation requirements. Please note further that with respect to retroactive enrollment in Group 1 on the date of service that a Medicare SNF benefit was received (added *after* the crossover claim for Medicare SNF services has been processed), the facility must submit an adjustment in order for the new system logic to be applied. Also note that if a claim processed before June 28, 2013 is adjusted after June 28, 2013, the new logic will be applied and any patient liability collections previously collected on Medicare SNF crossover claims will be restored when the person was enrolled in CHOICES Group 1 on the date of service that the Medicare SNF benefit was received.

We have updated the *Guide* and posted it online along with the webinar Questions and Answers at <https://tn.gov/tenncare/section/long-term-services-supports>) Please ensure that your processes are modified accordingly.