

July 23, 2018

From: Patti Killingsworth, Assistant Commissioner and Chief of LTSS, TennCare
To: Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID)
Tennessee Comptroller of the Treasury, Division of State Audit
Tammy Gennari, Director of Claims and Encounter Operations, TennCare

Re: Requirements for Reimbursement for Bed Holds in ICFs/IID

The purpose of this memorandum is to remind ICFs/IID concerning certain federal requirements for reimbursement for bed holds.

Bed holds in Tennessee reimbursed through Medicaid are only available to residents in ICFs/IID.

However, there are conditions that must be met for TennCare to provide this reimbursement. The Tennessee Medicaid State Plan and TennCare Rule 1200-13-01-.30(6) provide for reimbursement of bed holds for temporary absences of residents in ICFs/IID as follows:

- (a) For days not to exceed fifteen (15) days per occasion while the recipient is hospitalized and the following conditions are met:
 - 1. The resident intends to return to the ICF/IID.
 - 2. The hospital provides a discharge plan for the resident.
 - 3. At least eighty-five percent (85%) of all other beds in the ICF/IID...are occupied at the time of hospital admission. An occupied bed is one that is actually being used by a patient. Beds being held for other patients while they are hospitalized or otherwise absent from the facility are not considered to be occupied beds, for purposes of this calculation. Computations of occupancy percentages will be rounded to the nearest percentage point.
 - 4. Each period of hospitalization must be physician ordered and so documented in the patient's medical record in the ICF/IID.

- (b) For days not to exceed sixty (60) days per state fiscal year and limited to fourteen (14) days per occasion while the recipient, pursuant to a physician's order, is absent from the facility on a therapeutic home visit or other therapeutic absence.

In addition, note that pursuant to federal regulation located in 42 C.F.R. § 447.40, "The Medicaid agency may make payments to reserve a bed during a beneficiary's temporary absence from an inpatient facility" if the following two conditions are met:

- (1) "The State plan provides for such payments and specifies any limitations on the policy"; and
- (2) "**Absences for purposes other than required hospitalization (which cannot be anticipated and planned) are included in the patient's plan of care**".

CMS has requested that the 2nd requirement above be added to Tennessee's Medicaid State Plan. Language will also be added to the TennCare Rule.

TennCare is providing this memorandum to remind ICFs/IID and relevant stakeholders that **to be eligible for reimbursement from TennCare, therapeutic home visits or therapeutic absences from the ICF/IID (i.e., bed holds for purposes other than required hospitalizations, which cannot be anticipated) must be include in the recipient's plan of care or reimbursement will not be provided for the time of absence from the ICF/IID.** The existing requirements that such visits not exceed sixty (60) days per state fiscal year and are limited to fourteen (14) days per occasion remain unchanged.

If you have any questions regarding this memo, please contact Shannon Nehus, Director of IDD Programs and Services, at Shannon.Nehus@tn.gov.