

Molina Healthcare of Texas, Inc.

Frequently Asked Questions about Home Health and LTSS Reimbursement

May 2013

Background:

Molina Healthcare of Texas, Inc. (“Molina”) is pleased to announce we are restoring our payment rates for home health services, Personal Assistance Services (PAS) and Day Activity and Health Services (DAHS), for Covered Services with a date of service (DOS) on or after July 1, 2013. With this change, Molina will increase our payments from 90% to 100% of the Texas Medicaid fee schedule.

Concurrent with this rate increase, Molina will be adjusting the payment for a single code/modifier combination for Non-HCBS STAR+PLUS Waiver (STAR+PLUS Waiver) PAS to reflect a more accurate distribution of services for this single code/modifier combination.

Why is my contract being amended?

Molina is amending your contract to increase your reimbursement and to communicate the explicit calculation for the Non-STAR+PLUS Waiver PAS rate. This ensures that Molina provider rates will change along with Texas Medicaid fee schedule changes.

When will these changes take effect?

As stated in the cover letter and the Amendment to the contract, these changes will take effect on DOS July 1, 2013. Consistent with our contract with providers, Molina is providing 30-day notice of the reimbursement change. If a provider disagrees with the rate change, he/she must submit a written objection to Molina Healthcare within 30 days of receiving the notice to:

*Molina Healthcare of Texas, Inc.
Attention: Network Management
5605 MacArthur Blvd, Suite 400
Irving, TX 75038*

Is HHSC aware of this change? Has HHSC approved this change?

HHSC allows health plans to set their own rates in their service areas. We have already informed HHSC of this new change.

How did Molina reimburse for the Non-STAR+PLUS Waiver PAS code/modifier combination historically and why?

Texas Medicaid reimburses different amounts for this rate code/modifier combination depending on whether the services are “priority” or “non-priority” services. Historically, Molina has paid this code/modifier combination on a blended basis to avoid delays in payment from manual processing or requiring additional documentation of providers to differentiate the services as “priority” or “non-priority”. Molina will continue the practice of a blended rate for this code.

Why did Molina decide to adjust reimbursement amount for the Non-STAR+PLUS Waiver PAS code/modifier combination?

When Molina originally calculated a blended amount for this code/modifier combination, it weighted the higher and lower payment amounts equally. As such, Molina has historically overpaid for services for this code/modifier combination on average. We are adjusting the payment amount for this blended code/modifier combination to reflect the actual distribution of “priority” and “non-priority” services for this code/modifier combination.

How will payment for the Non-STAR+PLUS Waiver PAS code/modifier combination be determined?

Molina data shows that the vast majority of services billed with this code/modifier combination are “non-priority” services. Specifically, Molina data shows that “non-priority” services account for over 95% of services for this rate code/modifier combination. As such, we will calculate the payment amount for this blended code/modifier combination to reflect the actual distribution of “priority” and “non-priority” services for this code/modifier combination as follows:

Blended Reimbursement for the Non-STAR+PLUS Waiver code/modifier combination = 95% Reimbursement for Non-Priority services PLUS 5% Reimbursement for Priority services

Here is an example of the calculation using current Texas Medicaid Reimbursement Levels:

Service Level	Medicaid Fee	Services Distribution	Calculation	Amount
Non-STAR+PLUS Waiver Priority	\$11.47	5% of Services	0.05 X \$11.47	\$0.5735
Non-STAR+PLUS Waiver Non-Priority	\$10.41	95% of Services	0.95 X \$10.41	\$9.8895
		Blended Payment	\$0.57 + \$9.89	\$10.46

Will Molina pay the “Attendant Care Enhancement Payment”? If so, how?

Yes, Molina will continue to add the Attendant Care Enhancement Payment to PAS and DAHS rates at 100%. Even when Molina paid PAS and DAHS “base” rates at less than the Texas Medicaid fee schedule, Molina historically paid the Attendant Care Enhancement Payment at 100%.

Who can providers contact if they have questions?

For assistance, please contact Provider Services at 866-449-6849.