STATE OF TENNESSEE

BUREAU OF TENNCARE

DEPARTMENT OF FINANCE & ADMINISTRATION
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

IMPORTANT MEMO

DATE: August 23, 2011

TO: Administrators of Medicaid Nursing Facilities
Directors of Hospice Agencies

FROM: Patti Killingsworth, Chief of Long Term Care

SUBJECT: **Bed hold days NOT COVERED for hospice room and board**

It has come to our attention that some Nursing Facilities may be billing to hospice agencies and some hospice agencies may be paying and in turn billing to MCOs charges to hold beds in a Nursing Facility when a person has elected to receive hospice services in the facility.

Bed hold days are NOT a Medicaid covered service for persons receiving hospice services in a Nursing Facility.

Pursuant to TennCare Rule 1200-13-01-.03(9), up to 10 bed hold days per year may be reimbursed **only** for persons receiving Level I Nursing Facility reimbursement, and in accordance with requirements set forth in that section. Persons present in the facility and receiving hospice services may be counted for purposes of establishing the facility's occupancy as set forth in Rule 1200-13-01-.03(9)(a)(4). However, **bed hold days are <u>not</u> reimbursed for persons receiving Level II Nursing Facility reimbursement or hospice services.**

As is the case with any non-covered service, decisions about whether to hold a bed and the responsibility for payment for held beds that are non-covered services are a contractual matter between the facility, the patient and/or their responsible party, and the hospice agency (as applicable).

Any reimbursement made by an MCO to a hospice agency for days that a hospice patient was not actually in the facility receiving hospice room and board services constitutes an overpayment of Medicaid funds, as these services are not covered. Pursuant to §6402 of the Affordable Care Act, **providers have 60 days from discovery to return any overpayments you have received and avoid additional liability under the State and Federal False Claims Acts**. Nursing Facilities should repay the hospice agency for any claims billed to and paid by the hospice agency in error. Hospice agencies should repay the MCO for any claims billed to and paid by the MCO in error. Because this

is existing policy which has always been in effect, recovery is not limited to any particular time period.

TennCare and our contracted MCOs will be reviewing to ensure that any charges for bed hold days provided to hospice patients paid in error are recovered.

If you have any questions about this memo, please contact your TennCare MCO or the Long-Term Care Division.