

# UNIFORM MANAGED CARE MANUAL 16.1

## Medicaid and CHIP Contract Operational Guidance

### DOCUMENT HISTORY LOG

| STATUS <sup>1</sup> | DOCUMENT REVISION <sup>2</sup> | EFFECTIVE DATE    | DESCRIPTION <sup>3</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|---------------------|--------------------------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Baseline            | 2.0                            | January 15, 2016  | Initial version of Uniform Managed Care Manual Chapter 16.1, "Medicaid and CHIP Contract Operational Guidance."<br><br>Chapter 16.1 applies to contracts issued as a result of HHSC RFP numbers X29-08-0001, X29-10-0020, X29-12-0002, X29-12-0003, and X29-13-0042, X29-13-0071, and X29-15-0001; and to Medicare-Medicaid Plans (MMPs) in the Dual Demonstration.                                                                                                                                                                                                    |
| Revision            | 2.1                            | July 1, 2017      | Section 16.1.25.2 "Prior Authorization for Level 4 Deep Sedation and general Anesthesia Provided in Conjunction with Therapeutic Dental services" is added.                                                                                                                                                                                                                                                                                                                                                                                                            |
| Revision            | 2.2                            | September 1, 2017 | Section 16.1.2.11 "Laboratory Services" is added.<br>Section 16.1.2.21 "Guidance on amount, duration, and scope of Medicaid benefits delivered through Medicaid managed care" is added.<br>Section 16.1.4.1 "Preferred Provider Arrangements and Network Access" is added.<br>Section 16.1.9.2 "Out-of-Network Reimbursement for ECI Services" is added.<br>Section 16.1.9.3 "Federal Entitlement to Medicaid and ECI Services" is added.<br>Section 16.2.15 "Prescribed Pediatric Extended Care Centers" is added.<br>Section 16.8.1.1 "Substitute Dentist" is added. |
| Revision            | 2.3                            | December 7, 2018  | Section 16.1.2.6.1 "Breast Pumps" modified to clarify coverage in CHIP and remove information that is more up-to-date in the TMPPM.<br>Section 16.1.2.8.1 "Long Acting Reversible Contraception (LARC)" modified to streamline guidance and clarify the expectations of the MCO regarding implementation, provider education, and encounter data.<br>Section 16.1.2.11.1 "Zika Virus Testing" modified to remove testing codes formerly used.                                                                                                                          |

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|          |       |                  | <p>Section 16.1.2.16 “Therapy (PT, OT, and Speech) Services” is added.</p> <p>Section 16.1.15.1 “Behavioral and Physical Health Integration” and its subsections are added in compliance with SB 74, 85R.</p> <p>Section 16.1.15.2 “Mental Health Parity” is added.</p> <p>Section 16.1.25.1 “Dental Fluoride Varnish” is modified to clarify for CHIP MCOs that this benefit must be covered under the AAP periodicity requirements when administered by physicians and to re-emphasize that Medicaid MCOs and Medicaid/CHIP MCOs are required to cover the benefit.</p> <p>Section 16.1.25.2 “Prior Authorization for Level 4 Deep Sedation and General Anesthesia Provided in Conjunction with Therapeutic Dental Services” is modified to reflect updates to dental procedure codes.</p> <p>Section 16.1.25.3 Topical Dental Fluoride Varnish for CHIP Members is added.</p> <p>Section 16.2.5.1 “Dissemination of Practice Guidelines” is added.</p> <p>Section 16.2.5.2 “Dissemination of Medical Necessity Criteria When Issuing An Adverse Determination” is added.</p> <p>Section 16.8.1.1 “Substitute Dentist” is modified to match the updated TAC rules §354.1221 and §354.1121.</p> |
| Revision | 2.3.1 | January 14, 2019 | <p>Section 16.1.25.1 is modified to withdraw the language revisions made through Version 2.3 and retain the previous section language.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Revision | 2.4   | February 8, 2019 | <p>Section 16.1.13 “MCO Responsibility in the Event of a Disaster” was updated to incorporate HHSC’s disaster response team’s input relevant to this section.</p> <p>16.1.13.2 “Continuity of Member Care Emergency Response Plan” was updated to incorporate HHSC’s disaster response team’s input relevant to this section.</p> <p>16.1.13.4 “MCO communication with HHSC” was updated to incorporate HHSC’s disaster response team’s input relevant to this section.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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| Revision | 2.5   | August 1, 2019   | Section 16.1.15.3 “Court Ordered Services” is added.<br>Sections 16.1.15.3.1 “Mechanism to receive court- ordered documents,” 16.1.15.3.2 “Definition of incarceration,” 16.1.15.3.3 “Chapter 573 of the Texas Health and Safety Code: Emergency Detention,” 16.1.15.3.4 “Chapter 574 of the Texas Health and Safety Code: Court-ordered Mental Health Services,” 16.1.15.3.5 “Chapter 55 of the Texas Family Code: Proceedings Concerning Children with Mental Illness or Intellectual Disability,” 16.1.15.3.6 “Chapter 46B of the Texas Code of Criminal Procedure: Incompetency to Stand Trial,” 16.1.15.3.7 “Conditions of Probation,” and 16.1.15.3.8 “Chapter 462 of the Texas Health and Safety Code: Treatment of Persons with Chemical Dependencies” all add language to provide additional guidance regarding changes being made to the court- ordered section of the contract, in accordance with Title 42, Chapter IV, Subchapter C, Part 435, Subpart K of the Code of Federal Regulations. |
| Revision | 2.5.1 | April 1, 2020    | Accessibility approved version.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Revision | 2.6   | May 1, 2020      | Section 16.3.1 “Submission of ICD 10 Z Codes on STAR+PLUS Claims” is added.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Revision | 2.7   | July 1, 2020     | Section 16.1.29 “Approved Training for Abuse, Neglect, and Exploitation” is added.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Revision | 2.8   | October 23, 2020 | Section 16.7.5.5 “Prenatal Care and Pre-Pregnancy Family Services and Supplies” is modified to add vaccination requirements for pregnant women in CHIP and CHIP Perinatal.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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| Revision | 2.9  | August 24, 2021                                              | <p>Administrative change was made to remove the Section 16.2.14 "Medical Transportation" placeholder.</p> <p>Section 16.1.2.10.2 "Spell of Illness for STAR Health Members 21 years of age and older" is added.</p> <p>Sections 16.1.21.2 "Opioid Policy," 16.1.21.2.1 "Administration of Long-Acting Injectables and Vaccines," and 16.7.5.21.1 "Weight-Based or</p>                                     |
|          |      |                                                              | Variable Dosing Clinician-Administered Drugs" are added.                                                                                                                                                                                                                                                                                                                                                  |
| Revision | 2.10 | May 1, 2022                                                  | Section 16.1.2.22.3 was updated to include a requirement for making and documenting individualized medical necessity determinations.                                                                                                                                                                                                                                                                      |
| Revision | 2.11 | September 1, 2022                                            | <p>Section 16.1.30 "MCO Text Message and Email Policy" is added.</p> <p>Section 16.7.5.20 "Case Management for Children and Pregnant Women Services and MCO Service Coordination" is added</p>                                                                                                                                                                                                            |
| Revision | 2.12 | September 1, 2023<br><i>90 days from date of publication</i> | Section 16.1.15.3.9 Maternal Mental Health Treatment Network is added.                                                                                                                                                                                                                                                                                                                                    |
| Revision | 2.13 | April 1, 2024                                                | <p>Section 16.1.2.6.2 "Accessories, Modifications, Adjustments and Repairs for Mobility Aids" is removed. Language is moved to UMCM 16.9.</p> <p>Section 16.1.4.2.1 "Use of Advanced Nurses and Physician Assistants" is amended to comply with Texas Occupations Code, Chapter 157, Subchapter B.</p> <p>Section 16.1.4.2.2 Prescription Regulations for Advanced Nurses and Physician Assistants is</p> |

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|          |      |                    | <p>removed to comply with Texas Occupations Code, Chapter 157, Subchapter B.</p> <p>Section 16.1.30 “MCO Text Message and Email Policy” is updated to include telephone communication and allow MCOs to communicate electronically using information obtained in methods other than the application form and adds express consent.</p>                                                                                                                                                                                                                       |
| Revision | 2.14 | September 26, 2024 | <p>Section 16.7.5.20 “Case Management for Children and Pregnant Women Services and MCO Service Coordination” is updated to add additional CPW program clarifications.</p> <p>Section 16.1.30 “MCO Communication Through Telephone, Text and Email Policy” clarifies the application of the Federal Communications Commission Ruling on Prior Express Consent.</p> <p>Administrative change adding section number and title for Section 16.1.15.3.9 Maternal Mental Health Treatment Network, correcting identified programs, and correcting page number.</p> |
| Revision | 2.15 | March 1, 2025      | <p>16.2.8 Coordination of Coverage with Other Insurance, new section added.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Revision | 2.16 | July 8, 2025       | <p>Section 16.1.21.2 “Opioid Policy” is updated to include required CMS changes to opioid policy, including changes to retrospective review and daily quantity limits.</p> <p>Section 16.1.2.22.3, “Key Requirements”, updated to require MCOs to document that the authorization request was considered under EPSDT, as well as the rationale used to make the medical necessity determination, in the case notes.</p>                                                                                                                                      |

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|----------|-------|---------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revision | V2.17 | July 21, 2025 | <p>Section 16.1.4.2.1 “Use of Advanced Nurses and Physician Assistants” is amended to clarify that advanced practice registered nurses (APRNs) supervision by out- of- network providers is allowed.</p> <p>Section 16.1.22 “Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)” is amended to add in MCO reimbursement requirements for CHIP Perinatal postpartum services provided at FQHCs.</p> <p>Section 16.2.15.1 “Private Duty Nursing and Prescribed Pediatric Extended Care Center Services” is amended to clarify how a member may receive authorized services.</p> <p>Section 16.2.15.2 “Prescribed Pediatric Extended Care Centers Criteria for Admission and Benefits” is amended to remove specific admission and benefit criteria and add reference to the Texas Medicaid Provider Procedures Manual (TMPPM).</p> <p>Section 16.2.15.3 “Reassessment and Reauthorization” is amended to remove specific criteria and add reference to the TMPPM.</p> <p>Section 16.2.15.4 “Providers of Prescribed Pediatric Extended Care” is amended to correct outdated references to the PPECC licensing agency and Texas Administrative Code.</p> <p>Section 16.2.15.5 “PPECC Plan of Care” is amended to remove specific plan of care requirements and add reference to TMPPM.</p> <p>Section 16.2.15.6 “Authorization Requirements” is amended to add reference to TMPPM.</p> <p>Section 16.7.5.20 “Case Management for Children and Pregnant Women Services and MCO Service Coordination” is amended to clarify professional liability insurance requirements.</p> |
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| Revision | V2.18 | June 1, 2026 | Global change to remove Dual Demo, Dual Demonstration, and Medicare-Medicaid Plan (MMP) from applicable sections. |
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<sup>1</sup> Status is represented as “Baseline” for initial issuances, “Revision” for changes to the Baseline version, and “Cancellation” for withdrawn versions.

<sup>2</sup> Revisions are numbered according to the version of the issuance and sequential numbering of the revision—e.g., “1.2” refers to the first version of the document and the second revision.

<sup>3</sup> Brief description of the changes to the document made in the revision

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**I. Applicability**

This chapter applies to managed care organizations (MCOs) participating in the STAR, STAR+PLUS, CHIP, STAR Kids, and STAR Health Programs, and Dental Contractors providing Children’s Medicaid and CHIP Dental Services to Members through dental health plans. In this chapter, references to “CHIP” or the “CHIP Managed Care Program(s)” apply to CHIP and the CHIP Dental Contractors. References to “Medicaid” or the “Medicaid Managed Care Program(s)” apply to the STAR, STAR+PLUS, and STAR Health Programs, and the Medicaid Dental Contractors. For the purposes of this chapter, the term “MCO” includes health maintenance organizations (HMOs), exclusive provider organizations (EPOs), insurers, Dental Contractors, and any other entities licensed or approved by the Texas Department of Insurance.

**II. Background**

This chapter provides operational guidance regarding contractual requirements of MCOs. This chapter is based on Section 8 of the managed care contracts, which focuses on specific requirements and guidelines for the MCOs. Note that all operational guidance is currently effective. If the effective date is not applicable, then the policy clarification is just a reminder.

**III. Purpose**

This chapter includes policy clarifications and operational guidance released since January 2013 for Medicaid and CHIP MCOs.

All capitalized terms in this chapter are defined in Attachment A, Contract Terms and Conditions, to the managed care contracts, as amended.

#### **IV. Acronyms**

| <b>Acronym</b> | <b>Definition</b>                                    |
|----------------|------------------------------------------------------|
| AAP            | American Academy of Pediatricians                    |
| ACOG           | American Congress of Obstetricians and Gynecologists |
| APPS           | Alternative Prospective Payment System               |
| APRNs          | Advance Practice Registered Nurses                   |
| CCP            | Comprehensive Care Program                           |
| CDTF           | Chemical Dependency Treatment Facility               |
| CFR            | Code of Federal Regulations                          |
| CMS            | Centers for Medicare and Medicaid Services           |
| COMCER         | Continuity of Member Care Emergency Plan             |
| CPT            | Current Procedural Terminology                       |
| CPW            | Case Management for Children and Pregnant Women      |
| DARS           | Department of Aging and Rehabilitative Services      |
| DM             | Disease Management                                   |
| DME            | Durable Medical Equipment                            |
| DMO            | Dental Maintenance Organization                      |
| DRG            | Diagnosis Related Group                              |
| ECI            | Early Childhood Intervention                         |
| EVV            | Electronic Visitor Verification                      |
| FFS            | Fee For Service                                      |
| FQHC           | Federally Qualified Health Center                    |
| HRC            | Human Resources Code                                 |
| HHSC           | Health and Human Services Commission                 |
| IFSP           | Individual Family Service Plan                       |
| LAR            | Legally Authorized Representative                    |
| LARC           | Long Acting Reversible Contraceptive                 |

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|     |                           |
|-----|---------------------------|
| MCO | Managed Care Organization |
|-----|---------------------------|

|      |                                           |
|------|-------------------------------------------|
| MQMB | Medicaid Qualified Medicare Beneficiaries |
|------|-------------------------------------------|

| Acronym | Definition                                  |
|---------|---------------------------------------------|
| NF      | Nursing Facility                            |
| NPI     | National Provider Identifier                |
| OIG     | Office of the Inspector General             |
| PA      | Prior Authorization                         |
| PA      | Physician Assistant                         |
| PCP     | Primary Care Provider                       |
| PPS     | Prospective Payment System                  |
| QDWI    | Qualified Disabled and Working Individuals  |
| QI      | Medicare Qualified Individuals              |
| QMB     | Qualified Medicare Beneficiaries            |
| RHC     | Rural Health Clinic                         |
| SB      | Senate Bill                                 |
| SOI     | Spell of Illness                            |
| SLMB    | Specified Low-Income Medicare Beneficiaries |
| SSI     | Supplemental Social Security Income         |
| SUD     | Substance Use Disorder                      |
| TAC     | Texas Administrative Code                   |
| TDI     | Texas Department of Insurance               |
| TMPPM   | Texas Medicaid Provider Procedures Manual   |
| TMHP    | Texas Medicaid and Healthcare Partnership   |
| UMCC    | Uniform Managed Care Contract               |
| UMCM    | Uniform Managed Care Manual                 |
| WIC     | Women, Infants, and Children Program        |

## **16.1 General Scope of Work**

### **16.1.1 Reserved [Administration and Contract Management]**

### **16.1.2 Covered Services**

This section includes operational guidance for health care services the MCO must arrange to provide to Members, including all services required by the contract and state and federal law, and all value-added services negotiated by the parties.

#### **16.1.2.1 Ambulance Services**

##### **16.1.2.1.1 Prior Authorization for Non-Emergency Transportation by Ambulance**

Release Date: September 18, 2015

Effective Date: April 1, 2016

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

MCOs are required to cover emergency and Medically Necessary non-emergency ambulance services. Non-emergency ambulance transport is defined as ambulance transport provided for a Medicaid Member to or from a scheduled medical appointment, to or from a licensed facility for treatment, or to the Member's home after discharge when the Member has a medical condition such that the use of an ambulance is the only appropriate means of transportation. Facility-to-facility transports are considered emergencies if the required treatment for the emergency medical condition, as defined in 1 Tex. Admin., Code §353.2 (relating to Definitions), is not available at the first facility and the MCO has not included payment for such transports in the hospital reimbursement.

#### ***Prior-Authorizations for Non-Emergency Ambulance Transportation***

According to Human Resources Code § 32.024(t), a Medicaid-enrolled physician, nursing facility, health-care provider, or other responsible party is required to obtain authorization before an ambulance is used to transport a client in circumstances not

involving an emergency. Other responsible parties include staff working with a health care service provider submitting prior authorizations on behalf of the provider or facility. Please note that administrative staff will still be required to submit physician or physician extender orders with the prior authorization unless the physician or physician extender sign the prior authorization form. An ambulance provider may not request a prior authorization for non-emergent ambulance transports. This section of HRC applies to both fee-for-service and managed care, inclusive of managed care for Nursing Facility Members. Prior authorizations by MCOs must be approved in the timeframe prescribed in the managed care Contracts or the UCM.

### *Coverage Determinations and Appeals Processes*

Requirements for prior authorizations, coverage determinations and appeals processes for services provided through Medicaid managed care are included in Texas Government Code Chapter 533 and managed care Contracts. MCOs use utilization management criteria to review non-emergency ambulance transportation. Appeals for denials of Medical Necessity follow standard provider appeals provisions of the MCO contracts. If the individual has FFS Medicaid coverage, then the provider must follow the process outlined in the TMPPM.

### **OPERATIONAL GUIDANCE FOR MCOs**

#### *Prior Authorizations for Medicaid Members Not Residing in a NF*

For non-emergency transportation services rendered to a Member, ambulance providers may coordinate the PA request between the Medicaid-enrolled physician, health-care provider, or other responsible party and the MCO. Ambulance providers may assist in providing necessary information such as NPI number, fax, and business address. The PA request must be signed and submitted by the Medicaid-enrolled physician, health-care provider, or other responsible party to the MCO. The MCO should provide an approval or denial for the PA to the requesting entity, as well as the ambulance provider. The ambulance provider is ultimately responsible for ensuring that a PA has been obtained prior to transport; non-payment may result for services provided without a PA or when the authorization request is denied by the MCO.

#### *Prior Authorizations for STAR+PLUS and STAR Kids Members Residing in a NF*

NF providers must follow the steps below to obtain PA for non-emergency ambulance transportation for STAR+PLUS and STAR Kids Members:

A physician or physician extender writes an order for non-emergency transport.

NF staff should contact the Member's MCO Member services line, utilization management department, or Service Coordinator to find an ambulance company that is in-network.

NF staff contacts the ambulance company to get their necessary information to complete the PA form. Necessary information supplied by the ambulance company is limited to company name, fax number, national provider identifier (NPI), and other business information.

The ambulance provider will document the request was initiated by NF staff and include name, time, and date.

The NF must sign and submit the form to the MCO for approval, along with documentation to support medical necessity. The MCO will provide notice of approval/denial to the NF and ambulance provider. If a request for recurring transports is approved, the MCO will include the number of one-way transports in the approval.

The ambulance provider and NF will coordinate the scheduling of the appointment.

Please note that all MCOs will accept the TDI Standard Prior Authorization form; however, each MCO may have its own forms and methods for submission for PAs, but the steps should remain the same for communication between NF and ambulance providers.

#### References

1. Human Resources Code §32.024(t). Available at:  
<http://www.statutes.legis.state.tx.us/Docs/HR/htm/HR.32.htm>
2. 1 Texas Administrative Code § 354.1111. Available at:  
[http://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=T&app=9&p\\_dir=P&p\\_rl oc=131389&p\\_tloc=&p\\_ploc=1&pg=4&p\\_tac=&ti=1&pt=15&ch=354&rl=1113](http://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=T&app=9&p_dir=P&p_rl oc=131389&p_tloc=&p_ploc=1&pg=4&p_tac=&ti=1&pt=15&ch=354&rl=1113)
3. TMPPM. 5.1.8. Prior Authorization for Nonemergency Ambulance Transport. Available at:  
[http://www.tmhp.com/pages/medicaid/Medicaid\\_Publications\\_Provider\\_Manual.aspx](http://www.tmhp.com/pages/medicaid/Medicaid_Publications_Provider_Manual.aspx)
4. Medicaid Managed Care Contracts. Available at:  
<http://www.hhsc.state.tx.us/medicaid/managed-care/forms.shtml>

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|                 |                                                                              |
|-----------------|------------------------------------------------------------------------------|
| <b>16.1.2.2</b> | <b>Reserved [Audiology and Hearing Services]</b>                             |
| <b>16.1.2.3</b> | <b>Reserved [Cancer Screening, Diagnostic, and Treatment Services]</b>       |
| <b>16.1.2.4</b> | <b>Reserved [Chiropractic Services]</b>                                      |
| <b>16.1.2.5</b> | <b>Reserved [Dialysis]</b>                                                   |
| <b>16.1.2.6</b> | <b>Durable Medical Equipment, Medical Supplies, and Nutritional Products</b> |

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#### **16.1.2.6.1 Breast Pumps**

Release Date: August 18, 2014

Effective Date: November 1, 2018

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR<br/>Health</b> | <b>STAR+<br/>PLUS</b> |  | <b>STAR<br/>Kids</b> | <b>Medicaid<br/>Dental</b> | <b>CHIP</b> | <b>CHIP<br/>Dental</b> |
|-------------|------------------------|-----------------------|--|----------------------|----------------------------|-------------|------------------------|
| Yes         | Yes                    | Yes                   |  | Yes                  | No                         | Yes         | No                     |

The Medicaid policy regarding breastfeeding support services can be found in the Texas Medicaid Provider Procedures Manual.

#### **16.1.2.7 Reserved [Emergency Services]**

#### **16.1.2.8 Gynecological, Reproductive Health, and Family Planning Services**

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##### **16.1.2.8.1 Long Acting Reversible Contraception (LARC)**

Notice Date: October 13, 2015

Effective Date: November 1, 2018

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR<br/>Health</b> | <b>STAR+<br/>PLUS</b> |  | <b>STAR<br/>Kids</b> | <b>Medicaid<br/>Dental</b> | <b>CHIP</b> | <b>CHIP<br/>Dental</b> |
|-------------|------------------------|-----------------------|--|----------------------|----------------------------|-------------|------------------------|
| Yes         | Yes                    | Yes                   |  | Yes                  | No                         | No          | No                     |

Effective January 1, 2016, HHSC implemented Medicaid benefit changes in an effort to increase access to and utilization of LARCs in Texas Medicaid. MCOs must implement the necessary changes to reimburse Hospitals, FQHCs, and RHCs appropriately for providing Medicaid-covered LARC devices in the same amount, duration, and scope as the Medicaid benefit requires.

##### *Hospital Reimbursement for Immediate Postpartum LARC*

Effective January 1, 2016, hospitals may receive reimbursement for covered LARC

devices in addition to the reimbursement for labor and delivery services when a LARC device is inserted immediately postpartum

Medicaid MCOs must adopt claim processing procedures to reimburse Hospital providers for immediate postpartum LARC devices in addition to the contracted rate for inpatient labor and delivery services. MCOs must educate Hospital providers on claim submission requirements.

NOTE: For claims submitted to the TMHP for processing, Hospital Providers will be required to submit an outpatient claim with the appropriate procedure code for the LARC device in addition to the inpatient claim for the delivery services.

#### *FQHC and RHC Reimbursement for LARC*

FQHCs and RHCs may receive reimbursement for covered LARC devices in addition to the encounter rate paid for the visit.

Medicaid MCOs must adopt claim processing procedures to implement add-on reimbursement for FQHCs and RHCs for LARC devices.

#### *340B Drug Pricing Program*

HHSC requires pharmacies of eligible entities participating in the 340B Drug Pricing Program to identify all outpatient pharmacy claims filled with 340B stock for 340B-eligible patients by submitting a value of "20," defined as "340B / Disproportionate Share Pricing/Public Health Service," in the "Submission Clarification Code" claims submission field 420-DK. For 340B clinician-administered claims, providers must use modifier "U8." These requirements apply to submission of claims for LARC devices purchased through the 340B Drug Pricing Program in managed care.

#### *Provider Education*

MCOs must educate providers regarding billing and reimbursement procedures, including those for immediate postpartum LARC. LARC billing and reimbursement guidelines must be posted on the MCO's website, and MCOs must notify family planning providers, hospitals, FQHCs, RHCs, and other providers who may bill for LARC.

#### *MCOs Not Providing Family Planning Services*

MCOs that do not provide family planning services must adopt claims processing procedures for immediate postpartum LARC that will facilitate provider reimbursement from TMHP in accordance with Texas Medicaid Provider Procedures Manual: Medicaid Managed Care Handbook, Section 9.1, Family Planning Carve-Out Services.

#### References

1. Texas Medicaid Provider Procedures Manual: Volume 2, Gynecological, Obstetrics, and Family Planning Title XIX Services Handbook, Sections 2.2.2.1, 2.2.2.2, and

2.2.5.4. Available at:

[http://www.tmhp.com/pages/medicaid/Medicaid\\_Publications\\_Provider\\_Manual.aspx](http://www.tmhp.com/pages/medicaid/Medicaid_Publications_Provider_Manual.aspx)

2. Long-Acting Reversible Contraception Products, Medicaid/CHIP Vendor Drug Program. Available at: <http://www.txvendordrug.com/formulary/larc.shtml>

### **16.1.2.9 Home Health Care Services**

#### **16.1.2.9.1 Home Health Therapy Provider Rates**

Notice Date: October 4, 2013

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

MCOs that have agreed to pay Texas Medicaid FFS rates to therapy providers should pay close attention to the acute care FFS rates versus the Comprehensive Care Program therapy services rates. Home health agency providers performing CCP therapy services should be paid at the CCP rate rather than the acute care rate. For reference, in the FFS system, if the provider bills a service for a child (ages 0-20) without the AT modifier to indicate acute care services, the rate paid is type of service 1 and is treated as CCP.

##### References

1. TMHP. Home Health Fee Schedule and Online Fee Lookup. February 19, 2010.  
Available at: <http://public.tmhp.com/FeeSchedules>

#### **16.1.2.9.2 Homebound Policy**

Release Date August 14, 2013

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

Federal regulations prohibit the arbitrary denial or reduction of the amount, duration, and scope of a required service on the basis of a beneficiary's diagnosis, type of illness, or condition. States must offer mandatory home health services to Medicaid



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beneficiaries who are entitled to nursing home care, but States may not condition receipt of services on the need for institutional care.

The U.S. Department of Health & Human Services' (HHS) Office of Inspector General

(OIG) and CMS interpret federal law and regulation to prohibit improperly restricting a request for home health services based on a Member's homebound status.

MCOs should refer to the Home Health Services sections of the TMPPM.<sup>1</sup>

Client Eligibility Home Health Members do not have to be homebound to qualify for services.

To qualify for home health services, the Medicaid Members must be eligible on the date of service (DOS) and must:

1. Have a medical need for home health professional services, DME, or supplies that is documented in the client's plan of care (POC) and considered a benefit under home health services, and
2. Receive services that meet the client's existing medical needs and can be safely provided in the client's home.

#### References

1. TMPPM Volume 2: Durable Medical Equipment (DME), Medical Supplies, and Nutritional Products Handbook, 2.2.1.1
2. TMHP Home Health Fee Schedule and Online Fee Lookup. February 19, 2010. Available at: <http://public.tmhp.com/FeeSchedules>

### **16.1.2.10 Hospital (Inpatient and Outpatient) Services**

#### **16.1.2.10.1 Spell of Illness Guidance for STAR+PLUS Members**

Release Date: September 21, 2015

Effective Date: November 1, 2018

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| No          | No                 | Yes               |  | No               | No                     | No          | No                 |

Effective October 1, 2015, the SOI limitation will be removed for STAR+PLUS Members who have diagnoses of severe and persistent mental illness as outlined below. MCOs are required to ensure the SOI limitation will not apply if the Member has any of the exempting diagnoses communicated to the MCO through a PA, if applicable, through a submitted claim, or upon appeal with appropriate documentation. This requirement has been appropriately accounted for in MCO capitation rates.

### *Background*

In STAR+PLUS, adult Members are subject to a SOI limitation. The policy places a 30 Day limit on inpatient Hospital stays for adults 21 years and older. SOI is defined as 30 Days of inpatient Hospital care, which may be consecutive or cumulative. After 30 Days of inpatient Hospital care is provided, coverage for additional inpatient care is not covered until the Member has been out of an Acute Care facility for 60 consecutive Days.

### *Exempting Diagnoses*

Applicable diagnoses exempt from the SOI limitation include the following as described in the DSM-V (parenthetical codes are corresponding ICD-10 codes): schizophrenia (F20), schizoaffective disorders (F25), bipolar disorders (F31) with any severity or status, major depressive disorder (F32) and recurrent depressive disorder (F33) with any variation or subtype. MCOs are not required to exempt "unspecified" diagnoses. The following unspecified diagnoses are not exempt from SOI: F20.9 schizophrenia, unspecified; F25.9 schizoaffective disorder, unspecified; F31.9 bipolar disorder, unspecified; F32.9 major depressive disorder, single episode, unspecified; and F33.9 recurrent depressive disorder, unspecified.

### *Determining Eligibility for Spell of Illness Limitation Exemption*

The SOI exemption will be applied for any Member that has an exempting diagnosis listed as one of the top five diagnoses on any inpatient PA request, any submitted claim for an inpatient Hospital admission, or upon appeal with appropriate documentation. These diagnoses will remove the SOI limitation for the entire inpatient stay. If the Member is transferred from one inpatient Hospital directly to another inpatient Hospital, the SOI exemption would transfer to the second Hospital. Upon discharge to the community, a Member is eligible for unlimited subsequent SOI exemptions, if all criteria outlined in this policy guidance are met for the subsequent stay.

Any inpatient hospitalizations that were exempted from the SOI limitation must be tracked by the MCO so that those stays are not counted towards any subsequent SOI calculation. For example, a Member has an Inpatient Stay of 10 Days in April 2016 that were determined to be exempt from SOI calculation (bipolar II disorder was listed as one of the top five diagnoses on a claim form during the stay). In May 2016, the Member is readmitted to a Hospital for a non-exempt stay (there is no exempting diagnosis on the PA form or a claim). MCOs must ensure that the April 2016 stay does not factor into the SOI calculation for the June 2016 stay, because the April 2016 stay was exempt.

An inpatient hospitalization that is exempt from the SOI limitation may have an

admission date before October 1<sup>st</sup>, 2015 if the stay continues through October 1<sup>st</sup>, 2015 and exemption criteria outlined in this policy guidance are met on or after that date. For example, a Member who is admitted to an inpatient Hospital on September 15<sup>th</sup>, 2015 and who has an established a SOI exemption consistent with this policy on October 7<sup>th</sup>, 2015 will have the entire inpatient stay exempted.

This policy guidance does not require an MCO to approve an Inpatient Stay that is not Medically Necessary as outlined in MCO contracts. Inpatient Hospital days are eligible for SOI exemption only if those days would have otherwise been denied due to the SOI limitation.

### *Reason for Inpatient Admission*

Any inpatient admission for a Member with an exempted diagnosis should not be counted towards the SOI limitation, regardless of whether the primary reason for admission is related to a behavioral or physical health. For example, a Member is admitted to a general Acute Care Hospital for congestive heart failure. This condition is listed on diagnosis line 1 of a claim submitted to an MCO for payment. Line 4 details that the Member has a diagnosis of schizophrenia (F20). Although the primary reason for the inpatient admission is congestive heart failure, and not schizophrenia, the Member is still exempt from the SOI limitation because schizophrenia is listed as a top five diagnosis.

### *Example Scenarios*

The below scenarios provide guidance related to applying the SOI limitation exemption.

1. In May 2016, a Member is admitted to an Acute Care Hospital for injuries resulting from a car accident. The Hospital includes the Member's diagnoses as required by the MCO as part of the claim submission process. The first three diagnoses include injuries related to the car accident. The fourth diagnosis lists bipolar disorder (F31). The Hospital bills for and is approved for 44 days of Medically Necessary Services in the Hospital.

Analysis: The MCO appropriately applied the exclusion to the SOI limitation for the Hospital stay for this Member. The criteria for exemption from the SOI calculation is a diagnosis of schizophrenia (F20), schizoaffective disorders (F25), bipolar disorders (F31) with any severity or status, major depressive disorder (F32) and recurrent depressive disorder (F33) with any variation or subtype listed as a top five diagnosis on the PA request or a submitted claim form. Because the Member had bipolar disorder (F31) listed as a diagnosis #4 on the claim form, the Member is exempt from the SOI limitation and may stay as many days as is medically necessary.

2. The Member described in scenario #1 is readmitted to a different Hospital the following month, June 2016, for complications related to diabetes. This Hospital does not include any mental health disorder on a submitted claim for the Inpatient Stay. The MCO authorizes the Hospital for services for days 1 through

30 and denies authorization for services past 30 days due to the SOI limitation.

Analysis: The MCO appropriately applied the SOI limitation for this Member. An exempting diagnosis must be noted as a top five diagnosis on either the pre-authorization (PA) request or a submitted claim for the Hospital stay. Because no exempting diagnosis was included, the MCO denied the stay past the 30<sup>th</sup> day, consistent with the SOI limitation outlined in the TMPPM. The MCO also appropriately excluded the May 2016 stay noted in scenario #1 above from the SOI calculation. Because the May 2016 stay was exempted from SOI calculation, it was not considered when determining the availability of days for the June 2016 stay.

3. A Member who has a diagnosis of schizophrenia (F20) is admitted to Austin State Hospital (state hospital), an institution for mental disease, under the "in-lieu-of" contractual provision in the managed care contracts. During the PA process, the state hospital notes that the Member has a diagnosis of schizophrenia. Three days before this stay, the Member discharged from a general Acute Care Hospital for the treatment of complications related to chronic obstructive pulmonary disease where the Member stayed for 28 days before being discharged and the PA form and claims did not include any exempting diagnoses. The MCO denies any stay past 2 days at the state hospital and communicates to state hospital utilization management staff that the Member has met the 30 day SOI limitation.

Analysis: Because the Member had a diagnosis of schizophrenia that was noted in the form, the MCO should have approved additional medically necessary days in the state hospital, if all conditions of the "in-lieu-of" contractual provision were met. The diagnosis noted on the PA form exempted the Member from the SOI limitation.

4. A Member is admitted to a general Acute Care Hospital for injuries resulting from a car accident. The Hospital does not include an exempting diagnosis on a claim submitted to an MCO for the Inpatient Stay. The MCO authorizes the hospital for services for days 1 through 30 and denies authorization for services past 30 days due to the SOI limitation. The Hospital provides a total of 37 days of inpatient care, after which the Member is discharged. After the Member is discharged, the Hospital realizes the original PA request and claim forms did not include the Member's exempting diagnosis of bipolar disorder (F31), which was noted in the inpatient hospitalization medical records. The Hospital submits an appeal to the MCO for coverage for days 31-37, which are subsequently authorized and reimbursed by the MCO.

Analysis: The MCO appropriately applied the exemption to the SOI limitation for this Member. While the original PA request and claim forms did not include an exempting diagnosis, a subsequent appeal noted that the Member did have an exempting diagnosis (F31) which removed the SOI limitation. This diagnosis resulted in the stay for days 31-37 being eligible for Medicaid reimbursement.

**16.1.2.10.2 Spell of Illness for STAR Health Members 21 years of age and older**

Effective Date: March 1, 2021

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| No   | Yes         | No         |  | No        | No              | No   | No          |

MCO reimbursement to Hospitals for inpatient Hospital services provided to a STAR Health Member who is 21 years of age or older is subject to the Medicaid SOI limitation, as defined in the Texas Medicaid Provider Procedures Manual, Volume 2 Inpatient and Outpatient Hospital Services Handbook 3.1.2. Specifically, reimbursement is limited to 30 Days, which may be consecutive or non-consecutive.

For a prior-approved solid organ transplant, the 30-Day timeline for reimbursement for inpatient Hospital services begins on the date of the transplant. The 30- Day reimbursement limitation is in addition to inpatient Hospital services provided before the date of the transplant.

Reimbursement for inpatient Hospital services is limited to \$200,000 per Member, per benefit year (November 1 through October 31).

MCOs will follow the procedures set forth in the Texas Medicaid Provider Procedures Manual, Inpatient and Outpatient Hospital Services Handbook, Section 3.1.1 and 3.1.2. Refer to these sections for more information on SOI and limitations on reimbursement for inpatient Hospital services.

**16.1.2.11 Laboratory Services**

**16.1.2.11.1 Zika Virus Testing**

Release Date: May 5, 2017

Effective Date: November 1, 2018

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
|------|-------------|------------|--|-----------|-----------------|------|-------------|

|     |     |     |  |     |    |     |    |
|-----|-----|-----|--|-----|----|-----|----|
| Yes | Yes | Yes |  | Yes | No | Yes | No |
|-----|-----|-----|--|-----|----|-----|----|

MCOs must educate their Providers about the appropriate procedure codes to use when ordering a test for Zika.

MCOs should require their Providers to use clinical judgment and follow recommendations from the Texas Department of State Health Services (DSHS) regarding testing. These guidelines can be found at [TexasZika.org](http://TexasZika.org). MCOs should share the DSHS recommendations with their Providers.

Additional information, including appropriate procedure codes to use when ordering a test for Zika, is available in the TMPPM, Radiology and Laboratory Services Handbook Section 2.2.13.1.

#### References

1. TMPPM. Radiology and Laboratory Services Handbook. 2.2.13.1

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**16.1.2.12      Reserved [Laboratory Services]**

**16.1.2.13      Reserved [Nursing Services]**

**16.1.2.14      Reserved [Organ Transplant]**

**16.1.2.15      Reserved [Radiology, Imaging and X-rays]**

**16.1.2.16      Reserved [Specialty Physician Services]**

**16.1.2.17      Therapy (PT, OT, and Speech) Services**

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Release Date:            June 30, 2017

Effective Date:        November 1, 2018

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | Yes         | No                 |

Beginning September 1, 2017, there is a new billing structure for physical, occupational, and speech therapy for Medicaid and CHIP Members of all ages. All health care managed care contracts must comply with this billing structure.

This billing structure does not apply to Nursing Facility services or STAR+PLUS Home and Community Based-Services.

Additional information regarding this new billing structure is available in the TMPPM, in the Physical Therapy, Occupational Therapy, and Speech Therapy Services Handbook.

#### References

1. TMPPM. Physical Therapy, Occupational Therapy, and Speech Therapy Services Handbook

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|                  |                                                                                                             |
|------------------|-------------------------------------------------------------------------------------------------------------|
| <b>16.1.2.18</b> | <b>Reserved [Telemedicine, Telehealth, and Telemonitoring]</b>                                              |
| <b>16.1.2.19</b> | <b>Reserved [THSteps Checkups and CCP Services]</b>                                                         |
| <b>16.1.2.20</b> | <b>Reserved [Transplants]</b>                                                                               |
| <b>16.1.2.21</b> | <b>Reserved [Vision])</b>                                                                                   |
| <b>16.1.2.22</b> | <b>Guidance on Amount, Duration, and Scope of Medicaid Benefits Delivered through Medicaid Managed Care</b> |

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Release Date            September 1, 2017

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | Yes                    | Yes         | No                 |

#### **16.1.2.22.1 Background**

MCOs have discretion under their Contracts with HHSC to design policies and procedures to implement the Medicaid benefit. For example, MCOs may have different PA requirements than those in FFS Medicaid. In implementing the Medicaid benefit and furnishing Medicaid services to their Members, MCOs must offer a sufficient benefit and ensure that services are furnished in an amount, duration, and scope that is equal to that furnished in FFS Medicaid. At a minimum, this means that MCO medical policies must, for each Covered Service, reflect the amount, duration, and scope of that Covered Service in FFS Medicaid. The following guidance is provided to all Medicaid MCOs to assist in creating and maintaining medical policies that comply with Contract standards and applicable federal regulations.

**16.1.2.22.2 Definitions**

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*Medicaid Benefit*

The specific service categories covered under Texas Medicaid, as outlined by the Medicaid state plan, are further defined in the TMPPM. For the purposes of Medicaid managed care, the Medicaid services include all services "carved-in" to the managed care delivery system under the MCOs' Contract with HHSC, and excludes any "carved-out" services as described in that contract. The Medicaid benefit under managed care must include the broad service categories covered under FFS Medicaid and all procedure codes covered under FFS Medicaid.

*Early and Periodic Screening, Diagnosis, and Treatment*

Known in Texas as Texas Health Steps (THSteps), Early and Periodic Screening, Diagnosis and Treatment (EPSDT) refers to the Medicaid program's obligation to provide comprehensive medical and dental preventive and treatment services to children and young adults under age 21. The program offers comprehensive and periodic evaluation of a child's health, development, and nutritional status, as well as vision, dental, and hearing care. As a component of this EPSDT mandate, Medicaid must also cover all Medically Necessary Medicaid services, even those otherwise unavailable or limited in the Medicaid state plan, that are required to correct or ameliorate the Medicaid Member's physical, behavioral, or developmental condition.

*Amount*

The numerical quantity of a service available to a Medicaid Member. This includes the number of discrete procedures, the number of visits, and the number of units of a service a Medicaid Member may receive, either during a defined period of time or over the course of a lifetime. It also includes the number of physical items a Medicaid Member may receive under a benefit, such as durable medical equipment. The MCO must offer at least the same quantity of service or item to a Member as would be offered to that beneficiary under FFS Medicaid.

*Duration*

The length of time that a service is available to a Medicaid beneficiary. This includes the time that a benefit may be provided per episode, e.g., two weeks of hospitalization per episode of a disease or procedure. This also includes the length of time a beneficiary may receive an item, such as a medical supply. For those benefits that have a lifetime limit, e.g., transition assistance services in the Medically Dependent Children Program, the duration is a beneficiary's lifetime. The MCO must offer the Member the service or item for at least the same duration as would be offered to that same beneficiary under FFS Medicaid.

### *Scope*

Scope encompasses the nature of a Medicaid benefit, what is included or excluded. The scope of a Medicaid benefit, which must be addressed in the MCO's medical policy, includes the following categories:

1. Which Members are eligible for the benefit?
  - a. This includes both program eligibility and medical necessity.
    - i. An example of the program eligibility category is a Member enrolled in the STAR+PLUS HCBS program, who by virtue of Membership in the program has access to a set of benefits not available to beneficiaries not in the STAR+PLUS program. Members who do not have Program eligibility for a benefit (i.e., are not in a particular eligibility group) may not receive that benefit. If FFS Medicaid covers a benefit for beneficiaries with certain Program eligibility, the MCO must cover that benefit for Members with that same Program eligibility.
    - ii. An example of medical necessity is the requirement, under 1 Tex. Admin. Code § 354.1231, that, in order to qualify for hearing aid services, a Member must have "an air conduction puretone average (500 Hz, 1000 Hz, 2000 Hz) in the better ear of 35 dB hearing loss (HL) or greater." Members who do not meet medical necessity criteria for a benefit are not eligible to receive that benefit. If FFS Medicaid covers a benefit for beneficiaries who meet certain medical necessity criteria, the MCO must cover that benefit for Members who meet those medical necessity criteria.
2. Which Providers may provide the benefit?
  - a. The MCO must allow the same provider types that may deliver a service in FFS Medicaid to deliver that same service in managed care, provided that the Provider has met all applicable contracting and credentialing standards. For example, if a physician assistant may perform a medical checkup in FFS Medicaid, the MCO must allow a physician assistant to deliver this same service.
3. Where the benefit may be provided?
  - a. The MCO must cover services in the same places of service that are allowable under FFS Medicaid. For example, if FFS Medicaid covers therapy in an outpatient setting, the MCO must also cover therapy in an outpatient setting.
4. What specific procedures are covered under the benefit category?

- a. The MCO must cover all components of a benefit category that are covered under FFS Medicaid. For example, if FFS Medicaid covers the code T1019, the MCO must cover this code as well.

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#### **16.1.2.22.3 Key Requirements**

1. HHSC is the single state Medicaid agency in Texas responsible for defining and obtaining approval from the Centers for Medicare and Medicaid Services (CMS) for all benefits offered under the Medicaid state plan.
2. Pursuant to 42 C.F.R. § 440.230(b), Medicaid state plan services must be sufficient in amount, duration, and scope to reasonably achieve their purposes. HHSC, through its role as single state Medicaid agency, is responsible for ensuring that Medicaid services are sufficient.
  - a. Under 42 C.F.R. § 438.210(a)(3)(i), HHSC must, through contract, require MCOs to ensure that services are sufficient. This means, although HHSC has the final authority in determining the Medicaid benefit through the Medicaid state plan, MCOs are responsible for ensuring that all Medicaid services delivered through a managed care delivery system remain sufficient in amount, duration, and scope.
  - b. MCOs cannot arbitrarily deny or reduce the amount, duration, or scope of services to an otherwise eligible Member solely because of diagnosis, type of illness, or condition. 42 C.F.R. § 438.210(a)(3)(ii). This means, for example, an MCO cannot: (1) make private duty nursing unavailable to those Members who are fed with a G-tube; (2) cap the number of personal care services hours at 40 per week for all Members who use a wheelchair; or (3) offer behavioral health services only to adult Members who have a diagnosis of schizophrenia.
3. Pursuant to 1 Tex. Admin. Code § 353.409(b), and in accordance with 42 C.F.R. § 438.210(a)(2), Medicaid managed care services must be provided at least in an amount, duration, and scope available to FFS Medicaid beneficiaries, unless otherwise explicitly authorized by HHSC through a waiver.
  - a. This means that, other things being equal, a beneficiary would receive at least the same medically necessary care with any contracted Medicaid MCO as he or she would in FFS Medicaid.
  - b. The amount, duration, and scope of benefits in Medicaid managed care may exceed the scope of FFS Medicaid on a case-by-case basis, as allowed by 1 Tex. Admin. Code § 353.409(f).

4. Medicaid MCOs must adhere to HHSC medical policy as documented in the TMPPM insofar as it defines the amount, duration, and scope of each Medicaid benefit.
5. As required by Social Security Act § 1905(r)(5), Texas Medicaid must cover such Medicaid services required to correct or ameliorate the physical, behavioral, or developmental condition of a beneficiary under age 21, as identified in an EPSDT screening, regardless of whether such services are otherwise covered under the state plan. In practice, this means:
  - a. Medicaid eligible children and young adults under age 21 qualify for a broader array of Medicaid services than do adults over age 21.
  - b. Regardless of the amount, duration, and scope of a Medicaid service set forth in the Medicaid state plan or described in a managed care contract, MCOs must provide Medically Necessary Covered Services in the amount, duration, and scope that are required to correct or ameliorate a child or young adult Member's physical, behavioral, or developmental condition. This applies to all Medicaid Members under age 21, regardless of Program in which the Member is enrolled.
6. The MCO must make an individualized medical necessity determination for EPSDT services. When the requested service(s) exceeds the established benefit limitation, or is outside of the state plan benefit, the MCO must document the service was considered under EPSDT and the rationale used in making the medical necessity determination in the case notes, regardless of final decision.

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**16.1.3      Reserved [Access to Care]**

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**16.1.3.1      Reserved [Waiting Times for Appointments]**

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**16.1.3.2      Access to Network Providers**

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**16.1.3.2.1      Reserved [OB/Gyn Access]**

**16.1.3.2.2      Reserved [Outpatient Behavioral Health Service Provider Access]**

**16.1.3.2.3      Reserved [Other Specialist Physician Access]**

**16.1.3.2.4      Reserved [Hospital Access]**

**16.1.3.2.5      Reserved [Pharmacy Access]**

#### **16.1.3.2.6 Nursing Facility Access**

#### **16.1.3.2.7 STAR Clients Admitted to Nursing Facilities**

Release Date May 23, 2013

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | No                 | No                |  | No               | No                     | No          | No                 |

HHSC is providing clarification to STAR MCOs regarding Members admitted to a NF. STAR Members admitted to NF are disenrolled prospectively. A NF are required to provide the HHSC with a notification of a STAR Member's admission to a NF. However, to ensure HHSC receives expeditious notification of a STAR Member's NF admission, MCOs should also notify HHSC of the Member's admission. MCOs should send the NF's admission notification to the following mailbox:  
ManagedCareEligibilityEnrollment@hhsc.state.tx.us

After receiving and entering the information in the system, HHSC will terminate the Member's enrollment prospectively at the end of the month in which HHSC receives such notification.

During the Member's stay in the NF before the Member is disenrolled from STAR, MCOs are responsible for all covered services they normally provide, including pharmacy, for the month(s) they received capitation payments.

#### **16.1.3.2.8 Reserved [All Other Covered Services]**

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### **16.1.4 Provider Network**

#### **16.1.4.1 Preferred Provider Arrangements and Network Access**

MCOs are contractually obligated to transition provider payment methodologies from volume based payment approaches to quality-based alternative payment models (APMs). APMs are designed to improve health outcomes for Members, improve Members' experience of care and lower healthcare cost trends. One arrangement MCOs may consider to further these goals is a preferred provider arrangement. While this is an allowable arrangement, MCOs must continue to offer Members choice of provider to the extent possible and appropriate (42 CFR § 438.3(l)).

If an MCO enters into a preferred provider arrangement, the MCO must notify Members of the arrangement in writing at least 30 Days in advance of execution of the

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arrangement, consistent with Chapter 4 of the UMCM. The MCO must also develop and implement a process whereby Members have the opportunity to opt out of using the preferred provider and use another Provider. The MCO must provide clear written instructions on how a Member may opt out of using the preferred provider. The MCO must manage its opt out process, including the receipt and review of all Member requests, and may not delegate any process steps to its Providers.

For preferred provider arrangements already in effect prior to the issuance of HHSC guidance, MCOs must provide notification to impacted Members and provide clear written instructions on how the Member may opt out of using the preferred provider. Furthermore, the MCO may not change a Member's Provider without notifying the Member of the change and providing clear written instructions on how the Member may opt out of using the Provider.

Only those preferred provider arrangements for which some portion of the overall healthcare payment is based on quality-based performance will be considered eligible for fulfillment of the value-based contracting requirements.

#### **16.1.4.2 Primary Care Providers**

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##### **16.1.4.2.1 Use of Advanced Nurses and Physician Assistants**

Notice Date: December 3, 2013

Effective Date: November 1, 2018

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

In accordance with Texas law<sup>1</sup> and HHSC contract requirements<sup>2</sup> Texas Medicaid and CHIP MCOs are required to use advanced practice registered nurses (APRNs) and physician assistants (PAs) as Primary Care Providers (PCPs) to increase the availability of PCPs in the organization's Provider network. APRNs and PAs practicing as PCPs serve an important role in expanding access to health services for Medicaid clients. MCOs, therefore, should encourage and facilitate the use of APRNs and PAs as PCPs, in accordance with this goal and applicable state law.

APRNs and PAs who serve as PCPs in an MCO Network must be listed in the same manner as other PCP types in the MCO's Provider network. Additionally, MCOs may not refuse a request by an APRN or PA to be listed as a PCP if the APRN or PA meets the relevant standards, as described below.<sup>3</sup>

In order to serve as a PCP, an APRN or PA must meet the MCO's credentialing standards, and a PA must be practicing under the supervision of a physician acting as a PCP in the MCO's Provider network. The MCO may include an APRN as a Network PCP, even if the APRN's supervising physician is not a Network Provider. The supervising physician must be practicing as a specialist in family medicine, internal medicine, pediatrics, or obstetrics/gynecology.<sup>4</sup> Advanced practice nurses should be enrolled with Medicaid or CHIP and designated as either a clinical nurse specialist or a nurse practitioner in order to be properly recognized by Texas Medicaid and CHIP systems.

#### References

1. Section 540.0269(b) of the Texas Government; see also Section 62.1551 of the Texas Health and Safety Code
2. Section 843.312 of the Texas Insurance Code

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|                  |                                                                                      |
|------------------|--------------------------------------------------------------------------------------|
| <b>16.1.4.3</b>  | <b>Reserved [Inpatient Hospital and Medical Services]</b>                            |
| <b>16.1.4.4</b>  | <b>Reserved [Children's Hospitals/Hospitals with Specialized Pediatric Services]</b> |
| <b>16.1.4.5</b>  | <b>Reserved [Trauma]</b>                                                             |
| <b>16.1.4.6</b>  | <b>Reserved [Physician Services]</b>                                                 |
| <b>16.1.4.7</b>  | <b>Reserved [Urgent Care Clinics]</b>                                                |
| <b>16.1.4.8</b>  | <b>Reserved [Laboratory Services]</b>                                                |
| <b>16.1.4.9</b>  | <b>Reserved [Pharmacy Providers]</b>                                                 |
| <b>16.1.4.10</b> | <b>Reserved [Diagnostic Imaging]</b>                                                 |
| <b>16.1.4.11</b> | <b>Reserved [Home Health Services]</b>                                               |
| <b>16.1.4.12</b> | <b>Reserved [Community Long Term Services and Supports]</b>                          |
| <b>16.1.4.13</b> | <b>Reserved [Nursing Facility Services]</b>                                          |
| <b>16.1.4.14</b> | <b>Reserved [Hospice Services]</b>                                                   |
| <b>16.1.4.15</b> | <b>Ambulance Providers</b>                                                           |

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**16.1.4.15.1 Ambulance Provider Network Agreement**

Notice Date: May 13, 2013

Effective Date: May 13, 2013

**Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

The MCO must enter into a Network Provider Agreement with any willing ambulance provider that meets the MCO's credentialing requirements and agrees to the MCO's contract rates and terms. The MCO cannot use network adequacy as a reason to deny offering a contract to an ambulance provider. If the ambulance provider meets

credentialing requirements and agrees to the contract rates and terms, the MCO must extend a contract. This contractual requirement does not have a time limit.

**16.1.4.16 Reserved [Mental Health Rehabilitative Services]**

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**16.1.5 Member Services**

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**16.1.5.1 Cultural Competency Plan**

Notice Date: June 27, 2014

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | Yes             | Yes  | Yes         |

All MCOs must provide and pay for necessary language interpreter services to Members in conjunction with Covered Services and as required by the MCO's Cultural Competency Plan.

The TMPPM, Medicaid Managed Care Handbook, Section 2.5.1 states that MCOs are responsible for providing interpreter services. HHSC incorporates these interpreter service costs into the MCO's capitation rates.<sup>1</sup>

As required by federal law and regulation and under their relevant contract, MCOs must promote the delivery of Covered Services in a culturally competent manner to all Members, including those with limited English proficiency and diverse cultural and ethnic backgrounds.<sup>2</sup>

MCOs must:

1. provide information on how to obtain interpreter services in the MCO's Member handbook.<sup>3</sup>
2. include languages spoken by Providers in the MCO's Provider directories.<sup>4</sup>
3. inform Members of their right to an interpreter.
4. arrange and pay for Members' access to interpreter services.
5. have a Cultural Competency Plan.<sup>5</sup>

The MCO's Cultural Competency Plan must include how the MCO will provide Linguistic Access and Disability-related Access, including appropriate hotline access and sign language interpretation services during Provider appointments. The Plan must also describe how the MCO effectively provides Covered Services to Members from varying

cultures, races, ethnic backgrounds, and religions to ensure those characteristics do not pose barriers to gaining access to needed services. This includes providing interpreter services as necessary during appointments with Providers to ensure effective communication.

#### References

1. TMPPM. Medicaid Managed Care Handbook. 2.5.1. Limited English Proficiency. [http://www.tmhp.com/TMPPM/TMPPM\\_Living\\_Manual\\_Current/Vol2\\_Medicaid\\_Managed\\_Care\\_Handbook.pdf](http://www.tmhp.com/TMPPM/TMPPM_Living_Manual_Current/Vol2_Medicaid_Managed_Care_Handbook.pdf)
2. 42 C.F.R. § 438.206(c)(2); See also Uniform Managed Care Contract, Attachment A, Section 7.054a)(1); STAR+PLUS Expansion Contract, Attachment A, Section 7.05(a)(1); STAR Health Contract, Attachment A, Section 7.05(a)(1); Dental Services Contract, Attachment A, Section 7.05(a)(1); CHIP RSA Contract, Attachment A, Section 7.05(a)(1)
3. Uniform Managed Care Manual Chapter 3.4, MMC Member Handbook; Chapter 3.5, CHIP Member Handbook
4. 42 C.F.R. § 438.10(f)(6)(i)
5. 1 Tex. Admin. Code § 353.411; See also Uniform Managed Care Contract, Attachment B-1, Section 8.1.5.8; STAR+PLUS Expansion Contract, Attachment B-1, Section 8.1.5.8; STAR Health Contract, Attachment B-1, Section 48.1.5.8; Dental Services Contract, Attachment B-1, Section 8.1.6.8; CHIP RSA Contract, Attachment B-1, Section 8.1.5.8

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#### **16.1.6      Reserved [Marketing and Prohibited Practices]**

#### **16.1.7      Reserved [Quality Assessment and Performance Improvement]**

#### **16.1.8      Utilization Management**

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##### **16.1.8.1      CHIP Notice for Approved Services**

Notice Date:              April 24, 2013

Effective Date:          November 1, 2018

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| No          | No                 | No                |  | No               | No                     | Yes         | Yes                |

TDI rules, found at 28 Tex. Admin. Code Chapter 19, Subchapter R, on utilization reviews for health care providers under a health benefit plan including dental and pharmacy services, affect CHIP but not Medicaid. These rules require CHIP plans to provide notification to their Membership on services that are approved, not just those that are denied.

### References

1. 28 Tex. Admin. Code § 19.1709. Notice of Determinations Made in Utilization Review. Available at [https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p\\_dir=&p\\_rloc=&p\\_tloc=&p\\_ploc=&pg=1&p\\_tac=&ti=28&pt=1&ch=19&rl=1711](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=28&pt=1&ch=19&rl=1711)
2. UMCC. 8.1.8. Utilization Management

## **16.1.9 Early Childhood Intervention**

### **16.1.9.1 Service Designations for Early Childhood Intervention Individual Family Service Plan Form**

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Notice Date: August 25, 2015

Effective Date: November 1, 2018

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | Yes         | No                 |

#### *Background*

ECI is a statewide service system for families with children, birth to age three, with disabilities or developmental delays. ECI provides a full range of developmental services that support families to help their children reach their potential. To be a provider of ECI services, an entity must have a contract with the Texas Department of Assistive and Rehabilitative Services (DARS) for the provision of ECI services. ECI contractors include public (e.g., local community centers, independent school districts) and private non-profit agencies.

#### *Description of the ECI Service System*

A key component of the ECI service system is the use of interdisciplinary teams consisting of professionals, family Members, and other persons as requested by the parent or LAR. Each child's team develops an IFSP to identify and address the unique



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needs of the child and family. As stated in section 8.1.9.4 of Attachment B-1 of the Uniform Managed Care Contract, the IFSP identifies the services to be provided to the child to meet the needs of the child and the family, and identifies the person or persons responsible for each service required by the plan. The IFSP is a contract between the ECI contractor and child's parent or LAR. Section 8.1.9.5 indicates the IFSP serves as authorization for services provided by the ECI contractor.

#### *Form*

DARS modified the required IFSP form to clarify the State's expectations and improve oversight of the ECI contractors. Contractors began using the updated IFSP on April 22, 2015. The change to the IFSP form was the removal of "Parent Arranged" and the addition of "Services Designation." There are four services designations: Program

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Provided (PP), Parent Choice (PC), Program Arranged (PA), and Not Part C (NP). The table below compares the four service designations.

#### *ECI Contractors and Other Service Providers*

Section 1905(r)(5) of the Social Security Act requires that a Medicaid recipient under the age of 21 must receive the health care services listed in the Act for which he or she has a medical need. There is no prohibition to ECI contractors and non-ECI providers from providing services to the same child. If a child has Medicaid, they are entitled to receive all Medically Necessary services. The IFSP is the authorizing document for ECI services, but if the family of a child with Medicaid wants more therapy services than what the IFSP requires, the family would be able to receive the additional therapy if authorized by a physician, APRN, or PA, in accordance with HHSC medical policy. Given the MCOs' obligation to ensure the child receives all medically necessary services, it is important that the IFSP accurately reflect the developmental needs identified by the IFSP team regardless of the service provider. Similarly, the ECI contractor is expected to keep the MCO informed with regard to needed auditory and vision evaluations. ECI contractors are expected to put forth good faith effort to obtain the necessary release of information from the parent or LAR to allow the ECI contractor and the MCO to exchange information regarding needed evaluations.

#### *Service Designations*

|             | <b>Program Provided (PP)</b>                                                                                                                                                                                               | <b>Parent Choice (PC)</b>                                                                                                                                                                                                  | <b>Program Arranged (PA)</b>                                                                                                                                                                                               | <b>Not Part C (NP)</b>                                                                                                                                                                                                     |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>IFSP</b> | <p>IFSP team documents their service recommendations on the IFSP.</p> <ul style="list-style-type: none"> <li>• The parent is a Member of the team.</li> <li>• A copy of the signed IFSP is given to the parent.</li> </ul> | <p>IFSP team documents their service recommendations on the IFSP.</p> <ul style="list-style-type: none"> <li>• The parent is a Member of the team.</li> <li>• A copy of the signed IFSP is given to the parent.</li> </ul> | <p>IFSP team documents their service recommendations on the IFSP.</p> <ul style="list-style-type: none"> <li>• The parent is a Member of the team.</li> <li>• A copy of the signed IFSP is given to the parent.</li> </ul> | <p>IFSP team documents their service recommendations on the IFSP.</p> <ul style="list-style-type: none"> <li>• The parent is a Member of the team.</li> <li>• A copy of the signed IFSP is given to the parent.</li> </ul> |

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|                     | Program Provided (PP)                                                                                                                                                                                                                                    | Parent Choice (PC)                                                                                                                                                                                                                                                                                          | Program Arranged (PA)                                                                                                                                                                                                                                                            | Not Part C (NP)                                                                                                                                                                                                                                                                             |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Providers</b>    | ECI contractor has necessary personnel (employee or contractor) to provide the service, and family agrees to services.                                                                                                                                   | Parent declines ECI provider, and selects outside provider.                                                                                                                                                                                                                                                 | ECI contractor <b><u>does not</u></b> have necessary personnel (employee or contractor) to provide the service.<br><br>• ECI contractor must assist the family in locating a provider.                                                                                           | ECI contractor <b><u>does not</u></b> have necessary personnel (employee or contractor) to provide the service.<br><br>• ECI contractor must assist the family in locating a provider.                                                                                                      |
| <b>Personnel</b>    | ECI personnel meets <b><u>all three</u></b> of the following:<br>1. ECI trained per 40 TAC, Chapter 108, Subchapter C, § 108.309.<br>2. Member of the IFSP (signs the IFSP).<br>3. Provides progress notes after providing services to the child/family. | Selected provider chooses <b><u>not</u></b> to contract with ECI or does not meet at least one of the following:<br>1. ECI trained per 40 TAC, Chapter 108, Subchapter C, § 108.309.<br>2. Member of the IFSP (signs the IFSP).<br>3. Provides progress notes after providing services to the child/family. | ECI contractor locates a provider who meets <b><u>all three</u></b> of the following:<br>1. ECI trained per 40 TAC, Chapter 108, Subchapter C, § 108.309.<br>2. Member of the IFSP (signs the IFSP).<br>3. Provides progress notes after providing services to the child/family. | ECI contractor locates a provider who does <b><u>not meet at least one</u></b> of the following:<br>1. ECI trained per 40 TAC, Chapter 108, Subchapter C, § 108.309.<br>2. Member of the IFSP (signs the IFSP).<br>3. Provides progress notes after providing services to the child/family. |
| <b>Requirements</b> |                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                             |

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|                                  | <b>Program Provided (PP)</b>                                                                    | <b>Parent Choice (PC)</b>                                                                                         | <b>Program Arranged (PA)</b>                                                                                      | <b>Not Part C (NP)</b>                                                                                            |
|----------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>Prior Authorizations (PA)</b> | IFSP serves as service authorization (prior authorization). MCO may not require referral or PA. | IFSP <b><u>does not</u></b> serve as service authorization (prior authorization). MCO may require referral or PA. | IFSP <b><u>does not</u></b> serve as service authorization (prior authorization). MCO may require referral or PA. | IFSP <b><u>does not</u></b> serve as service authorization (prior authorization). MCO may require referral or PA. |
| <b>Claims Processing</b>         | ECI contractor submits claims for the services provided.                                        | ECI contractor <b><u>does not</u></b> submit claims for the services provided.                                    | ECI contractor <b><u>does not</u></b> submit claims for the services provided.                                    | ECI contractor <b><u>does not</u></b> submit claims for the services provided.                                    |
| <b>Reimbursement</b>             | An MCO <b><u>is</u></b> responsible for payment.                                                | An MCO is <b><u>not</u></b> responsible for payment for unauthorized non-emergency services.                      | An MCO is <b><u>not</u></b> responsible for payment for unauthorized non-emergency services.                      | An MCO is <b><u>not</u></b> responsible for payment for unauthorized non-emergency services.                      |

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### Example

| Service Information |                                         |                    |                    |                         |                                                                                                                                               |                                                                                  |            |          |                         |
|---------------------|-----------------------------------------|--------------------|--------------------|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------|----------|-------------------------|
| Service             | Discipline of Provider                  | Expected Frequency | Expected Intensity | Total Authorized Visits | Location*                                                                                                                                     | Method                                                                           | Start Date | End Date | Services Designation ** |
| CM                  | Service Coordinator's Name: Sally Worth | Ongoing            | As Needed          | Not Applicable          | <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Community <input type="checkbox"/> Other<br>Specify other: _____ | Not Applicable                                                                   | 9/1/15     | 9/1/16   | PP                      |
| SST                 | EIS                                     | 3 x per month      | 45 minutes         | 36                      | <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Community <input type="checkbox"/> Other<br>Specify other: _____ | <input checked="" type="checkbox"/> Individual<br><input type="checkbox"/> Group | 9/1/15     | 9/1/16   | PP                      |
| OT                  | OT                                      | 1 x per month      | 60 minutes         | 12                      | <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Community <input type="checkbox"/> Other<br>Specify other: _____ | <input checked="" type="checkbox"/> Individual<br><input type="checkbox"/> Group | 9/1/15     | 9/1/16   | PP                      |
| PT                  | PT                                      | 4 x per month      | 45 minutes         | 48                      | <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Community <input type="checkbox"/> Other<br>Specify other: _____ | <input checked="" type="checkbox"/> Individual<br><input type="checkbox"/> Group | 9/1/15     | 9/1/16   | PA                      |
| ST                  | SLP                                     | 1 x per month      | 60 minutes         | 12                      | <input type="checkbox"/> Home <input type="checkbox"/> Community <input checked="" type="checkbox"/> Other<br>Specify other: SLP Office       | <input checked="" type="checkbox"/> Individual<br><input type="checkbox"/> Group | 9/1/15     | 9/1/16   | PC                      |
| AI                  | TASC                                    | 4 x per month      | 30 minutes         | 48                      | <input checked="" type="checkbox"/> Home <input checked="" type="checkbox"/> Community <input type="checkbox"/> Other<br>Specify other: _____ | <input checked="" type="checkbox"/> Individual<br><input type="checkbox"/> Group | 9/1/15     | 9/1/16   | PP                      |

This serves as an example only. Any individual IFSP may include as few as one, or as many as all four service designations, depending on the circumstance of the individual child. The implications to the MCO in this specific example are as follows:

1. Both case management (CM) and specialized skills training (SST) are carved out of managed care and the Texas Medicaid & Healthcare Partnership (TMHP) is the payor.
2. The IFSP authorizes payment to the ECI contractor not to exceed 60 minutes of OT once a month for 12 months.
3. Neither the physical therapy (PT) nor speech therapy (ST) will be provided by the ECI contractor. The designation of PA (or NP) indicates the ECI contractor will work with the MCO to assist the family in locating a Network Provider for the PT. The designation of PC indicates that the parent has selected a non-ECI provider for the provision of ST. The providers of the PT and ST must seek service authorization and payment independent of the ECI contractor.
4. The auditory services (AI) are provided by the local educational agency (LEA) and are considered, for ECI contract purposes, as program provided (PP). This is also the case for visual services (VI). AI and VI services provided by the LEA are funded with IDEA Part B funds and the ECI contractor cannot receive Medicaid reimbursement for these services.

### *ECI Contractors and Other Service Providers*

Section 1905(r)(5) of the Social Security Act requires that a Medicaid recipient under the age of 21 must receive the health care services listed in the Act for which he or she has medical need. There is no prohibition to ECI contractors and non-ECI providers from providing services to the same child. If a child has Medicaid, they are entitled to receive all medically necessary services. The IFSP is the authorizing document for ECI services, but if the family of a child with Medicaid wants more therapy services than what the IFSP requires, the family would be able to receive the additional therapy if authorized by a physician, APRN, or PA (in accordance with HHSC medical policy).

Given the MCOs' obligation to ensure the child receives all medically necessary services, it is important that the IFSP accurately reflect the developmental needs identified by the IFSP team regardless of the service provider. Similarly, the ECI contractor is expected to keep the MCO informed with regard to needed auditory and vision evaluations. ECI contractors are expected to put forth good faith effort to obtain the necessary release of information from the parent/LAR to allow the ECI contractor and the MCO to exchange information regarding needed evaluations.

### *References*

1. UMCC. 8.1.9.4 Individual Family Service Plan

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### **16.1.9.2 Out-of-Network Reimbursement for Early Childhood Intervention Services**

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | No                |  | Yes              | No                     | Yes         | No                 |

The purpose of this section is to clarify Out-of-Network (OON) reimbursement requirements for the delivery of Early Childhood Intervention (ECI) services, including physical therapy (PT), occupational therapy (OT), and speech therapy (ST) for certain Medicaid Members. MCOs must ensure these Members have access to ECI services, regardless of whether the MCO contracting process with the ECI providers is completed. In this case, MCOs must make arrangements to pay ECI providers an OON rate until the contract(s) are in place.

Under the terms of Texas' managed care Contracts, MCOs are required to reimburse OON providers when Medically Necessary Covered Services are not available through Network Providers. For example, section 8.1.9.3 of the UMCC states: "The MCO must

allow an Out-of-Network provider to provide ECI covered services if a Network Provider is not available to provide the services in the amount, duration, scope, and service setting as required by the Individual Family Service Plan (IFSP)"

ECI provides family-based services in the child's natural environment, e.g., home, daycare, or playground, by a multidisciplinary team. Children must have a need for ECI services as determined by an ECI contractor. The professionals on the child's interdisciplinary team and the services provided will vary according to the child's functional needs and the family's priorities, but may include PT, OT, and ST. ECI services, including therapies, are distinct from traditional therapies provided to Managed Care Members with short-term needs. For example, if a child enrolled in STAR breaks her wrist, the MCO may authorize PT services for a relatively short duration of time to help the child get back to her normal function. In ECI, the Individual Family Service Plan (IFSP) serves as the plan of care, and PT, OT, and ST must be performed and delivered as identified in the IFSP. Services may be ongoing and evolve over time to improve function and address the child's disability or developmental delay.

Each of the State's ECI contractors has a service area, which is different from the managed care service area. Each ECI-enrolled child has an IFSP, which describes the services the child needs, as well as whether the services are provided by ECI staff ("program provided services") or other providers ("program arranged services"). Only ECI contractors and their staff are authorized to provide "program provided services."

MCOs must reimburse ECI contractors and providers who are enrolled with Texas Medicaid and who are providing ECI "program provided services" in accordance with a child's IFSP, whether the ECI contractor or provider is contracted with the MCO, or not. If there is no contract, the MCOs must reimburse ECI contractors and providers at an OON reimbursement rate or under a single-case agreement. The IFSP serves as the PA for ECI services. The purpose of paying an OON rate to non-contracted ECI contractors or providers is to ensure children are receiving timely access to medically necessary ECI services.

### 16.1.9.3 Federal Entitlement to Medicaid and Early Childhood Intervention (ECI) Services

#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

The purpose of this section is to clarify certain Medicaid Members' rights with regard to accessing similar services from more than one type of provider. In particular, this section focuses on situations where an ECI contractor is one of these providers.

As explained more fully below, families with children who are eligible to receive ECI services are entitled to simultaneously receive the ECI services as well as other Medicaid-covered therapy services. The MCO must ensure that the Providers are not requiring families to decline ECI services before other Medicaid-covered therapy services are provided. MCOs must ensure their Providers are not creating barriers for Members in accessing Medically Necessary Medicaid services, including ECI services.

Access to Medically Necessary services is a federal entitlement under both Title XIX of the Social Security Act (Medicaid) and Part C of the Individuals with Disabilities Education Act (IDEA). Eligible children are entitled to receive Medicaid Medically necessary services from IDEA Part C Early Childhood Intervention (ECI) contractors and other Medicaid service providers. Therefore, independent practitioners, home health agencies, rehabilitation clinics, and ECI contractors may provide complementary Medicaid-funded services to the same child.

ECI is a statewide program for families with children, birth to age 3, with disabilities and developmental delays. To be eligible for ECI the child must have a medically diagnosed condition that has a high probability of resulting in developmental delay, an auditory or visual impairment, or a developmental delay. Children with severe to profound developmental delays, major medical diagnoses related to their therapeutic needs, or a high acuity of medical needs may qualify for ECI and be appropriately served by ECI contractors.

Section 1905(r)(5) of the Social Security Act requires that a Medicaid recipient under the age of 21 has access to the health care services listed in Section 1905(a) of the Act for which she or he has medical need. If the family of a child with Medicaid wants services listed in Section 1905(a) of the Social Security Act including, but not limited to, occupational therapy, physical therapy, or speech therapy, other than, or in addition to, what the ECI contractor provides, and these services are medical necessary, the child is entitled to receive those additional services.

Similarly, the US Department of Education has stated that access to Part C early intervention services (i.e., ECI services) cannot be denied or reduced because a family wishes to receive services that are provided outside of the Part C service system (US Dept. of Ed. letter dated Sept. 4, 2007). Access to services from providers other than ECI contractors cannot create a barrier to the child's access to ECI services. Therefore, a child may receive medically necessary Medicaid services in addition to ECI services.

Both Medicaid and IDEA Part C regulations ensure the right of the parent or legally authorized representative to choose their child's service providers and to decline

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services they do not want. Federal regulations for Medicaid and IDEA Part C convey the importance of informed decision-making and the parent’s right to accurate information.

Based on federal statutory language, rules, and subsequent guidance, families do not have to choose between ECI and other Medicaid service providers. If there is medical necessity for Medicaid services, the child is entitled to receive her or his services from multiple providers.

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|                |                                                                                                                       |
|----------------|-----------------------------------------------------------------------------------------------------------------------|
| <b>16.1.10</b> | <b>Reserved [Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) Specific Requirements]</b> |
| <b>16.1.11</b> | <b>Reserved [Coordination with Texas Department of Family and Protective Services]</b>                                |
| <b>16.1.12</b> | <b>Reserved [Services for People with Special Health Care Needs]</b>                                                  |
| <b>16.1.13</b> | <b>MCO Responsibilities in the Event of a Disaster</b>                                                                |

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**Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | Yes                    | Yes         | No                 |

MCOs must maintain a disaster recovery plan, business continuity plan (also referred to in the contract as the continuity of operations business plan), and a continuity of Member care emergency response (COMCER) plan that can be implemented at HHSC’s direction or as declared by a health plan in the event of a disaster. Disasters may include, but are not limited to, Federal Emergency Management Agency (FEMA) - or Governor-declared disaster, or other emergencies that are internal, man-made, or natural. Plans must use an “all hazards” approach, focusing on capacities and capabilities that are critical to preparedness for a full spectrum of emergencies or disasters.

An “all hazards” approach addresses effects of emergencies and disasters with varying causes and the emergency functions that must be carried out to meet the needs of Members and Providers. MCOs can address functions common in their plans that will apply across many types of emergencies that lead to displacement of Members or Providers, or major disruptions in health care for Members in a service area. Examples of such emergencies include, but are not limited to, hurricanes, floods, wildfires, tornadoes, pandemics, mass shootings, and bombings.

#### 16.1.13.1 Disaster Recovery Plan and Business Continuity Plan

The disaster recovery plan outlines details for the restoration of the MIS in the event of an emergency or disaster. The business continuity plan provides for a quick and smooth restoration of MIS operations after a disruptive event, including business impact analysis, business continuity plan development, testing, awareness, training, and maintenance. The disaster recovery plan and business continuity plan may be combined into one document.

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#### 16.1.13.2 Continuity of Member Care Emergency Response Plan

The COMCER plan must be based on a risk assessment for each service area in which the MCO operates (Dental Contractors must complete a statewide risk assessment because their Service Area is the entire state). The COMCER plan must address, at a minimum, the following:

1. The method used to ensure that Members are able to see Out-of-Network providers if Members are unable to access Covered Services from Network Providers;
2. The method used to ensure that prior authorizations are extended and transferred without burden to providers not previously serving the Member, when Members or Providers are displaced;
3. The method used to ensure that claims will be accepted from providers within an extended deadline;
4. The method used to allow providers who complete a simplified provider enrollment application to temporarily enroll in Medicaid, to submit claims, and for the MCO to process claims;
5. The method used to allow pharmacies who complete an HHSC Vendor Drug Program Temporary Pharmacy Agreement form to submit claims, and for the MCO to process claims;
6. The method used to track and monitor Members who reside in Nursing Facilities that have been evacuated, and to provide support to evacuating and accepting facilities proactively and as needed;
7. The method by which the MCO will pay the evacuating Nursing Facility the full, contracted rate for services rendered by the accepting facility, even if the accepting facility is out-of-network or a non-Medicaid provider;
8. The method by which the MCO/Pharmacy Benefit Manager claims system will waive edits or allow override of edits by at least Zip code for specific date ranges;

9. The method used to ensure that CHIP co-pays including pharmacy, are not collected for a specific duration;
10. The method by which the MCO will communicate with its contracted LTSS providers, including home and community support services agencies, assisted living facilities, adult foster care settings, nursing facilities, and MDCP and STAR+PLUS Waiver providers; and
11. The method by which the MCO will track and monitor the status of the delivery of LTSS for Members impacted by the disaster.

The COMCER plan must include the actions the MCO will take and the objective the action(s) are trying to achieve. Objectives should include requirements listed in this section and any additional objectives required by the state or decided upon by the MCO.

In the course of any disaster, HHSC may work with state and federal partners to invoke any flexibilities listed above, or other flexibilities as needed. Flexibilities will be invoked for a specific geographic area and a specific timeframe, as identified by HHSC and in accordance with state and federal declarations, if applicable. MCOs must operationalize any flexibilities invoked by HHSC and in accordance with HHSC guidance.

MCOs must coordinate with local emergency management when creating COMCER plans immediately prior to, if the event is expected, and during an event to the extent possible. MCOs must identify plans to escalate needs through local emergency management, and mechanisms for assistance at the local level. Mechanisms for assistance at the local level may include resources for Members or Providers who reach MCO staff, such as:

1. Search and rescue contacts;
2. Emergency shelter contacts;
3. Information on applications to local, state, and federal resources for housing and food assistance;
4. Information on mental health resources including and beyond the MCOs provider network; and
5. Any other resources deemed relevant to MCO contact with Members and Providers by the MCO and local emergency management.

COMCER plans should address procedures for assisting in the evacuation of bed-ridden and medically fragile Medicaid members via ambulance if necessary.

COMCER plans should have a primary and secondary response plan in the event that the disaster does not allow for certain actions to be carried out. For example, MCOs should have a plan and backup plan if call center operations need to be temporarily moved if MCO staff are unable to report to work for a significant amount of time, and for

other scenarios the MCO foresees as potentially disrupting day to day operations that impact Members and Providers.

COMCER plans must also include key contacts within the MCO and organizations with which the MCO will interact during a disaster, such as local emergency management and long-term care facility personnel. Contact information should include contact numbers that will be reachable in the event of an emergency, and email addresses.

#### **16.1.13.3 Exercising of Plans and Updates**

MCOs must conduct disaster recovery, business continuity, and COMCER plan exercises at least annually, and should include in the exercises LTSS and other providers serving medically fragile populations, such as Nursing Facilities. Exercises should be designed to engage MCO staff and other relevant stakeholders to work together to manage the response to a hypothetical incident. MCOs must make adjustment to plans upon identifying needs through exercises, upon experiencing a disaster, or learning new information about outside resources.

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#### **16.1.13.4 MCO Communication with HHSC**

MCOs must be able to communicate with HHSC on a daily basis or other interval, as set by HHSC, for a set period of time during a disaster and upon recovery from the disaster. MCOs must work with HHSC to gather and report on key information, such as Member location for Nursing Facility residents, provider network capabilities post-disaster, and other needs as identified by HHSC. At a minimum, MCOs should be able to communicate with HHSC:

- What the disaster is
- The date(s) of the event
- If any of their Members were affected, and if so how many were affected
- If Members needed to be moved, and if so where they were moved
- If Members needed to be moved, and if so, where they were moved

After action reviews to evaluate strengths and areas for improvement may be requested by HHSC after disasters. An after-action review is a candid, professional discussion and review of disaster response and recovery activities reviewing what happened, why it happened, and how to sustain strengths and improve on weaknesses.

#### **16.1.14 Reserved [Disease Management (DM)]**

#### **16.1.15 Behavioral Health (BH) Network and Services**

### **16.1.15.1 Behavioral and Physical Health Integration**

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | Yes         | No                 |

MCOs are required to work toward the integration of physical and behavioral health services and administration. This guidance is not intended to limit MCOs' ability to subcontract with a third party or subsidiary for the delivery of behavioral health services. Terms of the MCO Contract apply to any MCO Subcontracts.

For purposes of this section, the term "behavioral health" means administration of services delivered to Members for mental health and substance use disorders. The term "physical health" refers to Covered Services other than behavioral health services. For purposes of this section, the term "care coordination" includes case management, service coordination, and service management.

#### **16.1.15.1.1 Best Practices**

MCOs and their third-party contractors or subsidiaries must have policies and procedures that follow best practices for physical and behavioral health integration. Best practices are those identified by the Substance Abuse and Mental Health Services Administration (SAMHSA), Texas and other state Medicaid and CHIP programs, academicians, and other stakeholders such as foundations. Best practices may include, but are not limited to:

1. streamlining provider credentialing procedures;
2. regular joint rounds with all necessary staff;
3. maintaining and sharing with behavioral health and primary care providers performance and quality metrics for members that have seen that provider within the past 12 months. Performance and quality metrics should be shared at least annually, effective September 1, 2019. Examples of metrics MCOs may identify to share include, but are not limited to:
  - a. ADD (Follow up care for children prescribed ADHD medication)
  - b. AMM (Antidepressant medication management)
  - c. APC (Use of multiple concurrent antipsychotics in children and adolescents)
  - d. APM (Metabolic monitoring for children and adolescents on antipsychotics)

- e. APP (Use of first-line psychosocial care for children and adolescents on antipsychotics)
  - f. FUA (Follow up after emergency department visit for alcohol and other drug dependence)
  - g. FUH (Follow up after hospitalization for mental illness)
  - h. FUM (Follow up after emergency department for mental illness)
  - i. IET (Initiation and engagement of alcohol and other drug dependence treatment)
  - j. MPT (Mental health utilization)
  - k. SAA (Adherence to antipsychotic medications for individuals with schizophrenia)
  - l. SMD (Diabetes monitoring for people with diabetes and schizophrenia)
  - m. Potentially preventable event measures;
- 4. maintaining care coordination, service authorization, and utilization management data in a manner that allows for all information about a Member to be accessible to care coordination and utilization review staff working on the Member's case; and
  - 5. operating a single provider portal for physical and behavioral health providers to submit claims and claims appeals, prior authorization requests, and clinical data or other documentation needed for prior authorization and claims processing.

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**16.1.15.1.2 Sharing and Integration of Care Coordination, Service Authorization, and Utilization Management Data**

Per contract, MCOs are required to share and integrate care coordination, service authorization, and utilization management data internally and, if applicable, between the MCO and the third party or subsidiary contracted with the MCO to manage Behavioral Health Services. The goal of this requirement is to ensure that the full spectrum of a Member's health is taken into account when coordinating care, authorizing services, and reviewing utilization data. MCOs and if applicable, its third-party contractor or subsidiary, must have written policies and procedures and implement procedures to share and integrate care coordination, service authorization, and utilization management data (including pharmacy and non-pharmacy information) to the fullest extent allowed by federal law no later than March 1, 2019. All care coordination, service authorization, and utilization management data must be available to both physical and behavioral health care coordination staff and utilization review staff in a manner that allows both physical and behavioral health care coordination staff and utilization review

staff to access a Member's entire care coordination, service authorization, and utilization history. The information must include complete pharmacy data for all Members and other data relevant to a Member's case. MCOs must establish policies and procedures that ensure that if care coordination and utilization review staff do not have immediate access to a Member's full spectrum of data, the care coordination or utilization review staff Member requesting information from their counterpart receives that information within one business Day, or, if an emergency occurs, within eight hours.

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**16.1.15.1.3 Joint Rounds or Another Effective Means for Sharing Clinical Information**

Per contract, MCOs must implement joint rounds for physical health and Behavioral Health Services Network Providers, or implement another effective means for sharing clinical information. Joint rounds are clinical meetings inclusive of MCO staff who coordinate care and care plans for Members with complex needs. At a minimum, MCOs and their third party or subsidiary if applicable, must implement written policies and procedures outlining medical and functional criteria for Members with behavioral health and physical health needs to be escalated for discussion in joint rounds.

All Provider contracts, including those for physical and behavioral health Providers, should include language requiring clinical information sharing among a Member's Providers, to the extent allowed by federal law, and a process by which providers alert the MCO or third party contractors or subsidiaries to Members they have identified that have co-occurring mental and physical health needs. MCOs and third-party contractors/subsidiaries should have a process in place to easily identify and track these Members, such as an indicator. MCOs and third-party contractors/subsidiaries should, at a minimum, conduct joint rounds twice monthly to discuss Members with complex cases and determine a plan that addresses the Members physical and behavioral health needs. MCOs with a large number of Members with complex needs may need to meet more frequently. Joint rounds should include, at a minimum, care coordination staff, utilization review staff, and pharmacy staff representing both physical and behavioral health, including staff from the MCOs third party contractors or /subsidiaries as applicable.

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**16.1.15.1.4 Co-location of and Warm Call Transfers between Physical Health and Behavioral Health Care Coordination Staff**

Per contract, and to the extent feasible, MCOs should co-locate physical health and behavioral health care coordination staff and must conduct warm call transfers between physical health and behavioral health care coordination staff. MCOs and, if applicable, their third-party contractors or subsidiaries must have one or more of the following

capabilities for physical health and behavioral health care coordination staff to work together:

Real time tele-consultation such as HIPAA compliant instant messaging, video chat, or telephone calls, or physical co-location of physical health and behavioral health care coordination staff in the same general vicinity of the same office space. The intent of this requirement is for physical and behavioral health care coordination staff to exchange information on an immediate basis. MCOs and their third parties/subsidiaries must have the capability to transfer provider and Member calls between physical and behavioral health care coordination staff without hanging up the phone or putting the provider/Member on hold. MCOs must have written policies and procedures to implement these requirements.

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**16.1.15.1.5 Seamless Provider Portal**

Per contract, MCOs are required to make available a seamless provider portal for both physical health and behavioral health services network providers, to the fullest extent allowed by federal law. MCOs are required to provide a provider portal that supports functionality to reduce administrative burden on Network Providers at no cost to the Providers. MCO contracts require that the provider portal functionality must include: client eligibility verification, submission of electronic claims, prior authorization requests, claims appeals and reconsiderations, and exchange of clinical data and other documentation necessary for prior authorization and claims processing. At a minimum, MCOs that have separate provider portals for physical and behavioral health providers must have a link on the top left-hand side of their physical health provider portal to their behavioral health provider portal, whether operated by a third party or subsidiary or another arrangement. MCOs must also require that their behavioral health provider portal have a link on the top left-hand side to the physical health provider portal. If the MCO or its third party or subsidiary operates a smart phone application-based provider portal, it must also include a link to the other provider portal prominently within the app.

HHSC encourages MCOs and, if applicable, their third party or subsidiary to operate a single sign on page or single provider portal for both physical and behavioral health care providers, with a specific location for behavioral health provider communications to ensure that integrated physical and behavioral health providers are able to bill and receive payment for services rendered in the least administratively burdensome way.

All MCOs must develop policies and procedures for communicating billing practices to providers who are integrating physical and behavioral health care (ex: how and where to bill a primary care visit and psychotherapy for crisis visit in the same day at an integrated provider site - to MCO portal, BHO portal (if applicable), or separated in a specific way). These policies and procedures should allow for both physical and behavioral health care providers to be reimbursed for the services they deliver. MCO

billing practices should allow for an integrated provider billing under one National Provider Identifier (NPI)/Texas Provider Identifier (TPI) to bill for both physical and behavioral health care services, per the credentials of their providers. Billing practices should also include specific information on how to bill integrated services such as HBAI and SBIRT.

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#### **16.1.15.2 Mental Health Parity**

To comply with provisions of the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) and all its related regulations, MCO's policies as written and in operation must not apply any non-quantitative treatment limitations to mental health or substance use disorder benefits in a classification (inpatient, outpatient, emergency services, or pharmacy) that violate MHPAEA.

A non-quantitative treatment limitation (NQTL) is a limit on the scope or duration of benefits that are not expressed numerically.

Any processes, strategies, evidentiary standards, or other factors used in applying the NQTL to mental health or substance use disorder benefits are required to be comparable to, and applied no more stringently than the processes, strategies, evidentiary standards, or other factors used in applying the NQTL to medical/surgical benefits in the same classification. MCOs must use benefit classifications as defined by HHSC to complete parity analyses.

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#### **16.1.15.3 Court-Ordered Services**

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | Yes         | No                 |

Federal law prohibits the use of federal Medicaid funding for medical care provided to "inmates of a public institution". With limited exceptions, this statute prohibits the use of Medicaid dollars to pay for care of inmates of a public institution, including individuals who are incarcerated or confined involuntarily in state or federal prisons, jails, detention centers and other penal facilities.

The purpose of this section is to define when MCOs are required to pay for court-ordered services based on whether the individual is considered incarcerated. Specific statutes that address court-ordered services and the MCO obligation to pay for these services are described in the following subsections.

The following guidance applies to Members under age 21 and age 65 and older regarding inpatient services provided in institutions for mental diseases (IMDs), and to Members of all ages regarding outpatient services. MCOs may, but are not required to, pay for court-ordered inpatient services provided in an IMD in accordance with this section for members ages 21-64 in lieu of an acute care hospital, as allowed by federal regulation.

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**16.1.15.3.1 Mechanism to Receive Court-Ordered Documents**

MCOs are required to have a mechanism in place to receive court-ordered documents from providers at the time of an authorization request. MCOs should review court-ordered documents to identify whether the court-order meets HHSC's requirements to pay for Covered Services ordered by the court, as described in the following sections, or whether the individual meets the definition of incarceration, as described in the following sections, thereby prohibiting the MCO from paying for services ordered by the court for the duration of the incarceration.

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**16.1.15.3.2 Definition of Incarceration**

An individual is considered incarcerated when a criminal justice facility has custody of the individual. Examples of incarceration include:

- An individual who is residing in a criminal justice facility and is receiving treatment through a program in the criminal justice facility
- An individual who is committed under Chapter 46B of the Texas Code of Criminal Procedure
- An individual who is committed under Chapter 55 of the Texas Family Code, Subchapters A - C

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**16.1.15.3.3 Chapter 573 of the Texas Health and Safety Code: Emergency Detention**

Chapter 573 of the Texas Health and Safety Code (Chapter 573) outlines the process through which an individual with a mental illness can be taken into custody and admitted to a mental health facility for examination.

Subchapter A of Chapter 573 describes emergency detention conducted by a peace officer. This detention is not ordered by a judge and not considered court-ordered. However, because emergency detention is defined as an Emergency Behavioral Health Condition, the MCO cannot require prior authorization as a condition for payment for emergency detention and must adhere to other requirements relating to the managed

care contract section on Provisions Related to Covered Services for Medicaid Members, Emergency Services (UMCC Section 8.2.2.1, STAR+PLUS Expansion Section 8.2.22.1, STAR+PLUS MRSA Section 8.1.24.1, STAR Kids Section 8.1.24.1, and STAR Health Section 8.1.28.1).

Subchapter B of Chapter 573 describes emergency detention ordered by a judge or magistrate. This detention is considered court-ordered and covered under the managed care contract requirements regarding court-ordered services (UMCC Section 8.1.15.7, STAR+PLUS Expansion Section 8.1.15.7, STAR+PLUS MRSA Section 8.1.15.7, STAR Kids Section 8.1.16.6, and STAR Health Section 8.1.17.7). The MCO must pay for this service for the period of the detention, as described in Subchapter C of Chapter 573.

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**16.1.15.3.4 Chapter 574 of the Texas Health and Safety Code: Court-Ordered Mental Health Services**

Chapter 574 of the Texas Health and Safety Code (Chapter 574) addresses requirements pertaining to a court-order for a mental health examination and inpatient or outpatient treatment.

Chapter 574 outlines the procedures for a court-order of protective custody. MCOs must pay for services during the time an individual is detained under protective custody, as described under Sections 574.027 and 574.028 of Chapter 574.

Chapter 574 also outlines the procedures for a court-order for temporary mental health services. MCOs must pay for temporary inpatient or outpatient treatment for the period it is authorized. Section 574.034 identifies the period for which temporary inpatient or outpatient treatment is authorized. Section 574.035 identifies the period for which extended outpatient or inpatient treatment can be authorized, and Section 574.066 allows for the renewal of orders for extended mental health services.

Section 574.086 of the Texas Health and Safety Code describes discharge before expiration of a court-order. Under certain circumstances, the facility to which an individual was committed for inpatient mental health services or the person responsible for providing outpatient mental health services may discharge the individual before the court-order expires. In this situation, an MCO is required to pay for services delivered pursuant to the court-order, but may resume normal operating procedures once the individual has been discharged from court ordered treatment.

Subchapter H of Chapter 574 of the Texas Health and Safety Code outlines voluntary admission for individuals for whom a motion for court-ordered services has been filed. In this situation, an individual voluntarily admits him or herself to an inpatient mental health facility while waiting for the court to issue a final order. Voluntary admissions are not considered court-ordered, and MCOs are able to conduct their own medical necessity determinations on these stays. However, if a court-order is issued after the individual

has voluntarily committed him or herself, the MCO must cover services ordered by the court.

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**16.1.15.3.5 Chapter 55 of the Texas Family Code: Proceedings Concerning Children with Mental Illness or Intellectual Disability**

Chapter 55 of the Texas Family Code addresses individuals under the age of 18 who are deemed unfit to proceed to trial or found not guilty of a crime based on lack of responsibility.

Subchapters A, B, and C of Chapter 55 refer to individuals committed into inpatient psychiatric care because they are deemed unfit to proceed. These individuals are considered incarcerated and MCOs are prohibited from paying for services delivered to them during the time the court-order is in effect.

Subchapter D of Chapter 55 refers to individuals found not guilty based on lack of responsibility. In this situation, the individual is not considered incarcerated because they have been found not guilty of a crime and will not be required to return to a criminal justice facility upon discharge from an inpatient psychiatric facility. However, under Subchapter D the court has ordered these individuals to receive inpatient psychiatric treatment for a certain number of days, which must be covered by MCOs.

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**16.1.15.3.6 Chapter 46B of the Texas Code of Criminal Procedure: Incompetency to Stand Trial**

Chapter 46B of the Texas Code of Criminal Procedure addresses individuals ages 18 and older who have been ordered to receive competency restoration. These individuals are considered incarcerated, and MCOs are prohibited from paying for services delivered to them during the time the competency restoration order is in effect.

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**16.1.15.3.7 Conditions of Probation**

Individuals who are court-ordered to receive an inpatient or outpatient mental health service as a condition of probation are not considered incarcerated, and MCOs are required to pay for Medicaid or CHIP Covered Services ordered by the court.

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**16.1.15.3.8 Chapter 462 of the Texas Health and Safety Code: Treatment of Persons with Chemical Dependencies**

Chapter 462, Subchapter D of the Texas Health and Safety Code, allows that court orders for substance use disorder treatment services be ordered through adult involuntary commitments, juvenile inpatient and outpatient commitments, or as a condition of probation. MCOs are required to pay for court-ordered substance use

disorder treatment, including residential treatment that is a Medicaid or CHIP benefit, respectively.

### 16.1.15.3.9 Maternal Mental Health Treatment Network

#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | -No  | No          |

#### Background

In accordance with STAR, STAR Health, CHIP, and STAR+PLUS contract requirements, MCOs must identify and provide Service Coordination to Members with Special Health Care Needs (MSHCN). MSHCN includes pregnant Members with behavioral health diagnoses, such as maternal mental health (MMH) conditions.

MMH conditions, including the exacerbation or reemergence of pre-existing MMH conditions, are the most common complications of pregnancy and childbirth. They include conditions such as perinatal and postpartum depression, anxiety disorders, post-traumatic stress disorder, bipolar illness (which may include psychotic symptoms), and substance use disorders, occurring within 12 months postpartum.

According to Title 1, Texas Administrative Code §370.12, *Maternal Depression Screening* and Title 25, Texas Administrative Code §33.60, *Texas Health Steps Provider Responsibilities*, Medicaid and CHIP MCOs are required to reimburse for a postpartum depression screening at least once in the 12-month postpartum period, regardless of whether the mother is also an enrollee.

This section below outlines Medicaid MCO requirements to track positive behavioral health screenings identified through validated screening tools, identify network Providers who are appropriate to treat or diagnose a MMH condition, and follow-up with Members who have screened positive for a MMH condition.

#### Tracking Positive Screenings

Medicaid MCOs must:

1. Develop and implement written internal policies and procedures to identify Members who screen positive for a MMH condition.
2. Develop and implement written internal policies and procedures to document and refer all Members with positive screenings identified for confirmation of diagnosis and treatment and follow-up as necessary.

#### Identify Network of MMH Provider types

Medicaid MCOs must:

1. Identify Primary Care Providers in their Networks who are appropriate to address non-crisis MMH conditions. A mental health crisis is any situation in which a person's behavior puts them at risk of hurting themselves or others and/or prevents them from being able to care for themselves or function effectively in the community.
2. Identify mental health Providers in their Networks who are appropriate to address a range of MMH conditions, including postpartum depression and anxiety, at varying levels of severity.
3. Identify the above Providers in the MCO's online provider directory with the specialty label, "Maternal Mental Health (Postpartum Depression and Anxiety)" in accordance with UCM Section 3.34 "MMC/CHIP Online Provider Directory Required Critical Elements."

#### **Referral and Follow-up for Members with a Positive Screening**

Medicaid MCOs must:

1. Facilitate the referral of Members who screen positive for a MMH condition to appropriate Providers in their Networks to confirm diagnosis and provide treatment as deemed necessary.
2. Educate Members and Providers about hotline services MCOs offer to facilitate scheduling and follow-up for Members with a positive screening.
3. Assist the Member, Member's authorized representative, or LAR with scheduling appointments.
4. Follow up with the Member with a positive screen, the Member's authorized representative, or LAR to verify the appointment was attended and appropriate treatment is received. The attempt(s) and outcome should be recorded in the Member's file.
5. Educate Members or mothers of infant Medicaid Members who will lose or have lost Medicaid eligibility following their postpartum period and Providers serving those Members about Healthy Texas Women (HTW) Plus and other behavioral health services, including:
  - a. services available in HTW with emphasis on the HTW Plus enhanced behavioral health services for postpartum women;
  - b. the process to enroll in HTW;
  - c. how to identify Providers who are in the MCO's Network who are also enrolled in HTW to establish continuity of care when the member transitions to HTW; and
  - d. services available to Members or former Members who are ineligible for HTW, including those available through Local Mental Health Authorities (LMHAs) for

Members experiencing a mental health crisis, Federally Qualified Health Centers for primary care that includes behavioral health care, rural health clinics, and other programs or services available in the community.

6. Facilitate an appropriate referral to additional resources by following up with Members and/or Providers after a positive screen to ensure they have successfully accessed the necessary services.

7. Develop and implement written internal policies and procedures to leverage their existing Member Hotline or Behavioral Health Services Hotline to schedule Members for diagnostic and treatment services for a MMH condition:

a. Assist a Member, Member's authorized representative, or LAR when they call the Member Hotline or Behavioral Services Hotline seeking MMH diagnostic or treatment services by scheduling an appointment with a Provider identified by the MCO as appropriate to deliver MMH services.

b. MCOs must facilitate a transfer in which the Provider directly links Members to other Providers and specialists, as feasible, between the Member and Provider staff for referral to treatment as needed. MCOs must note whether a follow-up occurred, or if the Member declined follow-up and provide a reason why and document this in the Member's file.

MCOs should be aware that all written MCO policies and procedures discussed in this section must be made available to HHSC for review upon request.

#### References:

1. American Academy of Pediatrics. *Policy Statement: Incorporating Recognition and Management of Perinatal Depression into Pediatric Practice*. Pediatrics Journal, Volume 143, Issue 1. January 2019.
2. American College of Obstetricians and Gynecologists. *Committee Opinion: Screening for Perinatal Depression*. Number 757. November 2018.
3. Centers for Medicare and Medicaid Services. *Maternal Depression Screening and Treatment: A Critical Role for Medicaid in the Care of Mothers and Children*. May 2016.
4. Maternal Mental Health Leadership Alliance. *Fact Sheet*. July 2020.
5. National Alliance of Mental Illness. *Navigating a Mental Health Crisis Resource Guide*. 2018.
6. Texas Health and Safety Code, Chapter 32 (the Maternal and Infant Health Improvement Act), Section 32.154, Postpartum Depression Treatment Network
7. Texas Administrative Code, Title 1, Chapter 370, Subchapter A, §370.12, Maternal Depression Screening

8. Texas Administrative Code, Title 25, Chapter 33, Subchapter E, §33.60, THSteps Provider Responsibilities

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**16.1.16 Reserved [Financial Requirements for Covered Service]**

**16.1.17 Accounting and Financial Reporting Requirements**

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**16.1.17.1 HMO Deliverables related to MIS Requirements**

Notice Date: May 15, 2013

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | Yes             | Yes  | Yes         |

HHSC is providing clarification to Section 8.1.18.2 HMO Deliverables related to MIS Requirements of the Uniform Managed Care Contract. At the beginning of each state fiscal year (SFY), the MCO must submit the following documents and corresponding checklists for HHSC's review and approval:

1. Disaster Recovery Plan\*
2. Business Continuity Plan\*
3. Security Plan

\*The Business Continuity Plan and the Disaster Recovery Plan may be combined into one document.

Additionally, at the beginning of each SFY, if the MCO modifies the following documents, it must submit the revised documents and corresponding checklists for HHSC's review and approval:

1. Joint Interface Plan
2. Risk Management Plan
3. Systems Quality Assurance Plan

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**16.1.18 Management Information System Requirements**

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**16.1.18.1 Services Provided During the Retroactive or Restorative Enrollment Period**

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Effective Date: May 2015

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Dental Medicaid | CHIP | Dental CHIP |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | Yes             | Yes  | Yes         |

In May 2015, the Health and Human Services Commission clarified that Medicaid and CHIP MCOs are required to process claims for services delivered to retroactively-enrolled Members for whom they have received a capitation payment. MCOs are required to process claims from Providers upon notification that a Member was retroactively or restoratively enrolled as the MCO's Member for services provided within the retroactive or restorative enrollment period. MCOs can find information about the retroactive or restorative enrollment on the capitation adjustment file. If the MCO's claims system does not automatically adjudicate the claim for a Member who was retroactively or restoratively enrolled, the MCO must process the claims on appeal from Providers who document that the MCO's retroactively or restoratively enrolled Member was in FFS at the time services were rendered. The MCOs must override any PA requirements for services provided without a PA. Standard timely filing and Claims requirements apply. Claims received from out-of-network providers should be processed according to out-of-network standards.

*For CHIP MCOs Only*

In order to comply with this requirement, CHIP MCOs must contact the Member either by phone, letter, or other means of communication to inquire about and request information regarding Covered Services provided on or after the retroactive or restorative enrollment date through the end of the retroactive or restorative enrollment period. This will ensure the Providers or Member is reimbursed, as needed, and that any claims are processed according to claims processing deadlines.

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|----------------|--------------------------------------------------|
| <b>16.1.19</b> | <b>Reserved [Fraud and Abuse]</b>                |
| <b>16.1.20</b> | <b>Reserved [General Reporting Requirements]</b> |
| <b>16.1.21</b> | <b>Pharmacy Services</b>                         |

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|------------------|-------------------------------------------------------|
| <b>16.1.21.1</b> | <b>Specialty Pharmacy and Mail-order Requirements</b> |
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Notice Date: July 18, 2013

Effective Date: November 1, 2018

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | Yes             | Yes  | Yes         |

1 Tex. Admin. Code § 353.911 prohibits MCOs from requiring Member to use mail-order pharmacies. Also, 1 Tex. Admin. Code § 353.905(e)(3) specifies that a MCO cannot require a Member to obtain a specialty drug from a mail-order pharmacy. The only drugs that may be exclusively provided through the MCO's specialty pharmacy network are the drugs listed on HHSC's specialty drug list. If a drug is not on the list, a Member may choose any network pharmacy to obtain medications. Furthermore, if a drug on the HHSC specialty drug list is available at a retail pharmacy and a Member chooses to receive the drug through that retail pharmacy, the MCO is prohibited from limiting the Member to the MCO's specialty pharmacy network.

References

1. Texas Government Code § 533.005(a)(23)(I)
2. Tex. Admin. Code § 353.905(e)(3)

**16.1.21.2 Opioid Policy**

Notice Date: June 11, 2020

Effective Date: September 1, 2020

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | Yes  | No          |

The Vendor Drug Program has implemented a uniform opioid policy to encourage appropriate use of opioids and reduce over-prescribing. MCOs must adhere to the following opioid policy. This policy does not apply to people with a diagnosis of sickle cell, cancer, palliative care, or hospice care.

**1. Prospective Safety Edits**

The prospective drug utilization review safety edits listed below are conducted using an automated process.

### *1.1 Morphine Milligram Equivalents and Days' Supply Limits*

Morphine milligram equivalents (MME) per Day is used to compare the potency of one opioid to another. Clinical decision for the MME per Day recommendation varies depending on each Member's prior opioid use. Additionally, CDC recommends starting opioid treatment with an immediate-release/short-acting formulation at the lowest effective dose, instead of an extended-release/long-acting formulation.

- a. Opioid naïve Member is defined as a Member who has taken opioids for a duration fewer than or equal to seven Days in the prior 60-Day period. For a opioid naïve Member, the MCO must require a one-time prior authorization in any of the following circumstances:
  - i. An opioid prescription that exceeds a ten-Day supply;
  - ii. A prescription for a long-acting opioid formulation; or
  - iii. A prescription or combination of prescriptions in which the total daily dose of opioids exceeds 90 MME.

The MCO must not allow the one-time prior authorization to apply to subsequent prescriptions. The MCO must not allow the duration of the one-time prior authorization to extend beyond the days' supply of the prescription.

- b. For Members who no longer meet the definition of an opioid naïve Member, prior authorization is required if the total daily dose of opioids exceeds 90 MME. A tapering plan may be established and approved on a case-by-case basis. If approved, the authorization is approved for a six-month duration.

### *1.2 Days' Supply Limits*

Claims for opioid prescriptions are limited to a maximum of ten Days for opioid naïve Members. MCOs must have day's supply limits on subsequent fills for members who are no longer opioid naïve that are clinically appropriate and may not exceed a 34-day supply. This applies to Medicaid and CHIP members.

This limitation is intended to reduce the risk of addiction and the possibility that unused opioids will be diverted.

### *1.3 Daily Quantity Limits*

- a. MCOs must impose daily quantity limits on each opioid National Drug Code.

### *1.4 Drug Utilization Review Alerts*

MCOs must return prospective drug utilization review (DUR) alerts on all pharmacy claims when:

- a. opioids and benzodiazepines are used concurrently; or

- b. opioids and antipsychotics are used concurrently.

The DUR alerts are educational messages and must not result in claim rejections.

## **2. Retrospective Reviews**

Twice a year, MCOs must perform the following retrospective reviews to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care:

- a. A retrospective review examining all opioid usage.
- b. A retrospective review examining concurrent opioid and benzodiazepine usage.
- c. A retrospective review examining concurrent opioid and antipsychotic usage.

If outlier prescribing patterns are identified, the MCO must conduct a review and, if necessary, an intervention, such as a letter or phone call to the prescriber or a peer-to-peer review.

### **16.1.21.3 Administration of Long-Acting Injectables and Vaccines**

Notice Date: April 27, 2020

Effective Date: September 1, 2020

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | Yes         | No                 |

During flu season, October through May, the MCO must reimburse pharmacies for flu vaccines provided to Members aged seven and older in a pharmacy setting. The MCO must cover all flu vaccines available on the Medicaid and CHIP formularies. The MCO is responsible for reimbursing pharmacies for the ingredient cost and administration fee for each flu vaccine claim processed.

Pharmacists may also administer long-acting injectables (LAIs) provided to Members with a valid prescription in a pharmacy setting. The MCO must reimburse pharmacies for the ingredient cost, dispensing fee, and administration fee for each LAI claim processed.

Administering pharmacists are health care professionals who are licensed by the Texas State Board of Pharmacy to practice as a pharmacist, who have met and maintained the



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eligibility requirements set forth in law, and who have been certified by the State Board of Pharmacy to administer injectable drugs and vaccines. Administering pharmacists are under the supervision of a physician in accordance with Texas law.

Vaccines qualify as preventative care. MCOs must not assess prescription copays on pharmacy claims for vaccines for any Member including CHIP Members.

**16.1.22 Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)**

In accordance with Social Security Act section 2107(e)(1)(J), MCOs must reimburse Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) for postpartum visits for CHIP Perinatal Members performed at an FQHC or an RHC using the Prospective Payment System/Alternative Prospective Payment System (PPS/APPS) rate.

**16.1.23 Reserved [Payment by Members]**

**16.1.24 Reserved [Immunizations]**

**16.1.25 Dental Coverage**

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**16.1.25.1 Dental Fluoride Varnish**

Notice Date: October 13, 2015

Effective Date: September 1, 2015

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | Yes  | No          |

The American Academy of Pediatrics (AAP) recommended that well-child exams and preventive health are covered benefits of Medicaid and CHIP. The AAP revised its recommendations for preventive pediatric health care to include fluoride varnish. Effective September 1, 2015, AAP recommends that the application of topical fluoride by physicians for children ages 6 months to 5 years.

References

1. AAP. Recommendations for Preventive Pediatric Health Care. Available at: [https://www.aap.org/en-us/professional-resources/practice-support/Periodicity/Periodicity%20Schedule\\_FINAL.pdf](https://www.aap.org/en-us/professional-resources/practice-support/Periodicity/Periodicity%20Schedule_FINAL.pdf)

**16.1.25.2 Prior Authorization for Level 4 Deep Sedation and General**



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**Anesthesia Provided in Conjunction with Therapeutic Dental  
Services**

Notice Date:            July 1, 2017  
Effective Date:        November 1, 2018

**Impacted Programs**

| STAR | STAR<br>Health | STAR+<br>PLUS |  | STAR<br>Kids | Medicaid<br>Dental | CHIP | CHIP<br>Dental |
|------|----------------|---------------|--|--------------|--------------------|------|----------------|
| Yes  | Yes            | No            |  | Yes          | Yes                | No   | No             |

Beginning July 1, 2017, all level 4 sedation services by a dentist, procedure code D9222 and D9223, and any anesthesia services provided by an anesthesiologist (M.D./D.O) or certified registered nurse anesthetist (CRNA), procedure code 00170, with U3 modifier, to be provided in conjunction with therapeutic dental services for Medicaid dental Members from ages zero (0) through six (6) years, must be prior authorized. MCOs may choose whether to require a modifier on claims for CPT 00170 or 41899.

PA for both therapeutic dental services and level 4 sedation or general anesthesia is mandatory for the reimbursement of either service. The DMO must ensure that the PA has been obtained by the dentist performing the therapeutic dental services prior to payment of the claim.

The MCO must review and prior authorize the general anesthesia service following the PA review performed by the DMO. The DMO will review and make determinations on appropriate dental procedure codes or diagnosis codes. The MCO will review and make determinations on appropriate medical procedure codes or diagnosis codes.

A DMO may not rely on the 22-point threshold on the “Criteria for Dental Therapy Under General Anesthesia” form as the sole criteria for approval of a prior authorization or payment of claims for level 4 sedation for children zero (0) through six (6) years of age. The DMO must ensure that the Provider submits Member-specific documents and information. The DMO must consider the Member-specific documents and information in determining whether PA is appropriate. The Member-specific documents include but are not limited to:

1. The completed Criteria for Dental Therapy Under General Anesthesia form
2. Location where procedures will be performed (in office, or inpatient/outpatient hospital facility)
3. Narrative unique to the Member detailing reasons for the proposed level of anesthesia (indicate procedure code D9222, D9223 or 00170) including:
  - a. History of prior treatment;
  - b. Failed attempts at other levels of sedation;
  - c. Behavior in the dental chair;
  - d. Proposed restorative treatment (tooth ID and surfaces);
  - e. Urgent need to provide comprehensive dental treatment based on extent of diagnosed dental caries; and
  - f. Any other relevant medical condition(s)
4. Diagnostic quality radiographs or photographs
  - a. When appropriate radiographs or photographs cannot be taken prior to general anesthesia, the narrative must support the reasons for an inability to

perform diagnostic services. For these special cases that receive authorization, diagnostic quality radiographs or photographs will be required for payment and must be reviewed by the DMO.

### *Emergency Treatment*

In cases of an emergency medical condition, accident or trauma, PA is not necessary. A narrative and appropriate pre- and post-treatment radiographs or photographs must be submitted with the claim. These will be reviewed by the MCO for appropriateness prior to payment.

### *Coverage Determinations and Appeals Processes*

Requirements for PA, coverage determinations, and appeals processes for services provided through Medicaid managed care are included in Texas Government Code Chapter 533 and the Medicaid managed care contracts. Prior authorizations by DMOs and MCOs must be approved within the timeframe prescribed in the managed care contracts. These requirements are listed in section 8.1.9 of the Dental Services Contract, section 8.1.8 of the Uniform Managed Care Contract, section 8.1.9 of the STAR Kids Contract, and section 8.1.8 of the STAR Health Contract.

DMOs and MCOs use utilization management criteria found in the managed care Contracts to evaluate the need for Medically Necessary Covered Services. Appeals for denials of medical necessity follow standard Provider Appeals provisions of the DMO and MCO contracts. In the case of a denial of PA of medical necessity by the MCO when the dental services have been prior authorized by the DMO, the MCO and DMO are responsible for coordinating to resolve the issue and appropriately notify the respective Providers.

All MCOs and DMOs will accept the TDI Standard Prior Authorization form. Each MCO and DMO may have its own forms and methods for submission for prior authorizations.

### *Operational Guidance for DMOs/MCOs*

Once the DMO has approved a dental Provider's request for PA for therapeutic dental services provided in conjunction with deep sedation or general anesthesia services for Members' ages zero (0) through six (6) years, the DMO must provide proof of approved PA to the dental Provider. The DMO may deliver this proof of approved PA to the dental Provider using its established Provider notification process.

The MCO must require PA for general anesthesia (00170) in advance of dental related anesthesia services being performed by its Network Providers. This PA must include proof of approved PA for dental services from the DMO. The MCO may also require PA

for the facility fee (41899). The MCO may request supporting clinical documentation as part of the PA for general anesthesia.

The DMO is responsible for processing claims from Network Providers for CDT code D9222, D9223 and appropriate CDT codes for payment. The MCO is responsible for processing claims for in-office or outpatient general anesthesia (00170) and/or facility fees (41899) from Network Providers for general anesthesia.

The DMO must ensure that the PA number from the treating dentist is included on the claims. The DMO must ensure that all dental Providers comply with the rules and regulations of the Texas State Board of Dental Examiners (TSBDE), including the standards for documentation and record maintenance for dental procedures. The DMO must ensure that dental Providers have a current level 4 anesthesia sedation permit issued by the TSBDE to be reimbursed for level 4 deep sedation/general anesthesia services.

The proof of approved prior authorization from the DMO must contain at least the following elements:

1. DMO information
  - a. DMO name
  - b. DMO address
  - c. DMO phone number
  - d. DMO fax number
2. Provider information
  - a. Provider name
  - b. Provider address
  - c. Provider phone
  - d. Provider NPI
  - e. Rendering provider name
  - f. Rendering provider NPI (if different from requesting provider)
  - g. Treatment location (office or outpatient facility)
3. Member information
  - a. Member name
  - b. Member Medicaid ID number
  - c. Member date of birth
4. Prior Authorization details

- a. Prior authorization/pre-authorization number
  - b. Date authorization request received by DMO
  - c. Type of authorization request (standard or expedited)
  - d. Date of determination by DMO
  - e. Determination (approved or denied)
  - f. Authorization effective date (if approved)
  - g. Authorization end date (if approved)
  - h. Procedures authorized (CDT, description, tooth # or area)
5. Comments/Remarks on the PA request: Enter reason for denial or additional documentation received, such as x-rays, photographs, type of sedation required.

*Procedure for Level 4 Sedation or General Anesthesia Services Rendered in a Dental Office*

For level 4 sedation or general anesthesia, DMOs and MCOs (as appropriate) must implement policies and procedures to ensure that Network Providers follow the steps below to obtain PA for level 4 sedation or general anesthesia to be provided in conjunction with therapeutic dental services for Medicaid dental Members ages zero (0) through six (6) years when the place of service is a dental office:

1. The treating dentist determines the level of care needed and submits a PA request and supporting documentation to the Member's DMO.
2. The Member's DMO reviews the request for medical necessity and approves or denies the PA request.
3. If approved, the DMO notifies the treating dentist that the services were approved for the place of service requested. The DMO will provide the treating dentist proof of the approved PA using its established provider notification process.
4. The treating dentist provides a copy of the DMO's approval to the medical anesthesiologist or Provider. The dental Provider must use an anesthesia Provider who is contracted with the Member's MCO.
5. If the Provider administering level 4 sedation or general anesthesia is a dentist, separate PA from the DMO for level 4 sedation or general anesthesia is not required. The dental anesthesiology provider must obtain the PA number from the treating dentist and submit that number on a claim to the DMO after services are rendered. DMOs should ensure that separate claims from the treating dentist and dental anesthesia Provider are able to be paid appropriately.

6. The medical anesthesiology Provider submits a PA request and supporting documentation to the Member's MCO. This supporting documentation must include the proof of approved PA from the DMO.
7. The Member's MCO reviews the request for medical necessity and approves or denies the medical anesthesiology provider's PA request.
8. If approved, the MCO notifies the medical anesthesiology Provider that the anesthesia services are approved for an in-office setting.
9. The medical anesthesiology Provider coordinates with the dental Provider to schedule services for the Member.
10. Upon completion of general anesthesia and therapeutic dental services, the treating dentist submits a claim for appropriate CDT codes for payment to the DMO, including the PA number. If a dental anesthesiologist is utilized, the dental anesthesiologist submits a claim for D9222/D9223 to the DMO, including the PA number from the DMO.
11. The DMO reviews and adjudicates the claim according to the guidelines in its Provider manual.
12. Upon completion of anesthesia services, the medical anesthesiology Provider submits a claim for payment of anesthesia procedures (00170).
13. Upon receipt of the claim(s), the MCO reviews and adjudicates the claim according to the guidelines in its Provider manual.

*Procedure for Level 4 Sedation or General Anesthesia Services Rendered in an Ambulatory Surgical Center (ASC), Hospital Ambulatory Surgical Center (HASC), or Hospital*

For level 4 sedation or general anesthesia, DMOs and MCOs (as appropriate) must implement policies and procedures to ensure that Network Providers follow the steps below to obtain prior authorizations for level 4 sedation or general anesthesia to be provided in conjunction with therapeutic dental services for Medicaid dental Members ages zero (0) through six (6) years when the place of service is an ambulatory surgical center, hospital ambulatory surgical center, or hospital:

1. The treating dentist determines the level of care needed and submits a PA request and supporting documentation to the Member's DMO.
2. The Member's DMO reviews the request for medical necessity and approves or denies the PA request.
3. If approved, the DMO notifies the treating dentist that the services were approved for the place of service requested. The DMO will provide the treating dentist proof of the approved PA using its established Provider notification process.

4. The treating dentist provides a copy of the DMO's approval to the medical anesthesiologist or Provider. The dental Provider must use an anesthesia Provider who is contracted with the Member's MCO.
5. If the Provider administering level 4 sedation or general anesthesia is a dentist, separate PA from the DMO for level 4 sedation or general anesthesia is not required. The dental anesthesiology Provider must obtain the PA number from the treating dentist and submit that number on a claim to the DMO after services are rendered. DMOs should ensure that payments from the treating dentist and dental anesthesia Provider are able to be paid appropriately.
6. The medical facility submits a PA request and supporting documentation to the Member's MCO. This supporting documentation must include the proof of approved PA from the DMO. The supporting documentation must include the proof of PA from the DMO. MCOs may also require prior authorization of the facility fee (41899).
7. The Member's MCO reviews the request for medical necessity and approves or denies the medical facility's PA request.
8. If approved, the MCO notifies the medical facility that the anesthesia services are approved for the facility setting.
9. The medical facility coordinates with the dental Provider to schedule services for the Member.
10. Upon completion of both general anesthesia and therapeutic dental services, the treating dentist submits a claim for appropriate CDT codes for payment to the DMO, including the prior authorization number from the DMO.
11. The DMO reviews and adjudicates the claim according to the guidelines in its Provider manual.
12. Upon completion of general anesthesia services, the medical facility submits a claim to the MCO for anesthesia services (00170) and the facility fee (41899) if applicable.
13. Upon receipt of the claim(s), the MCO reviews and adjudicates the claim(s) according to the guidelines in its Provider manual.

#### References

1. TMPPM. 4.2.25. Dental Therapy Under General Anesthesia; 4.2.24. Dental Anesthesia. Available at:  
[http://www.tmhp.com/pages/medicaid/Medicaid\\_Publications\\_Provider\\_Manual.aspx](http://www.tmhp.com/pages/medicaid/Medicaid_Publications_Provider_Manual.aspx)
2. Medicaid Managed Care Contracts. Available at:  
<http://www.hhsc.state.tx.us/medicaid/managed-care/forms.shtml>

3. Texas State Board of Dental Examiners. Anesthesia Privileges. Available at:  
<https://www.tsbde.texas.gov/AnesthesiaPrivileges.html>

### **16.1.25.3 Topical Dental Fluoride Varnish for CHIP Members**

Notice Date: November 1, 2018

Effective Date: November 1, 2018

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| No          | No                 | No                |  | No               | No                     | No          | Yes                |

The CHIP State Plan assures coverage of covered services including topical fluoride. D1206 (topical application of fluoride varnish) is a benefit for CHIP Dental Members, in addition to D1208 (topical application of fluoride - excluding varnish). Application of fluoride is allowed once every six (6) months. Topical application of fluoride varnish (D1206) is a benefit for CHIP Members ages 6 months to 19 years of age.

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### **16.1.26 Reserved [Health Home Services]**

### **16.1.27 Reserved [Cancellation of Product Orders]**

### **16.1.28 Reserved [Preadmission Screening and Resident Review (PASRR) Referring Entity Requirements]**

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### **16.1.29 Approved Training for Abuse, Neglect, and Exploitation**

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| Yes         | Yes                | Yes               |  | Yes              | No                     | No          | No                 |

MCOs must use HHSC-approved training to meet the MCO training requirements for staff who have direct contact with the Member on Abuse, Neglect, and Exploitation (ANE). Direct contact includes in person and telephone contact. By signing up for the learning portal, MCOs and Providers will have access to HHSC-approved training for ANE.

The approved ANE training is found on the Texas HHS learning portal website, in Medicaid Long Term Services and Supports Training under the Health and Human Services Commission Courses tab. A competency test is available after the training. The competency test can be used to assist MCOs in tracking employees who have fulfilled the training requirement.

### 16.1.30 MCO and Member Communication Through Telephone, Text Message, and Email Policy

#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | Yes             | Yes  | Yes         |

This subchapter establishes telephone, text message, and email communication requirements for MCOs that use the consent obtained from the eligibility application and renewal forms or other methods. All MCOs that communicate with Members through telephone, text messaging, or email using the consent obtained from the eligibility application and renewal forms must comply with this subchapter.

#### I. Applicable Legal Authorities

[42 C.F.R. § 438.104](#)

[42 C.F.R. § 457.1224](#)

[Texas Government Code § 531.02115](#)

[Texas Government Code § 533.008](#)(c) and (d)

[Texas Human Resources Code § 32.025](#) (g) and (h)

[UMCM Chapter 4.3 Marketing and Member Materials Policy](#)

[UMCM Chapter 4.6 MCO Materials Submission Process](#)

[UMCM Chapter 4.13 Social Media Policy](#)

[UMCM Chapter 4.15 Marketing Glossary of Terms](#)

[Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, U.S. Department of Health and Human Services Petition for Declaratory Ruling, CG Docket No. 02-278, Declaratory Ruling, DA 23-62 \(2023\).](#)

Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991; U.S. Department of Health and Human Services Petition for Declaratory Ruling, CG Docket No. 02-278, Declaratory Ruling, DA 23-62 (2023).

## **II. Authorization for MCOs to Communicate with Members by Electronic Means, including Telephone, Text Message, and Email**

The authorizations in Subsections A and B to communicate with a Member through electronic means apply only to MCOs and Subcontractors .

The MCO must ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) and all other relevant privacy and security laws when communicating protected information with Members.

### **A. Communication Preferences from Eligibility Application**

In accordance with Texas Human Resources Code § 32.025, HHSC authorizes the MCO and its Subcontractors to communicate with Members through electronic means, including telephone, text message, and email using the Member's contact information and communication preferences obtained from the Medicaid and CHIP eligibility application, eligibility renewal forms, and updated Member communication preferences received from HHSC or the Member thereafter.

The MCO must comply with requirements set forth by HHSC on how a Member may update their communication preferences, including the option to opt out of telephone, text message, or email communications by notifying the Member's MCO.

The MCO may not contact Members using the contact information and communication preferences obtained from the eligibility application and renewal forms until the MCO has received a file from HHSC.

### **B. Communication Preference Obtained by Other Methods**

In accordance with Texas Government Code §533.008, HHSC authorizes the MCO to communicate through electronic means, including telephone, text message, and email with their Members who provide their preferred contact information via methods other than the Medicaid and CHIP eligibility application and related updated Member communication preferences. The MCO is not required to provide the Member's preferred contact information to HHSC if it is obtained through a method other than the Medicaid and CHIP eligibility application or renewal forms. MCOs may also refer the individual to HHSC to update their contact preferences.

Prior to delivering written communication by electronic means, the MCO is

responsible for following all applicable federal and state laws, rules, and regulations regarding consent, privacy and security.

The MCO may use the following standardized language to obtain a Member's contact information and communication preferences to receive communications through electronic means, including telephone, text message, or email. This language is replicated from the eligibility application.

*Preferred Method of Contact by Managed Organizations*

*If you get health benefits from us, your managed care organization (MCO) may contact you for the following:*

- *Appointment reminders*
- *Eligibility and enrollment matters*
- *Information about your health care matters*
- *Other important notices*

*You can choose to receive this contact by telephone, text message, or email.*

*Text message and e-mail are not encrypted and may not be secure. The risks include an unauthorized third party intercepting confidential or private health information. If text message or e-mail is your preferred method of communication for your health care, be aware of these risks when sending your personal information by text or email.*

*[Insert MCO] will take reasonable steps to make sure your health care information is protected and remains private.*

*By completing the information below, you acknowledge that you understand the risks associated with receiving electronic communications and consent to sharing your preferred method of contact.*

*Select your preferred contact method from the list below.*

*Phone Number: \_\_\_\_\_*

*(If contacted by cell phone, the call may be auto-dialed or pre-recorded, and your carrier's usage rates may apply)*

*Cell phone number: \_\_\_\_\_*

*(Carrier message and data rates may apply)*

*E-mail address: \_\_\_\_\_*

*If you choose to provide this information, you will be responsible for notifying [insert MCO] of any changes to your contact information. You can opt out of being contacted by telephone, text message, or e-mail by notifying [insert MCO].*

### **III. Limitations**

MCO communications sent to Members through electronic means, including telephone, text message, or e-mail that use contact information obtained pursuant to Texas Human Resources Code §32.025 and Texas Government Code §533.008 can be used to:

- Share information about eligibility and enrollment matters.
- Share Health-Related Materials as defined in the Medicaid and CHIP managed care contracts.
  - For example, this can include text messages providing health education about postpartum visits to pregnant Members.
  - All Health-Related Materials must comply with applicable provisions in [UMCM 4.3 Marketing and Member Materials Policy](#) and all other requirements set forth by HHSC.
- Share health-related appointment reminders.
  - For example, text message reminders for prenatal appointments, immunizations, or well-child visits.
  - For well-child visits, a text message or email communication may not replace existing required communications sent by mail.
- Share health-related screening reminders.
- Conduct MCO service coordination activities as allowed by service coordination requirements in the Medicaid and CHIP managed care contracts. Health-Related Materials, appointment reminders, and screening reminders delivered through text message or email may be a component of MCO service coordination programs.
- Share information about other health care matters.

### **IV. STAR Health**

In accordance with Texas Government Code § 533.008, HHSC authorizes the STAR Health MCO to communicate through electronic means, including telephone, text message, and e-mail with their Members and the Members' caregivers, and medical consenters who provide their contact information.

The STAR Health MCO must follow requirements and may use the standardized consent language in Section II.B. *Consent Obtained by Other Means*.

Section III *Limitations* applies to the STAR Health MCO.

The STAR Health MCO must comply with HIPAA and all other relevant privacy and security laws when communicating protected information with Members.

### **V. Federal Communications Commission Ruling on Prior Express Consent**

In accordance with the January 23, 2023, Federal Communications Commission (FCC) Declaratory Ruling, *Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, U.S. Department of Health and Human Services Petition for Declaratory Ruling, CG Docket No. 02-278, Declaratory Ruling, DA 23-62 (2023)*, HHSC authorizes the MCO to consider a telephone number provided on the Member's Medicaid and CHIP eligibility application as the Member's prior express consent to receive telephone and text messages (including robocalls and robotexts) at that number about eligibility and enrollment matters only.

The limitations associated with the FCC prior express consent (only for eligibility and enrollment purposes) do not apply to MCO communications sent to members that provide contact information pursuant to Texas Human Resources Code §32.025, and Texas Government Code §533.008.

HHSC encourages MCOs to use the Reassigned Numbers Database (RND) before making calls to Members if they are relying upon the telephone number as prior express consent. An MCO may be subject to the Telephone Consumer Protection Act liability if the Member's number has been reassigned from the person that gave consent and the MCO uses it.

#### **A. Prohibited Uses**

For telephone or text messages (including robocalls and robotexts) using the telephone number on an application as prior express consent, the MCO may not send messages for advertising or telemarketing purposes.

## **16.2 Additional Medicaid MCO Scope of Work**

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|               |                                                                               |
|---------------|-------------------------------------------------------------------------------|
| <b>16.2.1</b> | <b>Reserved [Continuity of Care and Out-of-Network Providers]</b>             |
| <b>16.2.2</b> | <b>Reserved [Provisions Related to Covered Services for Medicaid Members]</b> |
| <b>16.2.3</b> | <b>Reserved [Provider Complaints and Appeals]</b>                             |
| <b>16.2.4</b> | <b>Reserved [Medicaid Significant Traditional Providers]</b>                  |
| <b>16.2.5</b> | <b>Reserved [Member Rights and Responsibilities]</b>                          |

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**16.2.5.1 Reserved [Dissemination of Practice Guidelines]**

In accordance with 42 C.F.R. § 438.915, the MCO must make available to any Member, potential Member, or contracting Provider upon request, the MCO's practice guidelines for the specific, requested mental health or substance use disorder benefit. Practice guideline information include at minimum:

1. Clinical guidelines such as established treatment guidelines and/or plan-specific treatment guidelines if applicable;
2. Processes and procedures required to access the benefit; and,
3. Utilization management guidelines.

**16.2.5.2 Dissemination of Medical Necessity Criteria when Issuing an Adverse Determinations**

In accordance with 42 C.F.R. § 438.404(b)(1) and (2), when payment for service is denied, the MCO must make available to the Member upon request the reason for any denial by MCO of reimbursement or payment for benefits. At minimum, the MCO must explain the reasons for denial, including the right of the Member to be provided upon request and free of charge, reasonable access to and copies of:

1. All medical documents, records, and other information relevant to the enrollee's adverse benefit determination,
2. Medical necessity criteria relevant to the enrollee's adverse benefit determination; and,
3. Any processes, strategies, or evidentiary standards used in setting coverage limits.

**16.2.6 Reserved [Medicaid Member Complaint and Appeal System]**

**16.2.7 Additional Medicaid Behavioral Health Provisions**

**16.2.7.1 Substance Use Disorder Benefit**

Notice Date: June 6, 2014

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | No   | No          |

An overview of the SUD benefit follows, along with guidance for SUD billing for Dual Eligibles, and clarification on the MCOs' obligations related to SUD as a condition of probation.

*Background and Overview of SUD Benefits in Medicaid*

Effective September 1, 2010, substance abuse treatment benefits in a chemical dependency treatment facility (CDTF) were implemented. Covered services, Medicaid FFS billing codes, FFS prior authorization requirements, and service limitations are as follows:

1. Clinical assessment. (Billing code: H0001; modifier HF. Does not require prior authorization.)
  - a. Allowed once per episode of care.
2. Ambulatory detoxification. (Billing codes: H0016, H0050, and S9945; modifier HF. Requires prior authorization)
  - a. Up to 21 Days.
3. Outpatient individual and group chemical dependency counseling. (H0004, H0005; both with modifier HF. Does not require PA)
  - a. Up to 26 hours of individual counseling and 135 hours of group counseling.
4. Medication-assisted therapy (MAT) (H0020 for methadone; H2010, modifier HG, for opioid addiction treatment using non-methadone medication such as buprenorphine. Use modifier HF with H2010 for non-methadone medication used to treat a non-opioid addiction. Both billing codes require an additional modifier to denote doses provided in person or take-home doses. These codes are: UA for in-person and U1 for take-home doses. Reimbursement for procedure codes H0020/U1 and H2010/HG/U1 is limited to a maximum quantity of 30 per 30 days. MAT does not require PA)
  - a. Providers must follow federal regulations in 42 C.F.R. § 8, and 1 Tex. Admin. Code § 448.902
5. Residential detoxification. (H0031, T1007, H0047, H2017, S9445; modifier HF. Requires PA)
  - a. Up to 21 Days.
6. Residential treatment. (H2035; H0047; modifier HF. Requires PA.)
  - a. Up to 35 Days.

HHSC considers residential SUD treatment and residential detoxification to be outpatient services and should use Form 1500 to bill for such services.

In FFS, CDTFs are the only provider type that can bill for these services, with the exception of MAT. MAT can be billed by physicians as well as CDTFs.

SUD services do not require a referral from a PCP.

HHSC encourages MCOs to verify that it has adequate numbers of CDTFs, including opiate treatment providers, in its network and that its claims systems are set up to process claims for these services.

Reference the Behavioral Health, Rehabilitation, and Case Management Services Handbook at [www.tmhp.com](http://www.tmhp.com) for more details.

Children younger than 21 can exceed service limitations with medical necessity and PA.

#### *Substance Abuse Treatment Services for Dual-Eligible Clients*

Services provided by CDTFs and MAT physician services are not covered Medicare benefits. Therefore, CDTFs or physicians providing MAT services do not have to bill Medicare first.

#### *Substance Abuse Treatment Services as a Condition of Probation*

HHSC is aware that some plans have interpreted the following statement in Section 8.1.15.7 of the contract to be applicable to substance abuse treatment: "The MCO is not obligated to cover placements as a condition of probation, authorized by the Texas Family Code. These placements are Non-capitated Services." However, the provisions in Section 8.1.15.7 apply to inpatient psychiatric care and are not intended to apply to substance use disorder treatment. Substance abuse treatment is a covered benefit of Medicaid and payable by the health plans. It is HHSC's intent to clarify in future contract language that SUD services as a condition of probation are payable by the health plan. In the meantime, HHSC requests that plans cease any recoupment efforts and determine a mechanism to reimburse the provider for any SUD condition-of-probation claims that have been recouped.

#### **16.2.7.1.1 Substance Use Disorder Benefit for Dual Eligibles**

Notice Date: June 6, 2014

#### **Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| No   | No          | Yes        |  | Yes       | No              | No   | No          |

#### *General Overview*

Dual eligible individuals are persons who qualify for both Medicare and Medicaid benefits. Medicare is a federally-paid and administered health insurance benefit.

Medicare covers inpatient hospital services (Part A), physician and related health services (Part B), Medicare managed care (Part C), and prescription drugs (part D). For dual eligible individuals, Medicaid may pay for all or a portion of Medicare Part A and B premiums, co-insurance, and deductibles.

Some Members who have full dual eligibility status are referred to as "fully dual eligible individuals," and are eligible to receive any covered Medicaid benefits that are not paid by Medicare. Medicaid pays the premiums, deductibles, and co-insurance for Medicare services, so that most Acute Care services are still paid through Medicare. However, for fully dual eligible individuals, Medicaid may also cover services that are not covered by Medicare, including long term care and SUD treatment in a CDTF. CDTFs are not recognized as a payable provider type in Medicare, and these services are therefore not covered by Medicare.

In order for a provider to be eligible to enroll in Texas Medicaid, that provider typically must be a Medicare participating provider. Certain types of providers, however, are not required to meet the Medicare participation requirement, including CDTFs. Also, because Medicare does not recognize CDTFs as a payable provider type, CDTFs do not need to bill Medicare first for a dual eligible client.

### ***STAR+PLUS***

Members eligible for STAR+PLUS who have Medicare and Medicaid are Medicaid Qualified Medicare Beneficiaries (MQMBs), Specified Low-Income Medicare Beneficiary (SLMB) Plus recipients or Qualified Medicare Beneficiary (QMB) Plus recipients. For these Members, Medicaid will pay for their SUD treatment in a CDTF, even if the Member normally would have their Acute Care paid through Medicare. Claims for SUD services rendered to a STAR+PLUS dual eligible Member should be submitted to TMHP: [www.tmhp.com](http://www.tmhp.com), not the STAR+PLUS health plan.

### ***Full Dual Eligible Individuals Who Are Not Enrolled in STAR+PLUS***

If the client is dual eligible and has full Medicaid coverage, even if the client is not enrolled in STAR+PLUS, then TMHP will pay claims for CDTF-rendered services.

Dual eligible individuals who do not qualify for Medicaid reimbursement for CDTF SUD Services.

When a Provider verifies a client's Medicaid eligibility, terms like "QMB", "SLMB Plus" or "MQMB" may appear to indicate dual eligible status. Only Dual Eligibles with full Medicaid coverage qualify for reimbursement of CDTF services.

Medicaid will not reimburse CDTF-rendered services to dual eligible individuals who do not qualify for full Medicaid coverage, such as individuals with: SLMB Only, Medicare Qualified Individuals (QI), or Qualified Disabled and Working Individuals (QDWI).

### ***Prior Authorization for Dual Eligible Individuals***

For Dual Eligible individuals with full Medicaid coverage, no PA is required for Medicaid CDTF SUD services for Members enrolled in a STAR+PLUS health plan. Dual eligible clients who have full Medicaid coverage and are not enrolled in a STAR+PLUS health plan must have a PA from TMHP for the following SUD services: ambulatory detoxification, residential detoxification, and residential treatment.

#### References

1. TMHP information on claims:

[http://www.tmhp.com/Pages/Medicaid/Medicaid\\_Publications\\_Provider\\_manual.aspx](http://www.tmhp.com/Pages/Medicaid/Medicaid_Publications_Provider_manual.aspx)

Search the manual for Claims, Volume 1, Chapter 6

### **16.2.8            Coordination of Coverage with Other Insurances**

#### **I. Purpose**

The purpose of the guidance is to provide policy direction to Medicaid Managed Care Organizations (MCOs) on coordination of coverage with other insurance (OI). This guidance addresses third party liability and related coordination of coverage matters.

## **II. Background**

Federal Medicaid law requires a state Medicaid agency to determine the legal liability of third parties to pay for Medicaid covered services.<sup>1</sup> Federal financial participation (FFP) is not available to the extent that private insurance or another liable third party is obligated to pay for a service.<sup>2</sup> Texas law further establishes Medicaid as “payor of last resort” and requires that Medicaid only provide reimbursement for services “to the extent other adequate public or private sources of payment are not available.”<sup>3</sup> Medicaid coverage may not be considered when coordinating with OI until all third party resources have been exhausted, unless an exception applies under federal law. As a result, Texas Medicaid providers must generally seek reimbursement from any available OI before billing Medicaid. Medicaid will pay benefits for covered services that remain unpaid after OI coordination of benefits is completed.

States use various methods to identify OI and ensure Medicaid is the payer of last resort, including cost avoidance and cost recovery (also called “pay and chase”). Cost avoidance is when the State (or its contractor) denies payments and returns claims to providers, who are then required to bill and collect payment from any liable third parties. Cost recovery or ‘pay and chase’ happens when the State (or its contractor) reimburse submitted claims and then attempts to recover payments from OI. The following services are cost recovered using ‘pay and chase’:

- 1) Services provided to an individual for whom child support enforcement action is being carried out
- 2) Preventive pediatric care
- 3) Case Management for Children and Pregnant Women (CPW)
- 4) Early Child Intervention (ECI) targeted case management and specialized skills training\*
- 5) School Health and Related Services (SHARS)\*<sup>4</sup>
- 6) All Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services for children including Texas Health Steps (THSteps) medical and dental services
- 7) Youth Empowerment Services (YES) waiver services\*
- 8) Mental Health Targeted Case Management and Mental Health Rehabilitation

<sup>1</sup> 42 U.S.C. §1396a(a)(25) (Section 1902 of the Social Security Act)

<sup>2</sup> 42 U.S.C. §1396b(o) (Section 1903(o) of the Social Security Act)

<sup>3</sup> Human Resources Code §32.04242(2)

<sup>4</sup> Benefits marked with “\*” are excluded from managed care; MCOs are not responsible for delivering or reimbursing these services.

The Texas Medicaid claims administrator, the Texas Medicaid & Healthcare Partnership (TMHP), is responsible for processing Medicaid fee for service (FFS) claims for Medicaid-enrolled individuals that have OI.

### **III. Managed Care and Third-Party Liability (TPL) and Recovery**

In Medicaid managed care, the State's contracted MCOs are responsible for processing OI claims and coordinating benefits on behalf of the State.<sup>5</sup> Further, MCOs are responsible for establishing plans and processes for avoiding and recovering costs for covered services that should have been paid through OI. The plans and processes must comply with state and federal laws and regulations, including Sections 1902(a)(25)(E) and (F) of the Social Security Act, which require MCOs to pay and later seek recovery from liable third parties for: 1) preventive pediatric care (including all EPSDT services), and 2) services provided to an individual for whom the state child support enforcement action is being carried out.

The following requirements apply to Medicaid MCOs when reimbursing providers for Medicaid covered services provided to a managed care member that has OI:

- 1) MCO Network Providers and out-of-network (OON) OI providers with written reimbursement arrangements with the MCO: A member must exhaust all possible reimbursement provided by OI. At the point of OI exhaustion, the MCO must pay the difference between the reimbursed amount from the OI up to the agreed upon MCO-contracted rate for covered services.
- 2) MCO Network Providers OON with OI: This requirement applies to provider reimbursement when the MCO Network Provider bills the OI, but the OI denies all or part of the payment because the MCO Network Provider is not in the OI's network. It is the responsibility of the member to ensure the OI will reimburse the OON provider for services delivered. If the OI will not reimburse the OON provider, the MCO will not reimburse for the service, even with a denial from the OI.
- 3) OON providers with no written reimbursement arrangements with the MCO, but that are in network with OI: The MCO must pay the unpaid balance for covered services up to the contractually agreed upon rate in accordance with 1 Tex. Admin. Code § 353.4,<sup>6</sup> which requires MCOs to reimburse MCO OON providers if services are medically necessary and not available in the MCO network; current participating provider requests authorization that an OON provider deliver these services; and authorized services are delivered within specified timeframes.
- 4) The provider should obtain a prior authorization from the Medicaid MCO if the Medicaid service requires a prior authorization before delivering the service to ensure the Medicaid MCO will reimburse for the service after the OI is exhausted.

<sup>5</sup> See appropriate managed care contract provisions listed in 1(a)-(h) in section X, References .

<sup>6</sup> See 1 Tex. Admin. Code §353.4, MCO Requirements Concerning OON Providers.

- 5) In obtaining reimbursement for third party liability, the MCO must pursue reimbursement from a liable third party in accordance with all relevant contract and Uniform Managed Care Manual (UMCM) requirements. See Section X, References, for specific contract citations.

MCOs must allow the following as acceptable forms of evidence of non-coverage:

- Documentation from the third-party health plan supporting non-coverage (e.g. letter of non-coverage).
- Documentation of a claim denial from the third-party health plan – Explanation of Benefits (EOB)/ Medicare Remittance Advice Notice (MRAN)/Local Coverage Determination (LCD)
- Documentation from the third-party members' health plan reference guide/manual that supports non- coverage of the services and/or supplies.

#### **IV. Deductibles, Copayments, and Coinsurance**

Providers cannot bill Medicaid-eligible individuals for copayments, deductibles, or coinsurance for Medicaid-covered services. If an individual's OI does not cover a co-payment, deductible, or coinsurance, the provider should bill the MCO for reimbursement of the copayment, deductible, or coinsurance. MCOs must have a process in place to work with providers and members or families when providers incorrectly bill the member.

When billing for a deductible or coinsurance, the provider must include the explanation of benefits (EOB) from the OI with the claim showing the payment amount was applied directly to the client's deductible or coinsurance. For billing a copayment, the provider must include the copayment code on the claim form to be eligible for reimbursement of the copayment.

Providers should refer to the Texas Medicaid Provider Procedures Manual (TMPPM), Section 4.9, Client Eligibility, Medicare and Medicaid Dual Eligibility, when submitting claims for services rendered to individuals who have Medicare and Medicaid (dual-eligible members). In most cases, Medicaid is the payer of last resort, but there are some exceptions based on services under each Medicare segment, Parts A, B, C, or D, in which an individual may be enrolled. Section 4.9 of the TMPPM provides more detailed information and billing instructions for each Medicare segment that will assist providers submitting claims for a client with dual Medicare and Medicaid eligibility.

MCOs should refer to UMCM Chapter 2.0 Section VII-F, when an authorization request for any LTSS service, including personal care services (PCS), private duty nursing (PDN), and community first choice (CFC), is submitted to a STAR+PLUS or STAR Kids MCO for a dual eligible member, the MCO must not require providers to submit a Medicare denial for services that are never covered or paid by Medicare.

See Section X, References, for specific rules regarding the prohibition of billing a Medicaid-eligible individual for Medicare-covered services.

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### V. Billing Scenarios

|   | Scenario                                                                                             | Response                                                                                                                                                                                                       |
|---|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Service is not covered by OI but is covered by Medicaid. Provider is in network for OI and Medicaid. | <p>Provider bills OI, receives EOB denying coverage, then bills MCO for the contractually agreed upon rate.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p> |

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|   | Scenario                                                                                                                                           | Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 | Service is covered by OI and Medicaid. The provider is OON for OI, but in network for Medicaid MCO. The OI reimburses the OI OON provider.         | <p>Provider bills OI, receives payment from OI, then bills MCO for any balance remaining up to the contractually agreed upon rate.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p>                                                                                                                                                                                                                                                                                                                                                                                         |
| 3 | Service is covered by OI and Medicaid. The provider is OON for OI, but in network for Medicaid MCO. The OI will not reimburse the OI OON provider. | <p>Provider bills OI, receives EOB denying coverage for use of an OON provider, then bills MCO for the contractually agreed upon rate. The MCO cannot reimburse the provider because the OI is another available source of payment that was not used.<sup>7</sup></p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p>                                                                                                                                                                                                                                                          |
| 4 | Service is covered by OI and Medicaid, but the provider is OON for both OI and Medicaid.                                                           | <p>Provider bills OI, receives EOB denying coverage (including partial coverage), then bills MCO. MCO is not required to pay for the covered services unless the covered services are in accordance with 1 Tex. Admin. Code § 353.4. MCO can deny claims for unauthorized nonemergency services provided by OON providers, except when that provider is an Indian Health Care Provider (IHCP) enrolled as a Federally Qualified Health Center (FQHC).</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI as long as the provider is Medicaid-enrolled.</p>                         |
| 5 | Part of service is covered by OI and Medicaid. Provider is in network for OI and Medicaid.                                                         | <p>The provider should obtain a prior authorization from the Medicaid MCO if the Medicaid service requires a prior authorization before delivering the service to ensure the Medicaid MCO will reimburse for the service after the OI is exhausted. Provider bills OI for part of service covered by OI, any unpaid part (quantity, frequency, etc.) of service is billed to MCO for the contractually agreed upon rate or as required by Texas Administrative Code rules.<sup>8</sup> The MCO must pay the remaining balance up to the contractually agreed upon rate or as required by Texas Administrative Code rules.</p> |

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<sup>7</sup> Texas Human Resource Code Section 32.04242

<sup>8</sup> 1 T.A.C. §353.4 (f)

|    | Scenario                                                                                                                           | Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----|------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                    | For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI as long as the provider is Medicaid-enrolled.                                                                                                                                                                                                                                                                                                                                                 |
| 6  | Service is covered by OI and Medicaid, but deductible or coinsurance has not been met. Provider is in network for OI and Medicaid. | <p>Provider bills OI, receives EOB showing payment has been applied to member's deductible/coinsurance, then bills MCO for the contractually agreed upon rate.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p>                                                                                                                                                                                                                    |
| 7  | Service is covered by OI and Medicaid, and deductible or coinsurance has been met. Provider is in network for OI and Medicaid.     | <p>Provider bills OI, receives EOB and payment up to the agreed upon rate. The provider may bill MCO <i>if</i> the OI reimbursement is lower than the contractually agreed upon MCO rate; MCO pays the difference up to the agreed upon MCO-contracted rate. If MCO rate is lower, MCO is not required to reimburse. Provider cannot bill the Medicaid member for the difference.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p> |
| 8  | Service is covered by OI and Medicaid, and there is a copayment.<br>Provider is in network for OI and Medicaid.                    | <p>Provider bills OI, receives EOB that shows the part of the bill apportioned to the copay. The provider then bills MCO and must include the copayment code on the claim form in order to be eligible for reimbursement of the copayment. Provider cannot bill the Medicaid member for the copayment.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p>                                                                            |
| 9  | Provider bills MCO and MCO pays and later learns that member has OI.                                                               | MCO must cost recover (pay and chase) from the OI. MCOs should not cost recover from the provider.                                                                                                                                                                                                                                                                                                                                                                                   |
| 10 | MCO knows member has OI, but provider bills MCO first.                                                                             | <p>MCO must deny the claim and instruct provider to bill OI first, providing OI information to provider. Provider bills OI, receives EOB denying coverage, then bills MCO for the contractually agreed upon rate, or any balance remaining up to the contractually agreed upon rate.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI as long as the provider is Medicaid-enrolled.</p>                                                 |
| 11 | Provider bills MCO first but does not realize the member has OI.                                                                   | <p>MCO must deny the claim and instruct provider to bill OI first and provide the OI information to provider. Provider bills OI, receives payment from OI. No further action is needed from the MCO or the provider as it relates to Medicaid.</p> <p>For EPSDT services for children, the MCO must cost recover (pay and chase) from the OI.</p>                                                                                                                                    |

## **VI. Prior Authorizations**

Texas Medicaid does not provide reimbursement for covered services or supplies that are not medically necessary.<sup>9</sup> Additionally, MCOs must provide covered services in the amount, duration and scope established by HHSC.<sup>10</sup> To ensure compliance with these requirements, MCOs must confirm that a service is medically necessary and covered by Medicaid. The provider should obtain a prior authorization from the Medicaid MCO if the Medicaid service requires a prior authorization before delivering the service to ensure the Medicaid MCO will reimburse for the service after the OI is exhausted.

## **VII. Ordering, Referring, or Prescribing Providers**

An OON provider who only orders, refers, or prescribes medications or services for a Medicaid managed care member is not required to enroll as a Texas Medicaid provider.<sup>11</sup> MCOs must not at any time deny pharmacy or medical claims because the OON ordering, referring, or prescribing provider is not enrolled in Texas Medicaid.<sup>12</sup>

## **VIII. Single Case Agreements and Network Adequacy**

Single case agreements may be useful MCO tools to promote continuity of care for individuals with complex health needs. If a member wishes to stay with their current Provider who is OON with the MCO, the MCO may seek to obtain a single-case-agreement, out-of-network authorization or similar arrangement with the Provider to ensure the member's continued care. The MCO must ensure that each member has access to a second opinion regarding the use of any covered service in accordance with Texas managed care contracts.<sup>13</sup> Additionally, MCOs must comply with the requirements outlined in 1 Texas Administrative Code, Part 15, §353.7 regarding single case agreements.

## **IX. Specialty Providers**

MCOs must comply with the requirements outlined in 1 Texas Administrative Code, Part 15, §353.4 and §353.7.

## **X. References**

1) Managed Care Contracts, Third Party Liability and Recovery and Coordination of Benefits:

- a. Uniform Managed Care Contract (UMCC): Section 8.2.8; 8.1.16; 8.1.18.5 (Medicaid) and 8.4.3 (CHIP)
- b. STAR Kids Contract: Section 8.1.31

<sup>9</sup> 1 T.A.C. §354.1131(d), and 354.1149(a).

<sup>10</sup> 1 §353.409(b)), Uniform Managed Care Manual 16.1.2.22.2, and 16.1.2.22.3

<sup>11</sup> Ordering or referring providers are not required to enroll as Medicaid providers if they are participating in managed care.

<sup>12</sup> See, <https://www.medicaid.gov/affordable-care-act/downloads/program-integrity/mpec-7242018.pdf> and Medicaid Provider Enrollment Compendium (MPEC), section 1.13.6.

<sup>13</sup> Uniform Managed Care Contract: Section 8.2.1, STAR+PLUS Contract: Section 2.6.52.1,



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STAR Health Contract: Section 8.1.27, STAR Kids Contract: Section 8.1.23, Dental Services Managed Care Contract 2.2.8

- c. STAR Health Contract: Section 2.6.26.2
  - d. Dental Services Managed Care Contract: Section 1.5.5
  - e. Uniform Managed Care Manual: Chapter 5.3.4; Chapter 2.0
  - f. STAR+PLUS Scope of Work (SOW): Section 26.28.2
- 2) Title 1, Texas Administrative Code, Chapter 354, Subchapter J, Medicaid Third Party Recovery, Division 3, Provider Requirements, Section 354.2321, Provider Billing and Recovery From Third Party Health Insurer: (h) Providers are prohibited from submitting a bill, or other written demand for payment or collection of debt for any Medicaid-covered service from an individual who the provider knows or should know is a Medicaid eligible recipient or from the representative of a recipient, regardless of whether a claim for payment for the service is submitted to the HHSC. This section does not prohibit a provider from submitting reasonable inquiries or requests for information to a recipient, or representative of a recipient to assist the provider in identifying a third-party resource. However, any inquiry which would lead a reasonable person to believe that the provider was making a demand for payment, or attempting to collect an unpaid debt, will bring the provider within the limitations and prohibitions as follows: (1) If a provider attempts to recover any amount from a recipient for any Medicaid-covered service, HHSC may provide for a reduction of an amount otherwise payable to the provider in addition to referring the provider for investigation and prosecution for violations of state or federal Medicaid or false claims laws, or both. (2) The amount of the reduction may be up to three times the amount the provider sought in excess of the Medicaid payable amount.

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|                |                                                                                          |
|----------------|------------------------------------------------------------------------------------------|
| <b>16.2.9</b>  | <b>Reserved [Coordination with Public Health Entities]</b>                               |
| <b>16.2.10</b> | <b>Reserved [Coordination with Other State Health and Human Services (HHS) Programs]</b> |
| <b>16.2.11</b> | <b>Reserved [Advance Directives]</b>                                                     |
| <b>16.2.12</b> | <b>Reserved [SSI Members]</b>                                                            |
| <b>16.2.13</b> | <b>Reserved [Medicaid Wrap-Around Services]</b>                                          |
| <b>16.2.14</b> | <b>Reserved [</b>                                                                        |
| <b>16.2.15</b> | <b>Prescribed Pediatric Extended Care Centers</b>                                        |

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**16.2.15.1 Private Duty Nursing and Prescribed Pediatric Extended Care Center Services**

Effective Date: December 1, 2024

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

Private Duty Nursing (PDN) services and nursing services provided through a Prescribed Pediatric Extended Care Center (PPECC), are considered to be an equivalent level of nursing care; a Member who qualifies for PDN will qualify for PPECC.

A Member has a choice of PDN, PPECC, or a combination of both PDN and PPECC for ongoing skilled nursing care. Members must be informed of their service options for ongoing skilled nursing care (PDN or PPECC), when PPECC services are available in the Service Delivery area. A Member may receive both PDN and PPECC on the same day, but not at the same time.(e.g., PDN may be provided before or after PPECC services are provided). The combined total hours between PDN and PPECC services are not anticipated to increase unless there is a change in the Member's medical condition or the authorized hours are not commensurate with the Member's medical needs. Per 1 Tex. Admin. Code § 363.209(c)(3), PPECC services are intended to be a one-to-one replacement of PDN hours unless additional hours are medically necessary.

Because the total number of approved skilled nursing hours do not decrease, HHSC views a shift from PDN to PPECC as a provider change, and not an adverse action. The fee-for-service Nursing Addendum to Plan of Care for Prescribed Pediatric Extended Care Centers and Private Duty Nursing includes updated Member acknowledgements, with an acknowledgement that PDN hours may decrease if the Member shift their hours to the PPECC, or vice versa.

Members who are eligible to receive PDN services may also receive PPECC services. A member may choose to receive all authorized PPECC and PDN service hours through:

- PPECC services only;
- PDN services only; or
- a combination of both PPECC and PDN services.

For individuals who receive a combination of PPECC and PDN services, MCOs must examine the authorization for both PPECC and PDN services, including a review of the 24-hour flow sheet for nursing care, to prevent service duplication.

An example is below:

When a Member with PDN decides to shift hours to a PPECC, then the PDN authorized hours will be decreased by the amount of hours shifted to a PPECC, unless there is a change in the Member's medical condition requiring additional hours, or the authorized hours are not commensurate with the Member's medical needs. The MCO

will notify the PDN Provider of the revised authorized hours. The PDN provider may submit a revision request with documentation to justify medical necessity for any additional hours requested. The PPECC and PDN Providers are expected to coordinate on their respective plan of care for the Member. The Service Coordinator is expected to play a role in ensuring the coordination between PPECC and PDN service Providers and authorized services.

References:

1. TMPPM Volume 2: Children's Services Handbook, 2.15, Prescribed Pediatric Extended Care Centers (PPECC) (CCP) - <https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/archives/2025-04-TMPPM.pdf#page=526>
2. 1 Texas Administrative Code §363.209 available at: [https://texas-sos.appianportalsgov.com/rules-and-meetings?\\$locale=en\\_US&interface=VIEW\\_TAC\\_SUMMARY&queryAsDate=04%2F10%2F2025&recordId=224016](https://texas-sos.appianportalsgov.com/rules-and-meetings?$locale=en_US&interface=VIEW_TAC_SUMMARY&queryAsDate=04%2F10%2F2025&recordId=224016)

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**16.2.15.2 Prescribed Pediatric Extended Care Centers Criteria for Admission and Benefits**

Effective Date: December 1, 2024

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

The PPECC admission and benefit criteria are included in the PPECC-related provisions of the TMPPM.

Reference:



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1. TMPPM Volume 2: Children's Services Handbook, 2.15.1, Services, Benefits, and Limitations - <https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/archives/2025-04-TMPPM.pdf#page=526>

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#### **16.2.15.3      Reassessment and Reauthorization**



Effective Date: December 1, 2024

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

Recertification of prior authorization requests for PPECC services must include all required documentation as outlined in the PPECC-related provisions of the TMPPM.

Reference:

1. TMPPM Volume 2: Children's Services Handbook, 2.15.1.1, Prior Authorization and Documentation Requirements - <https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/archives/2025-04-TMPPM.pdf#page=529>

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**16.2.15.4 Providers of Prescribed Pediatric Extended Care**

Effective Date: December 1, 2024

**Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

A PPECC Provider must be currently licensed by the Texas Health and Human Services Commission, with one of the following:

1. A temporary license,
2. Initial license, or
3. Renewal license.

Providers must also comply with 26 Texas Administrative Code Chapter 550 (relating to Licensing Standards for Prescribed Pediatric Extended Care Centers) and be contracted with a Member's MCO to provide services to that Member.

The Uniform Managed Care Contract and STAR Health Contract provisions for Continuity of Care apply to PPECC Providers and the provision of PPECC.

Per PPECC licensure requirements, PPECC services are:

1. Non-residential,
2. Must be included in a PPECC plan of care,

# UNIFORM MANAGED CARE MANUAL 16.1

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3. Are limited to no more than 12 hours in a 24-hour period, and
4. May not be provided overnight (9:00 PM to 5:00 AM).

### 16.2.15.5 PPECC Plan of Care

Effective Date: December 1, 2024

#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

A PPECC plan of care (POC) must include components as detailed in the PPECC-related provisions of the TMPPM.

#### Reference

1. TMPPM Volume 2: Children's Services Handbook, 2.15.1.1.3, Revisions to the Plan of Care - <https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/archives/2025-04-TMPPM.pdf#page=533>

### 16.2.15.6 Authorization Requirements

Effective Date: December 1, 2024

#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | No         |  | Yes       | No              | No   | No          |

MCOs must follow requirements regarding prior authorization for initial, recertification and revision requests for PPECC services that are outlined in:

- 1 Tex. Admin. Code § 363.211; and
- the PPECC-related provisions of the TMPPM.

PPECC services require prior authorization and are intended as an alternative to PDN. However, an admission authorized under this section is not intended to supplant the right of a Member to access PDN, personal care services (PCS), home health skilled nursing (HHSN), home health aide services (HHA), physical, occupational speech and respiratory therapies and early childhood intervention services rendered in the Member's residence when medically necessary.

MCOs may use the FFS forms for PPECC or their own forms. The FFS forms available online for PPECC include:

1. Comprehensive Care Program (CCP) Prior Authorization Request form
2. Prescribed Pediatric Extended Care Center Plan of Care. Providers may use their own POC form, but it must contain the required elements per the PPECC provisions in the Texas Medicaid Provider Procedures Manual.
3. Nursing Addendum to Plan of Care for Private Duty Nursing and/or Prescribed Pediatric Extended Care Centers form. This form contains required Member and physician acknowledgements and consent.

When an MCO decides to use their own forms for PPECC authorizations, the forms must be equivalent to the fee-for-service forms, and are subject to approval by HHSC.

**References:**

1. TMPPM Volume 2: Children's Services Handbook, 2.15.1.1, Prior Authorization and Documentation Requirements - <https://www.tmhp.com/sites/default/files/file-library/resources/provider-manuals/tmppm/archives/2025-04-TMPPM.pdf#page=529>
2. 1 Texas Administrative Code §363.211 available at: [https://texas-sos.appianportalsgov.com/rules-and-meetings?\\$locale=en\\_US&interface=VIEW\\_TAC\\_SUMMARY&queryAsDate=04%2F14%2F2025&recordId=224017](https://texas-sos.appianportalsgov.com/rules-and-meetings?$locale=en_US&interface=VIEW_TAC_SUMMARY&queryAsDate=04%2F14%2F2025&recordId=224017)

**16.2.16 Reserved [Supplemental Payments for Qualified Providers]**

**16.2.17 Reserved [Electronic Visit Verification]**

### **16.3 Additional STAR+PLUS Scope of Work**

The STAR+PLUS Handbook contains HHSC-approved policies and procedures related to the STAR+PLUS Program, including policies and procedures relating to the Home and Community Based Services STAR+PLUS Waiver. The STAR+PLUS Handbook includes additional requirements regarding the STAR+PLUS Program and guidance for the MCOs, the Program Support Units, and HHSC staff for administrating and managing STAR+PLUS Program operations.

#### References

1. STAR+PLUS Handbook. Available at: <http://www.dads.state.tx.us/handbooks/sph/>

#### **16.3.1 Submission of ICD 10 Z Codes on STAR+PLUS Claims**

##### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| No          | No                 | Yes               |  | No               | No                     | No          | No                 |

The International Classification of Diseases and Related Health Problems, 10<sup>th</sup> revision, Clinical Modification (ICD-10-CM), is the standard coding system used to represent diagnoses related to diseases, disorders, injuries, infections and symptoms. Chapter 21 of the ICD-10-CM utilizes a series of codes (Z codes) to reflect factors influencing health status and contact with health services. These Z codes are used when a circumstance or problem is present that influences the person's health status but is not itself a current illness or injury.

The MCO must request that PCPs, emergency room Providers and behavioral health Providers submit claims for STAR+PLUS Members that include Z codes for the following when appropriate:

- Problems related to education and literacy: Illiteracy, schooling unavailable, underachievement in a school, educational maladjustment, and discord with teachers and classmates.
- Problems related to employment and unemployment: Unemployment, change of job, threat of job loss, stressful work schedule, discord with boss and workmates, uncongenial work environment, sexual harassment on the job, and military

deployment status.

- c. Problems related to housing and economic circumstances: Homelessness, inadequate housing, discord with neighbors, lodgers and landlord, problems related to living in residential institutions, lack of adequate food and safe drinking water, extreme poverty, low income, and insufficient social insurance and welfare support.
- d. Problems related to other psychosocial circumstances: Conviction in civil and criminal proceedings without imprisonment, imprisonment and other incarceration, release from prison, other legal circumstances, victim of crime and terrorism, and exposure to disaster, war and other hostilities.

If the MCO receives a claim containing a Z code related to any of the subcategories noted above, the MCO must communicate this information to the Service Coordinator, to ensure appropriate delivery of Services, and address Member's needs as appropriate.

## **16.4 Additional STAR Health Scope of Work**

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**16.4.1 Reserved [STAR Health Disease Management]**

**16.4.2 Reserved [Additional Behavioral Health Provisions]**

**16.4.3 Reserved [STAR Health Member Records and Enrollment]**

**16.4.4 Reserved [Urgent Services]**

**16.4.5 Reserved [Payments for Providers]**

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**16.5 Reserved [Additional STAR Kids Scope of Work]**

**16.6 Reserved [Open Chapter/Section]**

## **16.7 Additional CHIP Scope of Work**

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**16.7.1 Reserved [CHIP Provider Complaint and Appeals]**

**16.7.2 Reserved [CHIP Member Complaint and Appeal Process]**

**16.7.3 Reserved [Third Party Liability and Recovery, and Coordination of Benefits]**

**16.7.4 Reserved [Perinatal Services for Traditional CHIP Members]**

**16.7.5 Reserved [Covered Benefits]**

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**16.7.5.1 Reserved [Inpatient General Acute and Inpatient Rehabilitation Hospital]**

**16.7.5.2 Reserved [Skilled Nursing Facilities (includes Rehabilitation Hospitals)]**

**16.7.5.3 Reserved [Outpatient Hospital, Comprehensive Outpatient Rehabilitation Hospital, Clinic (Including Health Center) and Ambulatory Health Care Center]**

**16.7.5.4 Reserved [Physician/Physician Extender Professional Services]**

**16.7.5.5 Prenatal Care and Pre-Pregnancy Family Services and Supplies**

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CHIP and CHIP Perinatal services include all vaccines for pregnant women that are recommended by the American Academy of Pediatrics. These CHIP and CHIP Perinatal services available to pregnant women include, but are not limited to, the tetanus toxoid, reduced diphtheria toxoid, and acellular pertussis (Tdap) vaccine and the influenza vaccine.

An MCO providing CHIP or CHIP Perinatal services must cover a vaccine recommended by the American Academy of Pediatrics that is determined to be medically necessary by a Member's Provider.

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|                  |                                                                                                             |
|------------------|-------------------------------------------------------------------------------------------------------------|
| <b>16.7.5.6</b>  | <b>Reserved [Birthing Center Services]</b>                                                                  |
| <b>16.7.5.7</b>  | <b>Reserved [Services Rendered by a Certified Nurse Midwife or Physician in a Licensed Birthing Center]</b> |
| <b>16.7.5.8</b>  | <b>Reserved [Durable Medical Equipment, Prosthetic Devices, and Disposable Medical Supplies]</b>            |
| <b>16.7.5.9</b>  | <b>Reserved [Home and Community Health Services]</b>                                                        |
| <b>16.7.5.10</b> | <b>Reserved [Inpatient Mental Health Services]</b>                                                          |
| <b>16.7.5.11</b> | <b>Reserved [Outpatient Mental Health Services]</b>                                                         |
| <b>16.7.5.12</b> | <b>Reserved [Outpatient Substance Abuse Treatment Services]</b>                                             |
| <b>16.7.5.13</b> | <b>Reserved [Rehabilitation Services]</b>                                                                   |
| <b>16.7.5.14</b> | <b>Reserved [Hospice Care Services]</b>                                                                     |
| <b>16.7.5.15</b> | <b>Reserved [Emergency Services, including Emergency Hospitals, Physicians, and Ambulance Services]</b>     |
| <b>16.7.5.16</b> | <b>Reserved [Transplants]</b>                                                                               |
| <b>16.7.5.17</b> | <b>Reserved [Vision Benefit]</b>                                                                            |
| <b>16.7.5.18</b> | <b>Reserved [Chiropractic Services]</b>                                                                     |
| <b>16.7.5.19</b> | <b>Reserved [Tobacco Cessation Program]</b>                                                                 |
| <b>16.7.5.20</b> | <b>Case Management for Children and Pregnant Women Services and MCO Service Coordination</b>                |

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Notice Date: September 1, 2024

Effective Date: September 1, 2024

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#### Impacted Programs

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | No   | No          |

I. Purpose: This Section provides policy guidance on the delivery of Case Management for Children and Pregnant Women (CPW) Services in Medicaid managed care and coordination with MCO Service Coordination.

II. Applicable Laws and Regulations

- 42 C.F.R. § 440.169
- 42 C.F.R. § 441.18
- Government Code Chapter 531, Subchapter Q
- Government Code § 533.002555

III. CPW Services and Providers

In accordance with the Texas Administrative Code, CPW is a Medicaid State Plan benefit that assists a person in gaining access to necessary medical, social, educational, and other service needs related to the person's health condition, health risk, or high-risk condition. A CPW Provider must be a registered nurse (RN), a licensed social worker (LSW), a community health worker (CHW), or a doula.

Services include:

1. Comprehensive assessment and service plan
2. Follow-up contacts
3. Referrals and related activities

A CPW Provider who is a CHW or doula provides the same scope of CPW Services as all other CPW Providers.

For additional description of CPW Services and Provider qualifications, refer to the TMPPM Behavioral Health and Case Management Handbook. All Medicaid MCOs must deliver CPW Services in accordance with Table 1. *Delivery of Case Management for Children and Pregnant Women Services Among Medicaid Managed Care Programs.*

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**Table 1. Delivery of Case Management for Children and Pregnant Women Services Among Medicaid Managed Care Programs**

| <b>Program/<br/>Population</b>                      | <b>MCO Service Coordinator</b>                                               | <b>CPW Provider</b>                                                                                                                                |
|-----------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| STAR Members with Special Health Care Needs (MSHCN) | Service Coordination (assistance with accessing medical and social services) | Assistance with accessing educational services related to the Member's health condition, health risk, or high-risk condition.                      |
| STAR Non-MSHCN                                      | Not applicable                                                               | Assistance with accessing medical, social, and educational, services related to the Member's health condition, health risk, or high-risk condition |

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| <b>Program/<br/>Population</b>                                     | <b>MCO Service Coordinator</b>                                               | <b>CPW Provider</b>                                                                                                           |
|--------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| STAR Health Members in categories 1 and 2 of the Target Population | Service Coordination (assistance with accessing medical and social services) | Not authorized to provide CPW services <sup>1</sup>                                                                           |
| STAR Health Members- in categories 3-5 of the Target Population    | Service Coordination (assistance with accessing medical and social services) | Assistance with accessing educational services related to the Member's health condition, health risk, or high-risk condition. |
| STAR Kids (all Service Coordination levels)                        | Service Coordination (assistance with accessing medical and social services) | Assistance with accessing educational services related to the Member's health condition, health risk, or high-risk condition  |
| STAR+PLUS (all Service Coordination levels)                        | Service Coordination (assistance with accessing medical and social services) | Assistance with accessing educational services related to the Member's health condition, health risk, or high-risk condition  |

<sup>1</sup> The Department of Family and Protective Services provide additional case management to STAR Health Members in categories 1 and 2 of the Target Population.

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**Table 2. Description and Example of Service Needs**

| Service Need Description                                                                                                                                             | Examples                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Medical:</b> A Member needs assistance with accessing and coordinating Covered Services, Non-Capitated Services, Case-by-Case Services, and Value-Added Services. | <p>Example 1: A Member is seven months pregnant with diagnoses of depression and anxiety and feels disassociated from her pregnancy. The Member needs assistance finding a therapist that specializes in perinatal depression and anxiety. MCO Service Coordinator assists the Member in locating a therapist and coordinating care with the Member's obstetrician/gynecologist (OB/GYN) for psychotropic medication. If the Member requires more urgent assistance, then the CPW Provider may be used to ensure access to immediate services.</p> <p>Example 2: A Member has asthma and needs help finding a specialist. An MCO Service Coordinator assists the Member and LAR with locating and providing a referral to a pediatric pulmonologist.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Social:</b> A Member needs assistance accessing non-medical services that are related to their diagnosis or high-risk condition.                                  | <p>Example 1: A Member is 14 weeks pregnant and experiencing homelessness and is living in a shelter. The CPW Provider assists with referring the Member to a long-term shelter for pregnant women and mothers and helping her get on housing waitlists.</p> <p>Example 2: A Member's LAR has previously applied for social security income (SSI), which was denied, and the Member's LAR needs additional information on the reason for SSI denial. The CPW Provider assists with appealing the SSI denial.</p> <p>Example 3: A Member is early in her pregnancy, shows signs of being a victim of intimate partner violence, and expresses she needs help finding domestic violence assistance and shelter. The CPW Provider refers the Member to domestic violence shelters and resources.</p> <p>Example 4: A Member expresses concerns about ensuring they receive financial support for their new child. The CPW Provider may assist the Member with referrals to legal services or state programs to establish paternity and orders for support.</p> <p>Example 5: A Member indicates that they have been contacted by Child Protective Services regarding other children in the home, and the</p> |

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|  |                                                                                                                                            |
|--|--------------------------------------------------------------------------------------------------------------------------------------------|
|  | Member is concerned for the welfare of her new child. The CPW provider can assist with identifying potential support or advocacy services. |
|--|--------------------------------------------------------------------------------------------------------------------------------------------|

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|                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Educational:</b> A Member needs assistance accessing or coordinating medical and non-medical services at the Member's school.</p> | <p>Example 1: A Member is diagnosed with depression, anxiety with psychosis. Member's LAR states client has audio and visual hallucinations and is reporting the school is not adhering to the Member's individual education program (IEP). The CPW Provider helps the Member's LAR schedule an admission, review, and dismissal (ARD) meeting and attends the ARD meeting with the Member's LAR to review and advocate for Member's school needs.</p> <p>Example 2: A Member is diagnosed with bipolar, depression and anxiety. Member missed many school days due to the diagnoses. Member had good grades, but the school was going to fail her as a result of her absences. For several months, the CPW Provider worked with the Member and Member's LAR to obtain services through the 504 Program due to her medical conditions. Following four visits to the school by the CPW Provider and frequent phone calls, the Member was able to obtain 504 services.</p> <p>Example 3: A Member is diagnosed with autism spectrum disorder, ADHD, speech delay (nonverbal), and genetic disorder. Member receives services through special education and the Member's education needs were not met. The CPW Provider assists with working with the Member, Member's LAR, and school to ensure the school is meeting the Member's educational needs.</p> |
| <p><b>Other non-medical needs*</b></p>                                                                                                  | <p>Example 1: A Member is in her third trimester, has two other young children, and she has an identified need for finding affordable child care. The CPW provider may assist the Member with finding child care near her home and referring her to local or state programs to subsidize the cost of child care.</p> <p>Example 2: A Member's LAR expressed that the Member is worried food will run out before they have the money to buy more. The CPW Provider may assist the Member with referring the LAR to local or state programs to subsidize the cost of food.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

\*Medicaid MCOs who already provide services or offer referrals for services to address non-medical needs can continue to provide these services or referrals.

The MCO must allow and reimburse requested CPW Services to provide assistance

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with accessing medical, social, and educational services related to the Member's health condition, health risk, or high-risk condition if such assistance is not available or provided through the MCO's Service Coordination.

An MCO must offer and provide Service Coordination as required by the Contract and must not delay offering Service Coordination on the basis the Member is receiving CPW Services from a Provider.

In accordance with 42 C.F.R. § 441.18, an MCO must ensure reimbursement to Providers for CPW Services does not duplicate payments the MCO receives from HHSC for the same purpose.

#### **IV. Access**

The MCO must include CPW Providers in the MCO's Provider network and comply with applicable network adequacy standards.

An MCO must ensure a Member has access to and reimburse a CPW Provider for CPW Services if the MCO Service Coordinator is not able to provide the case management activity determined necessary for the Member and the requested case management activity is within the scope of CPW Services (i.e., the CPW Services are not duplicative of MCO Service Coordination).

An MCO may not prohibit a CPW Provider from receiving direct referrals, including from Members self-referring to the Provider. The MCO must educate the Provider about applicable prior authorization or approval processes.

If an MCO determines there is no duplication of services, an MCO may allow the Member to receive CPW Services by a CPW Provider and for the CPW Provider to complete the member's service plan under circumstances such as:

- The Member has a previously established relationship with the CPW Provider;
- The Member indicates a preference to receive CPW Services from a CPW Provider rather than having those case management needs only met by a Service Coordinator; or
- A CPW Provider has either been contacted by the Member directly or the CPW Provider received a referral from a third party.

In accordance with Sections 1902(a)(25)(E) of the Social Security Act (SSA), MCOs must first pay and later seek recovery from liable third parties for CPW Services.

**V. Coordination Between MCOs and CPW Providers**

The MCO must ensure the CPW Provider maintain records of the Member's case documentation (initial comprehensive assessment, service plan, etc.) to ensure case documentation is accessible upon request by the Member's PCP or OB/GYN. The MCO is authorized to request case documentation from CPW Providers. The CPW Provider must submit all requested case documentation to the MCO within 10 Business Days upon receiving the request from the MCO. The MCO and CPW Provider must ensure compliance with Health Insurance Portability and Accountability Act (HIPAA), Family Educational Rights and Privacy Act (FERPA), and all other relevant privacy and security laws when communicating protected information with Members.

**VI. Proof of Provider Eligibility and Credentialing**

In accordance with the Texas Administrative Code and Government Code §531.654, a Provider is not approved to provide CPW Services until the Provider completes the HHSC pre-planning process and standardized case management training. During the pre-planning process, HHSC reviews Provider qualifications and outlines program expectations. This pre-planning process happens prior to enrollment in the Provider Enrollment and Management System (PEMS). Through the PEMS process, there may be other requirements certain CPW Providers must follow for their specific provider type to become a Medicaid-enrolled provider.

Upon HHSC determining satisfactory completion of both the pre-planning and training, HHSC will issue an approval letter, and the Provider must present the letter to enroll as a state Medicaid provider as part of the PEMS process. An MCO should assume a CPW individual or group performing Provider listed in the master provider file to have received the required approval. HHSC does not require the MCO to take any action to verify Provider qualifications other than verifying that the provider is listed in the master provider file with the exception of FQHCs (see Section IX).

The MCO may have general provider credentialing requirements in accordance with the managed care contracts, and state and federal requirements.

**VII. Quality Assurance**

The MCO must have policies and procedures to conduct quality assurance of CPW Services and CPW Providers. Quality assurance policies can include a review of a CPW Provider's Member documentation, licensure, and any Provider developed CPW outreach materials. MCO quality assurance policies and procedures will include: MCO oversight of technical assistance provided to CPW providers and quality assurance reviews; reviewing and changing outliers for utilization review; and for the MCO to explore other processes to monitor CPW policy and rule compliance.

The MCO must maintain and make available upon request by HHSC documentation of the policies and procedures and any related data.

### **VIII. Adverse Benefit Determinations, MCO Internal Appeals, and Fair Hearings**

All the requirements found in the relevant managed care contracts relating to Medicaid Member Complaints and Appeals including subsections, apply to CPW Services, with the following exceptions:

- a. The MCO Medical Director is not required to review Appeals related to CPW Services, in accordance with the relevant managed care contracts relating to Medicaid Member MCO Internal Appeal process, unless the MCO action being appealed is related to a medical issue.
- b. No specific clinical expertise is required, in accordance with the relevant managed care contracts relating to Medicaid Member MCO Internal Appeal process, for reviewers of Appeals related to CPW Services.

An MCO is not required to send a notice of an Adverse Benefit Determination, including Appeal and Fair Hearings rights, when the Member's case management needs are met by MCO Service Coordination or Service Management staff. A Member must have access to the MCO Member Complaint system.

UMCM 3.21 and 3.21.1 apply to CPW Services.

UMCM 3.22 does not apply to an MCO's prior approval processes of CPW Services.

### **IX. Federally Qualified Health Centers (FQHCs)**

An FQHC whose case manager(s) have completed HHSC's standardized case management training can deliver and be reimbursed for CPW Services. Case manager(s) working under an FQHC do not need to apply for their own individual NPI to deliver CPW Services.

The FQHC prospective payment system (PPS) wrap payment methodology applies to CPW Services and MCOs will be paid the PPS wrap payment by HHSC for CPW Services. FQHCs will bill for CPW Services using only CPW procedure codes. FQHCs that deliver CPW Services will use their FQHC provider type, specialty code, and taxonomy code. An MCO must not require FQHCs to apply as a CPW Provider or use a CPW taxonomy code to deliver CPW Services.

For FQHC case managers, the MCO must have processes to verify an FQHC case manager's completion of the standardized case management training prior to the FQHC case manager delivering CPW Services. For example, an MCO may include a provision in its contract with the FQHC that the FQHC will only submit claims for CPW Services delivered by case managers who have completed the required training or require an

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attestation from the FQHC that case managers have completed the training.

An MCO may verify the FQHC case manager has completed the training through the following options:

- a. Provider attestation
- b. FQHC to submit certificate of training completion to the MCO

An MCO is only required to verify training completion one time.

#### **X. Professional Liability Insurance**

In accordance with managed care contract requirements, a CPW Provider must attest to the status of their professional liability insurance in the MCO contracting and credentialing application. A CPW Provider can attest to any amount, even if the amount is \$0. If a CPW Provider attests to \$0, this means the Provider does not hold professional liability insurance, which is allowable by the National Committee for Quality Assurance (NCQA) and Utilization Review Accreditation Commission (URAC) and still meets the HHSC and MCO requirements.

HHSC requires Medicaid MCOs to maintain information on the professional liability insurance status for its CPW Providers. An MCO must allow new CPW Provider types that choose to maintain professional liability insurance, six months after completing contracting and credentialing with an MCO before CPW Providers must report their professional liability insurance status. If a CPW Provider chooses to not obtain professional liability insurance (i.e., attests to \$0) even after the six-month grace period and the MCO documents the providers professional liability insurance status, an MCO may not terminate their contract with the CPW Provider. This is in compliance with NCQA and URAC requirements.

An MCO is not required to obtain professional liability insurance on behalf of the CPW Provider during the six months after the CPW Provider completes contracting and credentialing with an MCO. A CPW Provider is not required to obtain malpractice insurance.

#### **16.7.5.21 Drug Benefits**

##### **16.7.5.21.1 Weight-Based or Variable Dosing Clinician-Administered Drugs**

Notice Date: June 25, 2020

Effective Date: September 1, 2020

#### **Impacted Programs**

| STAR | STAR Health | STAR+ PLUS |  | STAR Kids | Medicaid Dental | CHIP | CHIP Dental |
|------|-------------|------------|--|-----------|-----------------|------|-------------|
| Yes  | Yes         | Yes        |  | Yes       | No              | Yes  | No          |

Clinician-administered drugs or biologicals (CADs) are injectable medications administered by a healthcare provider in an office or outpatient clinic setting.

Manufacturers produce injectable medications in single-dose or multi-dose vial formats. A single-dose (or single-use) vial of medication intended for administration through injection or infusion contains a single dose of medication, which can be used for one patient administration only. Many drugs have recommended doses that are based on factors such as height, weight, and initial tolerance for the drug. The policy requires MCOs to reimburse for the unused portion of all weight-based or variable dosing CADs manufactured only in single-dose vials.

Effective July 1, 2020, providers may bill and receive reimbursement for the unused portion of weight based or variable dosing CADs manufactured only in single-dose vials. The policy applies to medical claims for weight-based or variable dosing CADs, manufactured only in single-dose vials, and provided in an outpatient setting. The provider may be eligible for reimbursement up to the amount of drug or biological in accordance with the drug label.

*Example: A single use vial labeled to contain 100 units of a drug has 95 units administered to the patient and 5 units discarded. The 95-unit dose is billed on one line, while the discarded 5 units is billed on another line by using the JW modifier. Both line items are reviewed for reimbursement. The provider must record the discarded amounts of drugs and biologicals in the patient's medical record.*

The policy applies to all drugs listed on the NDC-to-HCPCS crosswalk except for those defined as excluded from the policy, such as multi-dose vial drugs, unit of use products, or drugs with flat dosing (e.g., non-weight-based or non-variable dosing vials). A multi-dose vial is a vial of liquid medication intended for parenteral administration (injection or infusion) that contains more than one dose of medication and that may be used for more than one patient preparation or administration.

#### *Claims Submission Requirements*

1. Providers must use the modifier JW to identify the discarded amount of drug or biological. The provider must bill the discarded amount with the JW modifier on a separate claim line. Providers must not use the JW modifier for medications manufactured in a multi-dose vial format.
2. Providers must choose the most appropriate vial size(s) required to prepare a dose to minimize the discarded portion of the vial payable under this policy.
3. Claims payable under this policy must not exceed the package size of the vial used for preparation of the dose. Providers must not bill for vial contents overfill.

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4. Providers must not use the JW modifier when the actual dose of the drug or biological administered is less than the billing unit.

*Example: One billing unit for a drug is equal to 10 mg of the drug in a single use vial. A 7 mg dose is administered to a patient while 3 mg of the remaining drug is discarded. The 7 mg dose is billed using one billing unit that represents 10 mg on a single line item. The single line item of 1 unit would process for payment of the total 10 mg of drug administered and discarded. Billing another unit on a separate line item with the JW modifier for the discarded 3 mg of drug is not permitted because it would result in overpayment. Therefore, when the billing unit is equal to or greater than the total actual dose and the amount discarded, the use of the JW modifier is not permitted.*

5. Reimbursement for JW modified claims is available only for drugs covered in an outpatient setting.
6. Inpatient and diagnostic radiopharmaceuticals claims are not eligible for reimbursement under this policy and may not include the JW modifier.
7. This policy covers “buy and bill” providers only. Specialty pharmacies billing through the medical benefit must not submit claims with a JW modifier because entire vial contents are supplied to providers, and it is not possible to document how much the provider administered or discarded.
8. Federally Qualified Health Center (FQHC) and Rural Health Clinic (RHC) are not eligible to bill with the JW modifier because these providers do not bill for the coverage of drugs or biologicals separately.
9. Critical Access Hospitals (CAH) are eligible to bill with the JW modifier because these providers bill for the coverage of drugs or biologicals separately. The JW modifier is not allowed for medications prepared in an institutional setting via “batch processing or bulk productions” methods. An example of a batch processing method is when a hospital or repackaging facility produces multiple non-patient specific doses of medications in advance of anticipated use. These preparations are labeled and distributed with patient-specific information only when orders are received. Because these doses may be recycled for another patient use, they are not eligible under this policy.
10. Providers may utilize automatic systems to calculate dose and discard amounts. However, providers must continue to document the exact usage and discard accurately.

Reference the TMPPM Vol II (Outpatient Pharmacy Services Handbook) at [www.tmhp.com](http://www.tmhp.com) for more details.

## **16.8 Additional Scope of Work for Dental Maintenance Organizations**

### **16.8.1 Scope of Work**

#### **16.8.1.1 Substitute Dentist**

Notice Date: October 15, 2018

Effective Date: March 1, 2017

#### **Impacted Programs**

| <b>STAR</b> | <b>STAR Health</b> | <b>STAR+ PLUS</b> |  | <b>STAR Kids</b> | <b>Medicaid Dental</b> | <b>CHIP</b> | <b>CHIP Dental</b> |
|-------------|--------------------|-------------------|--|------------------|------------------------|-------------|--------------------|
| No          | No                 | No                |  | No               | Yes                    | No          | No                 |

DMOs may allow a dentist to act as a billing agent and submit claims pursuant to 42 C.F.R. § 447.10.

A billing agent is a business agent as described in 42 C.F.R. § 447.10(f). A substitute dentist is a doctor of dentistry (DDS, DMD, or DDM) who provides services in place of another dentist of the same license type under a billing arrangement. These arrangements must comply with Medicaid policy, billing, reporting, and documentation requirements contained in the TMPPM.

To qualify for reimbursement, DMOs must ensure that the billing agent dentist and substitute dentist comply with the following requirements:

1. The substitute dentist must be licensed to practice in the state of Texas.
2. Consistent with the requirements of 1 Tex. Admin. Code § 371.1605 and § 371.1705 (relating to Provider Responsibility and Mandatory Exclusion, respectively), the substitute dentist must be enrolled in Medicaid and must not be on the Medicaid or Social Security Act Title XX provider exclusion list.
3. The substitute dentist's National Provider Identifier (NPI) must be entered on the

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dental claim form.

4. The billing agent dentist must submit the claims on behalf of the substitute dentist and may recover no more than the actual administrative cost of submitting the claim on behalf of the substitute dentist. The cost is not reimbursable by Medicaid.
5. The billing agent dentist may only bill for services furnished by a substitute dentist on a temporary basis, for no longer than a 90-day consecutive period. Except as provided in paragraph (6) of this subsection, the billing agent dentist may not submit a claim for services furnished by a substitute dentist to address long-term absences or vacancies in a dental practice.
6. A billing agent dentist may submit claims for the services of a substitute dentist for longer than 90 continuous days if the billing agent dentist has been called or ordered to active duty as a Member of a reserve component of the Armed Forces. Medicaid accepts claims from the billing agent dentist for services provided by the substitute dentist for the duration of the billing agent dentist's active duty as a Member of a reserve component of the Armed Forces.

Based on guidance from CMS, HHSC recommends that dental maintenance organizations require a modifier for services provided by a substitute dentist.

#### References

1. 1 Tex. Admin. Code § 354.1221
2. 42 C.F.R. § 447.10(f)

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#### **16.8.2      Reserved [Additional Medicaid Scope of Work]**

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##### **16.8.2.1      Reserved [Continuity of Care and Out-of-Network Providers]**

##### **16.8.2.2      Reserved [Provisions related to Medically Necessary Covered Dental Services for Medicaid Members]**

##### **16.8.2.3      Reserved [Provider Complaints and Appeals]**

##### **16.8.2.4      Reserved [Member Rights and Responsibilities]**

##### **16.8.2.5      Reserved [Medicaid Member Complaints and Appeals Systems]**

##### **16.8.2.6      Reserved [Third Party Liability and Recovery and Coordination of Benefits]**

##### **16.8.2.7      Reserved [SSI Members]**

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#### **16.8.3      Reserved [Additional CHIP Scope of Work]**

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### **16.1 Medicaid and CHIP Contract Operational Guidance**

- 16.8.3.1      Reserved [CHIP Provider Complaints and Appeals]**
- 16.8.3.2      Reserved [CHIP Member Complaint and Appeals Process]**
- 16.8.3.3      Reserved [Third Party Liability and Recovery and Coordination of  
Benefits]**