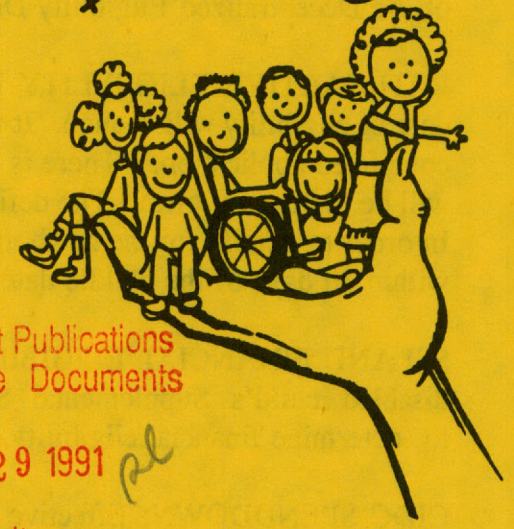


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**TDH-CIDC**

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**March 1991**

**Bureau of Chronically Ill and Disabled Children's Services (CIDC)  
Texas Department of Health.....Austin, Texas**

Dear Provider:

In previous CIDC Bulletins, I have addressed several objectives pertaining to the efficient and economical operation of the Bureau. You are about to learn about many of the changes that are taking place, or will take place in the near future, that will accomplish these objectives. You will be given the effective date for each change. We are excited about our new improvements and hope you will be, also. Please let us know if we can help you adjust to these changes or provide any additional assistance.

-- J. E. Evans, Chief  
Bureau of Chronically Ill and Disabled Children's Services

**ELIGIBILITY:** CIDC is currently moving towards decentralization of eligibility determination for program services at regional health offices, local health departments, medical facilities, provider offices, and other State health and human services agencies throughout Texas.

Applications received after 1 April 1991 will be required to include the International Classification for Disease, Ninth Revision (ICD-9) codes for all diagnoses. Whenever possible, the codes must be carried to the fifth digit (e.g., 25001, as opposed to 2500). CIDC will take the code as given by the provider and return it as incomplete or denied on

any application improperly coded. This step is necessary for successful implementation of the Decentralized Eligibility Determination Initiative.

**RETROACTIVE ELIGIBILITY PERIOD REDUCED:** Beginning 1 May 1991 the effective date of eligibility will change. It will now be 15 days prior to the date of CIDC's receipt of the completed application. There is one exception: the effective date of eligibility for newborns will be the date of birth. The definition of a "newborn" is a child whose age is 30 days or less. In order to qualify for the newborn exception, an application must be received by this program within 30 days of the child's date of birth.

**SSI AND FINANCIAL ELIGIBILITY:** Effective 1 May 1991 CIDC will no longer use the disabled child's Supplemental Security Income (SSI) as part of the household income to determine financial eligibility.

**CIDC SPENDDOWN:** Effective 1 May 1991 the projected cost of treatment (PCT) will no longer be used in determining financial eligibility. It has been replaced with a CIDC spenddown. The income level for eligibility is currently established at 200% of the federal poverty guidelines. If the household income exceeds this level, the family will be denied eligibility. However, the family may qualify for CIDC spenddown if they can show financial liability for medical bills for the amount that their income exceeds 200% of poverty. (Example: A family of four is allowed an income of \$25,400. They actually make \$26,400, so they are over the income guidelines by \$1000. To qualify, they must submit medical bills they are liable to pay totaling \$1000 to CIDC for review. The bills must be incurred during the calendar year of the application.) The spenddown is based on a calendar year, and financial eligibility must be re-established annually.

**MEDICAID:** Effective 1 May 1991 applicants who appear to be financially eligible for Medicaid and meet all other CIDC program requirements will be given temporary eligibility for 45 days. During that time, the applicant must apply for Medicaid and notify CIDC of Medicaid's determination. If the applicant fails to follow through with the Medicaid application, eligibility will automatically expire at the end of 45 days.

**AUTHORIZATION:** Conditional authorizations have been eliminated from CIDC authorization procedures as of 4 March 1991.

**CLAIMS PAYMENT CONTRACT:** CIDC has a contract with the Texas Department of Human Services to have the National Heritage Insurance Company (NHIC) pay CIDC physician and hospital claims effective 1 May 1991. A systematic process for claims payment has already been established with NHIC and adopted by CIDC. It brings CIDC into compliance with the State Auditor's mandate to automate the claims payment process and interface with Medicaid to ensure that CIDC is payor of last resort. Tying into the NHIC system will save taxpayer dollars, since the State will not spend time and money reinventing a system that is already in place.

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**CLAIMS:** Because of the transfer of some billing to NHIC on 1 May 1991, the inpatient hospital and rehabilitation benefits will be based on the calendar year rather than on the client's anniversary year.

**SPLIT BILLING:** Services through 30 April 1991--Physician, hospital, and independent lab claims must be billed to CIDC. Services as of 1 May 1991--Physician, hospital, and independent lab claims must be billed to NHIC. (EXAMPLE: If a patient is in the hospital from 26 April 1991 to 5 May 1991, the provider must bill CIDC for services 26 April 1991 through 30 April 1991 and bill NHIC for services 1 May 1991 through 5 May 1991.)

**FILING DEADLINE FOR CLAIMS:** Effective 1 May 1991 claims should be filed within 90 days from the date of service if the client does not have third-party resources, such as insurance or Medicaid. For claims with third-party resources, the filing deadline is 90 days from the date of disposition by the third party. If insurance has not responded after 110 days, the claim may be submitted with proof of the prior submission. The program will pay the claim and seek a refund from insurance.

**CIDC CLAIMS SUBMISSION & PROVIDER ASSISTANCE:** Receipt of a claim will no longer be considered a request for authorization. The following services must be pre-authorized and claims filed with CIDC:

Screening exams	Equipment
Orthosis and prosthesis	IV drugs and supplies
Physical and Occupational Therapy	Speech Therapy
Dental	Orthodontia
Meals	Lodging
Transportation	Supplies

Beginning 1 May 1991 authorization numbers will not be given for items that do not require prior authorizations such as:

Drugs  
Nutritional Supplements  
Dental.

**CLIENT ASSISTANCE AND INFORMATION:** NHIC is authorized to assist providers only.

Clients must be referred to the following CIDC toll-free numbers:

Eligibility 1-800-248-7004	Claims 1-800-248-7005
Authorization 1-800-252-8023	All other calls (512)-458-7355.

For assistance and information, clients may write to: Texas Department of Health, CIDC Services, 1100 West 49th Street, Austin, Texas 78756-3179.

Claim-status inquiries for all physicians/hospital services provided prior to 1 May 1991 and all non-physician/hospital services should be directed to the CIDC office.

**NHIC CLAIMS SUBMISSION AND PROVIDER ASSISTANCE:** The following services must be pre-authorized and claims filed with NHIC using CIDC requirements effective 1 May 1991:

Inpatient hospitalization  
Inpatient rehabilitation  
Ambulatory surgical treatment.

As of 1 May 1991 NHIC receives claims for the following without prior authorization:

Physician services  
Hospital outpatient services  
Independent laboratory services.

\* To inquire about the status of a claim, call NHIC (toll-free) at 1-800-842-2432.

\* Submit claims for the above services to NHIC at this address:

National Heritage Insurance Company  
P.O. Box 200855  
Austin, Texas 78720-0855.

\* Mail correspondence relating to a specific department within NHIC (medical policy, provider enrollment, provider relations, cash disposition) to:

National Heritage Insurance Company  
11044 Research Blvd., Bldg. C  
Austin, Texas 78759-5239  
ATTN: \_\_\_\_\_.

**APPEAL PROCESS FOR CLAIMS PROCESSED BY NHIC EFFECTIVE 1 MAY 1991:** All appeals regarding claims (i.e., incomplete, incorrect, etc.) can be handled by resubmitting the corrected claims to NHIC. Initial appeals of denied claims billed to NHIC must be resubmitted within 180 days from the initial NHIC denial. If the Provider is not satisfied with the appeal decision by NHIC, the claim may be submitted to CIDC within 30 days for administrative review. Requests for administrative review by CIDC should be mailed to: Texas Department of Health, CIDC/Appeals Section, 1100 West 49th Street, Austin, Texas 78756.

**FAILURE TO SUBMIT WITHIN 30 DAYS IS CONSIDERED A WAIVER OF THE RIGHT TO ADMINISTRATIVE REVIEW.** If a claim is denied by CIDC administrative review, the provider has 20 days to request a due-process hearing from CIDC. Mail appeals relating to claims to:

CIDC Inquiry Control Unit  
National Heritage Insurance Company  
11044 Research Blvd., Bldg. C  
Austin, Texas 78759.

**REIMBURSEMENT FOR SERVICES:** Effective 1 May 1991 the Medicaid fee schedules will be adopted for all physician services, ambulatory surgical treatment, and independent laboratories. All hospital reimbursements, except ambulatory surgical treatment, will be paid

according to a rate equivalent to the hospital Medicaid interim rate. CIDC has not adopted Diagnosis-Related Groups.

**PROVIDER ENROLLMENT:** As of 1 May 1991 all CIDC providers must be enrolled in Medicaid. Enrollment in Medicaid is a requirement for becoming a CIDC provider. Any provider who is eligible for Early Periodic Screening Diagnosis and Treatment (EPSDT) should also enroll as an EPSDT provider.

**HOSPITAL TYPES:** CIDC will reimburse two types of hospitals--pediatric and general/local.

All hospitals must:

- 1) be accredited through the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) or the American Osteopathic Association; AND
- 2) be located within Texas; AND
- 3) be actively enrolled in Medicaid.

To qualify as a pediatric hospital, the hospital must have a definable pediatric unit or facility, equipment, and qualified staff necessary to meet the special needs of the CIDC-eligible clients, in addition to the qualifications already mentioned. There is no change in current CIDC enrollment procedures, except that the hospital must be Medicaid-approved. General/local non-pediatric hospitals were not formerly approved by CIDC. This change recognizes the need to have CIDC-approved hospitals in communities closer to the children.

**MEDICAL COVERAGE:** As of 1 May 1991 CIDC has deleted conditions considered to be acute (or not chronic and disabling) in nature (e.g., pyloric stenosis, fractures, and other trauma codes) in order to focus the program's expenditures on chronic and disabling conditions. When acute conditions were deleted, the chronic sequelae, if not already listed as covered, were added to the list of coverable conditions. Therefore, CIDC will continue covering chronic conditions resulting from acute conditions (e.g., coverage of joint contractures as a chronic condition resulting from a fracture). **HIV infection is covered by the CIDC program.**

**FIELD AND PROVIDER RELATIONS:** CIDC is now accepting applications for Bone Marrow Transplant Teams and Cleft Palate/Craniofacial (C/C) Teams. Application forms are available from CIDC. Bone Marrow Transplant Team applications will be effective as they are approved by CIDC. C/C Team applications will be processed upon receipt, and those approved will become effective 1 May 1991. C/C Teams that apply after this date will be effective on the date they are approved by CIDC. As of 1 May 1991, CIDC will reimburse only approved C/C Teams for invasive procedures performed on CIDC clients with C/C anomalies.

There are two paths of approval for C/C Teams: Comprehensive and Affiliated. Comprehensive teams will meet all criteria specified by CIDC rules. Affiliated teams will consist of the four core specialties (surgeon, orthodontist or pediatric dentist, licensed speech-language pathologist, and an identified team case manager) that identify a linkage with an approved Comprehensive team. Teams are approved for a maximum of three years.

CIDC/NHIC WORKSHOPS: NHIC and CIDC will conduct joint workshops to acquaint providers with new requirements for automated claims processing for hospitals, physicians, and independent laboratories. Providers in these three categories should try to attend one of the following workshops:

CORPUS CHRISTI - Mon., March 18: 2-5 p.m. - Bayfront Plaza Convention Center, 1901 North Shoreline.

HOUSTON - Wed., March 27: 9-12 noon - Sheraton Crown Hotel, 15700 Drummet.

McALLEN - Wed., March 27: 9-12 noon & 2-5 p.m. - Embassy Suites, 1800 South Second.

ARLINGTON - Wed., April 3: 9-12 noon - Sheraton Centre Park, 1500 Stadium Drive East.

LUBBOCK - Tues., April 9: 2-5 p.m. - Lubbock Plaza Hotel, 3201 Loop 289 East.

EL PASO - Wed., April 10: 2-5 p.m. - Rodeway Inn, 6201 Gateway West.

LONGVIEW - Wed., April 17: 2-5 p.m. - Medical Plaza, 701 East Marshall (across from Good Shepherd Hospital).

SAN ANTONIO - Mon., April 22: 9-12 noon & 2-5 p.m. - Holiday Inn-Airport, 77 NE Loop 410.

AUSTIN - Mon., April 29: 9-12 noon - Embassy Suites, 5901 North IH-35.

\*\*\*To reserve a place at the workshop of your choice, please contact:

Provider Relations - CIDC Workshop Registration, NHIC, 11044 Research Blvd., Bldg.C  
Austin, Texas 78759-5239.\*\*\*\*\*

Texas Department of Health  
Bureau of Chronically Ill and  
Disabled Children's Services  
1100 West 49th Street  
Austin, Texas 78756-3179

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