Changes to Mental Health Preadmission Screening and Resident Review (PASRR) Reimbursement Process

TOPIC
Preadmission Screening and Resident Review Reimbursement Process Changes

PURPOSE
Instructions for counties to receive reimbursement for Mental Health Level II evaluation

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SIGNED

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ACTION REQUESTED

Effective May 1, 2013 counties are required to use the process outlined in this bulletin to receive reimbursement for the Level II Assessment. All entities involved in the process for preadmission screening policies and procedures are required to become familiar with this information and changes, and to implement the preadmission guidelines consistent with the content in this bulletin. This bulletin instructs counties how to receive reimbursement for the Level II evaluation which identifies serious mental illness in persons entering nursing facilities.

BACKGROUND

Congress developed the Preadmission Screening and Resident Review (PASRR) program to ensure that admission and retention of people with serious mental illness in nursing and boarding care facilities is appropriate, as part of the Omnibus Budget Reconciliation Act (OBRA) 1987 commonly referred to as OBRA regulations. Federal Medicaid law and regulations require states to have a PASRR program to determine whether nursing facility applicants and residents meet nursing facility level of care and/or require specialized services for mental health care.

Under the PASRR program, the Medicaid regulation prohibits Medicaid certified nursing facilities (NFs) from admitting any person with a serious mental illness (SMI) unless the state mental health authority (SMHA) or state Medicaid agency has determined that the person requires the level of services the facility provides. Further, the SMHA must determine whether the person requires specialized services to treat mental illness. If placing the person in a NF is deemed appropriate and the person requires specialized mental health services, the SMHA must provide or arrange the provision of such services. The SMHA also must review the needs of NF residents with SMI for NF services and specialized care. The SMHA delegates’ admission and determination decisions to an entity without direct or indirect ties to a nursing facility. In Minnesota, the SMHA has delegated responsibilities for PASRR to the county human service agency as the local mental health authority (LMHA) in the county where the person is physically located. This may not be the county of financial responsibility. Regulations require that states complete specific procedures for preadmission screening to identify people who have or are suspected of having a mental illness. All applicants to either a Medicaid certified NF or boarding care facility, regardless of income, assets, or funding sources, must receive a Preadmission Screen (PAS) and Level I screening prior to admission.

Nursing facilities must not admit any new resident with a serious mental illness before a PASRR determination is made, which indicates the person requires NF services and which determines whether the person needs specialized services. No federal payment may be made for NF services provided to a person with a serious mental illness who has not been screened and approved for admission.
LEVEL I PRELIMINARY SCREEN

The Level I screening identifies whether the applicant may have a serious mental illness and is conducted by the Long Term Care Consultation intake team, county worker, or public health nurse. A Level I screening must be completed for all referrals independent of and prior to a NF admission.

If Level I screening indicates the person may have a serious mental illness, a Level II evaluation and determination must be conducted. The Level II evaluation and determination requires a two-phased process: (1) determine whether the person requires NF services and (2) determine whether the person has a serious mental illness and, if so, requires specialized mental health services. Determinations must be made based on an evaluation conducted by an independent mental health professional. People with SMI who do not require NF services may not be admitted to the NF. If a person with SMI needs NF services and specialized services, the local mental health authority (LMHA) with financial responsibility for the person’s services must provide or arrange for such specialized services.

LEVEL II EVALUATION AND DETERMINATION

The Level II is implemented to determine whether the person has a mental illness and must be conducted by the LMHA in the county where the person physically resides. If a primary or secondary diagnosis of mental illness exists, the screening also determines if the person is covered by regulations under the Omnibus Budget Reconciliation Act (OBRA). An evaluation and determination of mental illness must be based upon current diagnostic and functional assessments and, in part, on the severity of the condition. The Level II is not the equivalent of a Diagnostic Assessment as defined in Minnesota Rules, parts 9505.0370, 9505.0371 and 9505.0372.

Determinations should be based not only on known diagnoses but also on behaviors or other presenting evidence that might be indicative of a serious mental illness. Additional supporting information may be obtained from all relevant resources (e.g. hospital records, case notes) to confirm the presence of a serious mental illness.

The Level II process includes the determination of need for further evaluation. If a serious mental illness is suspected and there is insufficient current diagnostic information or the information is older than 90 days, an independent mental health professional must complete a diagnostic assessment. The purpose of the diagnostic assessment is to confirm the diagnosis and determine if specialized services are needed or, if not, which routine mental health services would be beneficial. The independent mental health professional cannot be staff of the LMHA, NF or hospital. In addition, the Level II evaluation and a diagnostic assessment cannot be completed and billed on the same day as the cost and time of conducting a diagnostic assessment are included in the overall cost of the Level II.
Level II evaluations and determinations must be made within an average of 7 to 9 working days after persons are identified as possibly having a mental illness (MI) and referred to the LMHA, and prior to admission to a NF. The results of the diagnostic assessment must be completed before the Level II determination form can be completed.

If sufficient and current information is documented and available to determine whether a diagnosis of mental illness exists (within 90 days prior to a referral) further evaluation may not be indicated. The LMHA may use current information from all known relevant and independent sources, but not limited to case management records, to the extent that it provides diagnostic and functional assessment information. Diagnostic and functional assessments older than 90 days may be used if updated by the mental health professional. For more information on Diagnostic and functional assessment requirements refer to the Minnesota Health Care Programs (MHCP) manual.

If the Level II evaluation determines that the person 1) has a serious mental illness, 2) requires specialized services, and 3) meets the criteria to be admitted to an NF, a plan must be developed by the LMHA to provide for any identified or prescribed specialized services.

When a person is already residing in an NF and a significant change of condition is identified in the person’s mental condition, a Level II, or Resident Review, must be completed. This requirement applies whether the person residing in a NF already has a diagnosis of a mental illness or is now presenting symptoms that indicate a possible diagnosis. NFs must promptly report changes in a resident’s mental health condition to the LMHA, which must then promptly conduct a review and determination.

The federal process known as Annual Resident Reviews is no longer required for NF residents who meet the definition of serious mental illness.

REQUESTED ACTION

Changes to Reimbursement Process

Minnesota has established the reimbursement process for the Level II Assessment. Effective September 1, 2012 counties are required to use the following process to receive reimbursement for the Level II Assessment:

- Bill using the 837P transaction requirements
- Use the county’s National Provider Identifier (NPI) as the pay to provider
- Enter the NPI of the treating provider as the provider rendering the service
- Use the recipient’s PMI (Personal Master Index) number
- Enter the appropriate diagnosis code
- Submit the cost of the Level II Assessment
- Use procedure code T2011
- Enter 1 for the unit of service

A recipient is not required to be on MHCP program to be eligible for the Level II Assessment. If
the recipient is not on a major program, the county must generate a PMI and bill the state for the Level II assessment.

LEGAL REFERENCES

Legal Authority for PASRR include:

Omnibus Budget Reconciliation Act (OBRA) 1987

Public Law 100-203, Title IV, Subtitle C, Part 2, Section 4211 (a)(3).

Minnesota Statutes, sections 256B.04, 256B.0911 and 256B.092.

Minnesota Rules, parts 9505.0175 to 9505.0475; 9505.2215; 9525.0004 to 9525.0036.

Code of Federal Regulations, title 42, chapter IV, parts 447.31; 483.1 - 483.75; and, 483.100-138.

ADDITIONAL REFERENCES

PREADMISSION SCREENING PROCESS (PAS)
LEVEL I SCREENING FORM (DHS-3426-ENG, 1-08)
LEVEL II FORM (DHS-3457-ENG, 8-11)

DEFINITIONS

BOARDING CARE
There are two types of boarding care facilities: Medical Assistance (MA) certified and non-MA certified. MA certified boarding care homes are settings licensed by the state that provide personal and custodial care, as well as a range from minimal to skilled nursing services, and are subject to PASRR policies and procedures. Non-MA certified homes are settings which can be licensed by or registered with the state to provide assistance with personal care and health supervision activities.

CASE MANAGEMENT
Case management services, as defined in the Comprehensive Adult Mental Health Act (Minnesota Statutes, section 245.467), means activities that are coordinated with the community support services program and are designed to help adults with serious and persistent mental illness gain access to needed medical, social, education, vocational, and other necessary services as they relate to the client’s mental health needs. Case management services include developing a functional assessment, an individualized community support plan, referring and assisting the person to obtain needed mental health and other services, ensuring coordination of services, and monitoring the delivery of services.
DIAGNOSIS
Diagnosis is a term denoting the name of the disease(s) or syndrome(s) a person has or is believed to have. The primary diagnosis is the principal disease or syndrome and the secondary diagnosis is any diagnosis that follows the primary diagnosis. It may occur that a physical diagnosis, such as a hip fracture, is seen as primary along with a primary mental illness, in which case both may be recorded as primary.

DIAGNOSTIC ASSESSMENT
Diagnostic assessment means a written summary of the history, diagnosis, strengths, vulnerabilities, and general service needs of an adult with a mental illness using diagnostic, interview, and other relevant mental health techniques provided by a mental health professional that is used in developing an individualized treatment plan or individual community support plan.

FUNCTIONAL ASSESSMENT
For purposes of this bulletin, functional assessment means an assessment by an authorized mental health professional that includes:
• An assessment of the person’s ability to engage in activities of daily living and the level of support that would be needed to assist the person to perform these activities while living in the community. The assessment must determine whether this level of support can be provided to the person in an alternative community setting or whether the level of support needed is such that a NF placement is required and;
• An assessment of these additional areas: self-monitoring of health status; self-administering and scheduling of medical treatment, including medication compliance; self-monitoring of nutritional status; handing of money; dressing appropriately; and grooming.

INDEPENDENT MENTAL HEALTH PROFESSIONAL
An independent mental health professional may not be affiliated in any way with the individual’s current placement (e.g. if in a hospital, the evaluator may not be an employee of the hospital), the county, the nursing facility, or have any discernible personal or financial interest in the outcome of the Level II evaluation.

LEVEL I SCREENING
The Level I screening identifies whether the applicant has, or might have, a serious mental illness and is conducted by the LTCC intake team, county worker, or public health nurse. A Level I screening must be completed for all referrals irrespective of payment source prior to a NF admission.

LEVEL II EVALUATION AND DETERMINATION
The Level II determination is implemented by the local mental health authority (LMHA) to determine whether the potential NF resident or resident of a NF has a serious mental illness. The Level II process includes determination of the need for further evaluation through a diagnostic assessment and/or review of current, within the past 90 days, information.
LOCAL MENTAL HEALTH AUTHORITY (LMHA)
The local mental health authority is most often the county social service/welfare department. In reference to OBRA, the LMHA has been delegated the authority to make final determinations regarding NF admissions. To expedite the PASRR process, responsibility for these duties rests with the county of location, not financial responsibility. If specialized services are required, providing and/or arranging for these services rests with the county of financial responsibility. At the same time, the state retains oversight and final authority regarding compliance with OBRA.

MENTAL HEALTH PROFESSIONAL
"Mental health professional" means a person providing clinical services in the treatment of mental illness who is qualified in at least one of the following ways:
(1) in psychiatric nursing: a registered nurse who is licensed under sections 148.171 to 148.285; and:
   (i) who is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization; or
   (ii) who has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness;
(2) in clinical social work: a person licensed as an independent clinical social worker under chapter 148D, or a person with a master's degree in social work from an accredited college or university, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness;
(3) in psychology: an individual licensed by the Board of Psychology under sections 148.88 to 148.98 who has stated to the Board of Psychology competencies in the diagnosis and treatment of mental illness;
(4) in psychiatry: a physician licensed under chapter 147 and certified by the American Board of Psychiatry and Neurology or eligible for board certification in psychiatry;
(5) in marriage and family therapy: the mental health professional must be a marriage and family therapist licensed under sections 148B.29 to 148B.39 with at least two years of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness;
(6) in licensed professional clinical counseling, the mental health professional shall be a licensed professional clinical counselor under section 148B.5301 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness; or
(7) in allied fields: a person with a master's degree from an accredited college or university in one of the behavioral sciences or related fields, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness.
NURSING FACILITY (NF)
In reference to PASRR, the term nursing facility refers to any Medicaid certified nursing facility or boarding care facility licensed by the state.

OBRA
The Omnibus Budget Reconciliation Act of 1987 (OBRA) specifically includes language that describes responsibilities of the state’s mental health authorities to protect the rights of people with mental illness seeking admission, admitted to, or residing in a Medicaid certified NF. The language was codified under CFR Title 42-Public Health, Chapter IV, Part 483, “Requirements for States and Long Term Care Facilities”. The OBRA acronym is used informally to designate the Preadmission Screening process.

PREADMISSION SCREENING (PAS)
This process determines the person’s need for the level of care provided in a NF. The process includes an assessment of the person’s health status, independence in activities of daily and/or instrumental living, and the types of services required to meet the person’s needs. The authority for and requirements of this process are contained in Minnesota Statutes, section 256B.0911. The process outlined in this statute includes the components and related parts of the Preadmission Screening, the Level I Screening, and referral for completion of the Level II evaluation and determination. Completion of required level of care determination and Level I screening is required for all admissions to all certified Minnesota nursing facilities, certified boarding care facilities, and admission to “swing” beds. Medicaid payment for these facility-based services will be made only when required PAS activity is completed and documented in the Medicaid Management Information System (MMIS).

ROUTINE MENTAL HEALTH SERVICES
Routine mental health services as provided or arranged by a nursing facility include facilitating access to routine mental health appointments, such as outpatient treatment, and providing medication management.

SERIOUS MENTAL ILLNESS
To be classified as a serious mental illness, all three of the following criteria must be met:
- The illness is a major mental disorder listed in the American Psychiatric Association’s Diagnostic and Statistical Manual of Mental Disorders, current edition, excluding a primary diagnosis of dementia, Alzheimer’s disease, or other related cognitive conditions; and
- The disorder has resulted in functional limitations in major life activities within the past three to six months that would be appropriate for the person’s developmental stage; and
- The treatment history indicates that the person has experienced at least one of the following:
  - Psychiatric treatment more intensive than outpatient care (e.g. inpatient or Partial hospitalization) more than once in the past two years, or
  - Within the past two years and due to the mental disorder, has experienced
An episode of significant disruption to the normal living situation for which supportive services were required to maintain functioning in the home or in a residential treatment center, or which resulted in intervention by housing or law enforcement officials.

SPECIALIZED SERVICES
The federal definition includes services specified by the state which, combined with services provided by a NF, result in the continuous and aggressive implementation of an individualized plan of care for a person with a serious mental illness that:
• is developed and supervised by an interdisciplinary team which includes a physician, qualified mental health professional and, as appropriate, other professionals;
• prescribes specific therapies and activities for the treatment of a person experiencing an acute episode of serious mental illness, which necessitates supervision by trained mental health personnel; and
• is directed toward diagnosing and reducing the resident’s behavioral symptoms that necessitated institutionalization, improving the person’s level of independent functioning and achieving a functioning level that permits reduction in the intensity of mental health services to below the level of specialized services at the earliest possible time.

The State of Minnesota maintains that these services can be provided across the continuum of mental health community-based and institutional settings. Because specialized services are by definition individualized, the state has chosen not to develop a specific list of services. Examples of specialized services include but are not limited to: partial hospitalization, vocational rehabilitation, community support, independent living skills programming, assertive community treatment (ACT), intensive case management, enhanced housing support, crisis/emergency services, enhanced individualized programming in residential mental health treatment settings, and inpatient psychiatric treatment.

STATE MENTAL HEALTH AUTHORITY (SMHA)
The state mental health authority is the designated state agency that is responsible for the development, implementation, and oversight of mental health programs. In Minnesota, the SMHA is the Department of Human Services.

Americans with Disabilities Act (ADA) Advisory
This information is available in alternative formats to individuals with disabilities by calling (651) 431-2225 (voice) or toll free at (800) 627-3529. TTY users can call through Minnesota Relay at (800) 627-3529. For Speech-to-Speech, call (877) 627-3848. For additional assistance with legal rights and protections for equal access to human services programs, contact your agency’s ADA coordinator.