

Date: September 2, 2015

To: Managed Care Organizations, Nursing Facilities, Area Agencies on Aging,  
League of Human Dignity

From: Patty Pierson, Program Coordinator, Managed Care Unit

RE: Level of Care Evaluation Prior to Disenrollment from Physical Health Managed Care

This memo is intended to provide direction on Level of Care Evaluation requirements for Medicaid clients who are enrolled in physical health managed care and are seeking a Waiver of Enrollment when the client no longer meets Medicare defined rehabilitative/skilled criteria.

Currently, the physical health Managed Care Organizations (MCOs) initiate a Waiver of Enrollment for clients who are admitted to a Nursing Facility or remain at a Nursing Facility when the client no longer meets Medicare defined rehabilitative/skilled criteria. The Waiver of Enrollment is submitted by the MCO to the Medicaid and Long-Term Care (MLTC) Contract Manager on a Notification of Services form (MS-23). Under this process a Nursing Facility Level of Care determination does not occur. Going forward, it is MLTC's expectation that Managed Care clients be evaluated for Level of Care prior to disenrollment from Managed Care.

The following process has been developed to operationalize the Level of Care Evaluation as a step in the Waiver of Enrollment process for managed care clients, 18 years and older, who choose Nursing Facility admission. This referral will be needed either when managed care-funded short-term skilled care is to end or when an MCO member requests Nursing Facility admission without a skilled stay.

Step 1: MCO, Nursing Facility, and client or authorized representative discuss and agree that skilled care is not an appropriate level of care, but the client chooses to remain in or enter the Nursing Facility. A recommended date of change is determined.

Step 2: On or before the recommended date of change, the Nursing Facility makes a referral to the Area Agency on Aging (AAA) or the League of Human Dignity (LHD) for a Level of Care Evaluation. LHD performs Level of Care Evaluations for clients who are 18 – 64 years of age. AAA performs Level of Care Evaluations for clients 65 years and older.

Step 3: AAA or LHD performs a Level of Care Evaluation and informs the client or representative, MCO, and Nursing Facility whether or not Nursing Facility Level of Care criteria is met.

Step 4: When Nursing Facility Level of Care is met, the AAA or LHD provides a Nursing Facility Level of Care Determination form (MILTC-47) to the Nursing Facility and MCO. The MCO sends the Level of Care Determination form (MILTC-47) and the Notification of Services form (MS-23) to the MLTC Contract Manager. MLTC Contract Manager waives the client from managed care and sends confirmation of the waiver to the MCO. MCO notifies client or representative and Nursing Facility of the last managed care covered date. Fee-for-service Nursing Facility payment will become effective on the latest of the following dates: date of NF admission; recommended date of change; or date of referral to AAA and LHD. If Nursing Facility Level of Care is approved short-term, notice is given to client or representative and the Nursing Facility and MCO are informed. The MCO will not initiate a Waiver of Enrollment. The Nursing Facility must re-refer the client to the AAA or LHD after the specified short-term timeframe, if the plan is for the client to remain in the Nursing Facility.

Step 5: If Nursing Facility Level of Care is not met, the AAA or LHD provides Notice (Form HHS-6) to the client or representative and informs the Nursing Facility and MCO. The MCO will not initiate a Waiver of Enrollment.

The Nursing Facility must assure that a referral is made for a level of care determination for any person admitted while on managed care who is subsequently disenrolled from managed care. This is true whether the disenrollment was initiated by the MCO as described in this process or through other system changes.

If you have questions concerning this memo, please email Medicaid Managed Care at [dhhs.medicaid.managed.care@nebraska.gov](mailto:dhhs.medicaid.managed.care@nebraska.gov) or contact Patty Pierson, Program Coordinator, Managed Care at 402-471-4547.