



**MEDICAL CARE POLICY ADMINISTRATION
DEPARTMENT OF HEALTH AND MENTAL HYGIENE**

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**MARYLAND MEDICAL ASSISTANCE PROGRAM
Nursing Home Transmittal No. 159**

September 18, 1997

TO: Nursing Home Administrators
Hospital Administrators

FROM:  Joseph M. Millstone, Director
Medical Care Policy Administration

NOTE: Please ensure that appropriate staff members in your organization are informed of the contents of this transmittal.

RE: Preadmission Screening and Resident Review (PASRR)

THIS TRANSMITTAL SUPERSEDES NURSING HOME TRANSMITTAL NO. 127 TO REFLECT NEW FEDERAL REQUIREMENTS FOR RESIDENT REVIEW.

On October 19, 1996, Federal legislation was signed which modified existing requirements for preadmission screening and annual resident review (PASARR) by eliminating the requirement that nursing facilities (NFs) conduct routine Level II annual resident reviews. In its place, nursing facilities are required to obtain Level II evaluations and determinations for residents only when a significant change occurs in the resident's physical or mental condition. The purpose of this transmittal is to present PASRR requirements in full, including new resident review requirements. The requirements presented are in accordance with 42 CFR Part 483 Subpart C (except §483.106(a)(3) and §483.114). The requirements presented herein are effective the date of this transmittal.

The following PASRR requirements apply to all applicants and residents, regardless of payment source. Medicaid reimbursement may not be made to NFs which admit or retain individuals for whom PASRR requirements have not been completed.

(Continued on reverse side)

PART I. BASIC REQUIREMENTS

PREADMISSION SCREENING

Nursing facilities that participate in the Medicaid Program may neither admit nor retain any individual who has a serious mental illness (MI), mental retardation (MR) or a Related Condition, unless the State has determined that the individual is appropriate for NF placement. All new admissions are subject to preadmission screening (PAS). Each new admission to a NF must receive a Level I identification screening before admission, using the Level I ID screen for MI and MR/Related Condition, DHMH 4345 Rev. 5/97 (attached). If the Level I ID screen indicates that the individual has MI or MR/Related Condition (positive screen), and the individual is not covered under categorical advance group determinations for provisional admission or respite, a Level II evaluation by the State designated Geriatric Evaluation Services (GES) must be requested. Following the GES evaluation, two determinations must be made by the Developmental Disabilities Administration (DDA) and/or Mental Hygiene Administration (MHA). DDA/MHA must determine, based on the applicant's or resident's physical and mental condition:

Whether the individual requires the level of services provided by a NF; and

2. Whether the individual requires Specialized Services for MI or MR/Related Condition.

For NF applicants, these determinations must be made before admission. Any applicant for admission to a NF who has MI, MR/Related Condition, or both, and for whom DDA/MHA determines that the level of services provided by a NF is not required, shall not be admitted to a NF.

PAS may be initiated by the referring agent (e.g., physician, hospital). The Level I screening and Level II referral process must be accomplished in a timely manner to ensure that individuals in need of Level II evaluations obtain determinations before admission. NFs must ensure that Level I ID screens are completed accurately and DDA/MHA determinations permitting NF placement are obtained when necessary.

EXEMPTED HOSPITAL DISCHARGE

PASRR Level II requirements may be waived under "exempted hospital discharge" for new admissions who meet all of the following criteria:

- 1 Individual was admitted to NF directly from a hospital after receiving acute inpatient care;
2. Individual requires NF services for the condition for which care was received in the hospital; and
3. Attending physician has certified before admission to the NF that the individual is likely to require less than 30 days of NF services.

Section A of the Level I ID screen must be completed reflecting exempt status. If the stay extends for 30 days or more, the individual must be immediately rescreened. If the screen is positive, a Level II evaluation must be conducted within 40 calendar days of admission.

CATEGORICAL ADVANCE GROUP DETERMINATIONS

Federal regulations permit the State DDA or MHA to make categorical advance group determinations that take into account that certain diagnoses, levels of severity of illness, or need for a particular service clearly indicate that admission to or residence in a NF is normally needed or that the provision of Specialized Services is not normally needed. These determinations may be made applicable to individuals at the Level I screening by the NF or other evaluator (e.g., physician, hospital) when an individual screens positive for MI, MR/Related Condition, or both. These categorical advance group determinations may be applied only if existing data on the individual are current, accurate and sufficient to allow the evaluator (person completing the ID screen) to determine that the individual fits into one of the categories below. In these cases, admission to the NF may take place without a Level II evaluation for appropriateness of NF services. Level II evaluation of the need for Specialized Services, however, is still required for categories 1 through 3 below.

Individuals in the following categories are appropriate for the advance group determination that NF services are required:

- 1 Convalescent care not to exceed 120 days from an acute physical illness which required hospitalization and does not meet all the criteria for an exempted hospital discharge as described above;
2. Terminal illness (life expectancy of less than 6 months) certified by a physician;
- 3 Severe physical illness such as coma, ventilator dependence, functioning at a brain stem level, or other diagnoses which result in a level of impairment so severe that the individual could not be expected to benefit from Specialized Services;
- 4 Provisional admissions pending further assessment in emergency situations requiring protective services, with placement in a NF not to exceed 7 days (the individual must be placed in cooperation with Adult Protective Services); and
5. Very brief and finite stays, not to exceed 14 days, to provide respite to in-home caregivers to whom the individual is expected to return following the NF stay.

The Department has determined that individuals falling under the categories of provisional admission or respite care (#4 & #5) do not need Specialized Services and, therefore, do not need to be referred to GES. Both determinations may be applied after the Level I screening process. Those in the convalescent care, terminal illness or severe physical illness categories (#1 , #2 & #3) may require Specialized Services. Therefore, such individuals must be referred to GES for a Level II evaluation and determination of whether Specialized Services are required.

Medicaid will reimburse under categorical advance group determinations only when the individual is certified as needing NF level of care. If the individual is later determined to need a longer stay than the above time limits allow, a Level II evaluation must be performed before continuation of the stay is permitted and Medicaid reimbursement authorized.

HOSPITAL'S ROLE IN PASRR

Both hospital and NF staff must endeavor to effectively and accurately communicate an individual's care needs as the NFs are at financial risk for inappropriate admission (i.e., admission in violation of PASRR requirements). In order to minimize any adverse impact, the NF must review residents' PASRR status at the earliest possible opportunity after admission, correct any error in the Level I screen, and refer for Level II evaluation if necessary. NFs are also instructed to report to the Licensing and Certification Administration or the Medical Care Finance and Compliance Administration all instances in which, subsequent to acceptance of an individual from a hospital, it is ascertained that the Level I ID screen does not accurately reflect the individual's condition (e.g., Level I ID screen should have been positive or an inappropriate categorical advance group determination was applied). All such instances will be investigated by either the Licensing and Certification Administration or the Medical Care Finance and Compliance Administration as a possible inappropriate hospital discharge to a NF.

RESIDENT REVIEW

The NF must initiate a referral for an evaluation of those residents who have MI, MR/Related Condition, or both, if there is a significant change in their physical and/or mental condition. Residents who were previously considered not to have a serious mental illness under PASRR, but who experience a significant change such that they are now considered to have a serious mental illness must also be referred. This referral must be made to GES not later than 14 days after the significant change occurs. As with the Level II evaluation process for new admissions, GES will perform an evaluation, and DDA/MHA will render determinations as to the appropriateness of NF placement and the need for Specialized Services.

PART II. DEFINITIONS

1 Serious Mental Illness (MI)

A serious mental illness is a condition which includes all of the following criteria:

A. Diagnosis - A major mental disorder per DSM-IV. The mental disorder is:

- (1) A schizophrenic, mood, paranoid, panic or severe anxiety disorder; somatoform disorder; personality disorder; other psychotic disorder; or another mental disorder that may lead to a chronic disability; but

- (2) Not a primary diagnosis of dementia (including Alzheimer's disease or a related disorder) or a non-primary diagnosis of dementia unless the primary diagnosis is a major mental disorder as defined in 1.A.(1) of this section.

B. Level of Impairment - the disorder results in functional limitations in major life activities during the past 3 to 6 months and may include serious difficulties in:

- (1) Interpersonal functioning. The individual has serious difficulty interacting appropriately and communicating effectively with other persons, has a possible history of altercations, evictions, firing, fear of strangers, avoidance of interpersonal relationships and social isolation.
- (2) Concentration, persistence and pace. The individual has serious difficulty in sustaining focused attention for a long enough period to permit the completion of tasks commonly found in work settings or in work-like structured activities occurring in school or home settings, manifests difficulties in concentration, inability to complete simple tasks within an established time period, makes frequent errors, or requires assistance in the completion of these tasks.
- (3) Adaptation to change. The individual has serious difficulty in adapting to typical changes in circumstances associated with work, school, family, or social interaction, manifests agitation, exacerbated signs and symptoms associated with the illness, or withdrawal from the situation, or requires intervention by the mental health or judicial system.

C. Recent Treatment. The treatment history indicates that the individual has experienced at least one of the following:

- (1) Psychiatric treatment more intensive than outpatient care more than once in the past 2 years (e.g., partial hospitalization, such as a day treatment program), or inpatient hospitalization; or
- (2) Within the last 2 years, due to the mental disorder, experienced an episode of significant disruption to the normal living situation, for which supportive services were required to maintain functioning at home, or in a residential treatment environment, or which resulted in intervention by housing or law enforcement officials. These services include changes in medication category, addition of new medications, or new therapeutic interventions. This does not include maintenance medications, changes in medication doses, change of therapists or change of therapies in a stable individual.

Only those individuals who have MI, meeting all three of the criteria described above, must be referred to GES for a Level II evaluation. Use of a psychotropic medication in itself does not trigger a positive screen. An MI diagnosis must be considered (and either confirmed or ruled out) for anyone who meets the criteria for level of impairment and recent treatment but does not currently have a diagnosis of MI, dementia, or other diagnoses that have psychiatric manifestations. In such cases, the

person completing the Level I ID screen should refer the individual to the physician for further assessment.

2. Mental Retardation (MR)

Mental Retardation is a significantly sub-average intellectual functioning existing concurrently with deficiencies in adaptive behavior and manifested during the developmental period.

3. A Related Condition

A Related Condition is a severe, chronic disability that meets all of the following conditions:

A. It is attributable to: cerebral palsy or epilepsy, or any other condition, other than MI, found to be closely related to mental retardation because this condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with mental retardation, and requires treatment or services similar to those required for those persons (e.g., autism);

B. It is manifested before the person reaches age 22;

C. It is likely to continue indefinitely; and

D. It results in substantial functional limitations in 3 or more of the following areas of major life activity: self-care; understanding and use of language; learning; mobility; self-direction; and capacity for independent living.

4. Significant Change

A significant change, requiring a Level II Resident Review evaluation, means:

A. Any change in the physical or mental condition of a resident, previously determined not to have a serious mental illness under PAS, such that he may now be considered to have a serious mental illness; or

B. Any change in the physical or mental condition of a resident who has MI, MR/Related Condition, or both, which is not self-limiting, and which may reasonably be expected to have one or more of the following outcomes:

- Nursing facility services are no longer required or appropriate.
- A resident previously determined not to require Specialized Services now requires them.
- A resident previously determined to require NF service on a time limited basis requires a longer stay.

5. New Admissions

A new admission occurs when an individual is admitted to any NF for the first time, or does not qualify as a readmission or interfacility transfer.

A readmission occurs when an individual is readmitted to a NF from a hospital.

An interfacility transfer occurs when an individual is transferred from one NF to another, with or without an intervening hospital stay.

6. Specialized Services

A. For individuals with MI, Specialized Services means services rendered to individuals with unstable emotional/behavioral problems and are generally provided in a hospital setting (e.g., partial hospitalization, inpatient hospitalization).

B. For individuals with MR/Related Condition, Specialized Services means the services specified by the State which, combined with services provided by the NF or other service providers, result in treatment which meets the requirements for a continuous active treatment program, which includes aggressive, consistent implementation of a program of specialized and generic training, treatment, health services and related services that is directed toward:

- (1) The acquisition of the behaviors necessary for the individual to function with as much self-determination and independence as possible; and
- (2) The prevention or deceleration of regression or loss of current optimal functional status.

Specialized Services do not include services to maintain generally independent individuals who are able to function with little supervision or in the absence of a continuous active treatment program.

PART III. REPORTING REQUIREMENTS

A. Federal regulations require, at least for first-time positive PASRR Level I identifications, that the applicant or resident and legal representative be given written notice that the individual is suspected of having MI or MR/Related Condition and is being referred to GES for a Level II evaluation. This written notice may consist of the Level I evaluator providing the individual and legal representative with a copy of the Level I ID screen and documenting such issuance.

B. For individuals who meet the criteria for categorical advance group determinations, the Level I evaluator must complete the evaluation report, and share and explain the findings to the individual and legal representative, if applicable.

At a minimum, the report must contain the following information:

- (1) Name and professional title of the person applying the categorical determination and the date on which the application was made;
- (2) Explanation of the categorical determination made;

- (3) Identification of NF services, including any mental health or specialized psychiatric rehabilitative services, that may be needed;
- (4) The basis for the report's conclusions; and
- (5) Rights of the individual to appeal the determination.

An evaluation report format is attached. An alternative format may be used, provided the basic information described above is included.

In cases of categorical advance group determinations, the Level I evaluator must provide copies of the completed report and ID screen to the:

- (1) Individual and legal representative;
- (2) Local GES;
- (3) Admitting or retaining NF;
- (4) Attending physician; and
- (5) Discharging hospital, if applicable.

C. Copies of Level I ID screens and Level II evaluations and determinations must be kept in the resident's current record. Copies of Level I ID screens and Level II determinations, if applicable, must also accompany all Medical Eligibility Review Forms (DHMH 3871) submitted to the Department's Utilization Control Agent.

D. When accepting a resident in transfer from another NF, a copy of the resident's latest Level I screen, and Level II evaluation and determination (if applicable), must be sent to the receiving NF.

* * *

PLEASE NOTE: Referral to GES for a STEPS evaluation continues to be required for any individual seeking admission to a NF who screens negative for PASRR but is a Medicaid recipient or is potentially eligible for Medicaid within 6 months of admission to a NF.

* * *

Any questions regarding this transmittal may be directed to the Nursing Home Staff Specialist, Medical Care Finance and Compliance Administration, at (410) 767-1712.

Attachments (2)

cc: Nursing Home Liaison Committee
Geriatric Evaluation Services

DEPARTMENT OF HEALTH AND MENTAL HYGIENE
PREAMMISSION SCREENING AND RESIDENT REVIEW (PASRR)
LEVEL I ID SCREEN FOR
MENTAL ILLNESS AND MENTAL RETARDATION OR RELATED CONDITIONS

NOTE: This form must be completed for all applicants to nursing facilities (NF) which participate in the Maryland Medical Assistance Program regardless of applicant's payment source.

Last Name: _____ First Name: _____ MI: _____ Date of Birth
SSN: _____ Sex: M ___ F ___ Actual/Requested Nursing Facility Adm. Date
Current Location of Individual _____
Address: _____
City/State _____
Contact Person _____ Title/Relationship _____ Tel.# _____

A EXEMPTED HOSPITAL DISCHARGE

Is the individual admitted to a NF directly from a hospital after receiving acute inpatient care? Yes No
Does the individual require NF services for the condition for which he received care in the hospital? Yes No []
Has the attending physician certified before admission to the NF that the resident is likely to require less than 30 days NF services? Yes] No

IF ALL THREE QUESTIONS ARE ANSWERED YES, FURTHER SCREENING IS NOT REQUIRED (PLEASE SIGN AND DATE BELOW). IF ANY QUESTION IS ANSWERED NO, THE REMAINDER OF THE FORM MUST BE COMPLETED AS DIRECTED.

IF THE STAY EXTENDS FOR 30 DAYS OR MORE, A NEW SCREEN AND RESIDENT REVIEW MUST BE PERFORMED WITHIN 40 DAYS OF ADMISSION.

Signature _____ Title _____ Date _____

B MENTAL RETARDATION (MR) AND RELATED CONDITIONS (see definitions)

Does the individual have a diagnosis of MR or related condition? Yes No []
If yes, specify diagnosis _____
2 Is there any history of MR or related condition in the individual's past, prior to age 22? Yes No]
Is there any presenting evidence (cognitive or behavior functions) that may indicate that the individual has MR or related conditions? Yes No
4. Is the individual being referred by, and deemed eligible for services by an agency which serves persons with MR or related conditions? Yes [] No []

Is the individual considered to have MR or a Related Condition? If the answer is Yes to one or more of the above, check "Yes." If the answers are No to all of the above check "No." Yes [] No []

C SERIOUS MENTAL ILLNESS (MI) (see definitions)

1. Diagnosis. Does the individual have a major mental disorder?
If yes, list diagnosis and DSM IV Code _____ Yes No

Level of Impairment. Has the disorder resulted in serious functional limitations in major life activities within the past 3-6 months (e.g., interpersonal functioning; concentration, persistence and pace; or adaptation to change)? Yes [] No []

3. Recent treatment. In the past 2 years, has the individual had psychiatric treatment more intensive than outpatient care more than once (e.g., partial hospitalization) or inpatient hospitalization; or experienced an episode of significant disruption to the normal living situation for which supportive services were required to maintain functioning at home or in a residential treatment environment or which resulted in intervention by housing or law enforcement officials? Yes [] No []

Is the individual considered to have a SERIOUS MENTAL ILLNESS? If the answer is Yes to all 3 of the above, check "Yes." If the response is No to one or more of the above, check "No." Yes [] No []

If the individual is considered to have MI or MR or a related condition, complete Part D of this form. Otherwise, skip Part D and sign below.

D. CATEGORICAL ADVANCE GROUP DETERMINATIONS

1. Is the individual being admitted for convalescent care not to exceed 120 days due to an acute physical illness which required hospitalization and does not meet all criteria for an exempt hospital discharge (Described in Part A)? Yes No

Does the individual have a terminal illness (life expectancy of less than six months) as certified by a physician? Yes No

3. Does the individual have a severe physical illness, such as coma, ventilator dependence, functioning at a brain stem level or other diagnoses which results in a level of impairment so severe that the individual could not be expected to benefit from Specialized Services? Yes [] No []

4. Is this individual being provisionally admitted pending further assessment due to an emergency situation requiring protective services? The stay will not exceed 7 days. Yes [] No

Is the individual being admitted for a stay not to exceed 14 days to provide respite? Yes [] No []

If any answer to Part D is Yes, complete the Categorical Advance Group Determination Evaluation Report and attach. Additionally, if questions 1, 2 or 3 are checked "Yes," or if all answers in Part D are No, the individual must be referred to GES for a Level II evaluation.

I certify that the above information is correct to the best of my knowledge. If the initial ID screen is positive and a GES level II evaluation is required, a copy of the ID screen has been provided to the applicant/resident and legal representative.

Name & Title _____ Date _____

FOR POSITIVE ID SCREENS, NOT COVERED UNDER CATEGORICAL DETERMINATIONS, Check below.

_____ This applicant has been cleared by the Department for nursing facility admission
_____ This resident has been assessed for a resident review.

Local GES Office _____ Contact _____ Date _____

**PASRR Level I ID SCREEN Definitions for
Mental Illness and Mental Retardation/Related Conditions**

In completing the ID Screen, the following definitions apply:

Mental Retardation is a significantly sub-average intellectual functioning existing concurrently with deficiencies in adaptive behavior and manifested during the developmental period.

A Related Condition is a severe, chronic disability that meets all of the following conditions:

- A. It is attributable to: cerebral palsy or epilepsy, or any other condition, other than mental illness, found to be closely related to mental retardation because this condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with mental retardation, and requires treatment or services similar to those required for these persons (e.g., autism);
- B. It is manifested before the person reaches age 22;
- C. It is likely to continue indefinitely; and
- D. It results in substantial functional limitations in 3 or more of the following areas of major life activity: Self-care; Understanding and use of language; Learning; Mobility; Self-direction; and Capacity for independent living.

Serious Mental Illness is a mental illness for which all of the following criteria are met:

- A. Diagnosis. The individual has a major mental disorder per DSMIV. This mental disorder is:
 1. A schizophrenic, mood, paranoid, panic or severe anxiety disorder; somatoform disorder; personality disorder; other psychotic disorder; or another mental disorder that may lead to a chronic disability; but
 2. Not a primary diagnosis of dementia (including Alzheimer's disease or a related disorder) or a non-primary diagnosis of dementia unless the primary diagnosis is a major mental disorder.
- B. Level of impairment. The disorder results in functional limitations in major life activities during the past 3-6 months and may include serious difficulties in:
 1. Interpersonal functioning. The individual has serious difficulty interacting appropriately and communicating effectively with other persons, has a possible history of altercations, evictions, firing, fear of strangers, avoidance of interpersonal relationships and social isolation.
 2. Concentration, persistence and pace. The individual has serious difficulty in sustaining focused attention for a long enough period to permit the completing of tasks commonly found in work settings or in work-like structured activities occurring in school or home settings, manifests difficulties in concentration, inability to complete simple tasks within an established time period, makes frequent errors, or requires assistance in the completion of these tasks; and
 3. Adaptation to change. The individual has serious difficulty in adapting to typical changes in circumstances associated with work, school, family, or social interaction, manifests agitation, exacerbated signs and symptoms associated with the illness, or withdrawal from the situation, or requires intervention by the mental health or judicial system.

C. Recent treatment. The treatment history indicates that the individual has experienced at least one of the following:

1. Psychiatric treatment more intensive than outpatient care more than once in the past 2 years (e.g., partial hospitalization, such as a day treatment program), or inpatient hospitalization; or
2. Within the last 2 years, due to the mental disorder, experienced an episode of significant disruption to the normal living situation, for which supportive services were required to maintain functioning at home, or in a residential treatment environment, or which resulted in intervention by housing or law enforcement officials.

Significant change

A significant change, requiring a Level II PASRR evaluation, means:

- A. Any change in the physical or mental condition of a resident, previously determined not to have a serious mental illness under PAS, such that he may now be considered to have a serious mental illness.
- B. Any change in the physical or mental condition of a mentally ill or mentally retarded resident, which is not self-limiting, and which may reasonably be expected to have one or more of the following outcomes:
 1. Nursing facility services are no longer required or appropriate.
 2. A resident previously determine not to require specialized service now requires them.
 3. A resident previously determined to require NF service on a time limited basis requires a longer stay.

**PASRR CATEGORICAL ADVANCE
GROUP DETERMINATIONS
EVALUATION REPORT**

PLEASE COMPLETE ALL SECTIONS

Resident/Applicant Information

Name _____ Date of Birth _____

II. Evaluator Information (person completing ID screen)

Name _____ Title _____
Evaluating Source (NF, hospital) _____

III. Categorical Determination

1. ___ Convalescent care, not to exceed 120 days
2. ___ Terminal illness (life expectancy less than six months) as certified by a physician
3. ___ Severe physical illness
4. ___ Emergency, not to exceed 7 days
5. ___ Respite, not to exceed 14 days

NF services which may be needed: _____

Bases on which conclusions made: _____

IV. Results

NF services required

Check one:

Categorical determination 1, 2, or 3, refer to GES for Level II.
Categorical determination 4 or 5, specialized services not needed.

Signature _____

Date _____

You have the right to appeal this determination within 90 days of receipt of this report. To do so, please write to:

Chief Administrative Law Judge
Office of Administrative Hearings
101 Gilroy Road
Hunt Valley, MD 21031