



MEDICAL POLICY STATEMENT

Ohio Medicaid

Policy Name & Number	Date Effective
Nursing Facility Level of Care-OH MCD-MM-1218	11/01/2023
Policy Type	
MEDICAL	

Medical Policy Statement prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Medical Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Medical Policy Statement. If there is a conflict between the Medical Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination. According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

Table of Contents

A. Subject	2
B. Background	2
C. Definitions	2
D. Policy	3
E. Conditions of Coverage	11
F. Related Policies/Rules	11
G. Review/Revision History	11
H. References	11

A. Subject

Nursing Facility – Level of Care

B. Background

Nursing facilities (NFs) provide professional skilled and non-skilled services that facilitate member recovery and stability. Nursing facility care should be considered when a member no longer requires acute care services but continues to need healthcare services that can only be managed in the recovery facility environment. When primarily rehabilitation services are needed, health professionals working in acute care hospitals should recognize members' needs for rehabilitation care and facilitate transition to appropriate rehabilitation care settings.

C. Definitions

- **Assistance** – Assistance is defined by the Ohio Administrative Code (OAC) as “the hands-on provision of help in the initiation and/or completion of a task.” Hands-on help is generally considered to be any aid in which the caregiver makes direct, physical contact with members to provide assistance with tasks, rather than just supervision or cueing.
- **Intermediate Level of Care (ILOC)** – A level of care for members whose needs are less than skilled level of care, but more than the protective level of care, and are stable. These members also do not meet the criteria for the ICF-IID-based level of care. The member has a need for a minimum of one of the following:
 - Assistance with a minimum of two activities of daily living, or
 - Assistance with a minimum of one ADL and medication administration, or
 - A minimum of one skilled nursing service or skilled rehabilitation service, or
 - Twenty-four hour support in order to prevent harm due to a cognitive impairment as diagnosed by a physician or other licensed health professional acting within his or her scope of practice.
- **Intermediate Care Facilities for Individuals with Intellectual Disability (ICF/IID)** – A place where someone with a disability can choose to live and get the services that help them live their lives with staff and aides who work at the facility 24 hours a day.
- **Level of Care (LOC)** - The level of services and supports required by an individual to manage medical conditions and/or activities of daily living (ADL) and instrumental activities of daily living (IADL) needs. The criteria for NF based level of care includes an “individual requiring assistance with” mobility, bathing, grooming, toileting, dressing, and eating. The two levels of care in Ohio that qualify an individual to receive nursing facility based care are Intermediate LOC and Skilled LOC
- **Long-Term Services and Supports (LTSS)** – Encompasses an array of medical and personal care services for people who struggle with self-care due to aging, physical, cognitive, or mental conditions or disabilities. People commonly receive LTSS services for months or even years, which is the reason LTSS are sometimes referred to as “long-term care”. It includes cost-effective, person-centered home and case managed community-based alternatives to institutional care. LTSS include, but are not limited to:
 - Nursing facility care
 - Adult daycare programs

- Home health aide services
- Personal care services
- Transportation, and
- Assistance provided by a family caregiver.
- **Nursing Facility (NF)** - Institutions that provide nursing and medical care to members who no longer require care in an acute setting, but do require licensed nursing services, rehabilitation services, or other health-related services that must be performed by a skilled, licensed professional on a daily basis that cannot be provided in the home. The nursing facility based level of care includes both the intermediate and skilled levels of care.
- **Ohio Administrative Code (OAC)** - The rules adopted by the agencies of the state of Ohio. State agencies adopt rules to carry out the policies and intent of laws passed by the General Assembly. The rules are collected and published in the OAC.
- **Clinical Care Reviewer (CCR)** - A clinical professional who reviews clinical information, applies criteria, and evaluates the care needs of a member who needs inpatient or outpatient services that require a prior authorization.
- **Preadmission Screening/Resident Review (PASRR)** - A federal requirement to help ensure that individuals are not inappropriately placed in nursing homes for care. PASRR requirements must be completed prior to an individual being admitted to a Medicaid certified nursing facility. Evidence of PASRR requirements being met must be provided to CareSource at the time of the request for authorization.
- **Protective Level of Care** - Care provided primarily to assist a member in meeting the instrumental activities of daily living but not requiring nursing facility based care. Protective care can reasonably and safely be provided by non-licensed caregivers in a community setting.
- **Skilled Level of Care** - Skilled level of care is when:
 - The member's LTSS needs exceed the criteria for the protective level of care, the intermediate level of care, or the ICF-MR-based level of care.
 - The member requires either one skilled nursing service no less than 7 days a week or one skilled rehabilitation service no less than 5 days a week, or
 - The member has an unstable medical condition.
- **Skilled Nursing Services** – Tasks that must be provided by a registered nurse directly or by a licensed practical nurse at the direction of a registered nurse.
- **Skilled Rehabilitation Services** – Specific tasks that must be provided directly by a licensed or other appropriately certified technical or professional health care personnel.

D. Policy

- I. CareSource will review all Ohio Medicaid Nursing Facility requests (for admission and continued stays) for skilled **and** intermediate level of care using OAC 5160-3-08, Criteria for nursing facility-based level of care for an adult **and** OAC § 5160-1-01, Medical Necessity.
- II. **Preadmission Screening and Resident Review Requirements**
CareSource requires evidence of Preadmission Screening and Resident Review requirements being met as part of the prior authorization and level of care review

processes in accordance with OAC § 5160-3-14 process and timeframes for a level of care determination for nursing facility-based level of care programs, OAC § 5160-3-15.1 Preadmission screening requirements for individuals seeking admission to nursing facilities, and OAC § 5160-3-15.2 Resident Review requirements for individuals residing in nursing facilities.

III. Skilled Level of Care Criteria

CareSource considers skilled care in a nursing facility medically necessary when the following factors have been met:

- A. Member must have an unstable medical condition as defined in OAC § 5160-3-05(B)(40) in that clinical signs and symptoms are present in an individual and a physician has determined that:
 - 1. The individual's signs and symptoms are outside of the normal range for that individual;
 - 2. The individual's signs and symptoms require extensive monitoring and ongoing evaluation of the individual's status and care, and there are supporting diagnostic or ancillary testing reports that justify the need for frequent monitoring or adjustment of the treatment regimen;
 - 3. Changes in the individual's medical condition are uncontrollable or unpredictable and may require immediate interventions; and
 - 4. A licensed health professional must provide ongoing assessments and evaluations of the individual that will result in adjustments to the treatment regimen as medically necessary.
- B. The member requires skilled nursing services **or** skilled rehabilitation services, i.e., services that must be performed by or under the supervision of professional or technical personnel, that are ordered by a physician;
- C. The daily skilled services can be provided only on an inpatient basis in a NF;
- D. The services delivered are reasonable and necessary for the treatment of a member's illness or injury, i.e., are consistent with the nature and severity of the individual's illness or injury, the individual's particular medical needs, and accepted standards of medical practice;
- E. The member requires a minimum of one of the following:
 - 1. One skilled nursing service daily (or more frequently) seven days per week; or
 - 2. One skilled rehabilitation service within the day at least five days per week.
- F. The request meets the requirements of OAC § 5160-1-01 Conditions of Medical Necessity.
- G. There is a therapeutic plan to provide ALL of the following:
 - 1. Case management and evaluation to meet member needs, achieve treatment goals, and ensure medical safety;
 - 2. Observation and assessment of member's changing condition to evaluate the need for treatment modification or for additional procedures until condition is stabilized;
 - 3. Member education to teach member self-maintenance or to teach caregiver member care.

- H. When they are not safe to perform at a lower level of care, examples of direct **skilled** nursing services or **skilled** rehabilitation services include, but are not limited to:

Daily nursing treatments are needed for one or more of the following:

1. *Intravenous (IV) infusion, IV injection, or intramuscular injection;*
2. *Insulin regimen establishment in presence of unstable blood sugar reading;*
3. *Tube feeding for example, gastrostomy tubes, jejunostomy tubes, percutaneous endoscopic gastrostomy (PEG) tubes, nasogastric tubes) required because member needs feeding to supply at least 26% of daily calories and at least 501 mL of daily fluids;*
4. *Nasopharyngeal or tracheostomy suctioning and suprapubic catheter irrigation;*
5. *Pain management for infusion of pain medications;*
6. *Wound care that requires dressing changes with prescription medication or clean technique and treatment for:*
 01. *Burns*
 02. *Foot infections or wounds*
 03. *Open lesions*
 04. *Surgical wound complications*
 05. *Treatment with any stage III or IV pressure injury*
 06. *Treatment with 2 or more wounds, including venous ulcers, arterial ulcers, or stage II pressure injuries*
 07. *Widespread skin disorder treatments.*
7. *Heat treatments that require nurse observation to evaluate response.*
8. *Oxygen administration, starting or managing changes, including ventilator*
9. *Member care training and assistance for 1 or more of the following:*
 01. *Exercise program (eg, range of motion, pulmonary, cardiac)*
 02. *Preventing complications and the start or revision of the member's maintenance therapy plan*
 03. *Safe performance of ADL (eg, dressing, communicating, eating)*
 04. *Splint, brace, cast, prosthesis, or orthosis management*
 05. *Urinary or bowel toileting program*
10. *Pain management for infusion of pain medications*

- I. *Rehabilitation therapy treatments (PT, OT, or SLP) are needed for 1 or more of the following:*

1. *Ongoing assessment of rehabilitation needs and potential (eg, range of motion, strength, balance)*
2. *Supervision of therapeutic exercises or activities to ensure member safety and treatment effectiveness*
3. *Gait evaluation and training*
4. *Preventing complications and the start or revision of the member's maintenance therapy plan*
5. *Therapy modalities that require PT or OT observation to evaluate response*
6. *Restoration of speech or swallowing with services of speech-language pathologist*
7. *Prosthetic evaluation and training.*

III. Intermediate Level of Care Criteria

For members needing assistance that cannot safely be performed at a lower level of care or the resources to provide the needed care and services in a home or community based setting are not available, the **Intermediate Level of Care (ILOC)** is a lower cost alternative that effectively addresses and treats the medical problem, as described in OAC § 5160-1-01, Medicaid medical necessity: definitions and principles. Criteria include, but are not limited to:

- A. The individual's needs for long-term services and supports (LTSS) exceed the criteria for the protective level of care;
- B. The individual's LTSS needs are less than the criteria for the skilled level of care;
- C. Individual requires assistance (not necessarily a licensed professional) with the completion of a minimum of two activities of daily living (ADL) as outlined below:
 - 1. Assistance with mobility in at least one of the following three components:
 - a. Bed mobility; or
 - b. Locomotion; or
 - c. Transfer.
 - 2. Assistance with bathing
 - 3. Assistance with grooming in all of the following three components:
 - a. Oral hygiene
 - b. Hair care
 - c. Nail care
 - 4. Assistance with toileting in at least one of the following four components:
 - a. Using a commode, bedpan, or urinal;
 - b. Changing incontinence supplies or feminine hygiene products;
 - c. Cleansing self; or
 - d. managing an ostomy or catheter
 - 5. Assistance with dressing in at least one of the following two components:
 - a. Putting on and taking off items of clothing or prosthesis; or
 - b. Fastening and unfastening an item of clothing or prosthesis
 - 6. Assistance with eating.
- D. Assistance with the completion of a minimum of one ADL and assistance with medication administration (ADLs listed in III C 1-6), which is required due to
 - 1. Medication administration is required due to member's inability to safely self-manage medications. Reasons may include but are not limited to:
 - a. Does not know current medications,
 - b. Lacks insight into reasons medications are prescribed,
 - c. Lacks ability to take medications as ordered due to cognitive impairment.
- E. Need for twenty-four hour support in order to prevent harm due to a cognitive impairment. Examples may include:
 - 1. Member resides in a locked dementia unit
 - 2. Negative results of mini mental status exam.
- F. Direct skilled rehabilitation services less than five days per week
- G. Wound care that cannot be done in the community (wounds less than stage III).

NOTE: Members already enrolled in NF services, in particular those requiring intermediate care, should be individually assessed for medical necessity. CareSource supports lower cost alternatives that effectively address the problem. For example home health or family caregivers, are viable and medically appropriate options.

IV. Documentation to Support Nursing Facility-Based Care Determinations

- A. The CareSource prior authorization form or the ODM Nursing Facility Request Form will be accepted for submission of requests.
- B. PASRR Documentation. One of the following is required at the time of the initial request for nursing facility services:
 - 1. PASRR Level I screen and preadmission screen or resident review results
 - 2. PASRR Level II evaluation and results, if indicated
 - 3. Hospital Exemption Notice (for stays expected to be less than 30 days).
Note: For stays in which the hospital exemption notice was submitted at the time of the initial request and the stay exceeds 30 days, PASRR Level I or II and results are required to be submitted to CareSource.
- C. The member's medical record must document all of the following:
 - 1. The history and physical exam pertinent to the member's care, including the response or changes in behavior to previously administered skilled services;
 - 2. The skilled services provided;
 - 3. The plan for future care based on the rationale of prior results;
 - 4. A detailed rationale that explains the need for the skilled service in light of the member's overall medical condition and experiences;
 - 5. The complexity of the service to be performed;
 - 6. A decline in physical function compared to the prior level of function (PLOF);
 - 7. Inability to safely ambulate household distance (50 feet);
 - 8. The member requires minimum assist to perform mobility-related activities of daily living (MRADLs);
 - 9. The need for active assistance (hands-on vs. supervision);
 - 10. The documentation in the member's medical record must be accurate and avoid vague or subjective descriptions of the member's care that would not be sufficient to indicate the need for skilled care;
 - 11. Updated clinical evaluation to support on-going concurrent review;
 - 12. The services promote the documented therapeutic goals;
 - 13. Minimum Data Set (MDS) documentation of cognitive, mood, functional performance, DME use, and/or nutritional status;
 - 14. Complete discharge planning assessment and ongoing changes to the plan.

NOTE: The treatment goal cannot be modified retrospectively.

V. Bed-Hold Days

- A. In accordance with OAC § 5160-3-16.4, CareSource will provide payment to a NF provider to reserve a bed only for as long as the resident intends to return to the facility, but for not more than thirty days in any calendar year.
- B. Bed-hold days do not require prior authorization.

VI. Non-covered services in a NF

Clinical documentation that does not support the medical necessity requirements outlined in OAC § 5160-1-01 that meets, at a minimum, the ILOC criteria for the following services:

- A. Repetitious exercises to improve gait, or to maintain strength and endurance, and assistive walking can be appropriately provided by supportive personnel;
- B. When the performance of a maintenance program does not require the skills of a therapist because it could safely and effectively be accomplished by the member or with the assistance of non-therapists, including unskilled caregivers;
- C. General exercises to promote overall fitness and flexibility and activities to provide diversion or general motivation or the supervision of taught exercises;
- D. Lack of a competent person to provide a nonskilled service, regardless of the importance of the service to the member, does not make it a skilled service when a nurse provides the service;
- E. Protective LOC services;
- F. Services not expected to produce the desired outcome.

VII. Transitioning from a Nursing Facility

A. Evaluation

- 1. As part of the discharge planning process and in conjunction with the nursing facility staff, CareSource Case Management (CM) may evaluate a member receiving nursing facility care and services for potential for referral to home and community based services and/or other state and local resources to assist members in receiving needed services in the least restrictive environment.
- 2. In compliance with OAC 5160-1-01, members will be reassessed. When the member no longer meets the medical necessity criteria for **skilled** or **intermediate** nursing facility care, CareSource will evaluate for discharge to the community (i.e. home with needed services and supports).
- 3. In compliance with OAC 5160-1-01, if the member no longer meets the skilled level of care, or intermediate level of care, CareSource will evaluate for discharge to an appropriate community setting that will meet the member's care needs.
- 4. After an initial evaluation period, the UM clinical care reviewer must evaluate the member's progress. This initial evaluation may be followed by case management. These reports will include clinical review from the member's care team including documentation from facility discharge planning staff.
- 5. CareSource may perform a re-evaluation of members to identify any changes that require modification of the treatment plan and incorporate these into discharge planning.

B. Discharge Planning

- 1. CareSource expects discharge planning for all members admitted to a nursing facility to begin immediately upon admission. This planning should not be delayed until the member is stable for discharge as this frequently

leads to unnecessary delays in a discharge and unnecessary lengthening of the member's facility stay. Discharge planning includes:

1. Treatment plan development involving multiple providers;
 2. Premorbid functioning;
 3. Member and caregiver preferences and abilities;
 4. Evaluation for services at next level of care as appropriate for member's continued needs;
 5. Housing;
 6. Psychosocial status;
 7. Appointments planned or scheduled;
 8. Referrals made for assistance and support;
 9. Medical equipment and supplies coordinated; and
 10. Transition plan communicated to all members of member's care team.
2. CareSource Utilization Management (UM) and Case Management (CM) will work, either In-person or via telephonic outreach, with the Nursing Facility to ensure a safe and timely discharge for our members. This collaboration should start within 3 days of admission.
 3. The NF must develop a post-discharge plan of care for an anticipated discharge of a member the facility discharges to a private residence, to another NF, or to another type of residential facility such as a board and care home or an intermediate care facility for individuals with intellectual disabilities.
 4. Upon request, the discharge plan must be shared with CareSource CM and UM.

C. Discharge Criteria

Once skilled nursing services (i.e. wound care, IV or IV antibiotics treatment) and/or rehabilitation have been completed for safe transfer to lower level of care OR the member is no longer demonstrating significant functional gains and does not meet criteria for intermediate or skilled level of care, the following criteria must be completed prior to discharge:

1. Medication regimen established and reconciliation completed;
2. Medical status stable for member's condition and manageable at lower level of care;
3. Any inserted or implanted device discontinued, or functioning normally and manageable at lower level of care;
4. Medical equipment and supplies are available at next level of care and safe use has been demonstrated;
5. Wound(s) or dressing changes are manageable at a lower level of care;
6. Skilled services (as needed) and logistical requirements can be met at a lower level of care;
7. Transition plans and education are understood by the member and/or the caregiver.

D. Nursing Facility Disenrollment Process

1. In the case that a member requires a continued stay in the nursing facility setting and has an eligibility category identified by the Ohio Department of

Medicaid as being eligible for potential disenrollment from managed care, CareSource will initiate a disenrollment request on behalf of the member to ODM to resume Medicaid under fee-for-service.

2. When the provider indicates the member is unable to return to the community safely in the foreseeable future, the member has had a period of authorized care and meets intermediate or skilled level of care criteria, the following occurs:
 1. The clinical care reviewer (CCR)- reviews the PA request from the nursing facility and determines if the request is appropriate;
 2. CCR will add specific criteria to Disenrollment Log;
 3. CCR will complete review and approve 60 days;
 4. CCR will provide update to the NF with authorization status and notification to ODM for potential member disenrollment back to FFS;
 5. CCR will complete *pend for additional follow-up* and document;
 6. CCR will track cases submitted to ensure outreach made if 60 day submission date passes;
 7. The prior authorization specialist (PAS) receives ODM disenrollment outcomes and updates cases accordingly, updates NF/provider, and emails CCR team.

NOTE: Modified Adjusted Gross Income (MAGI) Medicaid members in the Adult Extension (MAGI Group 8) category may not be disenrolled.

3. Managed Care Plan (MCP)-Initiated Nursing Facility (NF) disenrollment requests. Excluding Adult Extension, outlined in OAC rule 5160-26-02.1, and Ohio Medicaid Contract, § 29(h), MCP-initiated nursing facility (NF) disenrollment requests for MAGI and ABD shall be submitted in the format specified by ODM. See disenrollment table below:

Month of Nursing Facility Admission	Next Two Consecutive Months	Earliest Disenrollment Date
January	February & March	March 31
February	March & April	April 30
March	April & May	May 31
April	May & June	June 30
May	June & July	July 31
June	July & August	August 31
July	August & September	September 30
August	September & October	October 31
September	October & November	November 30
October	November & December	December 31
November	Dec. & Jan. (next CY)	January 31 (next CY)
December	January & February (next CY)	Last Day of February (next CY)

NOTE: If a member is admitted to a NF while enrolled with the MCP and the MCP disenrollment request is submitted after the Earliest Disenrollment Date, the member

will be disenrolled as of the last calendar day of the submission month.

E. Conditions of Coverage
NA

F. Related Policies/Rules
NA

G. Review/Revision History

DATE		ACTION
Date Issued	09/01/2021	New Policy
Date Revised	05/11/2022	Updated references; no changes
	08/09/2022	E-voted adding new section V. on Bed-Hold days
	05/10/2023	Changed Member Care Coordinator (PCC) to Clinical Care Reviewer (CCR). Added Preadmission Screening and Resident Review requirements to align with Provider Agreement. Added sections IV. A and B to align with Provider Agreement and reporting requirements. Updated references. Approved at Committee.
Date Effective	11/01/2023	
Date Archived		

H. References

1. ASPE. An Overview of Long-Term Services and Supports and Medicaid: Final report. (2018, May 8). Retrieved May 9, 2023 from www.hhs.gov.
2. CareSource Desk Reference. (2019, July 1). Nursing Facility Disenrollment Process. Retrieved May 9, 2023 from www.CareSource.com.
3. CareSource Procedure. (2023). Utilization Management - Level of Care. Retrieved May 9, 2023 from www.CareSource.com.
4. CMS. Medicare Benefit Policy Manual. (2019, October 4). Chapter 8. Coverage of Extended Care (SNF) Services Under Hospital Insurance. Retrieved April 6, 2023 from www.cms.gov.
5. CMS. Long Term Services & Supports. (2016). Retrieved April 6, 2023 from www.cms.gov.
6. MCG Guidelines. 27th edition.(2023). CG-GRFAC (RFC) General Recovery Facility Comparison Tool. Retrieved April 6, 2023 from www.careweb.careguidelines.com.
7. OAC 5160-1-01Medicaid medical necessity: definitions and principles (2022). Retrieved May 9, 2023 from www.medicaid.ohio.gov.Retrieved May 2, 2022 from www.medicaid.ohio.gov.
8. OAC § 5160-3-05 Level of care definitions. Retrieved April 6, 2023 from www.medicaid.ohio.gov.
9. OAC § 5160-3-08 Criteria for nursing facility-based level of care. Retrieved April 6, 2023 from www.medicaid.ohio.gov.
10. OAC § 5160-3-16.4 Nursing facilities (NFs): covered days and bed-hold days. Retrieved April 6, 2023 from www.medicaid.ohio.gov.
11. ODM. Nursing Facility Request Form. Retrieved April 6, 2023 from www.medicaid.ohio.gov.

The MEDICAL Policy Statement detailed above has received due consideration as defined in the MEDICAL Policy Statement Policy and is approved.

12. OAC § 3721.01 Nursing home and residential care facility definitions. Retrieved April 6, 2023 from www.medicaid.ohio.gov (2023). Retrieved May 9, 2023 from www.medicaid.ohio.gov.
13. ORC § 3721.011 Skilled nursing care Retrieved May 9, 2023 from www.medicaid.ohio.gov. Retrieved April 6, 2023 from www.medicaid.ohio.gov.

ODM approved 07/27/2023.