



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Dennis R. Schrader, Secretary

January 9, 2023

The Honorable Guy Guzzone
Chair
Senate Budget and Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, MD 21401 - 1991

The Honorable Ben Barnes
Chair
House Appropriations Committee
121 House Office Bldg.
Annapolis, MD 21401 - 1991

Re: 2022 Joint Chairmen's Report (p. 106-107) – Pre-Admission Screening and Resident Review (PASRR) Program

Dear Chairs Guzzone and Barnes:

Pursuant to the 2022 Joint Chairmen's Report (p. 106-107), the Maryland Department of Health (MDH) respectfully submits this report on the Pre-Admission Screening and Resident Review (PASRR) Program.

If you have any questions regarding this information, please contact Megan Peters, Acting Director, Office of Governmental Affairs at megan.peters@maryland.gov.

Sincerely,

Dennis R. Schrader
Secretary

cc: Lisa Burgess, Deputy Secretary, Behavioral Health Administration
Megan Peters, MPH, Acting Director, Office of Governmental Affairs



2022 Joint Chairmen's Report
Pre-Admission Screening and Resident Review (PASRR) Program
(Pages 106-107)

Maryland Department of Health

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Introduction

The 2022 Joint Chairmen's Report (p. 106-107) requires the Maryland Department of Health (MDH) to submit a report on Maryland's Pre-Admission Screening and Resident Review (PASRR) program. PASRR is guided by federal regulations that require all individuals being considered for admission to a Medicaid-certified nursing facility (NF) be screened prior to admission to ensure appropriate placement in long-term care. Additionally, PASRR supports the advancement of person-centered care planning by assuring that psychological, psychiatric, and functional needs are considered along with goals and preferences in long-term care planning.

PASRR requires Medicaid-certified NFs to:

1. Evaluate all applicants for Serious Mental Illness (SMI) and Intellectual Disability (ID);
2. Offer all applicants the most appropriate setting for their needs (in the community, a nursing facility, or acute care settings); and
3. Provide all applicants with the services they need in those settings.

PASRR consists of a two-level assessment:

1. Level I screen to determine if an individual has SMI and/or ID.
2. Level II evaluation to determine if an individual with SMI and/or ID in the Level I screen needs a NF and specialized services.

The PASRR assessment must be completed before admission into a Medicaid-certified NF. The results are important in determining needs, appropriate care settings, and service recommendations to inform the individual's care plan. The timeframe for completing the evaluation is 7-9 days.

The 2022 Joint Chairmen's Report requests that MDH report on the following information:

1. A review of federal PASRR regulations;
2. The policies and procedures of Maryland's PASRR program and whether it complies with federal regulations;
3. A review of PASRR programs in other states, including regulations and opportunities to improve program efficiency; and
4. Recommendations, informed by the analysis conducted, for regulatory or statutory changes to improve the State's PASRR program and address any compliance gaps.

This information is described in the sections below.

Review of Federal PASRR Regulations

The federal regulations governing PASRR are found in [Code of Federal Regulations at 42 CFR 483.100-138](#)¹ and provide requirements governing the responsibilities of states based on section 1919(e)(7) of the Act. These regulations include requirements outlining:

1. The PASRR evaluation and determination criteria for:
 - a. Eligibility and type of services to meet individual needs; and
 - b. Appropriate placement of individuals based on evaluation
2. The definition criteria for:
 - a. SMI and ID; and
 - b. Specialized services for individuals with SMI and ID.
3. The admission criteria for residents and applicants requiring:
 - a. NF services and specialized services;
 - b. Specialized services for MI or ID, but not requiring NF services; and
 - c. None of these services
4. The state plan requirements for preadmission screening and resident review program that meets §§ 483.100 through 438.138.
5. The annual evaluation of individual residents of Medicaid-certified NF with SMI or ID to determine significant changes in their physical or mental condition.

Maryland's PASRR program and compliance with federal PASRR regulations

While Maryland does not have separate and distinct regulations addressing the PASRR process, the Code of Maryland Regulations (COMAR) and sub-regulatory documents governing Maryland's PASRR program have provisions guiding compliance to federal PASRR regulations. The current regulations, policies, and procedures guiding Maryland's PASRR program are:

1. Code of Maryland Regulations (COMAR) 10.09.10 - These regulations govern NF services and have provisions requiring facilities to comply with federal PASRR requirements as a condition of participation (COMAR 10.09.10.03B);
2. COMAR 10.09.30 - Statewide Evaluation and Planning Services (STEPS) - These regulations provide the requirements for the STEPS assessment, which is used as a tool for the PASRR Level II evaluation;
3. MDH memorandums related to the Local Health Departments (LHD) role in the Level II evaluation;
4. Transmittals issued by MDH related to PASRR; and
5. Behavioral Health Administration (BHA) memorandum on the role of older Adult Behavioral Health PASRR Specialists.

A summary of the policies and procedures are in Appendix A.

¹ 42 CFR 483.100-138. <https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-G/part-483/subpart-C>

Evaluation of PASRR Programs in Other States

PASRR program implementation varies nationwide. Some states, like Iowa, Indiana, and Utah, are working on the modernization, which will improve efficiencies of PASRR processes, to include the electronic collection and storage of PASRR-related data.

Additionally, according to a report published by the National Association of State Mental Health Program Directors (NASMHPD) on the use of technology to improve home and community-based options for adults with SMI, some key improvements on PASRR systems include dedicated staffing, implementation of a data management system, and enhancement of state policy and training. Appendix B summarizes some of these best practices select states are enacting.

Recommendations for Maryland's PASRR Program

MDH is reviewing opportunities to enhance the PASRR program based on a review of the federal PASRR regulations, Maryland's existing regulatory and sub-regulatory guidance for PASRR, and best practices nationwide. Recommendations are summarized below.

1. **Explore opportunities for updating the Level II Evaluation tool:** Currently, MDH uses the STEPS assessment for the PASRR Level II Evaluation. The tool was developed by MDH over 30 years ago and benefits from local knowledge regarding the target population. However, with more information available today, compared to 30 years ago, this tool can be strengthened in its SMI and ID analysis. MDH is currently assessing opportunities to enhance this tool, including assessing how a recent standardized assessment, interRAI Home Care, used in subset of Medicaid home and community-based services, may be used.
2. **Explore the enhancement of PASRR data management systems:** MDH is reviewing opportunities to enhance the PASRR data management system. This can improve PASRR program efficiency and effectiveness by strengthening communications between the parties who manage the screenings and evaluations with respect to timeliness, accuracy, and completeness of information.

Appendix A: Maryland regulations, policies, and procedures guiding the PASRR program

Date Published	Transmittal No.	Audience	Subject
January 27, 1987	COMAR 10.09.30	Local Health Departments	Describes the requirements for the Statewide Evaluation and Planning Services (STEPS) assessment completed by the LHD, used by MDH as the tool for the PASRR Level II Evaluation
September 18, 1997	Transmittal No. 159	Nursing Facility Administrators, Hospital Administrators	Describes the change in federal PASRR regulations enacted in 1996 and details PASRR requirements PT 9-98
1997 or earlier (exact date unknown)	COMAR 10.09.10	Maryland- Licensed Nursing Facilities	Codifies the requirement for nursing facilities to be in compliance with federal PASRR requirements as described by 42 CFR Part 483, Subpart C (1996)
March 1, 2012	Transmittal No. 239	Nursing Facility Administrators	Updates and clarifies resident review requirements applicable to nursing facilities PT 19-12
November 18, 2018	Transmittal No. 271	Nursing Facility Administrators	Describes behavioral health services available to nursing facility residents, including specialized services under PASRR and details Level II requirements for admission to nursing facilities PT 9-19

August 21, 2020	Memorandum	Maryland Licensed Nursing Facilities	Introduces the BHA's Older Adult Behavioral Health PASRR Project <u>Maryland PASRR program for Marylanders with Serious MI</u>
April 9, 2021	Memorandum	Local Health Departments	Clarifies existing requirements pertaining to the Level II Evaluation and describes additional requirements implemented to improve communication and coordination of services
May 6, 2022	Memorandum	Local Health Departments	Notifies LHD and other stakeholders of the discontinuation of the PASRR certificate in favor of the PASRR determination letter

Appendix B: PASRR system best practices in select states

State	Practices
Colorado	<p><u>Staffing</u></p> <ul style="list-style-type: none"> • 1 full-time position, which reports to the State Medicaid Agency and is responsible for PASRR compliance and administration. • Agreements with internal and external agencies delineate roles and responsibilities for each part of PASRR. <p><u>Data Management</u></p> <ul style="list-style-type: none"> • Web-based system facilitates timely determinations and allows for quality improvement and assurance activities <p><u>Policy & Training</u></p> <ul style="list-style-type: none"> • Training required for all users of data management system
Delaware	<p><u>Staffing</u></p> <ul style="list-style-type: none"> • 3 positions (Supervisor and 2 Registered Nurses (RN)) • Contractor performs both Level I Screen and Level II Evaluation <p><u>Data Management</u></p> <ul style="list-style-type: none"> • Web-based system facilitates timely determinations and allows for quality improvement and assurance activities <p><u>Policy & Training</u></p> <ul style="list-style-type: none"> • Contractor provides required trainings (initial and annual) • Office of Healthcare Quality is also trained in PASRR • Does not utilize 30-day exemption, but instead uses short-term or categorical approvals, which decreases the inappropriate use of exemptions by hospitals and nursing facilities.
Iowa	<p><u>Staffing</u></p> <ul style="list-style-type: none"> • 1.0 FTE position, which reports to State Medicaid Agency, responsible for PASRR compliance and administration

	<ul style="list-style-type: none"> • Contractor determines exempted hospital discharges and categoricals, performs Level I and subcontracts for Level II • Agreements with internal and external agencies delineate roles and responsibilities for each part of PASRR: <ul style="list-style-type: none"> ○ Behavioral Health Administration; ○ Developmental Disabilities Administration; ○ Managed Care Organizations (contractually obligated to monitor PASRR for members); ○ Ombudsman Offices <p><u>Data Management</u></p> <ul style="list-style-type: none"> • Web-based system facilitates timely determinations and allows for quality improvement and assurance activities <ul style="list-style-type: none"> ○ Contractor developed an online platform for Level I Screen ○ State reports PTAC has “rated” their Level I tool “very highly” <p><u>Policy & Training</u></p> <ul style="list-style-type: none"> • Required training by users of data management system • Office of Healthcare Quality is also trained in PASRR
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