STATE OF MARYLAND
DHMH
Office of Health Services
Medical Care Programs

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201
Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

MARYLAND MEDICAL ASSISTANCE PROGRAM
Hospital Transmittal No. 203
Nursing Home Transmittal No. 223
October 29, 2009

TO: Chronic Hospital Administrators
Nursing Home Administrators

FROM: Susan J. Tucker, Executive Director
Office of Health Services

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

RE: Continued Stay Review – Applicants for Medicaid Long Term Care
Reimbursement for Chronic Hospital Care

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The purpose of this transmittal is to notify Maryland's five private, non-profit and two State chronic hospitals of a change in the way in which the utilization control agent will perform continued stay review (CSR) of patients who have submitted an application for Medicaid long term care benefits. Nursing facilities with ventilator units and those that care for persons with complex medical needs may begin to receive more frequent referrals from the chronic hospitals as a result of this change.

Currently, continued stay review of Medicaid recipients in chronic hospitals does not begin until Medicaid has begun paying claims to the hospital. In the case of a recipient whose admission to the hospital (or whose exhaustion of benefits from other payers) coincide with his application for Medicaid long term care benefits, claims cannot be paid – and CSR initiated - until the local Department of Social Services (DSS) has determined that the applicant is financially eligible for Medicaid long term care benefits.

Because this finding of financial eligibility may take a significant amount of time, the Program encourages chronic hospitals to facilitate the Medicaid application process as early as possible for patients with no source of payment. The possibility of significant delays in the finding of eligibility also means that – following the initial finding that a person requires chronic hospital care -- it may be months before the applicant is again evaluated for continued medical need for chronic hospital services. That is what this transmittal will change.

It is the Program's expectation that services provided by chronic hospitals are transitional in nature, and intended to stabilize patients so that they may progress to the most appropriate and

community-integrated setting where they may safely receive care. To ensure that Medicaid reimbursement is paid only during the period for which chronic hospital care is medically necessary, beginning on the date of this transmittal each person in a chronic hospital for whom an application for Medicaid reimbursement has been submitted will be reviewed by the Program's utilization control agent every 30 days following the initial finding of medical eligibility. The list of CSRs in each facility will therefore include all Medicaid recipients and applicants awaiting eligibility decisions by the DSS.

If an applicant awaiting a determination on financial eligibility is found at CSR to no longer need the level of care and services provided at the chronic hospital, but still to require a nursing facility level of care, the chronic care facility should accelerate the discharge planning process (see COMAR 10.07.01.27) and identify an appropriate alternative placement. For ventilator-dependent patients, this will require a referral to a nursing facility with the special respiratory care certification granted by the Office of Health Care Quality pursuant to COMAR 10.07.02.14-2. The applicant may appeal the denial of continued stay at the chronic level of care, but the facility will not receive payment for either continued chronic hospital benefits or administrative days until the DSS issues a finding on the applicant's eligibility. The fair hearing on the appeal should be deferred until the eligibility decision is issued.

At the time the person is determined eligible for Medicaid reimbursement, the chronic hospital may bill (or re-bill) at the chronic level from the initial finding of medical eligibility until the date of denial of continued stay at that level, and at the appropriate administrative day rate from that date until discharge. Once the recipient is discharged, the chronic hospital must submit a DHMH Form 257 for the discharge.

The most current listing of nursing facilities with the special respiratory care certification is attached to this transmittal. Call the Office of Health Care Quality at (410) 402-8101 with any questions about this certification or to obtain a more current list.

Please call the Division of Long Term Care Services at (410) 767-1736 if you have any questions about these instructions.

Attachment
cc: Utilization Control Agent
Maryland Hospital Association
Nursing Home Liaison Committee
Local Departments of Social Services

Attachment

Nursing Facilities with Special Respiratory Care Certification, July 2009

facility	special care-respiratory certified?	# beds	operate vent unit?	# beds
Fairland Adventist	√	20	yes	20
Golden Living Cumberland	√	8	no	
FutureCare Irvington	√	37	yes	37
FutureCare Homewood	√	31	yes	31
Gladys Spellman Nursing Home	√	52	no	
Genesis Multi-Medical	√	12	yes	12
Levindale Hebrew Geriatric Center	√	60	no	
Lorien Mt. Airy	√	22	yes	22
Lorien Columbia	√	39	yes	39
Western Maryland Hospital Center	√	9	yes	9
St. Thomas More	√	23	yes	23