



NC Department of Health and Human Services

Nursing Facility Process

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Nov. 03, 2022

Who Qualifies for Nursing Facility Services?

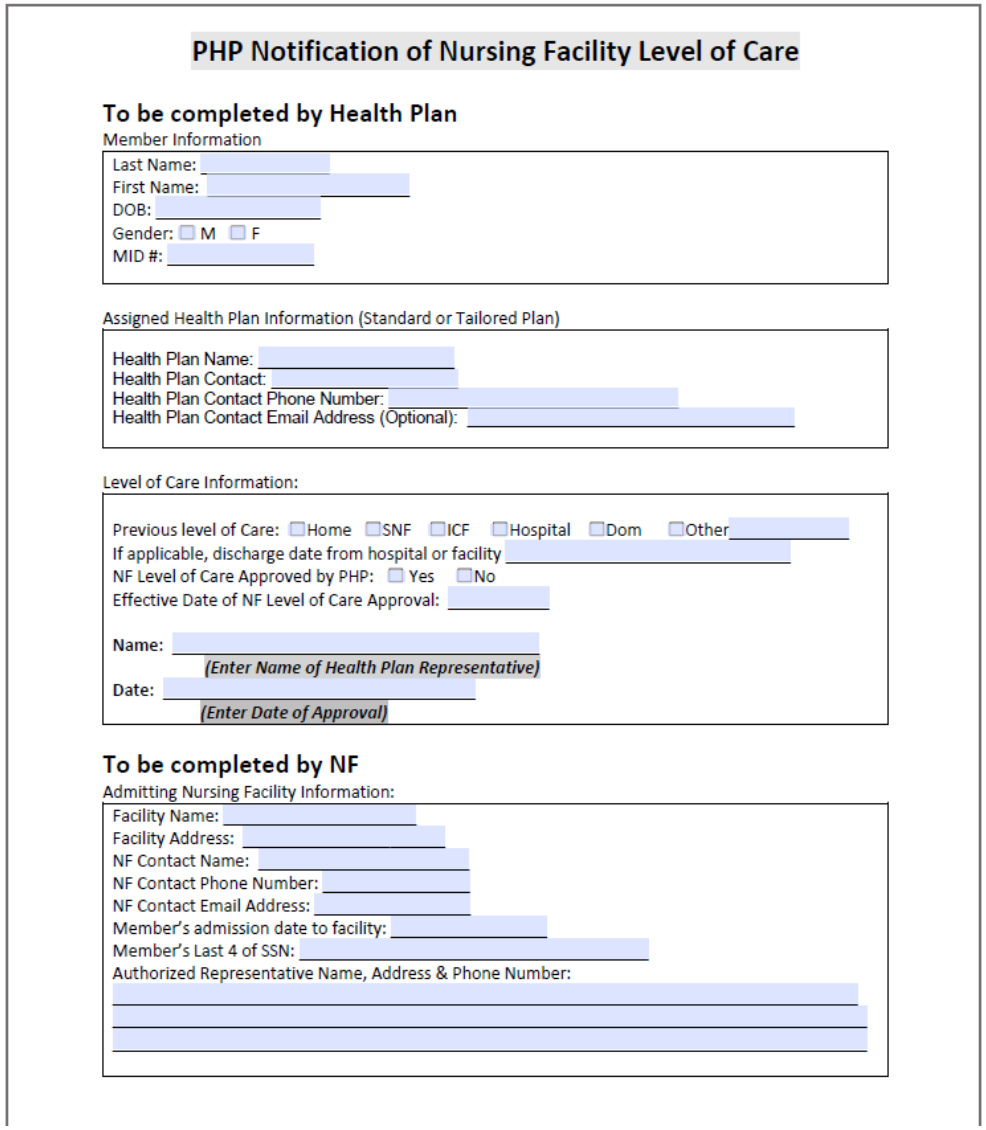
- **Medicaid applicants and beneficiaries who meet medical necessity and nursing facility (NF) level of care criteria and who receive financial approval for long-term care are eligible for Medicaid NF services.**
- **Under NC Medicaid Managed Care, the medical necessity and level of care are approved by the Medicaid beneficiary's assigned Prepaid Health Plan (PHP).**
- **Financial approval for long-term care is determined by the county Department of Social Services (DSS).**

Level of Care Authorization Form & Approval

- **There are 2 forms to confirm a beneficiary meets nursing facility level of care:**
  - **Medicaid Direct (MD) uses the FL-2**
    - **NC Tracks approves NF level of care**
  - **Managed Care (MC): DHB-2039 Notification of Nursing Facility Level of Care**
    - **PHPs approves NF level of care and documents NF LOC on the DHB-2039**
- **While the forms are different for MD and MC, the requirement for a NF level of care form is the same.**

Note: Effective date of the DHB-2039 is 12/19/22. PHPs are strongly encouraged to start using the DHB-2039 as soon as possible.

DHB-2039 Notification of Nursing Facility Level of Care



PHP Notification of Nursing Facility Level of Care

To be completed by Health Plan

Member Information

Last Name: _____
First Name: _____
DOB: _____
Gender: ☐ M ☐ F
MID #: _____

Assigned Health Plan Information (Standard or Tailored Plan)

Health Plan Name: _____
Health Plan Contact: _____
Health Plan Contact Phone Number: _____
Health Plan Contact Email Address (Optional): _____

Level of Care Information:

Previous level of Care: ☐Home ☐SNF ☐ICF ☐Hospital ☐Dom ☐Other _____
If applicable, discharge date from hospital or facility _____
NF Level of Care Approved by PHP: ☐ Yes ☐No
Effective Date of NF Level of Care Approval: _____

Name: _____
(Enter Name of Health Plan Representative)
Date: _____
(Enter Date of Approval)

To be completed by NF

Admitting Nursing Facility Information:

Facility Name: _____
Facility Address: _____
NF Contact Name: _____
NF Contact Phone Number: _____
NF Contact Email Address: _____
Member's admission date to facility: _____
Member's Last 4 of SSN: _____
Authorized Representative Name, Address & Phone Number:
_____
_____
_____

NF submits NF Level of Care Authorization Approval to DSS

- **Medicaid Direct:**
  The FL-2 Level of Care can be submitted in NCTracks to be viewed by DSS.
- **Managed Care:**
  Nursing facilities should send a copy of the appropriate form to the local DSS within 5 business days of receipt.

*** Each Managed Care Organization currently uses their individual forms but will be transitioning to DHB-2039 PHP Notification of Nursing Facility Level of Care form by December 19, 2022. Health plans are strongly encouraged to implement DHB-2039 as soon as possible.**

Determining LTC Financial Eligibility

Beneficiaries in nursing facilities (NFs) who are enrolled in Medicaid Direct or Medicaid Managed Care must have financial eligibility for long term care services determined by the local Department of Social Services (DSS) that manages the beneficiary's Medicaid case.

DSS Notification Required

- **Once DSS is notified that the beneficiary/member has been placed in a NF, an evaluation of long-term care financial eligibility begins.**
- **NF placement can be reported to DSS in various ways:**
  - **Change in Circumstance (CIC) report MEM009 (Managed Care)**
  - **Notification by Authorized Representative (A/R) or facility**
  - **Receipt of the FL-2 (Medicaid Direct) or DHB-2039 (Managed Care) that includes the original date of admission to the NF**

Determination of Financial Eligibility

- **Regardless of the method of notification of nursing facility admission, DSS must review the FL2 in NC Tracks or receive the DHB-2039 from the NF.**
- **The eligibility determination timeline varies based on the information needed from the beneficiary, including asset verification and review of transfers of assets during the past 5 years.**

LTC Approval, Cost of Care, NF Payment

- After long-term financial eligibility is determined and approved, the patient's monthly liability (PML) is established.
- DSS sends DHB-5016 to the nursing facility.
- Paying the Nursing Facility:
  - (Managed Care) The PML is updated on the 834-eligibility file sent to the PHPs daily. The PHP may now pay the NF for the member's services less the PML.
  - (Medicaid Direct) The PML is entered into NC Tracks and NC Tracks can adjudicate NF claims for the beneficiary's services less the PML.

LTC Denial

- **If a beneficiary is denied financial eligibility for nursing facility cost of care, DSS sends the denial notification to the member or authorized representative and DHB at Medicaid.BusinessSupport@dhhs.nc.gov**
  - **The Support Team will then notify the PHP of the denial.**
  - **The DHB team is currently working on a long-term reporting process for communicating this information to the plans.**

Nursing Facility Process Comparison

MEDICAID DIRECT	MANAGED CARE
• FL2 / Level of Care form approved in NCTracks	• Nursing facility requests nursing facility level of care approval from the PHP
• NCTracks approves FL2 / Level of Care and nursing facilities can review in NCTracks	• PHP approves nursing facility level of care and sends the DHB-2039 and service authorization to the nursing facility.
• Nursing facility sends the approved FL2 / Level of Care form to DSS or DSS verifies in NCTracks	• Nursing facility sends the approved DHB-2039 form to DSS
• **DSS determines financial eligibility for nursing facility cost of care and authorizes coverage in NCFast.** ○ **DSS sends appropriate notice to the beneficiary**	• **DSS determines financial elibility for nursing facility cost of care and authorizes coverage in NCFast.** ○ **DSS sends appropriate notice to the beneficiary**
• DSS sends DHB-5016 to the nursing facility	• DSS sends DHB-5016 to the nursing facility
• Nursing facility bills services to NC Medicaid Direct through NCTracks	• Nursing facility bills the PHP for services until disenrollment from the PHP. Then the facility submits a new FL2 and bills NC Medicaid.
Note: Medicaid cannot pay nursing facility claims if the member has not been determined to meet long term care financial eligibility. Individuals remain responsible for cost of care.	Note: Medicaid cannot pay nursing facility claims if the member has not been determined to meet long term care financial eligibility. Individuals remain responsible for cost of care.

Disenrolling from MC to MD

A member is disenrolled from managed care to Medicaid Direct on the first day of the month following the 90th consecutive day in a nursing facility.

Examples:

- **If a member enters a NF on 5/21/22, the 90th consecutive day is 8/18/22, disenrollment from MC for that member occurs on 9/1/22.**
- **But if a member enters a NF on 5/2/22, the 90th consecutive day is 7/31/22, disenrollment from MC for that member occurs on 8/1/22.**

A member can be disenrolled prior to LTC eligibility determination, but determination is still required prior to paying the facility.

Please note: Members may be disenrolled from Medicaid Managed Care for other reasons

Notifying the NF of MC Disenrollment

- **Per the Department's Transition of Care policy, the PHP is required to inform the member's current Medicaid providers of the anticipated disenrollment.**

- **Nursing facilities should expect notification from the member's PHP when the member has disenrolled back to Medicaid Direct.**

NF Next Steps after Disenrollment

- **After a beneficiary disenrolls to MD, the nursing facility should:**

1. **Confirm the beneficiary has a valid (i.e., current and up-to-date) PASRR number.**
2. **Submit the new nursing facility level of care authorization request (FL-2) to NC Tracks.**
3. **Confirm that DSS:**
   - **Completed the long-term care financial eligibility determination, or**
   - **Has the necessary information needed to finish the long-term care financial eligibility determination.**

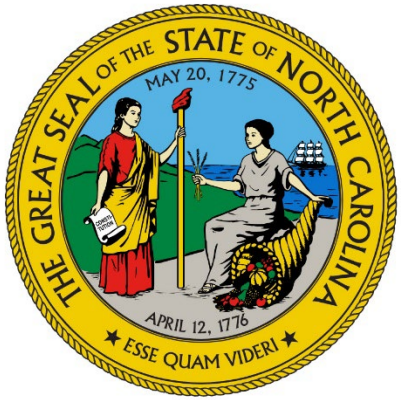
If a Disenrollment is not Timely

- **If a member has not disenrolled by the first of the month following the 90th consecutive day, the facility should:**
  - **Follow-up with the local DSS to confirm that DSS has received the DHB-2039 form.**

If a Disenrollment Occurs Retroactively More than 90 Days

- **Current process - The nursing facility should contact the NC Medicaid Managed Care Provider Ombudsman at 866-304-7062 or Medicaid.ProviderOmbudsman@dhhs.nc.gov to generate a ticket for the State to review, and if appropriate, request a retroactive PA.**

- **Potential future updates to NC Tracks would allow the PA effective date to align with the retroactive disenrollment date, even if this date is greater than 90 days, when applicable. Implementation date TBD**



Open Discussion and Questions

Resources for Nursing Facilities

Managed Care Provider Resources

- **Medicaid Managed Care Provider Ombudsman:**

  Phone: 866-304-7062

  Email: Medicaid.ProviderOmbudsman@dhhs.nc.gov

- **Nursing Facility Fact Sheets & other information**

  County DSS Fact Sheet:

  https://medicaid.ncdhhs.gov/media/12039/download?attachment

  PHP Fact Sheet:

  https://medicaid.ncdhhs.gov/media/12050/download?attachment

  Provider Fact Sheet:

  https://medicaid.ncdhhs.gov/media/12040/download?attachment

  Bulletin:

  https://medicaid.ncdhhs.gov/blog/2022/10/19/new-standardized-php-notification-nursing-facility-level-care-form

  PHP Notification of Nursing Facility Level of Care form (NC Medicaid-2039):

  https://medicaid.ncdhhs.gov/media/12027/download?attachment

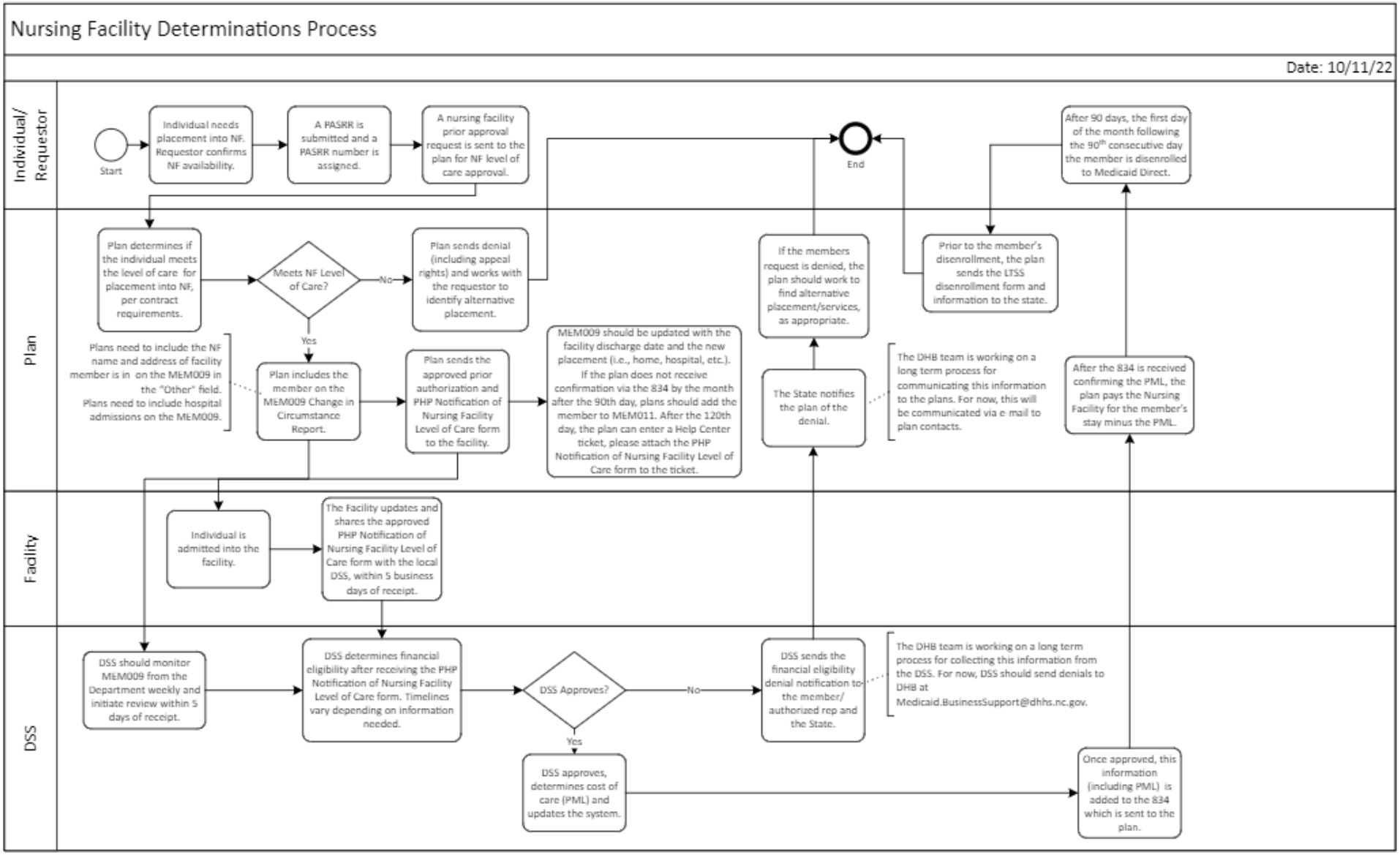
Terminology and Acronyms

- **DSS** Department of Social Services
- **LOC** Level of Care
- **MC** North Carolina Managed Care
- **MD** North Carolina Medicaid Direct
- **NF** Nursing Facility
- **PHP** Prepaid Health Plan
- **PML** Patient Monthly Liability

Important Items to Note about MEM009 Report

- PHPs are required to include the nursing facility name and address of the facility where the member resides on the MEM009 in the “Other” field.
- PHPs are required to include hospital admissions on the MEM009 report as applicable.
- PHPs are required to update the MEM009 with the new facility discharge date and the new placement (i.e., home, hospital, etc.).
- Hospital admission and discharge information is required on the MEM009 because DSS needs this information for the long-term care financial eligibility determination process.

If the member does not meet nursing facility level of care, the PHP sends the denial (including appeal rights) to the member and requestor (as applicable) and works with the member and requestor (as applicable) to identify alternative placement.


Nursing Facility Determinations Process
Date: 10/11/22
Individual/ Requestor
Plan
Facility
DSS
Start
Individual needs placement into NF. Requestor confirms NF availability.
A PASRR is submitted and a PASRR number is assigned.
A nursing facility prior approval request is sent to the plan for NF level of care approval.
End
After 90 days, the first day of the month following the 90th consecutive day the member is disenrolled to Medicaid Direct.
Plan determines if the individual meets the level of care for placement into NF, per contract requirements.
Meets NF Level of Care?
No
Plan sends denial (including appeal rights) and works with the requestor to identify alternative placement.
Yes
Plans need to include the NF name and address of facility member is in on the MEM009 in the "Other" field. Plans need to include hospital admissions on the MEM009.
Plan includes the member on the MEM009 Change in Circumstance Report.
Plan sends the approved prior authorization and PHP Notification of Nursing Facility Level of Care form to the facility.
MEM009 should be updated with the facility discharge date and the new placement (i.e., home, hospital, etc.). If the plan does not receive confirmation via the 834 by the month after the 90th day, plans should add the member to MEM011. After the 120th day, the plan can enter a Help Center ticket, please attach the PHP Notification of Nursing Facility Level of Care form to the ticket.
If the members request is denied, the plan should work to find alternative placement/services, as appropriate.
Prior to the member's disenrollment, the plan sends the LTSS disenrollment form and information to the state.
The State notifies the plan of the denial.
The DHB team is working on a long term process for communicating this information to the plans. For now, this will be communicated via e-mail to plan contacts.
After the 834 is received confirming the PML, the plan pays the Nursing Facility for the member's stay minus the PML.
Individual is admitted into the facility.
The Facility updates and shares the approved PHP Notification of Nursing Facility Level of Care form with the local DSS, within 5 business days of receipt.
DSS should monitor MEM009 from the Department weekly and initiate review within 5 days of receipt.
DSS determines financial eligibility after receiving the PHP Notification of Nursing Facility Level of Care form. Timelines vary depending on information needed.
DSS Approves?
No
DSS sends the financial eligibility denial notification to the member/ authorized rep and the State.
The DHB team is working on a long term process for collecting this information from the DSS. For now, DSS should send denials to DHB at Medicaid.BusinessSupport@dhhs.nc.gov.
Yes
DSS approves, determines cost of care (PML) and updates the system.
Once approved, this information (including PML) is added to the 834 which is sent to the plan.

Forms and their Purpose

Item/Form	Who Sends	Who Receives	Purpose
FL-2	NF/ provider	NCTracks/ DSS	To request NF services (Medicaid Direct). Required to determine LTC financial eligibility
DHB-2039	NF	DSS	To notify DSS of NF level of care determination (Managed Care). Required to determine LTC financial eligibility
Nursing facility level of care authorization approval (PA)	PHP	NF	To authorize NF services (Managed Care)
MEM009	PHP	DSS	To notify county of change in circumstance (Managed Care)
DHB-5016	DSS	NF	To notify NF of determination and PML
MEM011	PHP	DSS	To report to DSS a member did not disenroll timely (Managed Care)
LTSS Disenrollment Form	PHP	Medicaid Direct	To notify LTSS of disenrollment (Managed Care)