



COMMISSIONER
Chris Traylor

January 25, 2011

To: Nursing Facility Administrators, Social Workers, and Rehabilitation Therapy Staff

Subject: Information Letter No. 11-11
Availability of Specialized Services in Medicaid Nursing Facilities

The Department of Aging and Disability Services (DADS) has identified a need to provide clarification to facilities regarding the provision of specialized services to Medicaid-eligible nursing facility residents, and the relation of specialized services to Preadmission Screening and Resident Review (PASRR). PASRR is a federally-mandated program that requires any person, regardless of payment source, seeking admission into a Medicaid-certified nursing facility (NF) to be assessed for a diagnosis of mental illness, intellectual disability (ID) or a developmental disability (DD) (also known as a "related condition").

Eligibility for Specialized Services

To be eligible for specialized services, a Medicaid recipient must:

- be Medicaid eligible for NF care;
- reside in a Medicaid-certified NF; and
- have an approved [PASRR](#) Level II.

When a resident receives approval of a PASRR Level II, they are eligible for the benefit of specialized services. Specialized services include physical therapy (PT), occupational therapy (OT), speech therapy (SP), customized manual wheelchair (CMWC), durable medical equipment (DME), alternate placement services, and vocational training. These services are provided through either the NF or a local MR authority (MRA), depending on the service.

Specialized Services Provided by the MRA

The specialized services available through and billed to DADS by a MRA include:

- service coordination (SC);
- determination of intellectual disability (DMR);
- alternate placement services; and
- vocational training.

Service coordination includes supports, and coordination of supports, that help a resident achieve a quality of life and community participation acceptable to the resident as described in the resident's plan of care. These supports include assessments, service planning, monitoring, crisis prevention, and crisis management. Alternate placement service is assistance provided to an eligible nursing facility resident to locate and secure services chosen by the resident or legally authorized representative (LAR) to meet the resident's basic needs in a setting other than a nursing facility. Vocational training is training service provided to a nursing facility resident in an industrial enclave, a work crew, a sheltered workshop or an affirmative industry to enable the

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resident to obtain employment. A DMR is an interview and assessment, or an endorsement, conducted in accordance with Health and Safety Code, §593.005, and 40 Texas Administrative Code Chapter 5, Subchapter D to determine if an individual has an ID or is a member of the ID priority population.

In order to facilitate the provision of these services to a resident DADS sends the MRA, via encrypted e-mail, referral information related to an individual seeking admission to a NF who has a diagnosis of ID or DD and who has been assessed as eligible for NF medical necessity and specialized services through the completion of a PASRR Level II assessment. MRA staff will retrieve the referral and ensure a service coordinator contacts the resident within 120 days after the referral is sent to the MRA.

The service coordinator will contact the resident and complete an assessment, which will:

- verify the individual is residing in an NF in the MRA's local service area;
- review all available records to determine if the resident has a diagnosis of ID or DD; and
- secure the resident's decision regarding participation in the specialized services offered through the MRA.

Specialized Services Provided/Coordinated by the NF

Once the resident is confirmed as eligible to receive specialized services, the resident may request, and the NF must provide the following specialized services if ordered by a physician:

- PT;
- OT;
- SP;
- CMWC; and
- DME.

Specialized services provided through the NF are billed to and paid by DADS separately from the Medicaid daily rate. All specialized services must be prior authorized by DADS with the exception of one evaluation per diagnosis, injury or illness towards which the therapy is targeted. Any specialized services provided without prior authorization (except as stated previously) will not be reimbursed by DADS.

The NF must obtain approval for the provision of specialized services by using the following forms:

- [Form 2465](#), Specialized Services Request - for PT, OT and SP requests;
- [Form 1017](#), Specialized Services Durable Medical Equipment Authorization Request - for DME requests; and
- [Form 1018](#), Specialized Services Customized Manual Wheelchair Authorization Request - for CMWC requests.

For additional information regarding:

- PASRR, go to:
 - [Preadmission Screening and Resident Review \(DADS\)](#);

- submission of [Form 2465](#), go to:
 - <http://www.dads.state.tx.us/providers/communications/2010/letters/IL2010-03.pdf>
and
 - <http://www.dads.state.tx.us/providers/communications/2009/letters/IL2009-10.pdf>;
- submission of Forms [1017](#) and [1018](#) go to:
 - <http://www.dads.state.tx.us/providers/communications/2010/letters/IL2010-50.pdf>; and
- specialized services provided through the MRA, go to:
 - [DADS Mental Retardation Authority Omnibus Budget Reconciliation Act Preadmission Screening and Resident Review Handbook - Table of Contents](#).

If you have any questions or need additional information, Sean Ivie, Lead Policy Analyst, serves as the lead staff on matters regarding CMWC and DME, and can be reached by phone at (512) 438-5208 or by e-mail at Sean.Ivie@dads.state.tx.us. Jamie White, Policy Analyst, serves as lead staff on matters regarding PASRR and can be reached at (512) 438-4481 or by email at Jamie.White@dads.state.tx.us. For questions regarding [Form 2465](#) and the authorization process for PT, OT and SP services, contact Provider Claims Services by phone at (512) 438-2200 (select option 6). Robert Evans, MRA Unit Manager, serves as the lead staff on matters regarding specialized services provided through the MRA, and can be reached by phone at (512) 438-2140 or by email at Robert.Evans@dads.state.tx.us.

Sincerely,

[signature on file]

Geri Willems
Manager
MERP/PASRR