To:

Hospice Providers

Nursing Homes

HMOs and Other Managed Care Programs

Wisconsin Medicaid Using Automated Algorithm to Determine Eligibility for Nursing Home Care

As a result of a legislative initiative, Wisconsin Medicaid has automated the function of determining payment for nursing home care. An automated algorithm, based on each recipient's full minimum data set (MDS) assessment, is now being used to determine eligibility for Medicaid payment for non-developmentally disabled nursing home recipients. The automated algorithm system has replaced the level of care system for non-developmentally disabled nursing home recipients only. Developmentally disabled nursing home recipients will continue to be assigned to an appropriate level of care by the Bureau of Quality Assurance.

Automated Algorithm to Determine Eligibility for Nursing Home Care

As a result of a legislative initiative, Wisconsin Medicaid is using an automated algorithm, based on each recipient's full minimum data set (MDS) assessment, to determine eligibility for Medicaid payment for non-developmentally disabled nursing home recipients. The automated algorithm system replaces the level of care (LOC) system in which the Bureau of Quality Assurance (BQA) assigned the appropriate LOC to each nursing home recipient. The BQA will continue to assign a LOC to developmentally disabled nursing home

recipients and those non-developmentally disabled nursing home recipients with LOC requests for dates of service (DOS) prior to July 1, 2006.

Level of Care Payment System for Dates of Service Prior to July 1, 2006

Prior to July 1, 2006, the BQA established and annually verified the LOC for each Medicaid nursing home recipient and each LOC had a separate payment rate.

Under the previous system, the nursing home requested a LOC determination from the BQA for new Medicaid nursing home recipients. The BQA then communicated the recipient's LOC determination to the nursing home and Wisconsin Medicaid.

For established Medicaid nursing home recipients, the BQA reviewed and verified the recipient's LOC during the nursing home's annual survey.

The BQA will continue to set the LOC for requests with DOS prior to July 1, 2006.

Minimum Data Set Determines Eligibility for Care System

Effective for DOS on and after July 1, 2006, nursing home eligibility is determined using an automated algorithm based on the recipient's full MDS. Outcomes of the MDS algorithm are as follows:

- *Eligible for Nursing Home Care*
  The recipient is found to be eligible for payment of nursing home care.
- *Professional Review Required*
  The recipient is found to be "not eligible" for payment of nursing home care. The recipient will have his or her case automatically reviewed by Wisconsin Medicaid to verify the determination. Before making the final determination, a Medicaid nurse consultant will ask the nursing home to provide documentation of any extenuating circumstances. A recipient found to be not eligible for payment after professional review will have the right to appeal the decision. The recipient will be sent notification of the decision and his or her right to appeal with a copy sent to the provider.
- *Complete Minimum Data Set Not Available for the Recipient*
  If a nursing home care eligibility determination cannot be made because an MDS is not required for the recipient (e.g., short stay) or if the MDS contains incomplete data, the determination will be made by a Medicaid nurse consultant based upon supporting documentation provided by the nursing home. A Medicaid identification number must be on the MDS for the automated algorithm to make the determination of eligibility for a recipient.

Determination Request Processing

Beginning October 1, 2006, nursing homes will be required to submit a new form, the Request for Nursing Home Care Determination, directly to Wisconsin Medicaid for new Medicaid recipients who do not have a revenue accommodation billing code. The completion instructions and form are included as Attachments 1 and 2 of this *Wisconsin Medicaid and BadgerCare Update*.

Before October 1, 2006, nursing homes should continue to submit requests for a determination of nursing home eligibility to BQA using the DDE-2256 form. The BQA will forward the form to Wisconsin Medicaid and Medicaid will verify whether the recipient meets eligibility requirements for nursing home care statutory requirements using the automated algorithm. Wisconsin Medicaid will then notify the nursing home of the recipient's eligibility for payment for nursing home care.

Reports

Wisconsin Medicaid will send a weekly report to each nursing home containing the findings of the automated MDS algorithm. The weekly report will include the following information for each new request and any changes to current Medicaid recipients:

- Approved requests will include the revenue accommodation billing code assigned.
- Denied requests will list the reason for the denial.
- Pending requests will list the reason for the pend, which may include:
  - ✓ Professional review.
  - ✓ No matching MDS found.

In addition to the weekly report, Wisconsin Medicaid will continue to send the monthly Nursing Home Authorization Report,

Beginning October 1, 2006, nursing homes will be required to submit a new form, the Request for Nursing Home Care Determination, directly to Wisconsin Medicaid for new Medicaid recipients who do not have a revenue accommodation billing code.

HMKR449Q. This report lists all of the recipients in the nursing home and their current revenue accommodation billing codes.

Billing Instructions

Nursing homes should use the revenue accommodation billing code indicated on the monthly HMKR449Q report that is sent to the facility on claims for all Medicaid nursing home recipients.

Note: A recipient with a new full MDS assessment after July 1, 2006, who is found eligible for nursing home care will be assigned revenue accommodation billing code 0192. The revenue accommodation billing code will become effective at the beginning of the month following the full MDS assessment. This information can be determined by reviewing the monthly HMKR449Q report.

Nursing homes should use the revenue accommodation billing code indicated on the monthly HMKR449Q report that is sent to the facility on claims for all Medicaid nursing home recipients.

Revenue Accommodation Billing Codes for Non-Developmentally Disabled Nursing Home Recipients	
Level of Care System	
Current Nursing Home Recipient Care Level	Revenue Accommodation Billing Code
Skilled Nursing Facility	0194
Intermediate Care 1	0193
Intermediate Care 2	0192
Intermediate Care 3/4	0191
Intensive Skilled Nursing	0199
Automated Algorithm System Post July 1, 2006	
Circumstance Requiring a Full Minimum Data Set	Revenue Accommodation Billing Code
• New admissions. • Recipients with a change of condition. • Transfers. • Annual minimum data set.	0192

Note: Nursing homes should continue to use the revenue accommodation billing code assigned by the LOC system unless there is a circumstance requiring a full MDS on or after July 1, 2006.

Reimbursement Changes

For a recipient determined eligible for nursing home care using the new process, Wisconsin Medicaid will reimburse a nursing home based on a blended rate unique to that nursing home. Nursing homes will be notified of reimbursement changes with the annual distribution of the nursing home formula. For a recipient assigned a LOC by the BQA, Wisconsin Medicaid will continue the current reimbursement method.

Information Regarding Medicaid HMOs

This *Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at *dhfs.wisconsin.gov/medicaid/*.

PHC 1250

ATTACHMENT 1
Request for Nursing Home Care Determination Completion Instructions

(A copy of the "Request for Nursing Home Care Determination Completion Instructions" is located on the following pages.)

WISCONSIN MEDICAID
REQUEST FOR NURSING HOME CARE DETERMINATION
COMPLETION INSTRUCTIONS

Wisconsin Medicaid requires certain information to enable Medicaid to authorize and pay for medical services provided to eligible recipients.

Recipients are required to give providers full, correct, and truthful information for the submission of correct and complete claims for Medicaid reimbursement. This information should include, but is not limited to, information concerning eligibility status, accurate name, address, and Medicaid identification number (HFS 104.02[4], Wis. Admin. Code).

Under s. 49.45(4), Wis. Stats., personally identifiable information about Medicaid applicants and recipients is confidential and is used for purposes directly related to Medicaid administration such as determining eligibility of the applicant, processing prior authorization requests, or processing provider claims for reimbursement. Failure to supply the information requested by the form may result in denial of Medicaid payment for the services.

Completion of this form is required to initiate the determination of Medicaid reimbursement for nursing home care.

This is a mandatory form. Wisconsin Medicaid will not accept other versions of this form. Print or type the information on the form so that it is legible.

Providers may submit forms by fax to Wisconsin Medicaid at (608) 221-8815 or by mail to the following address:

Wisconsin Medicaid
Attn: Eligibility Unit
6406 Bridge Rd
Madison WI 53784

SECTION I — PROVIDER INFORMATION

Name — Billing Provider
Enter the billing provider's name.

Billing Provider's Medicaid Provider Number
Enter the eight-digit Medicaid provider number of the provider who will be submitting claims.

National Provider Identifier
Enter the national provider identifier, if available.

Address — Provider (Street, City, State, Zip Code)
Enter the address, including the street, city, state, and zip code of the billing provider.

Name — Nursing Home Contact Person
Enter the nursing home contact person's name for questions about this specific resident.

Telephone Number — Nursing Home Contact Person
Enter the telephone number, including the area code, of the nursing home contact person.

SECTION II — RECIPIENT INFORMATION

Name — Recipient (Last, First, Middle Initial)
Enter the recipient's last name, followed by his or her first name and middle initial. Use the Medicaid Eligibility Verification System (EVS) to obtain the correct spelling of the recipient's name. If the name or spelling of the name on the Medicaid identification card and the EVS do not match, use the spelling from the EVS.

Recipient Medicaid Identification Number
Enter the recipient's 10-digit Medicaid identification number. Do not enter any other numbers or letters.

Address — Recipient (If Different from Provider Address — Include Street, City, State, and Zip Code)
Enter the complete address of the recipient's place of residence, including the street, city, state, and zip code if the billing provider's address is different from the recipient's current physical address.

Social Security Number — Recipient
Enter the recipient's nine-digit Social Security number. Do not enter any other numbers or letters.

Date of Birth — Recipient
Enter the recipient's date of birth in the MM/DD/YYYY format.

Gender — Recipient
Enter an "X" in the appropriate box to specify male or female.

Requested Payment Effective Date

Enter the requested payment effective date in the MM/DD/YYYY format.

Discharge Date
Enter the discharge or date of death in the MM/DD/YYYY format. For use only when a recipient is discharged from the facility.

Minimum Date Set (MDS) Submittal
Enter an "X" in the appropriate box. For cases where no minimum data set will be submitted, please submit the physician's orders and other appropriate information. This information will be used for nurse review in the care level determination process.

SECTION III — BUREAU OF QUALITY ASSURANCE INFORMATION

Self-Reported Level of Care for Staffing Purposes
Enter an "X" in the box next to the level of care you have established for the recipient for your staffing purposes. Completion of this information does not impact the Medicaid payment.

ATTACHMENT 2
Request for Nursing Home Care Determination

(A copy of the "Request for Nursing Home Care Determination" is located on the following page.)

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WISCONSIN MEDICAID
REQUEST FOR NURSING HOME CARE DETERMINATION

Instructions: Type or print clearly. Before completing this form, read the Request for Nursing Home Care Determination Completion Instructions (HCF 1020A).

SECTION I — PROVIDER INFORMATION

Name — Billing Provider

Billing Provider's Medicaid Provider Number	National Provider Identifier

Address — Provider (Street, City, State, Zip Code)

Name — Nursing Home Contact Person	Telephone Number — Nursing Home Contact Person

SECTION II — RECIPIENT INFORMATION

Name — Recipient (Last, First, Middle Initial)	Recipient Medicaid Identification Number

Address — Recipient (If Different from Provider Address — Include Street, City, State, and Zip Code)

Social Security Number — Recipient	Date of Birth — Recipient	Gender — Recipient
		❏ Male ❏ Female
Requested Payment Effective Date	Discharge Date	

Minimum Data Set (MDS) Submittal

❏ Minimum data set submitted or will be submitted.
❏ No MDS will be submitted.

For cases where no MDS will be submitted, attach the physician's orders. List other attachments, as necessary.

SECTION III — BUREAU OF QUALITY ASSURANCE INFORMATION

Self-Reported Level of Care for Staffing Purposes

❏ ISN   ❏ SNF   ❏ ICF-1   ❏ ICF-2   ❏ DD1a   ❏ DD1b   ❏ DD2   ❏ DD3