

Date: August 9, 2023

To: General Acute Care Hospitals, Psychiatric Hospitals, Psychiatric Health Facilities, Veteran Hospitals, Military Hospitals (Hospitals)
Medicaid-certified Skilled Nursing Facility Organizations (SNFs)
Medi-Cal Managed Care Plans (MCPs)

Subject: Hospitals' and SNFs' Preadmission Screening and Resident Review (PASRR) Responsibilities regarding Prior Authorizations for Members in an MCP

Purpose: This PASRR Information Notice (IN) clarifies the Hospitals' and SNFs' responsibilities to provide MCPs confirmation that a PASRR Level I Screening was completed and to provide completed PASRR documentation for cases that advance to a Level II Evaluation with SNF referrals for prior authorization.

Executive Summary

As of May 1, 2023, MCPs are reviewing prior authorization requests for SNF placement for the following information: 1) Confirmation that the PASRR Level I Screening was completed; 2) Whether the Level I Screening result is negative or positive for serious mental illness (SMI) and/or intellectual disability, developmental disability, and or related condition(s) (ID/DD/RC); and 3) the PASRR Case Identification (CID).

MCPs can approve the prior authorization request if the Level I Screening is negative for SMI and ID/DD/RC and the required information is received. At this time, Hospitals may proceed with discharging Members and SNFs may admit Members once the MCP approves the prior authorization request. **Note that this is a change in the process as MCPs were required to obtain and review PASRR documentation from Hospitals or SNFs as part of the MCP's prior authorization request review process for all cases.** PASRR documentation is no longer required to be sent to the MCP when a Level I Screening is negative for SMI and/or ID/DD/RC. It is only required when a Level I Screening is positive for SMI and/or ID/DD/RC and the case advances to a Level II Evaluation. Under this scenario, the MCP's approval of the prior authorization request will be pending until PASRR documentation is received. Once the PASRR process is completed, Hospitals and SNFs must provide the resulting Level II Evaluation letter to the MCP within three calendar days of issuance to obtain approval of the prior authorization request for SNF placement. Hospitals may proceed with discharging Members and SNFs may admit Members upon receipt of the MCP's approval.

Background

Per Title 42 of the Code of Federal Regulations (C.F.R.) sections [483.100 through 483.138](#), individuals identified with a SMI and/or ID/DD/RC must be screened and evaluated to determine whether SNF level of care and specialized services in the least restrictive setting that best meets their needs are required ([PASRR Determination](#)). All individuals, regardless of payer source, seeking admission to a Medicaid-certified SNF must have a PASRR Determination by the State Mental Health Authority [Department of Health Care Services (DHCS)] and/or ID/DD/RC Authority [Department of Developmental Services (DDS)] prior to a SNF accepting admission. Federal Financial Participation (FFP) is available for services provided to a Medicaid eligible individual determined to need nursing facility (NF) care or specialized services once the PASRR process is completed prior to SNF admission (42 C.F.R. 483.122).

The PASRR process begins with a preliminary screening (Level I Screening) to screen all individuals seeking admission to a Medicaid-certified SNF. If the Level I Screening returns a positive result for possible SMI and/or ID/DD/RC, a Level II Evaluation is performed by a Level II Evaluation Contractor (Level II Contractor). DHCS is responsible for SMI Level II Evaluations, which by law must be performed by a third-party contractor. DDS is responsible for ID/DD/RC Evaluations. The screening and evaluation information is used by DHCS and/or DDS to issue the PASRR Determination.

Required Documentation for MCP Prior Authorization Requests

As of May 1, 2023, MCPs are reviewing prior authorization requests for SNF placement to confirm the PASRR process was completed. Hospitals and SNFs¹ must include the following information as a note in the prior authorization request:

1. Confirmation that the PASRR Level I Screening was completed;
2. Whether the Level I Screening result is negative or positive for SMI and/or ID/DD/RC; and
3. The PASRR CID.

An example of the above information to include in the SNF referral is as follows:

PASRR Level I Screening completed; Result is positive for SMI and ID/DD/RC;
PASRR CID: 123-456-789.

Hospitals and SNFs can find this information on the Level I Screening result that is immediately generated by the PASRR Online System once a completed Level I

¹ SNFs must confirm that the Member's physician office obtained the prior authorization for SNF placement or initiate the prior authorization request with the MCP and include the physician's order for SNF placement.

Screening is submitted. If the Level I Screening result is negative for SMI and ID/DD/RC, the case is closed and MCPs can approve the prior authorization request if the required information is received.

However, if the Level I Screening result is positive for SMI and/or ID/DD/RC and the case advances to a Level II Evaluation, the MCP's approval of the prior authorization request will be pending. Once the PASRR process is completed, Hospitals and SNFs must provide the resulting Level II Evaluation letter for SMI and/or ID/DD/RC to the MCP within three calendar days of issuance to obtain approval of the prior authorization request for SNF placement. Level II Evaluation letters issued by DHCS can be downloaded in the PASRR Online System once available. Level II Evaluation letters issued by the DDS Regional Center are sent by mail to the Hospital or SNF.

Resulting Level II Evaluation letters include the following:

- **Attempt Letter:** Issued by DHCS when the visit for a SMI Level II Evaluation is unable to be scheduled for various reasons (e.g., Hospital or SNF not providing medical records or is nonresponsive, Member has been discharged, etc.).
- **Categorical Letter:** Issued by DHCS when the case is closed for a categorical reason.
- **Determination Letter:** Issued by DHCS when the SMI Level II Evaluation is complete.
- **Unavailable Letter:** Issued by DHCS when the visit for a SMI Level II Evaluation is scheduled but the evaluation is unable to be completed because the individual is not available for various reasons.
- **Pre-Admission Screening/Annual Resident Review Summary Report:** Issued by the DDS Regional Center when the ID/DD/RC Level II Evaluation is completed.

Hospitals may proceed with discharging Members and SNFs may admit Members upon receipt of the MCP's approval of the prior authorization request. Hospitals and SNFs must follow the MCPs' established policies and procedures for submitting prior authorization requests with supporting documentation. If the above PASRR process is not followed and the required documentation is not provided to the MCP, the MCP will deny the SNF referral.

PASRR Requirement for a Member Returning to a SNF

If a Member is going from a SNF to a Hospital and then returns to the same SNF, the Hospital does **not** need to complete a new PASRR for the Member. In this instance, the existing PASRR for the Member is still valid. If a Member is going from a SNF to a Hospital and then goes to a different Medicaid-certified SNF, the admitting SNF must obtain the PASRR documentation from the original SNF, unless the original SNF sent

the PASRR documentation to the Hospital. In this case, the Hospital must send the documentation to the admitting SNF. The Hospital must include a note in the prior authorization request for SNF placement indicating this scenario to the MCP. For example, the note may state “Member returning to a SNF; previous PASRR on file.” If the admitting SNF later determines that the Member has a significant change in condition, they must submit a Level I Screening as a Resident Review.

PASRR documentation must be exchanged between Hospitals and/or SNFs via the file exchange feature in the PASRR Online System for SMI cases, and by mail, fax, or email for ID/DD/RC cases. However, if there is a technical issue that prevents the Hospital or SNF from utilizing the file exchange feature in the PASRR Online System for SMI cases, then mail, email, or fax is allowable, as long as the file exchange in the PASRR Online System also occurs within three calendar days of the technical issue being resolved.

Instructions for Downloading and Printing PASRR Documentation for SMI Cases

To submit documentation from the PASRR Online System for SMI cases with prior authorization requests, follow the instructions below:

1. Log on to the PASRR Online System and proceed to the dashboard.
2. On the Dashboard page, under "Quick Links" or the "Level I" dropdown menu in the upper left corner of the page, select "Level I Cases."
3. Enter the PASRR CID in the "PASRR CID" search field for the case that needs documentation to be downloaded and printed.
4. Click on "Search." The results of the search will now be populated.
5. On the far right of the screen, there is an "Action" menu with the following options:
 - a. Case Notes
 - b. Click here to View Letter
 - c. Click here to view Case User History
6. Select "Click here to View Letter" in the "Action" menu. A new window will appear with a list of the available PASRR documentation (e.g., Notice of Need Letter and Determination Letter).
7. Click on each document to download. A pop-up window will appear in the upper right of the browser window once the download(s) is complete.
8. Click on the downloaded file(s). The file(s) will open.
9. In the upper right of the document, select "Print" to print the file, or select "Save As" to save the document.

Once the PASRR documentation is printed or saved from the PASRR Online System for SMI cases or received by mail from the DDS Regional Center for ID/DD/RC cases,

Hospitals and SNFs must follow the MCPs' established policies and procedures for submitting prior authorization requests with supporting documentation, which may entail faxing or emailing the documentation as an attachment to the MCP.

Benefits

The MCP's review of PASRR documentation enables a more robust care coordination for the Member, especially those PASRR resolutions that result in a Determination Letter, as the letter indicates the specialized services that the Member would best benefit from and the resources where such services can be accessed. Furthermore, ensuring PASRR is completed before Members are admitted to a Medicaid-certified SNF allows MCPs and DHCS to confirm that FFP is expended in compliance with federal regulations.

For additional information on the PASRR process, please refer to [PASRR IN 22-002](#) or any superseding IN.

References

For further guidance, please visit the [PASRR website](#).

For PASRR Information Notices, please visit the [PASRR Information Notices](#) page.

For training material, please visit the [PASRR Training](#) page.

For questions regarding this PASRR IN, please contact the DHCS' PASRR program staff at PASRR@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

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