

**Date:** August 30, 2023

**To:** Medicaid-certified Skilled Nursing Facility Organizations

**Subject:** Medicaid-certified Skilled Nursing Facilities' (SNFs') Preadmission Screening and Resident Review (PASRR) Responsibilities

**Purpose:** This PASRR Information Notice (IN) clarifies the SNFs' responsibilities to ensure the PASRR process is completed before admitting individuals to their facility.

## Executive Summary

Medicaid-certified SNFs must ensure the PASRR process is completed before admitting individuals to their facility, as Federal Financial Participation (FFP) is available only for services provided to a Medicaid eligible individual determined to need nursing facility (NF) care or specialized services once the PASRR process is completed. As of May 1, 2023, all General Acute Care Hospitals (GACHs) located in California are enrolled and utilizing the Department of Health Care Services' (DHCS') PASRR Online System to complete the PASRR process prior to discharging an individual to a SNF, regardless of payer source. DHCS continues to enroll psychiatric hospitals, psychiatric health facilities, veteran hospitals, and military hospitals in the PASRR Online System with instructions to complete the PASRR process prior to discharging an individual to a SNF. These facilities, in addition to GACHs, will be collectively referred to as "Hospital(s)" in this IN.

When an individual is being admitted to a SNF from a Hospital, the SNF must **not** submit a new Level I Screening and must instead confirm that the PASRR process was completed by the Hospital. This is done by accepting and reviewing the PASRR documentation submitted by the Hospital via the file exchange feature in the PASRR Online System for serious mental illness (SMI) cases, and by mail, email, or fax for intellectual disability, developmental disability, and/or related condition(s) (ID/DD/RC) cases. However, the only scenario where a SNF must initiate and complete the PASRR process before admitting the individual to their facility is when an individual is seeking admission to a SNF from a community-level setting.

## Background

Per Title 42 of the Code of Federal Regulations (C.F.R.) sections [483.100 through 483.138](#), all individuals, regardless of payer source, seeking admission to a Medicaid-certified SNF are subject to a PASRR for screening and evaluation of suspected SMI or

ID/DD/RC. All individuals must have a preliminary screening (Level I Screening). If the Level I Screening indicates suspected SMI and/or ID/DD/RC, the individual must be referred for further evaluation (Level II Evaluation). The goal of the Level II Evaluation and subsequent Determination process is to ensure appropriate placement of individuals in the least restrictive setting that best meets their needs and identify the need for specialized services (PASRR Determination).

The Level II Evaluation is performed by a Level II Evaluation Contractor (Level II Contractor). The screening and evaluation information is used by DHCS (the State Mental Health Authority) and/or by the Department of Developmental Services (DDS) to issue the PASRR Determination. FFP is available for services provided to a Medicaid eligible individual determined to need NF care or specialized services after the PASRR process has been completed (42 C.F.R. 483.122). Therefore, the PASRR process must be completed prior to a SNF accepting admission.

### **PASRR Process**

Medicaid-certified SNFs must ensure the PASRR process is completed for all individuals seeking admission to their facility, regardless of payer source. In accordance with 42 C.F.R. 483.122, FFP is available for services provided to a Medicaid eligible individual determined to need NF care or specialized services once the PASRR process has been completed. Prior to admitting individuals from a Hospital, SNFs must ensure that the Hospital completed the PASRR by accepting and reviewing PASRR documentation<sup>1</sup> submitted by the Hospital via the file exchange feature in the PASRR Online System for SMI cases, and by mail, email, or fax for ID/DD/RC cases.<sup>2</sup> However, if there is a technical issue that prevents the Hospital 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. Additionally, if the SNF determines that the Hospital did not initiate the file exchange in the PASRR Online System, the SNF must contact the Hospital and request that they initiate the file exchange prior to discharging the individual. SNFs must **not** submit a new Level I Screening as a preadmission screening (PAS) for individuals being admitted from a Hospital.

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<sup>1</sup> PASRR documentation issued by DHCS that the SNFs must review include the Notice of No Need Letter, Notice of Need Letter, Categorical Letter, Exempted Hospital Discharge Letter, Attempt Letter, Categorical Letter, Determination Letter, and Unavailable Letter, as applicable. Additionally, PASRR documentation issued by DDS and/or by the DDS Regional Center that the SNFs must review include the Notice of No Need Letter and PASRR Summary Report, as applicable.

<sup>2</sup> For SMI cases, the required method for sending PASRR documentation to the SNFs is the file exchange feature in the PASRR Online System as it allows SNFs to view the entire case in the system and submit a reconsideration request as applicable.

For individuals being admitted from a community-level setting, the SNFs must submit a Level I Screening as a PAS to initiate the PASRR process. The SNF may enter a future tentative admission date on the Level I Screening in the PASRR system to start and complete the process prior to the admission date. In instances of positive Level I Screenings, the Level II Contractor will call the SNF to confirm the information on the Level I Screening and determine if a Level II Evaluation is needed (Initial Assessment).

As part of the Initial Assessment process, the Level II Contractor will make two attempts in 48 hours to confirm a positive Level I Screening and request medical records from the SNF. SNFs must participate in the Initial Assessment process within 24 hours of submitting the completed Level I Screening or upon request of the Level II Contractor. SNFs must coordinate with the Level II Contractor to ensure the PASRR process is completed before admitting the individual to their facility. If the Level II Contractor is unable to complete the Initial Assessment process because the SNF is nonresponsive or does not provide the required documentation timely (within 24 hours), the Level II Contractor will close the case as an “Attempt” or “Unavailable.”

A PASRR case closed as an “Attempt” or “Unavailable” due to the facility not providing the required documentation to the Level II Contractor does not complete the PASRR process and the SNF will be required to restart the PASRR process by completing a new Level I Screening. Since FFP is only available after the PASRR process is completed, the SNF must ensure that they are providing the required documentation to the Level II Contractor to complete the PASRR process. Therefore, to reduce administrative delays and prevent loss of Medi-Cal funding, SNFs are urged to participate in the Initial Assessment and provide the required documentation (e.g., medical records, telehealth consent forms, etc.) to the Level II Contractor within 24 hours of a positive Level I Screening or immediately upon request.

### **Level II Evaluations via Telehealth**

For individuals receiving a Level II Evaluation via telehealth, the Level II Contractor will attempt to either obtain verbal or written consent from the individual or conservator before or at the start of the scheduled Level II Evaluation. If the Level II Contractor and SNF agree with obtaining verbal consent from the individual or conservator, there must be a witness. The Level II Contractor must document in the individual’s record: 1) The individual or conservator that provided their verbal consent to use telehealth, and 2) The first and last name of the witness and their position at the facility. If the Level II Contractor and SNF agree with obtaining written consent from the individual or conservator, the Level II Contractor will provide the SNF a telehealth consent form for completion. The SNF must obtain written consent from the individual or conservator and provide it to the Level II Contractor electronically before or at the start of the scheduled Level II Evaluation. If verbal or written consent to use telehealth is not received prior to the beginning of the scheduled Level II Evaluation, the Level II Contractor is unable to

conduct the telehealth evaluation and will close the case as “Unavailable.” The SNF will be required to submit a new Level I Screening to commence the PASRR process again.

### **Readmissions**

An individual is a readmission if they were readmitted to a SNF from a Hospital to which they were transferred for the purpose of receiving care. If an individual already has a PASRR on file and is readmitted to the same SNF, the Hospital does not need to complete a new PASRR for the individual. In this instance, the existing PASRR for the individual is still valid. If an individual 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 SNF must **not** submit a new Level I screening as a PAS for readmissions or for individuals being transferred from another SNF.

PASRR documentation must be exchanged between facilities within three calendar days of the request 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, provided the file exchange in the PASRR Online System also occurs within three calendar days of the technical issue being resolved.

### **Resident Review**

The SNF is required to initiate a Resident Review (RR) by completing a Level I Screening when there is a significant change in condition relating to the individual’s SMI and/or ID/DD/RC or when the Minimum Data Set (MDS) does not match the Level I Screening from the hospital. The SNF must initiate the RR as a Level I Screening within 72 hours of identification of a significant change in condition or identification of variance between the MDS and Level I Screening.

When a resident is returning from a Hospital stay (readmission), there may be a clear change in condition. In instances where the significant change is evident, the individual is subject to a RR within 72 hours upon their return to the SNF. In other cases, it may take time before changes to the resident’s condition become apparent. In these situations, the SNF should use the MDS Significant Change in Status Assessment to evaluate whether a RR is required.

### **Treatment Authorization Requests**

As of January 1, 2023, DHCS is adjudicating Treatment Authorization Requests (TARs) for SNF services when the PASRR process is completed. The TAR’s ‘from’ date is the date the Determination Letter was issued by DHCS. Therefore, SNFs must ensure that the ‘from’ date requested on the TAR is on or after the Determination Letter date or the

TAR may be modified. Additionally, if the individual has not had a significant change in condition, the SNF does not need to initiate a RR by completing a new Level I Screening. In this instance, the SNF must submit the existing PASRR documentation with the TAR.

**Note:** SNFs are to use the PASRR completed by the Hospital(s) for their TAR submissions. The SNFs are **not** to submit a new Level I Screening just to submit a TAR.

PASRR cases closed as “Attempt” or “Unavailable” due the SNF not providing the required documentation to the Level II Contractor timely (within 24 hours of a positive Level I Screening) or the unavailability of an individual during the scheduled Level II Evaluation are not considered completed. “Attempt” and “Unavailable” Letters issued in the PASRR Online System due to reasons stated above are not valid documentation for TAR approval because the PASRR process was not completed. Therefore, for cases closed as “Attempt” or “Unavailable” due to such reasons, the SNFs are required to submit a new Level I Screening to commence the PASRR process again and ensure successful completion.

### **Prior Authorization Requests**

As of May 1, 2023, Medi-Cal Managed Care Health Plans (MCPs) are approving prior authorization requests for SNF placement after the PASRR process is completed. SNFs must follow the MCPs’ established policies and procedures for submitting prior authorization requests with supporting documentation. For additional information on the Hospital and SNF PASRR responsibilities for MCP prior authorization requests, please refer to [PASRR IN 23-001](#).

### **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 DHCS’ PASRR program staff at [ITServiceDesk@dhcs.ca.gov](mailto:ITServiceDesk@dhcs.ca.gov).

Sincerely,

### **ORIGINAL SIGNED BY**

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