TO: Nursing Facilities, Community Mental Health Centers, Psychiatrists and Hospitals

SUBJECT: Preadmission Screening and Resident Review (PASARR) and Mental Health Services to be provided in the Nursing Facility

This Medicaid Bulletin addresses two separate, but inter-related issues. The information is important for nursing facilities and community mental health centers to assure that mental health needs of nursing facility residents are met. Nursing facilities who utilize the services of community mental health centers, or plan to explore this option, may find it useful to contact the Mental Health Center in their local area to meet and discuss these issues.

The South Carolina PASARR program is designed to identify nursing facility applicants who have a serious mental illness or mental retardation and require further assessment, to assure that appropriate placement is made and services necessary due to these unique conditions are identified and provided. Additionally, the program is designed to assure there is a re-evaluation of the resident and the services, when there is a significant change in the resident's condition.

All individuals seeking admission to a nursing facility, which participates in the Medicaid Program must be screened for the presence of indicators of mental illness and/or mental retardation, prior to admission. The PASARR Level I Screening Form (DHHS Form 234) is the document on which the results of the Level I screening are recorded. Nursing facility and/or hospital staff may conduct the PASARR Level I screening, provided the individual who conducts the screening has been trained by the local Community Long Term Care (CLTC) office and an agreement between that institution and the CLTC office has been signed. There have been numerous instances brought to the attention of the Department of Health and Human Services (DHHS) wherein Level I screenings have not been completed, have been completed after admission, or have not accurately reflected the applicant's condition. Nursing facilities
must make every effort to comply with the requirements of \textit{PASARR} and ensure that Level I screenings are conducted prior to admission. The screenings must be complete, and accurately reflect the applicant's condition at the time of the screening. Many nursing facilities have complained that hospitals and other entities which complete the Level I \textit{PASARRs}, frequently omit information such as psychiatric diagnosis and behavioral symptoms. Once the resident is admitted, the nursing facility is obligated to provide the necessary care and services the resident requires to attain or maintain the highest practicable physical, mental and psychosocial well-being, in accordance with the comprehensive assessment (MDS and RAPs) and care plan. Nursing facilities who identify those entities which conduct inaccurate or incomplete \textit{PASARRs} should report those entities to the local CLTC office. Nursing facilities may refuse to accept future \textit{PASARR} screenings completed by that entity until additional training is obtained and assurance that future \textit{PASARRs} will be done according to the requirements of the \textit{PASARR} program. Nursing facilities in this circumstance should have the Level I screenings conducted by CLTC or by their own CLTC trained nursing or social work staff, but all screenings must be conducted prior to admission.

The Level II screening, provides for a more detailed assessment, and will serve as the basis upon which a determination is made as to whether the individual with a serious mental illness, mental retardation or related condition is appropriate for the nursing home setting, whether their rehabilitative needs can be met in the nursing home setting and, if so, what specialized rehabilitation services related to their mental illness or mental retardation are necessary. The Level II determination must also be completed prior to admission. In some instances, the Level II determination may specify that the individual requires treatment for an acute psychotic condition which would be beyond the capacity of the nursing home to provide, or in the case of mental retardation, that the individual would be appropriate to receive active treatment for the mental retardation.

Once a resident who has a serious mental illness or mental retardation has been admitted to the nursing facility, an additional Level II \textit{PASARR} referral will be required when there is a significant change in the resident's condition. The Level II will not be required unless the individual has a serious mental illness, mental retardation or related condition. The definition of significant change for \textit{PASARR} purposes is the same definition used for the MDS. A significant change in the resident's condition may necessitate a change in the rehabilitative services necessary to meet their needs.

There have also been instances where nursing facilities have discharged a resident to the hospital and subsequently refused to readmit the resident, indicating the facility is unable to meet the resident's needs. In some cases, the nursing facility indicates the resident is a danger to other residents because of the symptoms that would have been
identified by a thorough Level IPASARR screening which should have been done prior to admission. Instances of this nature which are brought to the attention of OHHS will be identified to OHEC for investigation as to whether the resident's rights have been violated. Similarly, nursing facilities have discharged residents to the hospital and refused to readmit the resident when new behavioral symptoms have presented, or previous symptoms have escalated. Nursing facilities are advised that thorough assessment of an escalating behavioral symptom is to be completed before it reaches crisis level. Assessing the potential causes of the escalating behavioral symptoms includes ruling out medical causes, such as adverse drug reactions, urinary tract infections, fecal impactions, etc., as well as psychological causes, such as change in staff, recent loss of loved one, decline in vision or hearing, etc.

Medicaid sponsored nursing home residents are eligible for mental health treatment services through the community mental health centers or private practice psychiatrists.

These specialized rehabilitative services are covered services which can be provided by Community Mental Health Centers. They require the written order of a physician and must be provided by qualified personnel for those residents who need them:

- Assessment
- psychiatric medical assessment
- ancillary services such as case consultation, care coordination, treatment and/or report planning
- crisis management
- mental illness management services
- individual therapy
- group therapy
- independent living skills: natural environment (limited to residents who are being discharged)
- rehabilitative psycho-social therapy
The mental health center will bill DHHS directly via HCFA 1500. If the visit is made to the nursing home, the place of service code 99 (other unlisted facility). Private psychiatrists also use the HCFA 1500, however they are to use place of service code 32 if they are seeing the resident at the facility.

The PASARR process serves a very important function, and to ensure it's proper administration, it will become part of the Survey and Certification process. This will be accomplished by enforcement of F285. Nursing facilities which admit residents who require mental health services are responsible for contacting the community mental health clinic or other qualified provider to obtain the services necessary to meet the needs of the residents. Any questions regarding this bulletin, PASARR, or the provision of mental health services in nursing facilities may be addressed to Janet Clayton at (803) 898-2590.

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