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1.0 Description of the Service

Units in nursing facilities that provide skilled nursing services for geriatric residents who are diagnosed with a severe and persistent mental illness (SPMI) are referred to as geropsychiatric units. Such units are comprised of geriatric individuals with long-term psychiatric and behavioral health needs who exhibit challenging and difficult behaviors that are beyond the management capacity of traditional skilled nursing home facilities in community-based facilities. (A more detailed definition appears in **Section 3.2, Specific Criteria.**) The service provides both skilled nursing care that has traditionally been provided to geriatric patients on long-term-care units in psychiatric facilities and enhanced levels of supervision and management for the behavioral and psychiatric needs of persons who have SPMI diagnoses. Recipients of these services exhibit chronic, unsafe behaviors that cannot be managed in a traditional nursing facility but can be managed with reassurance and appropriately trained and enhanced staff.

2.0 Eligible Recipients

2.1 General Provisions

Medicaid recipients may have service restrictions due to their eligibility category that would make them ineligible for this service.

2.2 Age Restrictions

This service is intended primarily for recipients aged 65 and older.

2.3 Financial Eligibility

Medicaid applicants and recipients who meet financial eligibility requirements and medical necessity based on the nursing facility level of care criteria are eligible for Medicaid nursing facility services. The local department of social services in the county where the applicant's eligibility is maintained is responsible for determining financial eligibility, and the designated state contractor determines medical necessity.

3.0 When the Service Is Covered

3.1 General Criteria

Medicaid covers enhanced services provided in a geropsychiatric unit of a nursing facility when the service is medically necessary and

- a. the recipient meets financial eligibility requirements and skilled nursing level of care criteria;
- b. the services are individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness of injury under treatment, and not in excess of the recipient's needs.

- c. the service can be safely furnished, and no equally effective and more conservative or less costly treatment is available statewide; and
- d. the service is furnished in a manner not primarily intended for the convenience of the recipient, the recipient's caretaker, or the provider.

3.2 Specific Criteria

Only North Carolina residents who meet nursing facility level of care criteria and have SPMI diagnoses are eligible for this nursing service.

To qualify for placement in a geropsychiatric nursing specialty unit, a recipient must meet **all** of the following criteria.

- a. The recipient has an SPMI as defined by the following:
 - 1. The individual has a major mental disorder diagnosable under the Diagnostic and Statistical Manual of Mental Disorders, including, but not limited to, schizophrenia, bipolar disorder major depression, schizoaffective disorder, schizophreniform disorders, and psychotic disorder NOS (not otherwise specified).
 - 2. Prior to admission, the Global Assessment of Functioning (GAF) score is 40 or lower.
- b. The level of impairment is confirmed by a level II Pre-Admission Screening and Resident Review (PASRR) evaluation (42 CFR 483.128). PASRR II screening confirms the diagnosis of an SPMI, and recommends additional supportive therapies such as occupational, physical, recreational, and creative expressive arts. The Resource Regulatory Management Section, Program Accountability Team, is responsible for ensuring PASRR compliance. All SPMI persons seeking admission to nursing facilities must be confirmed as mentally ill and have related challenging and difficult psychiatric and behavioral health needs. Patients must be evaluated to determine whether the nursing facility is the most appropriate placement and whether they require specialized and/or enhanced behavioral health services.

Note: Refer to Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on the Division of Medical Assistance (DMA) Web site at <http://www.ncdhhs.gov/dma/mp/> for additional information on the PASRR screening process.
- c. The person is currently in a psychiatric hospital; or has had one or more past hospitalizations; or is exhibiting behaviors that place him or her at risk of psychiatric hospitalization in a State, public, or private psychiatric hospital in the State of North Carolina.
- d. The recipient exhibits chronic, unsafe behaviors that cannot be managed in a traditional nursing facility, including one of the following:
 - 1. Elopement or wandering
 - 2. Combative and assaulting behaviors (physical or verbal abuse toward staff, or self-abuse)
 - 3. Sexually inappropriate behaviors (touching or grabbing others, for example)

4. Self-endangering behaviors and medicine noncompliance
 5. Other challenging and difficult behaviors related to the individual's psychiatric illness
- e. Alternative services to meet the person's behavioral health needs are not available, or are not required.

3.3 Continued Stay Criteria

Continued stay in a geropsychiatric unit is applicable when the geropsychiatric resident either

- a. exhibits unsafe behaviors in the specialty nursing unit as outlined in **Section 3.2**, item d, or
- b. exhibits the unsafe behaviors if moved from the enhanced services available in the geropsychiatric unit, as evidenced by exploratory visits in the regular nursing facility unit, during which unsafe behaviors are observed.

3.4 Discharge Criteria

Discharge from a geropsychiatric unit is contingent upon

- a. the consistent **absence** of unsafe behaviors (as outlined in **Section 3.2**, item d) in a consistently structured geropsychiatric specialty nursing unit and
- b. the anticipation that the individual will not exhibit unsafe behaviors if transitioned from the geropsychiatric unit, as evidenced by exploratory visits to a regular nursing unit, during which unsafe behaviors are not observed.

Note: These criteria must be closely observed and monitored during a continuous period of at least three months.

Additional determining criteria for discharge include the following:

- a. Monitoring of medication stability/consistency
- b. Treatment compliance
- c. Appropriate living arrangements upon discharge
- d. Arrangement of aftercare for continued services in the community, with family/guardian support and involvement

4.0 When the Service Is Not Covered

Services provided in a geropsychiatric unit are not covered when

- a. the recipient does not meet the eligibility requirements listed in **Section 2.0**;
- b. the recipient does not meet the medical necessity criteria listed in **Section 3.0**;
- c. the service unnecessarily duplicates another provider's procedure; or
- d. the service is experimental, investigational, or part of a clinical trial.

5.0 Requirements for and Limitations on Coverage

5.1 Prior Approval

Prior approval is required for all admissions to a nursing facility [10A NCAC 22O.0116(a)]. Providers seeking Medicaid reimbursement of this service must confirm that the recipient

- a. meets the requirements in **Section 2.0, Eligible Recipients**, and
- b. meets the requirements in **Section 3.0, When the Service is Covered**.

Note: Refer to the forthcoming Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on DMA's Web site at <http://www.ncdhhs.gov/dma/mp/> for additional information on the prior approval process.

5.2 Preadmission Screening and Resident Review

Preadmission Screening and Resident Review (PASRR). After an individual receives a Level II evaluation, no longer needs to receive an Annual Resident Review (ARR) to evaluate the individual's continuing need for nursing facility care and/or specialized MI, MR, or REC services. Congress repealed the Federal requirement for annual reviews in 1996.

- b. Significant Change in MH/MR Resident Condition
- c. Nursing Facilities will have greater responsible for identifying significant changes in all of a resident's conditions. A significant change is defined as a major change in the resident's status that results either in an improvement or deterioration in at least two (2) or more areas of the resident's physical or mental functioning, which has an impact on his/her specialized needs.
- d. Nursing facilities will be responsible to complete an MDS evaluation for any significant change and must notify the PASRR contractor within seven (7) days of the significant change so that the resident can either a PASRR I or PASRR II evaluation can be arranged whichever is indicated by the change. The process will then follow the same steps as for the initial Level PASRR evaluation process.
- e. Once the PASRR II is completed communication of changes in service needs must occur with the Department of Mental Health, since they are responsible to arrange and assure MH and MR services for individuals who are appropriate for additional services. 2 CFR §483.114 for a resident with severe mental illness (SMI), mental retardation (MR), or related conditions (RC) identified through a Level II screen.

Note: Refer to Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on DMA's Web site at <http://www.ncdhhs.gov/dma/mp/> for additional information on the Level II screens.

5.3 Service Provisions

Refer to Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on DMA's Web site at <http://www.ncdhhs.gov/dma/mp/> for additional information on requirements for and limitations to services provided in nursing facilities.

5.3.1 Medical Care

Assessments and annual reviews must be provided to geropsychiatric patients in compliance with requirements defined by Medicaid and Medicare for nursing

facilities. Enhanced levels of supervision and staffing (see **Section 5.3.3**) must be provided for the residents on a geropsychiatric unit in addition to the provision of medical and nursing care services required by Medicaid and Medicare.

5.3.2 Therapeutic Environment

Geropsychiatric units must provide a therapeutic environment using the least restrictive alternatives (10A NCAC 27E.0101) that promote the maintenance and enhancement of the recipient's quality of life. These therapeutic elements are provided through:

- a. Enhanced nursing services to meet both the nursing care and behavioral care needs of the recipients

Note: See **Section 6.4, Staff Training Requirements**, for the initial and ongoing training required of nursing staff.

- b. Psychiatric services to address the recipients' needs related to the management of symptoms and medications for severe and persistent mental illness (that is, the psychiatrist will be part of the ongoing treatment assessment and treatment planning of the recipient)
- c. Psychological services to develop and implement behavior management plans, including training nursing staff in ongoing implementation of the plan (that is, the psychiatrist will be part of the ongoing treatment assessment and treatment planning of the recipient)
- d. Social work services to coordinate the enhanced behavioral health care services provided to the recipients
- e. Licensed psychiatric nursing services to supervise and coordinate the nursing and medical services being provided to the recipients
- f. Programming that is focused on maintaining previously learned psychosocial and recreational skills

5.3.3 Staffing Levels

This skilled nursing unit requires more nursing staff than in a traditional nursing facility unit. A 20-bed geropsychiatric specialty unit must be staffed by both a standard team of nursing staff (10A NCAC 13D.2303) and enhanced levels of staffing that include at least all of the following:

- a. 10 full-time-equivalent (FTE) nursing staff (RN, LPN, CNA)
- b. 0.2 FTE psychiatrist
- c. 0.2 FTE licensed psychologist
- d. 0.5 FTE LCSW
- e. 0.5 FTE social work assistant (BSW or Bachelor's related to field with 1 year's experience)

The qualifying nursing facility has the option to contract with a private group to provide the enhanced staffing (except nursing staff, who must be employees of the nursing facility).

The qualifying providers are responsible for working closely with the Local Management Entity's (LME) geropsychiatric teams located in each region.

5.3.4 Client Safety

The facility must provide consistent staff monitoring of recipients to ensure safety and security, address the behaviors exhibited by the recipients, and plan appropriately when significant medical and behavioral changes occur. The facility also must provide services by maintaining sufficient numbers of personnel, on a 24-hour basis, to provide nursing care to all residents in accordance with person-centered resident care plans. This staffing level consists of the following ratio of staff to recipients.

- a. First shift: 1 CNA for every 3 residents, 1 LPN for every 12 residents, and 4 hours of RN coverage. For every 20 residents there must be 0.2 FTE psychiatrist; 0.2 FTE licensed psychologist; 0.5 FTE social services assistant; and 0.5 FTE LCSW.
- b. Second shift: 1 CNA/3 residents, 1 LPN/12 residents, and 4 hours of RN coverage
- c. Third shift: 1 CNA/7 residents and 1 LPN/20 residents

5.4 Therapeutic Leave

Therapeutic leave must be provided (10A NCAC 22O.0409).

Note: Refer to Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on DMA's Web site at <http://www.ncdhhs.gov/dma/mp/> for additional information on therapeutic leave.

6.0 Providers Eligible to Bill for the Service

Nursing facilities that meet Medicaid's qualifications for participation and are currently enrolled with the N.C. Medicaid program are eligible to establish geropsychiatric units when they meet the additional staffing and certification requirements for geropsychiatric units and execute an agreement with DMA to provide the service.

6.1 Establishing Units

The enhanced skilled nursing units must be an on-site geropsychiatric component of a licensed nursing facility and must be certified (42 CFR 483) to receive Medicaid and Medicare reimbursements.

There are two options for establishing a geropsychiatric unit in a nursing facility:

- a. A nursing facility may use no more than 20 currently certified nursing beds to create the geropsychiatric services unit. There must be clinical documentation to ensure that existing residents meet criteria for the geropsychiatric unit and that the geropsychiatric unit is the most appropriate placement for residents who would otherwise be displaced. The nursing facility must also provide a transition plan for any residents who will be displaced by the creation of the geropsychiatric unit.
- b. A nursing facility may expand its current number of certified beds by converting existing beds that are not currently certified beds or by developing new certified nursing beds. If this option is selected, the Certificate of Need (CON) requirements apply and the facility must meet and follow all CON requirements. The CON must be approved prior to the final approval of a proposal to develop a geropsychiatric unit in the nursing facility.

6.2 Facility Requirements

The facility must meet nursing facility requirements as well as an enhanced level of nursing care to meet the special nursing and behavioral health needs of the residents. The facility must be certified and monitored by the Division of Health Service Regulation for compliance with nursing facility rules. This compliance is to ensure that the facility is designed, constructed, equipped, and maintained to protect the health and safety of residents, personnel, and the public.

The facility must also provide a therapeutic environment with enhanced and trained staff as identified in **Section 5.3, Service Provisions**. The Program Accountability Team from MHDDSAS monitors all specialty training for the enhanced nursing staff in a therapeutic environment to ensure that it is timely maintained and documented. If training requirements are not met, the nursing facility does not qualify for the nursing specialty services, geropsychiatry. MHDDSAS Program Accountability will monitor all geropsychiatric units for the following through its annual program assessments/reviews:

- a. Therapeutic environment
- b. Staffing
- c. Staff training

All nursing facilities must provide separate and sufficient space on the geropsychiatric unit. They must also provide equipment in dining, medical health services, recreation, and program areas to enable staff to provide residents with needed behavioral health services.

6.3 Provider Agreement

A provider agreement between DMA and the facility is required (10A NCAC 22N.0102).

6.4 Staff Training Requirements

All nursing staff (RNs, LPNs, and CNAs) must (10A NCAC 27E.0107) complete no fewer than 40 initial hours of staff training (20 hours annually thereafter) on behavioral health management issues for challenging and difficult behaviors, and additional training as professionally required. The staff training calendar and schedule are planned by the Staff Development Coordinator with approval of DMH. All nurses and CNAs are required to participate in this training. The facility orientation will include additional training for all nursing facility staff assigned to the geropsychiatric unit.

The training curriculum is defined by the MHDDSAS training guidelines. Training includes, but is not limited to, the mental health, nursing, and medical guidelines for treating the geropsychiatric patient population to ensure employee skilled competencies in the following areas:

- a. Person-Centered Thinking and Person-Centered Care planning
- b. Assessment of mental status
- c. Documentation of behaviors
- d. Loss and grief
- e. Establishment of a therapeutic environment
- f. Effective communication with families
- g. Effective communication with persons with cognitive deficits
- h. Physical, social, and emotional self-awareness

- i. Recognition of symptoms of mental illness
- j. Sexuality and aging
- k. Mental illness and the aging population
- l. Crisis prevention and intervention
- m. Relocation trauma; psychological aspects of change
- n. Stress management and impact on caregivers
- o. Psychotropic medications and side effects and adverse reactions in the elderly
- p. Reality orientation
- q. Problem solving: bathing
- r. Problem solving: incontinence
- s. Therapeutic approaches and interventions for problem behaviors
- t. Elopement precautions
- u. Working with aggressive, assaulting, and sexual behaviors
- v. Training for staff self-protection

7.0 Additional Requirements

7.1 Compliance with State and Federal Regulations

The provider must operate and deliver services in compliance with all applicable federal, state, and local laws; regulations and codes according to accepted professional standards; and principles that apply to all professionals providing services in such a facility.

7.2 Nursing Facility Service Requirements

Providers must comply with all of the requirements and limitations documented in Clinical Coverage Policy #2B-1, *Nursing Facility Services*, on the Division of Medical Assistance (DMA) Web site at <http://www.ncdhhs.gov/dma/mp/>.

7.3 Reporting Requirements

The operation of a geropsychiatric specialty unit in a nursing facility will require the collection and reporting (10A NCAC 27A.0103) of North Carolina Treatment Outcomes and Programs Performance System (NC-TOPPS) data for each resident in accordance with MHDDSAS policy. Refer to the MHDDSAS Web site <http://nctopps.ncdmh.net/> for more information.

7.4 Record Retention

As indicated in 42 CFR 483.75(l), each nursing facility must retain any records necessary to disclose the extent of Medicaid services provided to residents and any information regarding claim payments for a period of not less than five years from the date of services rendered, unless a longer retention period is required by applicable federal or state laws, regulations, or agreements.

- a. These records must be furnished upon request to the appropriate federal or state authorities, including the fiscal agent.
- b. Failure to submit the requested records results in recoupment of all payments for the services.

8.0 Policy Implementation/Revision Information

Original Effective Date: April 1, 2009

Revision Information:

Date	Section Revised	Change
4/1/2009	throughout	Initial promulgation of New coverage
12/01/2009	Header	New revised date December 1, 2009 added
12/01/2009	3.2 , 5.2	PASRR removal of annual reviews
12/01/2009	3.2, 5.2,5.3, 5.4, 7.2	Deleted “ forthcoming policy” wording in reference to 2B-1, Nursing Facility Services
12/01/2009	5.2	Information on PASRR responsibilities added

Attachment A: Claims-Related Information

Reimbursement requires compliance with all Medicaid guidelines, including obtaining appropriate referrals for recipients enrolled in the Medicaid managed care programs.

A. Claim Type

Institutional (UB-04/837I transaction)

B. Diagnosis Codes

Providers must bill the ICD-9-CM diagnosis code(s) to the highest level of specificity that supports medical necessity.

C. Billing Codes

Revenue Code	Description
100	Room and Board
183	Therapeutic Leave

D. Co-Payments

Residents of a nursing facility are exempt from co-payments for the following:

1. Facility room and board
2. Any services rendered by practitioners at the facility or at another location
3. Prescription drugs

E. Third-Party Payers/Recovery

The collection of any and all third-party benefits is mandatory. Medicaid reimburses only after all third parties—including Medicare, CHAMPUS, workers' compensation liability carriers, and private health insurance carriers—have paid on claims.

F. First Billable Day

Medicaid payment is based on the facility's midnight census; therefore, the date of admission is counted as the first billable day. The discharge date or date of death is not billable to Medicaid. The only exception is when the date of admission and the date of discharge or death occur on the same day.

G. Reimbursement

Providers must bill their usual and customary charges.