

Policy Clarification Medicaid – Long Term Care PMN-17655-468

Submitted: 7/2015

Agency: CAOs

Subject: LIFE Participants Transitioning from Facility to Community

Questions:

1. Does the system automatically end the 902Z cost-of-care Third Party Liability (TPL) when an individual transitions from facility to community?
2. Are modifications to the 902Z TPL needed when a LIFE participant transitions to the community?
3. When does an individual's Long-Term Care (LTC) cost-of-care liability end?
4. Do 902Z TPL amounts affect the capitated payment issued to a LIFE service provider by PROMISE?
5. Can 902Z TPL entries overlap like MA categories?

Response By: Division of Health Services

Date: 8/2015

1. Yes. The system will automatically enter the LTC 902Z TPL as the LTC category close date displayed on CQCASE (which includes the advance notice days).
2. Yes, when a LIFE participant transitions from a facility to the community the CAO must modify the 902Z TPL end date to match the facility discharge date so that the correct capitated rate is issued. OPS Memo 15-04-04 will be updated with this information.

Example: Per the Home and Community Based Services Eligibility/Ineligibility/Change form (PA 1768) and the Long Term Care Admission and Discharge Transmittal (MA 103) form, Mr. A was routinely discharged from a facility on 7/29/XX. The County Assistance Office (CAO) processed this change on 8/6/XX. Due to advance notice requirements, the PAN category close date and automated 902Z TPL cost-of-care end date is 8/21/XX. The CAO must modify the 902Z TPL end date to match the 7/29/XX discharge date so that a cost-of-care will not be deducted from the LIFE capitated rate for August.

3. An individual is only responsible for making a cost-of-care contribution while they are residing in a LTC facility or when their authorization depends upon spending-down a specific amount of income.
4. Yes, as explained in OPS Memo 15-04-04 PROMISE will deduct any 902Z amount from the monthly capitation payment issued to the LIFE service provider.
5. No, if a 902Z TPL modification is needed to the date or amount, it must either be corrected or negated and re-input.

Reminder: CAOs may access the Manual Adjustment of LTC TPLs chapter in the LTC Desk Guide within eCIStance for procedural direction.