

## **Updates to Nursing Facility Providers Level of Care Determination (LOCD) Door 0 claims process-SNF**

During the COVID-19 public health emergency (PHE), providers were instructed to not create Door 0 Level of Care Determinations (LOCDs) in the Community Health Automated Medicaid Processing System (CHAMPS) if there was an existing eligible LOCD in CHAMPS for the beneficiary. With the termination of the COVID-19 PHE, the Michigan Department of Health and Human Services (MDHHS) is resuming its LOCD policy as stated in the MDHHS Medicaid Provider Manual. The information below provides guidance for SNFs that are requesting claims for beneficiaries under Numbered Letter L 20-59 as well as information on how to request Fee-for-Service (FFS) claims payments for admitted Door 0 beneficiaries post-PHE.

### **Termination date of L 20-59**

Numbered Letter L 20-59 states that if a beneficiary was determined functionally eligible under the LOCD tool upon admission to a NF, and a subsequent LOCD conducted between December 3, 2019 and February 29, 2020, determined they are no longer functionally eligible (Door 0), then the NF may continue to receive reimbursement for billed claims. With the termination of the COVID-19 PHE, the last date that claims may be requested under Numbered Letter L 20-59 is May 11, 2023. On May 12, 2023, NFs must conduct an in-person LOCD with any beneficiary whose claims are reimbursed under L 20-59.

If the beneficiary is found LOCD eligible (Doors 1-8), claims will be paid automatically for dates of service (DOS) as of the start date of the LOCD. If the beneficiary is found ineligible (Door 0), the NF must provide adverse action notices to the beneficiary. The provider must follow the below steps to request payment for claims submitted under the Door 0 record.

### **Door 0 Claims Process**

The LOCD assessment is made up of 7 “Doors” of eligibility with an option for frailty exception (Door 8). Door 0 determines that an individual is not functionally eligible for Medicaid reimbursed LTSS. When an admitted LOCD eligible (Doors 1-8) beneficiary is determined to be ineligible (Door 0), FFS claims billed from NFs to Medicaid for DOS of the Door 0 are not automatically paid.

If the initial LOCD upon admission to a NF determines the beneficiary ineligible (Door 0), the provider cannot receive reimbursement for services.

When a Door 0 is determined for an admitted beneficiary, the nursing facility must issue an adverse action to the beneficiary. Adverse action notice must include information on the secondary review process and information for requesting a hearing

through the Michigan Administrative Hearing System (MAHS). The effective date of the adverse action must be 90 days from the notice date on the action letter. The adverse action notice must be provided to the beneficiary in a timely manner to ensure the beneficiary is aware of their appeal rights. See the LOCD website for adverse action notices.

The DOS that the NF may request payment for is dependent on if the beneficiary files an appeal. The claims submitted must only be for DOS under the Door 0. The provider must contact provider support and submit the following information: Beneficiary Name, Medicaid ID number, Billing NPI, LOCD Door 0 conducted date, Transaction Control Numbers (TCNs) for requested payments, dated copy of the adverse action notice, and decision order (if applicable). This documentation is to be submitted via the Documents Management Portal. MDHHS will review the request and authorize the appropriate payment(s).

If the beneficiary does not appeal the LOCD determination within 90 days, the provider may request payment for up to 90 days from the date of the notice or the date of discharge from the facility (whichever is sooner).

If the beneficiary requests an appeal, but withdrawals prior to the hearing with the Administrative Law Judge, Medicaid will reimburse until the withdrawal date or the date on the adverse action (whichever is later). If the beneficiary does request an appeal, Medicaid will reimburse for services until a final determination is reached or the effective date of the adverse action (whichever is later). If the hearing decision is unfavorable to the beneficiary, they are allowed 30 days to request an appeal in Circuit Court or request a rehearing/reconsideration from MAHS. Therefore, the provider should wait an additional 30 days following the Decision and Order to request payment, as this time can also be reimbursed.

Policy information for the LOCD can be found in the NF Level of Care Determination Chapter of the [MDHHS Medicaid Provider Manual](#)