## Table of Contents

Introduction .............................................................................................................................................................. 1  
Michigan Medicaid Nursing Facility Level of Care Determination ........................................................... 1  
   LOCD Resources .................................................................................................................................................. 1  
The State of Michigan Web Portal ...................................................................................................................... 2  
The Single Sign-on System ................................................................................................................................ 2  
   Software Requirements ................................................................................................................................. 3  
Registering in Single Sign-On: Step One .......................................................................................................... 3  
   Access Michigan’s Single Sign-On Web Portal ........................................................................................... 3  
   Register Personal Information ......................................................................................................................... 3  
   Create A Unique User ID ................................................................................................................................... 4  
Registering in Single Sign-On: Step Two .......................................................................................................... 5  
   Email Confirmation of Registration ................................................................................................................ 5  
   Change Temporary Password .......................................................................................................................... 5  
   Answer Challenge/Response Questions .......................................................................................................... 6  
   Forgotten Password ........................................................................................................................................... 6  
Subscribe to the LOCD .......................................................................................................................................... 7  
   Requesting the LOC Determination Subscription ..................................................................................... 7  
   LOCD User Permission ....................................................................................................................................... 8  
Implementation of the Michigan Medicaid Nursing Facility Level of Care Determination ............... 9  
Accessing the LOCD in Single Sign-On............................................................................................................. 9  
   The LOCD Welcome Screen ........................................................................................................................... 10  
   LOCD Data Entry Links ........................................................................................................................................ 10  
   Conducting the Online LOCD ....................................................................................................................... 11  
   Door 1: Activities of Daily Living ............................................................................................................... 11  
   Door 2: Cognitive Performance ................................................................................................................ 12  
   Door 3: Physician Involvement .................................................................................................................. 12
Door 4: Treatments and Conditions .................................................................13
Door 5: Skilled Rehabilitation Services .........................................................14
Door 6: Behavior ............................................................................................15
Door 7: Service Dependency ..........................................................................16
Freedom of Choice Form ...............................................................................17
Section I: Beneficiary and Provider Information ........................................17
Section II: Eligible Beneficiary ....................................................................18
Section III: Ineligible Beneficiary ...............................................................18
Eligibility Option .........................................................................................19
Adding the Beneficiary ID to an Online LOCD ..........................................19
Emergency or Involuntary Transfer LOCD ................................................20
Searching for an Online LOCD ..................................................................20
Printing a Hard Copy LOCD .......................................................................21
Exit the LOCD ............................................................................................21
Nursing Facility Level of Care Exception Review .....................................22
Nursing Facility Level of Care Immediate Review ....................................22
Adequate and Advance Adverse Notices ....................................................23
Appeal Rights .............................................................................................23
Introduction

The Michigan Medicaid Nursing Facility Level of Care (LOCD) User Manual provides instructions on how to register in Michigan's web portal and subscribe to the online LOCD. The web portal, known as Single Sign-on, is available to Michigan's health care professionals for the purpose of transmitting confidential medical information to the state. The portal is a secure internet site. The integrity of the site is maintained by authorizing access only to clinical staff registering in the system under their provider's National Provider Identification number (NPI), which has previously been approved through the state's provider enrollment process.

The LOCD User Manual is not intended, nor should it be used, as a source of Medicaid policy. Medicaid policy is located in the Medicaid Provider Manual located at www.Michigan.gov/MDCH. Providers are responsible for keeping current on all updates and clarifications to policy as written in the Medicaid Provider Manual.

Michigan Medicaid Nursing Facility Level of Care Determination

The Michigan Medicaid Nursing Facility Level of Care Determination (LOCD) is the State Medicaid Agency’s medical/functional assessment utilized by providers to determine a Medicaid beneficiary’s nursing facility level of care. In order for a Medicaid beneficiary to receive Medicaid reimbursed services in a Medicaid certified nursing facility, or from the Program of All Inclusive Care for the Elderly (PACE) or MI Choice Home and Community Based Waiver, the beneficiary must meet the nursing facility level of care. The LOCD is applicable not only Medicaid eligible beneficiaries, but to Medicaid pending applicants and dually-eligible beneficiaries as well. It must be conducted in accordance with the time frames outlined in Medicaid policy.

Please note that the online LOCD may not be conducted for private-pay individuals. Doing so compromises the privacy of that private pay individual's personal and health information (i.e., HIPAA rules).

LOCD Resources

On page 2 is a list of additional LOCD resource documents. These documents are available on MDCH’s LOCD website located at MDCH - Prior Authorization. The document titled LOCD Field Definition Guidelines provides essential information on the application of the LOCD, the criteria and the specific look-back periods unique to each of the LOCD’s seven doors. The policies that define when and to whom the LOCD is applied are located in the Medicaid Provider Manual. Depending on your program, please reference the Nursing Facility Coverages Chapter, the PACE Chapter, or the MI Choice Chapter for policy guidelines.
ONLINE RESOURCES:

- LOCD User Manual
- LOCD Tips
- LOCD Field Definition Guidelines
- Medicaid Provider Manual link
- Hardcopy of the LOCD
- Hardcopy of the Freedom of Choice Form
- Nursing Facility Level of Care Exception Process Criteria (review conducted by the peer review organization)
- Nursing Facility Adequate Notices: Does Not meet LOCD
- Nursing Facility Advance Notice: No Longer Meets LOCD
- MI Choice Adequate Notice: Does Not meet LOCD
- MI Choice Advance Notice, Termination of Services: No Longer Meets LOCD
- LOCD Process Guidelines
- Access Guidelines to State Services for Persons with Long Term Care Needs
- Telephone Intake Guidelines (MI Choice only)
- Request for Hearing
- Michigan Administrative Hearing System for the Department of Community Health

The State of Michigan Web Portal

The Single Sign-on System

The Single Sign-on system (SSO) is Michigan’s secure Internet website located on the State of Michigan’s web Portal (https://sso.state.mi.us/). SSO is utilized by health professionals throughout the state to gain access to numerous online applications, including the LOCD. These applications permit the registered user to submit confidential data to the state.

Access to online applications requires a health care professional’s approved registration in SSO. The registration process ensures that only authorized individuals may enter, view and submit data through SSO. The secure nature of the system stipulates that

- Each SSO user must create his or her unique User ID and password when registering (even if an email account is shared) and register under their own name. If a registered user is using the system incorrectly, identification of that user is made via his or her User ID.
- If a SSO registered user will no longer require access to the LOCD (no longer employed, change in job position), he or she must be removed from the registry. The facility or
agency is required to call Michigan’s client service center at 517-241-9700 and request the removal of the user from the SSO system.

Software Requirements

Online access to the LOCD via SSO is through either of the two Internet Browsers:

- Internet Explorer, version 5.5 or greater
- Netscape, version 6 or greater.

Earlier versions of Internet Explorer or Netscape may be updated through your current Internet Explorer or Netscape browser. Please note that access to the LOCD via Mozilla Foxfire is not compatible with the state’s system.

Internet Explorer: http://www.internetexplorer.com
Netscape: http://channels.netscape.com/ns/browsers/default.jsp

Registering in Single Sign-On: Step One

Single Sign-on (SSO) is a secure web portal, as indicated by the ‘s’ located after ‘http.’ No ‘www’ precedes the web address. https://sso.state.mi.us/. Registering in SSO consists of a two-step process.

Step 1:
- Access Michigan’s Single Sign-on Web Portal
- Register Personal Information
- Create a Unique User ID

Access Michigan’s Single Sign-On Web Portal

Direct your Internet browser to the State of Michigan Web Portal: https://sso.state.mi.us/.

From the menu box on the right, select Register.

Register Personal Information

Enter your first name, last name and email address. These two fields are mandatory; your middle initial is optional.

Review the information before continuing, especially your email address since this will be used to contact you to complete the second step of the registration process.

State of Michigan employees must use their @michigan.gov email address when registering.
If you want to clear all fields and re-enter your information, select **Clear**. Once the correct information is entered, select **Continue**.

**Create A Unique User ID**

A portion of your User ID is automatically created during the registration process: it consists of your last name, first initial. The remainder of your User ID is made up of four numbers following your name (i.e., DoeM1234).

After you’ve entered your four numbers, select **No** next to ‘Please generate a random four-digit number for me.’ If you select **Yes**, the system will create a random four-digit number for you. At the bottom of this screen is a five-digit number located inside a blue box. Enter this number into the empty box directly above it. Select **Continue**; the **User Registration Confirmation** screen will open.

Please review all of your information. If there are corrections to be made, select the **Back** button and re-enter your information. If the information is correct, select **Submit**. A new screen will open informing you that your registration request is being processed. Within 24 hours your temporary password will be emailed to the email address you provided; typically it’s received much sooner.

**Close** this screen and your Internet Browser. Step 1 of the registration process is complete. You may continue with Step 2 of after you receive your temporary password via an email from SSO.
Registering in Single Sign-On: Step Two

- Email Confirmation of Registration
- Change Temporary Password
- Answer Challenge/Response Questions
- Subscribe to LOCD
- Enrollment Confirmation

Email Confirmation of Registration

If your registration is confirmed, you’ll receive a confirmation via the email address you provided. The email will include a link to Single Sign-on’s Change Password screen. Select this link to change your temporary password. You must change your temporary password and you may use this temporary password ONE time only. If you do not intend to complete registration at this time, do not select this link. You may log in at another time to https://sso.state.mi.us/ and complete the registration process using your ‘one time’ temporary password.

Passwords are case sensitive. Remember the upper case and lower case portions of your password, or, use all upper case or all lower case.

Change Temporary Password

To continue the registration process, select the SSO link in your confirmation email (https://sso.state.mi.us/). Enter your User ID and temporary (old) password to open the Change Password screen. Again, please note that your temporary password may be used only one time. After it’s used once, it will expire and you will not be able to change your password.

After selecting Change Password, a screen will open, allowing you to change your temporary (old) password:

1. Enter Old (temporary) Password (passwords are case sensitive)
2. Enter New Password that is at least eight characters in length and includes at least one letter and one number (passwords are case sensitive)
3. Confirm New Password by re-entering (passwords are case sensitive)
4. Select Change Password
Answer Challenge/Response Questions

Select **Change Password**. A new screen containing password reminder questions (Challenge/Response) will open. If you forget your password, these challenge/responses are developed to ask questions that only you would know the answers to, thus maintaining the confidentiality of your password and the security of the SSO system. You may not bypass these Challenge/Response questions. Answers to Challenge/Response questions are case sensitive.

![State of Michigan Single Sign On](image1)

Enter your answer to each question in the blank **Answer** field located below each question. To the right of each **Answer** field is a **Confirm Answer** field. Re-enter your answer to each question. Again, please remember that answers are case sensitive.

If you want to change your responses to the questions, select **Cancel** and re-enter your answers. To submit your **Challenge/Responses**, select **OK**. You will receive an email notification that your answers and confirmed answers match (or don’t match). If your answers do not match, you will be asked to re-enter your answers.

Selecting **OK** will open an **Account Maintenance** screen. Select **Done**.

Forgotten Password

If you forget your password, select **I forgot my Password** from the SSO Log In screen. Enter your User ID. You will be asked to respond to two of your Challenge/Response questions. Correct responses will trigger SSO to send you an email containing a new temporary password. Log in using your temporary password and follow the prompts in the Change Password process.

![State of Michigan Single Sign On](image2)
Subscribe to the LOCD

Requesting the LOC Determination Subscription

Once you’ve completed your Challenge/Response and Password Update, you will be directed to the Michigan Department of Community Health (SOM-DCH) Application Portal screen.

Select Subscribe to Applications.

A Subscription screen will open. Select Department of Community Health from the drop down list. From the drop-down arrow in the field on the right, select LOC Determination.

Select Next.

The Subscription For: LOC Determination screen will open. Enter your work telephone number, including your area code. Your email address will appear automatically.

State of Michigan employees will be asked for their Supervisor/Security Administration email address. Non-State employees do not enter this information.

Select Continue, or select Reset to re-enter your telephone number.
Selecting **Continue** will open the User **Enrollment Confirmation** screen. Review your information before selecting **Submit**. If you need to correct data, select Back and edit the information. If the data entered are correct, select **Submit**.

Next, you’ll receive an email notifying you of whether or not your application has been approved. If approved, you may log into Michigan’s Single Sign-on system with access rights to the Michigan Medicaid Nursing Facility Level of Care Determination.

**LOCD User Permission**

When first logging in to the LOCD subscription, the **User Permission** screen will open. *This occurs only once.* Enter your name and your provider’s **ten-digit NPI** in the appropriate fields. DO NOT enter a provider ID or provider type. Those fields are utilized by state employees.

Once you enter you User Permission information (your name and NPI), all LOCDs conducted by you will automatically be created under the NPI you entered in this screen. If no NPI was entered, or the wrong NPI was entered, your claims will reject.

- All registrants must enter their First Name, Last Name (not the provider’s name or the administrator’s name or a same name used by all staff; this is prohibited.)
- All providers must enter their ten-digit **National Provider ID (NPI). Providers do not enter a Provider ID or a Provider Type; doing so will cause claims to reject.**

To clear all fields and start again, select **Reset**. When done, select **Submit**.
If you submit the User Permission screen and realize you’ve entered incorrect data, when you next log in, select Account Maintenance, and select Change My Personal Information.

**Implementation of the Michigan Medicaid Nursing Facility Level of Care Determination**

The Centers for Medicare and Medicaid permit State Medicaid Agencies to establish their own definition of nursing facility level of care. Advocates, stakeholders and clinical professionals worked with the state in the developmental stages of nursing facility level of care criteria. The criteria were submitted to CMS in July 2004 and approved with an effective date of October. On November 1, 2004, it was implemented as statewide policy in Bulletin MSA 04-15 and subsequently incorporated into the Medicaid Provider Manual.

Medicaid pending or Medicaid eligible beneficiaries, as well as persons dually eligible for Medicare and Medicaid, who are seeking nursing facility level of care services from a Medicaid-certified nursing facility, the MI Choice Home and Community Based Program or the Program of All Inclusive Care for the Elderly (PACE) must meet the LOCD criteria in order for those services to be rendered. Current nursing facility residents who have applied for Medicaid as the payer for those services must also meet the LOCD criteria.


**Accessing the LOCD in Single Sign-On**

The LOCD is accessible through Michigan’s Single Sign-on system, an Internet based website described on page 2 of this manual.

1. Direct your web browser to [https://sso.state.mi.us/](https://sso.state.mi.us/).
2. Enter your User ID and password, select Login.
3. If you are not registered with Single Sign-on, you must first register. Registration instructions begin on 3.

The online LOCD is available Monday through Friday, between the hours of 7:00 A.M. and 7:00 P.M., and the second Saturday of each month.

The online LOCD is not available on State of Michigan holidays. Holidays are posted in advance at the top of the LOCD’s Welcome screen.
The LOCD Welcome Screen

After selecting the **LOC Determination**, the **MDCH Systems use Notification** screen will require that you Acknowledge/Agree to abide by all governing privacy and security terms, condition, policies and restrictions.

After agreeing to these terms, the **Welcome** screen will open. At the top of this screen is a ‘News Box’ which is periodically updated with helpful reminders of LOCD policy, LOCD tips, and notices of upcoming state holidays (the LOCD is not available on state holidays). The **Welcome** screen provides dates and times of when the LOCD is available.

This screen also lists contact information for providers who have LOCD claims issues or questions. As referenced on the **Welcome** screen, providers may contact the Provider Support Hotline at 1.800.292.2550, Monday through Friday, between 8:00 A.M. and 5:00 P.M. Fax inquiries are accepted at 517.241.8968 and email inquiries may be sent to **ProviderSupport@michigan.gov**

In the upper right hand corner of this screen is a link (Help/Forms/FAQ) to the LOCD Prior Authorization website that contains documents related to beneficiary eligibility, as well as LOCD policy requirements.

**LOCD Data Entry Links**

At the bottom of the **Welcome** screen are six links that allow the user to perform different functions within the LOCD database. Three of the six links are used to enter data.

1. **Continue to LOC Determination**
2. **Add Beneficiary ID**
3. **Emergency/Involuntary Transfer**

The remaining three links allow the user to exit the **LOCD** (Exit Application), to print a hard copy of the **LOCD** (Print Blank Application), and to look up existing LOCDs created under the provider’s NPI (Participant Inquiry).
Conducting the Online LOCD

To conduct an online LOCD, select **Continue to LOC Determination**. Enter the beneficiary and current provider information in the appropriate fields (please note that online LOCDs are conducted only for current nursing facility residents who are Medicaid, Medicaid pending, or dually-eligible, and for MI Choice applicants only after enrollment). The program will automatically enter the NPI you registered under and the date you conducted the LOCD. Below is the required beneficiary and provider information:

- Enter the Beneficiary’s ten-digit Beneficiary ID - if the ID is shorter than ten digits, add two zeros in front of the ID (0012345678)
- Enter the Beneficiary’s First Name, Middle Name (optional) and Last Name
- Enter the Beneficiary’s Date of Birth (mm/dd/yyyy) (no hyphens)
- Enter the First and Last Name of the Provider contact person (not the physician or spouse)
- Enter the Provider’s Day-Time Phone number (no hyphen)

There are seven domains through which a beneficiary may be determined eligible. Each domain is addressed in specific ‘door.’ If an applicant qualifies through any one of the seven Doors, the program will skip the remaining Doors and open the Freedom of Choice form. Completion of the Freedom of Choice form is described on page 18. Door 1 of the LOCD assesses the beneficiary’s self-ability to perform the following Activities of Daily Living (ADLs):

**Door 1: Activities of Daily Living**

A. Bed Mobility
B. Transfers
C. Toileting
D. Eating
The look-back period to determine the beneficiary's ADL self-ability is 7 calendar days. Please refer to the LOCD Field Definition Guidelines for additional information.

For each ADL, select one of the following levels of ability that represent the beneficiary's ability to perform that activity: Independent, Supervision, Limited Assistance, Extensive Assistance, Total Dependence or Activity did not occur.

After selecting the level of ability for each ADL, select Submit. If the beneficiary qualifies through any one of the ADLs listed in Door 1, the program will bypass all remaining doors and open the Freedom of Choice form. If the beneficiary does not qualify through Door 1, Door 2 will open.

**Door 2: Cognitive Performance**

Door 2 addresses three topics related to cognitive performance:

A. Short-term memory
B. Cognitive skills for daily decision-making
C. Making self understood

The look-back period to determine the beneficiary's cognitive performance is 7 calendar days. Please refer to the LOCD Field Definition Guidelines for additional information.

A. Short-term Memory:
   Select one of two options: Memory Okay, Memory Problem. Select Submit.

B. Cognitive skills for daily decision-making:
   Select one of four options: Independent, Modified Independent, Moderately Impaired, Severely Impaired. Select Submit.

C. Making self understood:
   Select one of four options: Understood, Usually Understood, Sometimes Understood, Rarely/Never Understood. Select Submit.

If the beneficiary qualifies through Door 2, the Freedom of Choice form will open. If the beneficiary does not qualify through Door 2, Door 3 will open.

**Door 3: Physician Involvement**

Door 3 has two topics related to physician involvement:

A. Physician Visits
B. Physician Orders
The look-back period to determine a beneficiary’s physician involvement is 14 calendar days. Do not count days in which visits or orders occurred prior to the last 14 calendar days. Please refer to the LOCD Process Guidelines and the LOCD Field Definition Guidelines for additional information regarding Door 3.

A. Physician Visits:
Enter the number of days the physician examined the beneficiary, not the number of visits/exams. For example, if three physicians visited/examined the beneficiary on one of the last 14 days, enter ‘one’ under Physician Visits. If in the last 14 days two physicians visited/examined the beneficiary on the same day, and three physicians visited/examined the beneficiary on another day, enter two, since there were two days within the last 14 days physicians visited/examined the beneficiary. Do not count emergency room visits.

B. Physician Orders:
Enter the number of days the physician changed the beneficiary’s orders, not the number of orders changed. For example, if there were four orders changed on one of the last 14 days, enter one. You may count emergency room physician orders. You may not count drug or treatment order renewals without change; do not count sliding scale dosage orders.

Select Submit.

If the beneficiary qualifies through Doors 3, the provider will receive notice that the beneficiary’s stay may be short term. The provider must have evidenced in the medical record/file appropriate rehabilitation and discharge planning. Eligibility through these doors may also trigger a Retrospective Review by the state’s designated peer review organization.

Select Continue

If the beneficiary qualifies through Door 3, the Freedom of Choice form will open. If the beneficiary does not qualify through Door 3, Door 4 will open.

Door 4: Treatments and Conditions

Door 4 lists nine physician-documented treatments and conditions. If the treatment or condition is a physician-documented diagnosis within the beneficiary’s medical record AND the treatment or condition continues to affect functioning or the need for care, select Yes next to that treatment/condition.

If the beneficiary does not have the condition, or is not under treatment, or if there is no physician-documented diagnosis within their medical record, select No for that treatment/condition.
A. Stage 3-4 pressure sores
B. Intravenous or parenteral feedings
C. Intravenous medications
D. End-stage care
E. Daily tracheostomy care, daily respiratory care, daily suctioning
F. Pneumonia within the last 14 days
G. Daily oxygen therapy
H. Daily insulin with two order changes in last 14 days
I. Peritoneal or hemodialysis

The look-back period to determine a beneficiary’s treatments and conditions is 14 calendar days. Please refer to the LOCD Process Guidelines and the LOCD Field Definition Guidelines for additional information regarding Door 4. You must select Yes or No for each treatment or condition.

If the beneficiary qualifies through Door 4, the Freedom of Choice form will open. If the beneficiary does not qualify through Door 4, the screen for Door 5 will open.

If the beneficiary qualifies through Doors 4, the provider will receive notice that the beneficiary’s stay may be short term. The provider must have evidenced in the medical record/file appropriate rehabilitation and discharge planning. Eligibility through Door 4 may also trigger a Retrospective Review by the state’s designated peer review organization.

Door 5: Skilled Rehabilitation Services

Door 5 contains three areas specific to skilled rehabilitation services:

1. Speech Therapy
2. Occupational Therapy
3. Physical Therapy
The look-back period to determine a beneficiary’s skilled rehabilitation services is 7 calendar days. Please refer to the LOCD Process Guidelines and the LOCD Field Definition Guidelines for additional information regarding Door 5.

Column A: For each therapy, enter the total number of minutes therapy was provided in the last 7 days. Enter zero if no minutes were provided or if less than 15 minutes were provided. You may not count evaluation minutes.

Column B: For each therapy, enter the total number of minutes therapy was scheduled but not yet administered. Enter zero if no minutes were scheduled or if less than 15 minutes were scheduled.

Select Submit.

If the beneficiary qualifies through Door 5, the Freedom of Choice form will open. If the beneficiary does not qualify through Door 5, the screen for Door 6 will open.

If the beneficiary qualifies through Doors 5, the provider will receive notice that the beneficiary’s stay may be short term. The provider must have evidenced in the medical record/file appropriate rehabilitation and discharge planning. Eligibility through Door 5 may also trigger a Retrospective Review by the state’s designated peer review organization.

Door 6: Behavior

Door 6 is specific to repetitive behavioral symptoms and problem conditions. Applicants who qualify at this door must also meet the PASARR requirements for nursing facility admission if they choose a residential setting for care.

The look-back period to determine a beneficiary’s Behavior is 7 calendar days. Please refer to the LOCD Field Definition Guidelines for qualifications of behavioral symptoms and problem conditions. Please see the guidelines when assessing ‘Resists Care’ to insure it’s coded accurately.

Behavioral Symptoms include:

A. Wandering
B. Verbally Abusive
C. Physically Abusive
D. Socially Inappropriate/Disruptive
E. Resists Care

Select 0, 1, 2 or 3, depending on how frequently the beneficiary displayed a behavioral symptom:

0  =  Did not occur in the last 7 days
1  =  Occurred 1 - 3 days in the last 7 days
2  =  Occurred 4 - 6 days in the last 7 days
3  =  Occurred daily

Problem conditions include:

A. Delusions (supported by PASARR)
B. Hallucinations (supported by PASARR)

Select ‘Yes’ or ‘No’ as to whether or not a problem condition presented itself in the last seven calendar days. When this screen is completed, select Submit.
If the beneficiary qualifies through Door 6, the Freedom of Choice form will open. If the beneficiary does not qualify through Door 6, the screen for Door 7 will open.

Door 7: Service Dependency

To be determined eligible under Door 7, the beneficiary must meet all three criteria:

1. Program participant for at least one year (you can add consecutive time across Medicaid-certified nursing facilities, MI Choice and PACE, but there must be no break in service) AND

2. Requires on going services to maintain current functional status AND

3. No other community, residential or informal services are available to meet the beneficiary's needs (i.e., only the setting/program is able to provide the services)

Please refer to the **LOCD Field Definition Guidelines**, and the **Access Guidelines for Persons with Long Term Care Needs** regarding service dependency.

If the beneficiary has not been a program participant for at least one year, select the radial dial “NOT a Program participant for at least one year.”

Select **Submit**.

If all three criteria are met, select this option. If all three criteria are **NOT** met, select this option.

If the beneficiary qualifies through Door 7, the Freedom of Choice form will open and Door 7 will be listed as the qualifying door. If the beneficiary does not qualify thorough Door 7, the Freedom of Choice form will open and checkmark that the beneficiary ‘Does Not’ meet eligibility.
Freedom of Choice Form

Section I: Beneficiary and Provider Information

When the LOCD is completed, the Freedom of Choice form will open. The system will auto-populate the following fields in Section I:

- Applicant’s Name followed by their ten digit Beneficiary ID, if the ID was entered
- Date of Birth
- Representative, if any
- Provider’s ten digit NPI
- Date the LOCD was conducted online
- Eligibility: check-marked ‘Does meet’ and the Door through which the beneficiary qualified, OR check-marked ‘Does Not’ meet

If the beneficiary did not qualify through any of the seven Doors, an Eligibility Option button will appear on the form in Section I. Providers have the option of selecting the Eligibility Option to request an Exception Review from the Michigan Peer review organization designee. Please see page 22 regarding the Exception Review.

If the Eligibility Option button is not selected, print a copy of the Freedom of Choice form and complete Section III - Appeals. The form must be signed and dated by all parties. Give the completed form to the beneficiary and place a copy in the beneficiary’s medical record.
Section II: Eligible Beneficiary

Section II of the Freedom of Choice form lists the eligible beneficiary’s program options: MI Choice Program, nursing facility care and PACE. Print the form and ask the beneficiary to select, in writing, which program they’re interested in receiving services from. The provider must then provide local contact information for that program. The completed, signed and dated Freedom of Choice form is given to the beneficiary and a copy is placed in the beneficiary’s medical record or medical file, even if the beneficiary was determined ineligible.

Section III: Ineligible Beneficiary

If the Eligibility Option button is not selected, complete Section III of the Freedom of Choice form. Provide a copy of the form to the beneficiary and maintain a copy in the beneficiary’s medical record. Please refer to the LOCD Process Guidelines regarding informed choice.

The form must be signed and dated in the appropriate Section, depending on the eligibility determination. If the beneficiary or their authorized representative chooses not to sign the form, make a note of it and attach it to the copy of the form, then place it in the beneficiary’s file.
Eligibility Option

Providers have the option of selecting the Eligibility Option link for ineligible beneficiaries. Select one of the two options:

Adding the Beneficiary ID to an Online LOCD

If the beneficiary has a Beneficiary ID when the LOCD is conducted online, enter it on the LOCD. If the online LOCD is conducted for a Medicaid pending beneficiary who has yet to have a Beneficiary ID, enter the ID once it’s received. The LOCD will not be sent to CHAMPS for claims purposes until the Beneficiary ID is added. A claim submitted against an LOCD with no Beneficiary ID will be denied.

Enter the Beneficiary ID as follows:

Select the Add Beneficiary ID link.

Enter your ten-digit NPI, and select Submit. A list of the LOCDs created under your NPI that do not have a Medicaid ID will be created in alphabetical order, of last name.

Select Update next to the beneficiary’s name and enter their Medicaid ID.

If you try to search for the beneficiary by name, rather than your NPI, and the name was spelled incorrectly or entered backward on the LOCD, you will not find that person’s LOCD.
If you want to print a list of the LOCDs under your NPI that do not have a Beneficiary ID (and cannot be billed for until the ID is added) move your cursor anywhere over the screen, right click and select Print.

Emergency or Involuntary Transfer LOCD

The Emergency/Involuntary Transfer link is selected when the State Survey Agency has closed a facility involuntarily, or has closed the facility due to an emergency. This type of LOCD must be conducted by the admitting providers. After selecting this link a screen will open asking if this is the appropriate LOCD you intended to conduct (emergency/involuntary).

The Emergency/Involuntary Transfer LOCD is a shortened version of the original LOCD. It allows the provider, under extraordinary circumstances, to immediately link the beneficiary via their Medicaid ID to the new Provider in CHAMPS. However, once the beneficiary is admitted by the new Provider, the beneficiary must meet the LOCD criteria on an ongoing basis.

Enter the beneficiary’s ID, name, date of birth, Provider contact name and Provider contact number. You must also select whether the shortened LOCD was completed based on Emergency Transfer or an Involuntary Transfer. Select Submit.

Searching for an Online LOCD

Registered providers may conduct a Participant Inquiry to search for an LOCD that was conducted under their respective NPI. The provider can view only the LOCDs linked to the NPI under which they registered.

To search the database for a beneficiary’s LOCD, select the Participant Inquiry link. This will open the Participant Inquiry Search screen. Enter your ten-digit NPI and select Submit. A list of all LOCDs conducted under your NPI will be generated in alphabetical order by the beneficiaries’ last name.
To view the LOCD, select **Inquire** next to the beneficiary’s name; this will open their LOCD. To print the LOCD, select **Print This Page** at the top of the screen. If you want to print the entire list of LOCDs, right click anywhere on the screen and a menu will appear. Select **Print** from the menu.

You can conduct an individual LOCD search by name only, but if the name is spelled incorrectly, or entered backward on the LOCD, you will not find that LOCD. If you want to shorten the query, enter your NPI and the first letter of the last name. A list will be created of all beneficiaries under that NPI whose name starts with that letter.

### Printing a Hard Copy LOCD

The **Print Blank Application** link will redirect your browser to the LOCD website on the MDCH portal. From this website you may print a blank LOCD form by clicking on the **LOC Determination Form** link.

![LOC Determination Form](image)

Providers may utilize a hard copy of the LOCD Determination to gather information. However, the online LOCD Determination must be completed as indicated in the policy in order for reimbursement to be made.

### Exit the LOCD

Selecting **Exit Application** displays the MDCH Application Portal screen. From here users may ‘Sign Off’ to close out of the LOC Determination.

This screen also allows Providers to access Account Maintenance. The Account Maintenance allows users to change their personal information such as their name and email address, or change their Password and Challenge/Response Answers, which are questions designed to remind a user of their existing password.
Nursing Facility Level of Care Exception Review

The Nursing Facility Level of Care Exception Review process (Exception review) is another medical/functional review conducted by the state’s peer review vendor. Please note that it is not an appeal. The role of the vendor is to determine whether or not an LOCD ineligible Medicaid beneficiary meets the state’s frailty criteria. The review is available only to Medicaid beneficiaries who had a valid online LOCD conducted by their current provider (valid LOCD = conducted in accordance with policy). The review is initiated by the provider as follows:

1. The Provider determined the beneficiary LOCD ineligible based on the online LOCD
2. The Provider does not issue the beneficiary an adverse notice, but telephones the peer review organization on the same date they conducted the beneficiary’s online LOCD
3. The peer review organization asks the provider specific medical questions about the beneficiary (i.e., applies the frailty criteria)
4. The peer review organization will inform the provider of their Exception Review determination within 24 hours of the date the provider contacted the peer review organization
5. If the peer review organization determines the beneficiary as eligible based on the Exception review criteria, they will change the online LOCD from ineligible to eligible
6. If the peer review organization determines the beneficiary ineligible, they will issue an adverse notice to the beneficiary, informing them of their right to a Medicaid Fair Hearing

Nursing Facility Level of Care Immediate Review

The Nursing Facility Level of Care Immediate Review utilizes the same criteria as the Exception Review. The differences between the Immediate and Exception review are three: who may request it, the review process, and the amount of time the peer review organization is permitted to determine eligibility.

The beneficiary or their representative must request an Immediate Review by noon of the first business day following receipt of the adverse notice that was issued based on an online LOCD which determined the beneficiary ineligible. Again, beneficiaries receiving and adverse notice based on a reduction in services, program capacity or wait list do not have the right to an Immediate Review or an Exception Review. The review is of the beneficiary’s medical/case record, which the peer review organization will request from the provider. Once the record is received, the peer review organization has three business days to determine eligibility; eligibility will be based on documentation within the medical/case record.

The Immediate review is not available to beneficiaries who had an Exception Review. It’s available only to Medicaid beneficiaries who were determined ineligible based on a valid online LOCD.
Adequate and Advance Adverse Notices

If the provider does not request the Exception Review on behalf of the ineligible beneficiary, the provider must issue the beneficiary an adverse notice on the date of the adverse action, which is the date the LOCD was conducted online. Please note, issuance of an adverse action is a federal and state requirement.

There are two types of adverse notices, Adequate and Advance. The Adequate notice is issued to beneficiaries who were determined LOCD ineligible based on their initial online LOCD conducted by their current provider. The Adequate notice must inform the Medicaid beneficiary of their right to a Medicaid Fair Hearing. Beneficiaries who were determined LOCD ineligible based on an online LOCD must also be informed of their right to an ‘Immediate Review’ by contacting the state’s peer review organization (described in next section). Medicaid will not pay for services rendered when the beneficiary does not meet their initial online LOCD.

The Advance adverse notice is issued to current beneficiaries who no longer meet the LOCD criteria, as well as to current MI Choice participants whose services are being reduced. The notice is issued in advance of their discharge or disenrollment or reduction in service(s). Participants who had a reduction in MI Choice services are not eligible for an Exception or an Immediate review, each of which address only LOCD denials. Advance notices are more commonly issued to beneficiaries who had a significant change in condition (i.e., improvement in medical/functional status) and no longer meet the LOCD. Beneficiaries who initially qualified through one of the three probable short-term stay doors, 3, 4 and 5, may likely trigger the requirement for a subsequent online LOCD based on a significant change in condition. These beneficiaries would be issued an Advance action notice.

Samples of adverse notices are located on the LOCD web site in the MDCH web portal at MDCH - Michigan Medicaid Nursing Facility Level of Care Determination

Appeal Rights

A Medicaid Fair Hearing is available to Medicaid beneficiaries who received an adverse notice from a Medicaid-certified nursing facility, the MI Choice Home and Community Based Waiver or PACE. The notice must include the contact information for the Michigan Department of Community Health, Michigan Administrative Hearing System.

Individuals who have been denied financial Medicaid eligibility may appeal to the Michigan Department of Human Services.