

March 30, 2023

<Provider Name>
<Provider Address 1>
<Provider Address 2>
<City> <State> zipcode5-zipcode4

Dear Provider:

RE: Level of Care Determination (LOCD) End of COVID-19 Public Health Emergency (PHE) and Resumption of Normal Operations - Nursing Facilities (NF), Program of All-Inclusive Care for the Elderly (PACE), MI Choice, and MI Health Link Home and Community Based Services (HCBS) Waiver

The purpose of this letter is to provide guidance regarding the LOCD at the termination of the COVID-19 PHE and resumption of normal operations. The LOCD is an eligibility tool used to determine functional eligibility of individuals seeking long-term supports and services in Medicaid-certified NFs, PACE, MI Choice, and MI Health Link HCBS Waiver.

During the COVID-19 PHE, the Michigan Department of Health and Human Services (MDHHS) utilized various flexibilities within LOCD policy and operations to provide continuity of care for enrolled or admitted beneficiaries and virtual assessments. The COVID-19 PHE ends on May 11, 2023. On May 12, 2023, MDHHS will resume LOCD policy as stated in the MDHHS Medicaid Provider Manual, Nursing Facility Level of Care Determination Chapter. **No COVID-19 flexibilities will be continued.**

This letter rescinds Numbered Letters L 21-66, L 21-57, L 21-37, L 21-36, L 21-19, and L 21-18 effective May 12, 2023.

The guidance in this letter describes requirements related to:

- Resuming
 - In-Person LOCDs
 - LOCD door 7
 - Passive redetermination- Door 87
- Terminating
 - End date extensions
 - Inactivation of Door 0
 - Adequate and Advanced Action Notices
 - Door 8 COVID-19 Exception for MI Choice and MI Health Link HCBS Waiver

L 23-23

Resuming

In-Person LOCDs

On May 12, 2023, providers must resume LOCDs for *all beneficiaries*. To determine eligibility following the end of the PHE, providers must conduct an *in-person* LOCD at the beneficiary's next scheduled assessment, prior to the end date of the current LOCD record, or if the beneficiary has a *new* significant change in condition, whichever is earliest. Passive redetermination may confirm eligibility for a beneficiary. All enrolled or admitted beneficiaries must have an LOCD conducted in-person or through passive redetermination prior to the end date of the current LOCD.

Do not retroactively enter LOCD Door 0s that were conducted before May 12, 2023 for enrolled/admitted beneficiaries.

LOCD Door 7

Enrolled or admitted beneficiaries must be thoroughly evaluated for each LOCD Door. Due to the length of the COVID-19 PHE, an enrolled or admitted beneficiary may meet Door 7, service dependency. To be determined eligible through Door 7, a beneficiary must have continuous enrollment for at least one year, require ongoing services to maintain status, and no other services are available to meet their needs.

Continuous enrollment is enrollment or admission in a NF, MI Choice, PACE, MI Health Link HCBS Waiver or a combination of these programs for 365 consecutive days (including hospitalizations that do not result in discharge).

To demonstrate the need for continued services to maintain functional status, there must be documentation that shows a relationship between specific services currently provided and the risk for functional decline with the removal of services.

Other community services include those for which the beneficiary is eligible and available (i.e., no waiting lists, reasonable traveling distance), residential services available at the beneficiary's home or current living environment, and informal services such as an unpaid caregiver(s) who has the capacity, skills, choose to make a commitment for the required schedule and that is acceptable to the beneficiary.

For more details on evaluating for each LOCD Door, see the LOCD Field Definition Guidelines, the [LOCD web page](#) job aids and L 18-04.

Passive Redetermination – Door 87

On May 12, 2023, the passive redetermination process will resume generating Door 87s in the Community Health Automated Medicaid Processing System (CHAMPS). Door 87 is generated when the passive redetermination process cannot establish eligibility from the interRAI Home Care (iHC) or Minimum Data Set (MDS) assessments. Door 87 has a start date equal to the date the passive determination was applied to the assessment. The end date is 45 days from the start date or the end date of the previous LOCD, whichever is earlier. The provider must conduct an in-person LOCD before the end date of Door 87 to determine the beneficiary's eligibility. Door 87 is not sufficient basis for issuing an Adverse Action Notice to the beneficiary. Refer to the MDHHS Medicaid Provider Manual, Nursing Facility Level of Care Determination Chapter for additional information.

Terminating

End Date Extensions

Starting May 12, 2023, MDHHS will not extend the end dates of eligible LOCD records (Doors 1-8, 67, 77). Payment will only be issued for valid LOCDs. Providers must conduct a new LOCD on or prior to the end date of the current LOCD to continue eligibility. Providers may do this through in-person LOCDs or the passive redetermination process. **Providers are responsible for monitoring LOCD end dates for beneficiaries and conducting new LOCDs timely.** For more details on LOCD start and end dates and passive redetermination, refer to the MDHHS Medicaid Provider Manual, Nursing Facility Level of Care Determination Chapter.

Inactivation of Door 0

Effective May 12, 2023, MDHHS will not inactivate LOCD Door 0s (ineligible) for enrolled or admitted beneficiaries. Providers must issue the appropriate notices to the beneficiary or their legal representative. If the beneficiary is enrolled or admitted with another provider, they must be notified of the Door 0.

For nursing facilities, MDHHS will resume the process of reviewing payment requests for dates of service covered under a Door 0 record. Further guidance will be issued to providers prior to the conclusion of the PHE.

Adequate and Advanced Action Notices

Adequate and Advanced Action Notices for LOCD have been updated. Visit the MDHHS [LOCD website](#) and download the updated notices for your program.

Door 8 COVID-19 Exception for MI Choice and MI Health Link HCBS Waiver

As of May 12, 2023, MI Choice and MI Health Link Waiver will not re-establish an enrolled beneficiary's eligibility through LOCD Door 8, approval criteria "Frailty", and approval code "2019." All beneficiaries must meet the LOCD criteria as stated in the LOCD Field Definition Guidelines or the Exception Criteria. MI Choice has the option to request a secondary review to have a beneficiary evaluated for exception criteria (Door 8).

Policy information for the LOCD can be found in the Nursing Facility Level of Care Determination Chapter of the MDHHS Medicaid Provider Manual at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

MDHHS strongly encourages providers to subscribe to COVID-19 updates at www.Michigan.gov/coronavirus.

An electronic version of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Sincerely,



Farah Hanley
Chief Deputy Director for Health