

Bulletin Number: MSA 06-26

Distribution: Nursing Facilities (Provider Type 60)
County Medical Care Facilities (Provider Type 61)
Hospital Long Term Care Units (Provider Type 62)
Hospital Swing Beds (Provider Type 63)
Ventilator Dependent Units (Provider Type 63)
Nursing Facilities for the Mentally Ill (Provider Type 72)
Hospice (Provider Type 15)
Medicaid Health Plans (MHP)

Issued: April 27, 2006

Subject: Medicaid Health Plan Disenrollment

Effective: Upon Receipt

Programs Affected: Medicaid

The purpose of this bulletin is to establish policy allowing nursing facility providers to request disenrollment of a beneficiary from a Medicaid Health Plan (MHP) if the beneficiary was residing in a nursing facility at the time they were enrolled in a MHP. This bulletin also introduces the revised Nursing Facility Request to Disenroll from Medicaid Health Plan (form DCH-1185) to be used by nursing facilities to initiate this type of disenrollment.

Disenrollment Procedures – Administrative Error

Beneficiaries who are residing in a nursing facility are excluded from subsequent enrollment in a MHP. However, due to administrative error, beneficiaries residing in a nursing facility may occasionally be enrolled in a MHP. When this happens, the beneficiary should be disenrolled immediately from the MHP retroactive to the effective date of enrollment. Providers must submit a disenrollment request to Michigan Department of Community Health (MDCH) or to the MHP within six months of the administrative error occurrence. Disenrollment requests that exceed six months from the date of occurrence will be retroactive to six months from the request receipt. Providers are encouraged to retain confirmation of the request submission.

Providers are responsible for verifying beneficiary eligibility each month, and for submitting a request for disenrollment. Michigan Department of Community Health (MDCH) will not process retroactive disenrollment for periods greater than six months.

Disenrollment of nursing facility residents enrolled due to administrative error may be requested by either the nursing facility or the MHP. The nursing facility must utilize form DCH-1185 and attach a copy of the Facility Admission Notice (form MSA-2565-C) to the request. The MHP will continue to utilize the Request for Administrative Disenrollment (form MSA-2008). The requests may be mailed or faxed to the MDCH Enrollment Services Section as indicated on the forms. The request will be processed within 15 calendar days. If the request is denied, it will be returned to the provider.

Disenrollment Procedures – Nursing Facility Custodial Care or Rehabilitative Care Beyond the 45-Day MHP Limit

Beneficiaries enrolled in MHPs are disenrolled from the MHP if they require custodial care or exceed 45 days of restorative or rehabilitative services in a nursing facility within a 12-month period. The beneficiary is transferred to Medicaid Fee-For-Service for as long as the beneficiary maintains residency in a nursing facility and Medicaid eligibility. (Refer to the Medicaid Health Plan Chapter of the Michigan Medicaid Provider Manual for additional information.)

The MHP coordinates the disenrollment requests with the nursing facility and may require documentation from the nursing facility in order to submit the disenrollment request to MDCH. The MHP is responsible for submitting the disenrollment request (Request for Disenrollment Long Term Care; form MSA-2007) to the Managed Care Plan Division at MDCH.

Payment Responsibilities

MHPs are responsible for payment of intermittent or short-term restorative or rehabilitative care provided in a nursing facility for up to 45 days within a 12-month period. The nursing facility is responsible for obtaining authorization from the MHP prior to admission into the nursing facility. The nursing facility, hospital discharge planner, and MHP must coordinate activities so that the nursing facility may obtain appropriate authorization.

MHPs are not required to pay for any care associated with an unauthorized admission. When the nursing facility notifies the health plan of the unauthorized admission, the MHP must make an authorization decision and then pay for authorized services.

Manual Maintenance

The provider should retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Susan Moran, Acting Deputy Director
Medical Services Administration

NURSING FACILITY REQUEST TO DISENROLL FROM MEDICAID HEALTH PLAN

The nursing facility may only utilize this form to request disenrollment based on administrative error, i.e., the Medicaid beneficiary was residing in the nursing facility **prior to enrollment** in a Medicaid Health Plan. The nursing facility must contact the Medicaid Health Plan for disenrollment in **all** other instances. Medicaid Health Plans must use the Request for Administrative Disenrollment (form MSA-2008) to request disenrollment based on administrative errors.

Instructions:

- For each beneficiary disenrollment request, **complete and submit** this form and a copy of the Facility Admission Notice (form MSA-2565-C).
- MDCH will return the form to the facility **ONLY** if the disenrollment is denied.
- **MAIL or FAX this request to:**

**MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
ENROLLMENT SERVICES SECTION
PO BOX 30470
LANSING, MI 48909**

FAX: (517) 373-1437

NOTE: Only MDCH processes disenrollment requests. DHS CANNOT remove LOC 07.

| | | |
|--|---------------------------------|---------------------|
| Beneficiary Name | Nursing Facility Name | |
| Beneficiary mihealth Card Number | Nursing Facility Contact Person | |
| Requested Effective Date of MHP Disenrollment <i>(Disenrollment requests will not be retroactively approved for more than six months.)</i> | Contact Person Phone Number | Facility Fax Number |
| Date of Discharge <i>(if applicable)</i> | Health Plan Name | |

**MDCH USE ONLY
DO NOT WRITE BELOW THIS LINE.**

DENIED

Reason for Denial:

- Beneficiary did not reside in nursing facility on date of enrollment in the Medicaid Health Plan
- Insufficient documentation
- Other, Please specify

Authority: P.A. 368 of 1978.

Completion: Required. Failure to file this report may result in regulatory actions as permitted under P.A. 368, or sanctions as permitted under the MHP contract.

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