

June 17, 2021

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

Dear Provider:

RE: Long Term Supports and Services (LTSS) COVID-19 Response: Additional Guidance on the Level of Care Determination (LOCD) for MI Choice and MI Health Link Home and Community Based Services (HCBS) Waiver

The purpose of this letter is to provide additional guidance to MI Choice and MI Health Link Home and Community Based Services (HCBS) Waiver programs on the LOCD process during the COVID public health emergency (PHE). The LOCD is an eligibility tool used to determine functional eligibility of individuals seeking LTSS in a Medicaid-certified nursing facility, MI Choice, Program of All-Inclusive Care for the Elderly (PACE), or MI Health Link HCBS Waiver.

As stated in letter L 21-18, MI Choice and MI Health Link HCBS Waiver programs are required to conduct LOCDs on all beneficiaries on or prior to the end date of the current LOCD record. All eligible LOCDs (Doors 1-8, 67, 77) for beneficiaries enrolled with MI Choice and MI Health Link HCBS Waiver with an end date from March 1, 2021 through the duration of the PHE will have eligibility extended from 365 days to 730 days. LOCD records in the Community Health Automated Medicaid Processing System (CHAMPS) will be updated as appropriate on a quarterly basis.

LOCD Door 8-2019 is a new LOCD door created for use by MI Choice and MI Health Link HCBS Waiver programs during the PHE in letter L 21-18. It is an LOCD Door 8 with approval criteria "Frailty" and approval code "2019". The new COVID specific door was created to allow beneficiaries to continue their current enrollment due to the suspension on involuntary disenrollments during the PHE.

L 21-36

Adopting LOCDs

When assessing a beneficiary for enrollment, MI Choice or MI Health Link HCBS Waiver providers **may adopt an active LOCD if all of the following criteria are met:**

- the provider agrees with the current LOCD Door eligibility,
- the record is Doors 1-7 or Door 8 (excluding 8-2019),
- the verification status of the LOCD is “not selected” or “approved”,
- the LOCD end date is after the date of assessment, and
- the record does not span more than 730 days.

If an LOCD record does not meet all criteria, a new LOCD must be conducted and entered into CHAMPS.

LOCD Door 8-2019 is not adoptable. When evaluating a beneficiary for enrollment who has Door 8-2019 as their current LOCD, a new LOCD must be conducted and entered in CHAMPS. MDHHS is monitoring LOCD Door 8-2019 records. **If an LOCD Door 8-2019 is adopted, all paid claims utilizing this record will be voided and payments recouped.**

If a beneficiary eligible through LOCD Door 8-2109 disenrolls, a new LOCD must be conducted for re-enrollment. The beneficiary must meet LOCD Doors 1-7 or Door 8 (excluding 8-2019), and all other program criteria, for re-enrollment.

If a beneficiary is currently receiving services from another provider and an LOCD is conducted with the beneficiary, it must be entered into CHAMPS. **If LOCD Door 0 (ineligible) is entered for a beneficiary, the current provider must be notified of the LOCD Door 0 and the beneficiary must be given their appeal rights.** The notification to the provider must be documented.

LOCDs Due to Significant Change in Condition

MI Choice and MI Health Link HCBS Waiver programs must conduct an LOCD when there is a significant change of condition for enrolled beneficiaries. The LOCD must be entered into CHAMPS.

For the MI Health Link HCBS Waiver, if the enrolled beneficiary does not meet Doors 1-7 or Door 8 (excluding 8-2019), the provider must enter LOCD Door 8 approval criteria “Frailty” and approval code “2019”. The provider must enter a comment that states “LOCD eligibility maintained due to public health emergency.” This supports a beneficiary’s right to maintain enrollment during the PHE.

For MI Choice, if the enrolled beneficiary does not meet Doors 1-7, the provider must enter the LOCD Door 0 and request a secondary review. The provider must upload supporting documentation for Door 0 and an additional document that states “LOCD eligibility maintained due to public health emergency.” If the third-party reviewer determines that the beneficiary does not meet LOCD Doors 1-7 or Door 8 (excluding 8-2019), they will create an LOCD Door 8-2019. This supports a beneficiary’s right to maintain enrollment during the PHE.

Other Information

MI Choice and MI Health Link HCBS Waiver programs must not retroactively enter LOCDs that were conducted, and not entered into CHAMPS, prior to March 9, 2021.

Guidance specific to the termination of the PHE will be provided in the future.

Please refer to the frequently asked questions document (attached) for additional information.

Guidance for Medicaid-certified nursing facilities and PACE providers can be found in letters L 21-19 and L 21-37. Numbered letters can be found at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Enrolled beneficiaries may elect to voluntarily disenroll regardless of LOCD eligibility. Providers must offer discharge planning to beneficiaries who are considering voluntary disenrollment. Discharge planning must take into consideration issues unique to the coronavirus pandemic, including the beneficiary’s vaccination status, prior to disenrollment. Providers must be aware of current guidance from the Centers for Disease Control and Prevention (CDC) regarding coronavirus variants, vaccine efficacy, and other community mitigation strategies as these factors will be relevant to discharge planning.

Policy information for 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,



Kate Massey, Director
Medical Services Administration

attachment

Level of Care Determination (LOCD) Frequently Asked Questions (FAQs)- MI Choice and MI Health Link Home and Community Based Services (HCBS) Waiver (MHL-HCBS)

1. When can I adopt a LOCD?

A LOCD may be adopted if it meets **all of** the following criteria:

- 1) Active LOCD Door is 1-8, excluding Door 8-2019
- 2) The end date of the LOCD is after today's date
- 3) LOCD date span (distance from start date to end date) is not greater than 730 days (2 years)
- 4) Verification status is "not selected" or "approved"
- 5) You agree with the current Door determination

2. When can I **NOT** adopt a LOCD?

A LOCD **cannot** be adopted if it meets **any one** of the following criteria:

- 1) Active LOCD Door is Door 8-2019, 67, or 77.
- 2) The end date of the LOCD is on or prior to today's date
- 3) LOCD date span (distance from start date to end date) is greater than 730 days (2 years)
- 4) Verification status is "documents not available" or "in review"
- 5) You **do not** agree with the current Door determination

3. What happens if an individual is enrolled with another provider and wants to transfer to my provider and we determine they are LOCD Door 0 (ineligible)?

The LOCD must be entered into the Community Health Automated Medicaid Processing System (CHAMPS) and the current provider must be notified of your determination. You must retain documentation of the provider notification. The beneficiary must be given their appeal rights.

4. *MI Choice*- What if a provider enters an LOCD Door 0 for a beneficiary enrolled with my provider?

You must conduct a new LOCD with the beneficiary and enter it into CHAMPS. If they do not meet LOCD criteria and are determined Door 0, then enter Door 0 into CHAMPS and request a secondary review. Upload supporting documentation for Door 0 and an additional document that states "LOCD eligibility maintained due to public health emergency."

If the secondary review determines that the beneficiary does not meet Doors 1-8 (excluding 8-2019), the beneficiary will have a LOCD Door 8 with approval criteria "Frailty" and approval code "2019" (Door 8-2019).

5. *MHL-HCBS* - What if a provider enters a LOCD Door 0 for a beneficiary enrolled/admitted with my provider?

You must conduct a new LOCD with the beneficiary. If the beneficiary meets LOCD Doors 1-8 (excluding 8-2019), enter the LOCD with the new Door into CHAMPS. If they do not meet LOCD Doors 1-8, then enter Door 8 with approval criteria "Frailty" and approval code "2019" (Door 8-2019) into CHAMPS. Include the following statement in the comments for Door 8-2019, "LOCD eligibility maintained due to public health emergency."

6. How do I request a secondary review?

Call Michigan Peer Review Organization (MPRO) at 1-800-727-7223 to request a secondary review.

7. What if a beneficiary has a break in Long Term Supports and Services (LTSS) enrollment/admission?

The beneficiary must meet criteria for LOCD Doors 1-7 or Door 8 (excluding 8-2019), and all other program criteria, for enrollment/admission. An LOCD may be adopted if it meets criteria outlined in question number 1.

8. What is LOCD Door 8-2019?

LOCD Door 8-2019 is a new LOCD door created for use by MI Choice and MI Health Link HCBS Waiver programs during the PHE. It is a Door 8 with approval criteria "Frailty" and approval code "2019". Centers for Medicare & Medicaid Services (CMS) requires that MI Choice and MHL-HCBS conduct LOCDs on all beneficiaries. The new COVID-specific door was created to allow beneficiaries to continue their current enrollment due to the suspension on involuntary disenrollments during the PHE.

9. How do I know if a beneficiary has a LOCD Door 8-2019?

When logged into CHAMPS with LOCD-Tech profile, go to the Level of Care Determination List Page. Search for the beneficiary using one of the approved search criteria. If the beneficiary has LOCD Door 8 on the list page, on action drop down, click "view LOCD". In the LOCD record, click on "Doors" in the left navigation pane, then "Door 8". Approval criteria and approval code are visible on this page. If a beneficiary has LOCD Door 8-2019, you will see approval

criteria “Frailty” and approval code “2019.” The LOCD webpage also has a job aide available.

10. Can a beneficiary enroll with a Door 8-2019?

No. Door 8- 2019 is only approved for currently enrolled beneficiaries. A beneficiary seeking enrollment must meet criteria for Doors 1-7 or Door 8 (excluding 8-2019). MDHHS will be monitoring beneficiaries with LOCD Door 8-2019. If you adopt an LOCD Door 8-2019, all paid claims utilizing this record will be voided and payments recouped.

11. Can I re-enroll or re-admit a beneficiary who has a Door 8-2019 from my provider?

No. Once a beneficiary disenrolls or discharges from the provider on the Door 8-2019 record, they must meet LOCD Doors 1-7 or Door 8 (excluding 8-2019) and all other program criteria to re-enroll/re-admit. A new LOCD must be conducted with this beneficiary.

12. *MI Choice*- What if an LOCD for an enrolled beneficiary results in a different LOCD Door?

MI Choice must conduct LOCDs when the beneficiary has a significant change in condition. The LOCD conducted must be entered into CHAMPS. If they do not meet LOCD Doors 1-7, enter Door 0 into CHAMPS and request a secondary review. Upload supporting documentation for the LOCD and an additional document that states “LOCD eligibility maintained due to public health emergency.” If the secondary review determines that the beneficiary does not meet Doors 1-8 (excluding 8-2019), the beneficiary will have LOCD Door 8-2019.

13. *MHL HCBS*- What if an LOCD for an enrolled beneficiary results in a different LOCD Door?

MI Health Link HCBS Waiver must conduct an LOCD when the beneficiary has a significant change in condition. If the beneficiary meets a different door, enter the LOCD with the new Door. If they do not meet LOCD Doors 1-7 or Door 8 (excluding 8-2019), then enter Door 8 with approval criteria “Frailty” and approval code “2019” into CHAMPS. Include the following statement in the comments for the Door 8-2019: “LOCD eligibility maintained due to public health emergency.”

14. If LOCDs were conducted on paper prior to March 9, 2021, do those need to be entered into CHAMPS?

No, do not retroactively enter LOCDs into CHAMPS.

15. When does the Freedom of Choice form need to be completed?

A Freedom of Choice (FOC) form must be completed with each conducted LOCD and any time an LOCD is adopted. The provider must make a considerable effort to obtain all needed signatures. If the provider is unable to obtain signatures from the beneficiary or their representative, the attempts to get signatures must be documented.

MDHHS has provided guidance that during the PHE obtaining and documenting the beneficiary's, or their authorized representative's, verbal consent in lieu of their actual signature during a virtual or telephonic visit with the participant is acceptable. MI Choice and MHL-HCBS should use alternative methods to secure the beneficiary's, or authorized representative's, actual signature including the mail, electronic signatures, and emailing documents to the participant following the verbal consent. These alternative methods should be documented within the beneficiary's record.

16. Will passive redetermination LOCDs be created in CHAMPS?

The passive redetermination LOCD process continues to run. If the Resident Assessment Instrument – Home Care (iHC) or Minimum Data Set (MDS) assessment generates an eligible LOCD, that record will be visible in CHAMPS. The passive redetermination process is **not** creating Door 87 (cannot confirm LOCD eligibility) during the PHE.

17. What will happen when the PHE ends?

Specific guidance for the termination of the PHE and resumption of pre-COVID processes will be developed and published at a future date.