

441—81.3 (249A) Initial approval for nursing facility care.

81.3(1) *Need for nursing facility care.* Residents of nursing facilities must be in need of either nursing facility care or skilled nursing care. Payment will be made for nursing facility care residents only upon certification of the need for the level of care by a licensed physician of medicine or osteopathy and approval of the level of care by the department. Initial decisions on level of care shall be made for the department by the Iowa Foundation for Medical Care (IFMC) within two working days of receipt of medical information. After notice of an adverse decision by IFMC, the Medicaid applicant or recipient, the applicant's or recipient's representative, the attending physician, or the nursing facility may request reconsideration by IFMC by sending a letter requesting a review to IFMC not more than 60 days after the date of the notice of adverse decision. On initial and reconsideration decisions, IFMC determines whether the level of care provided or to be provided should be approved based on medical necessity and the appropriateness of the level of care under 441—subrules 79.9(1) and 79.9(2). Adverse decisions by IFMC on reconsiderations may be appealed to the department pursuant to 441—Chapter 7.

a. If a timely request for reconsideration of an initial denial determination is made, IFMC will complete its reconsidered determination and send written notice including appeal rights to the Medicaid applicant or recipient, the applicant's or recipient's representative, the attending physician or the facility provider within the following time limits:

(1) Within three working days after IFMC receives the request for reconsideration and a copy of the medical record, if the initial determination was made before the Medicaid applicant or recipient was admitted to the nursing facility.

(2) Within ten working days after IFMC receives the request for reconsideration and a copy of the medical record, if the Medicaid applicant or recipient was admitted to the nursing facility when the initial determination was made and is still in the nursing facility when the request for reconsideration is received.

(3) Within 30 working days after IFMC receives the request for reconsideration and a copy of the medical record, if the Medicaid applicant or recipient was admitted to the nursing facility when the initial determination was made but is no longer in the nursing facility when the request for reconsideration is received.

b. If a copy of the medical record is not submitted with the reconsideration request, IFMC shall request a copy from the facility within two working days.

c. Written notice of the IFMC reconsidered determination shall contain the following:

(1) The basis for the reconsidered determination.

(2) A detailed rationale for the reconsidered determination.

(3) A statement explaining the Medicaid payment consequences of the reconsidered determination.

(4) A statement informing the parties of their appeal rights, including the information that must be included in the request for an administrative hearing, the locations for submitting a request for an administrative hearing, and the time period for filing a request.

d. If the request for reconsideration is mailed or delivered to IFMC within ten days of the date of the initial determination, any medical assistance payments previously approved will not be terminated until the decision on reconsideration. If the initial decision is upheld on reconsideration, medical assistance benefits continued pursuant to this subrule will be treated as an overpayment to be repaid to the department.

81.3(2) *Skilled nursing care level of need.* Rescinded IAB 7/11/01, effective 7/1/01.

81.3(3) *Screening.* All persons, regardless of the source of payment, seeking admission to a nursing facility shall also be screened by the Iowa Foundation for Medical Care to determine if mental illness, mental retardation, or a related condition is present. The Iowa Medicaid program will cover the cost of this screening through the managed mental health contractor.

Final approval for initial admissions and continued stay of persons with mental illness, mental retardation, or a related condition is determined by the department of human services, division of mental health, mental retardation and developmental disabilities.

Nursing facility payment under the Iowa Medicaid program will be made for persons with mental illness, mental retardation, or a related condition only if it is determined by the division of mental health, mental retardation and developmental disabilities that the person's treatment needs will be or are being met.

81.3(4) *Special care level of need.* Rescinded IAB 3/20/91, effective 3/1/91.

This rule is intended to implement Iowa Code sections 249A.2(6), 249A.3(2) "a" and 249A.4.