

**MEMORANDUM**

**TO:** Tommi Potter, Ohio Department of Medicaid

**FROM:** Sophia Papadimos, Regulatory Policy Assistant

**DATE:** July 16, 2014

**RE:** **CSI Review – Preadmission Screening and Resident Review (OAC 5160-3-15.1)**

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On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

**Analysis**

This rule package consists of one amended<sup>1</sup> rule being proposed by the Ohio Department of Medicaid (ODM) pursuant to the five-year review requirement of ORC 119.032. The rule pertains to Preadmission Screening and Resident Review (PASRR) requirements. The rule package was submitted to the CSI Office on June 12, 2014 and the public comment period was held open through June 19, 2014. During this time the Ohio Association of Area Agencies on Aging submitted a comment seeking clarification for a section of the rule.

Ohio Administrative Code 5160-3-15.1 sets forth the PASRR process for individuals seeking admission to nursing facilities. PASRR is a process to ensure that nursing facilities admit individuals with serious mental illness or developmental disabilities only when a thorough evaluation indicates that such placement is appropriate and that the individual's necessary services will be provided by the nursing facility. States must meet federal PASRR requirements

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<sup>1</sup> The existing rule is being amended by more than 50 percent. Therefore, the Legislative Service Commission requires that the existing rule be rescinded and replaced by a new rule that has the same rule number.

for individuals entering a Medicaid certified nursing facility. Previously, individuals being admitted to a nursing facility directly from an OhioMHAS-licensed hospital or psychiatric ward were allowed to bypass the PASRR process. This exemption has been removed by recently-enacted House Bill 59 and this rule is being amended to reflect the statutory changes.

ODM coordinated with the Ohio Department of Developmental Disabilities (DODD) and OhioMHAS to ensure the agencies' respective rules and the processes set forth are consistent and not duplicative. The Departments have engaged stakeholders throughout the rule-making process and will provide a training webinar to the public which will be posted to the OhioMHAS, ODM, and DODD websites.

This rule affects Medicaid-certified nursing facilities and OhioMHAS-licensed hospitals and psychiatric wards. This rule requires nursing facilities to submit a resident review form to the Department. Members of the Ohio Hospital Association estimated that completing the form takes approximately 30-60 minutes. OhioMHAS-licensed hospitals and psychiatric wards will be impacted by this rule change because the facilities will have to care for patients until the PASRR process is completed, allowing the transfer to a nursing facility. According to the business community, it will cost the hospital or psychiatric ward approximately \$1,000 per day while each individual is completing the PASRR process. The federal guidelines for conducting preadmission screening recommend completing the screening within seven to nine business days from the time of the request from the facility. Based on the average of a seven day turnaround for screenings and 1,800 screenings per year, the total cost to stakeholders is \$12.6 million per year. OhioMHAS has indicated it plans to implement an expedited screening process that will be completed in 48 hours (instead of seven days) in order to reduce costs to facilities. The PASRR process is a federal requirement and the rule is being amended to comply with the Ohio Revised Code; therefore, the CSI Office has determined the purpose of the rule is justified.

### **Recommendation**

For the reasons explained above, this office does not have any recommendations regarding this rule package.

### **Conclusion**

Based on the above comments, the CSI Office concludes that the Ohio Department of Medicaid should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor's Office