RESERVE DAY PAYMENT POLICY

Payment for reserve days is authorized for days in which the recipient is absent from the facility and it is necessary to reserve a bed in a nursing facility (NF) or NF for mental health (NF-MH) during a temporary absence because the recipient is admitted to a hospital for acute conditions or is allowed to take therapeutic home visits. Therapeutic home visits are defined to include visits with relatives and friends or leaves to participate in state-approved therapeutic or rehabilitation programs. The following provisions apply in any instance in which a bed is reserved:

1. Payment is available only for the days during which there is a likelihood that the reserved bed would otherwise be required for occupancy by some other resident.

2. The provider is required to notify the local agency office of any routine absence from the facility by a recipient in the Kansas Medicaid NF and NF-MH state funded program. In case of admission to a hospital, notification must be submitted to the local agency office no later than five working days following the recipient's hospital admission.

3. No payment for medical reserve days shall be made until authorization has been given by the local agency office in writing to the provider. A copy of the authorization shall be submitted when the claim is submitted for payment.

4. The following conditions must be met when a bed is reserved in a NF or NF-MH for a recipient because of hospitalization for an acute medical condition:

   a. The local agency office has approved the reserve days for each period of hospitalization of a recipient with an acute condition.

   b. The period of hospitalization for an acute condition does not exceed 10 days per any single hospital stay.

   c. When a NF-MH recipient is transferred to one of the four state mental hospitals, a psychiatric ward in a general hospital or a private psychiatric hospital, he or she is eligible for 21 hospital reserve days.

   d. The recipient intends to return to the same facility after the hospitalization.

   e. The hospital provides a discharge plan for the recipient which includes returning to the facility requesting the reserve days.

RESERVE DAY PAYMENT POLICY

f. The NF or NF-MH with less than 200 beds cannot be approved for reserve days if it has more than five vacancies. The NF or NF-MH with 200 beds or more cannot be approved for reserve days if it has more than 15 vacancies.

5. When a bed is reserved in a NF or NF-MH because of a therapeutic home visit, the recipient plan of care must provide for such visits. Reimbursement for therapeutic home visits may not exceed 12 days per year (including travel) for recipients in NFs or 21 days per year (including travel) for clients in a NF-MH. The exception is if prior authorization has been obtained for additional days. The NF or NF-MH vacant beds are not a factor for therapeutic reserve days.

6. Payment for authorized NF or NF-MH reserve days shall be at 67% of the per diem rate for the respective provider.

7. Reimbursement shall not be made to reserve a bed in a swing bed hospital when a NF or NF-MH will be reimbursed for the same day to reserve a bed for the recipients return from the hospital.

RESERVE DAY PAYMENT POLICY

Payment for reserve days is authorized for days in which the recipient is absent from the facility and it is necessary to reserve a bed in an intermediate care facility for the mentally retarded (ICF/MR) during a temporary absence in a hospital for acute conditions or for therapeutic home visits. Therapeutic home visits are defined to include visits with relatives and friends or leaves to participate in state-approved therapeutic or rehabilitative programs. The following provisions apply in any instance in which a bed is reserved:

1. Payment is available only for the days during which there is a likelihood that the reserved bed would otherwise be required for occupancy by some other resident.

2. The provider is required to notify the local agency office of any routine absence from the facility by a recipient in the Kansas Medicaid Program. In case of admission to a hospital, notification must be submitted to the local agency office no later than 5 working days following admission.

3. No payment for medical reserve days shall be made until authorization has been given by the local agency office in writing to the provider. A copy of the authorization shall be attached to the claim submitted for payment.

4. The following conditions must be met when a bed is reserved in an ICF/MR because of hospitalization for an acute medical condition:

   a. The local agency office has approved the recipient reserve days for hospitalization of an acute condition for each period of hospitalization. The period hospitalization for an acute condition does not exceed 10 days per any single hospital stay.

   b. When an ICF/MR recipient is transferred to one of the state mental retardation facilities, he or she is eligible for 21 hospital reserve days.

   c. The recipient intends to return to the same facility after the hospitalization and the facility accepts the recipient for service.

   d. The hospital provides a discharge plan for the recipient which includes returning to the facility requesting the reserve days.

   e. An ICF/MR which has less than 90% occupancy may not be approved for the hospitalization reserve days.

RESERVE DAY PAYMENT POLICY

5. When a bed is reserved in an ICF/MR because of a therapeutic home visit, the recipient plan of care must provide for such visits. Reimbursement for therapeutic home visits are not to exceed 21 days per year (including travel) for recipients in an ICF/MR. Additional therapeutic home visit days may be allowed provided prior authorization is obtained. The ICF/MR vacant beds are not a factor for therapeutic reserve days for home visits.

6. Payment for authorized ICF/MR reserve days shall be at 100% of the per diem rate for each provider.

STATE OF KANSAS

MIKE HAYDEN, GOVERNOR

STATE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

WINSTON BARTON, SECRETARY

DOCKING STATE OFFICE BUILDING
TOPEKA, KANSAS 66612-1570

July 12, 1988

Mr. Bill Schmeling, Chief
State and Contractors Branch I
Division of Program Operations
Department of Health & Human Services
Health Care Financing Administration
Region VII
Federal Office Building
601 East 12th Street
Kansas City, Missouri 64106

RE: MS-88-13

Dear Mr. Schmeling:

We are amending the Kansas Medical State Plan for adult care homes by revising the following sections:

1) 4.19C - Reserve Day Payment Policy. We are changing item 2 on page 1 to delete the words "prior to the period of hospitalization or therapeutic home visit.", from the text. We are also adding the word "document" after the word "turnaround" in item 3.

   On Page 2 in item 5(a) the words "prior to" are being deleted and the word "for" is being substituted. Also the words "or within five working days of absence.", is being deleted. In item 5(c) the word "private psychiatric hospital" is being added to the text. Item 5(f) is being deleted since it is in Attachment 3.1-A #14.a. A new (f) is being added and it will read as follows:

   (f) The adult care home cannot be approved for reserve days if it has more than 5 vacancies. If the facility requesting reserve days has 200 beds or more the vacancy number may not exceed 15.

   On Page 3 there is some technical items being revised such as "patient" to "resident" in item 6 and "ICF-MH's" to "ICF's-MH" in item 7.

State Plan TN# MS-88-13 **Effective Date** 7/1/88

Supersedes TN# MS-88-11 **Approval Date** 10/4/88

In accordance with 42 CFR 447.253, the Department of Social and Rehabilitation Services submits the following assurances related to Kansas Medicaid payments for long term care services in adult care homes. The requirements set forth in paragraphs (b) through (g) of this section are being met, the related information required by subsection 447.225 of this subpart is furnished herewith and the agency complies with all other requirements of this subpart.

42 CFR 447.253 (b) State Findings. The State of Kansas, through this agency, does make findings to insure that the rates used to reimburse providers satisfy the requirements of paragraph 447.253(b)(1)(i).

42 CFR 447.253(b)(1)(i) - Payment Rates. The State of Kansas, through this agency, continues to pay adult care homes for long term care services in accordance with a State Plan formula. We have found that the rates are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide the services in conformity with applicable state and federal laws, regulations and quality and safety standards.

42 CFR 447.253(b)(1)(i) - Subparagraphs (A), (B) and (C) apply to inpatient hospital services.

42 CFR 447.253(b)(2) - Upper limits. The State of Kansas, through this agency, does make findings that the estimated average proposed Medicaid payment rate is reasonably expected to pay no more in the aggregate for long term care facility services than the amount that the agency reasonably estimates would be paid for services under the Medicare principles of reimbursement.

42 CFR 447.253(c) - Provider appeals. The agency, in accordance with the Kansas Administrative Regulations, provides a fair hearing procedure that allows for an administrative review and an appeal by the provider before the Administrative Hearing Section of the agency.

42 CFR 447.253(d) - Uniform reporting. Adult care home providers are required to file annual cost reports with the Medicaid agency within three months following the end of their fiscal year in accordance with Kansas Administrative Regulation 30-10-17.

42 CFR 447.253(e) - Audit requirements. The State, through this agency, performs a desk review on all cost reports within six months after receipt and provides for periodic field audits of the financial and statistical records of the participating providers.

42 CFR 447.253(f) - Public notice. Appropriate public notice has been given for the changes included in this plan amendment.

State Plan TN# MS-88-13 **Effective Date** 7/1/88

Supersedes RN# MS-88-11 **Approval Date** 10/4/88

42 CFR 447.253(g) - Rates paid. The rates paid through the agency have been determined in accordance with methods and standards specified in an approved State Plan.

42 CFR 447.255 - Related Information:

	SNF	ICF	ICF/MR
Estimated Average Rate 1/1/88	$45.76	$35.98	$60.57
Estimated Average Rate 4/1/88	45.76	35.98	60.57
Estimated Decrease - State Plan Amendment	0	0	0
Average Percent Decrease	0	0	0

The change on the reserve day policy has no impact on the rates.

b) Quantified estimates of the short term and long term effect of these changes in rate will have on:

	SHORT TERM	LONG TERM
1) Availability of services on a statewide and geographic area basis:	None	None
2) Type of care furnished:	None	None
3) Extent of provider participation	None	None

1) There are approximately 405 licensed adult care homes in the State of Kansas with at least one in every county. Of these, approximately 393, or 97%, are also certified to participate in the Medicaid Program. Beds are available in every area of the State and close coordination with the local and area SRS offices allows the agency to keep close track of vacancies.

2) The type of care furnished may show some decline in the standard in some facilities that was set under the previous limits. There may be some tendency by facilities to staff at a lower level ratio than they previously did under the prior limits. However, the overall care of all adult care home residents should not be affected by this change in either the short or long term periods.

3) The extent of provider participation should not be affected by this change. Ninety-seven percent of the available providers are already participating in the program. This change will not encourage the remaining three percent to begin participation. Two providers have indicated that they wish to withdraw from the Program.

4) Subparagraph (4) applies to inpatient hospital services.

42 CFR 447.272(b) - Application of Upper Limit. The State through this agency, doe smake findings that the State operated facilities may not exceed a payment amount that can reasonable be estimated would have been paid under Medicare payment principles

Section 1902(a)(13)(C) of the Consolidated Omnibus Recomciliation Act (COBRA) of 1985. The State of Kansas through this agency, does make assurances that its payment methodology is not reasonably expected to result in an increase in payments based on a change in ownership in excess of the increase that would result from application of Section 1902(a)(13)(C) of COBRA.

This information is being submitted in accordance with Section 6002 of the State Medicaid Manual. If you have additional questions, please write or call (913) 296-3728.

Sincerely,

Winston Barton

Winston Barton
Secretary

WB:JA:JJG:slr

cc Jack Gumb
Bill McDaniel
L. Kathryn Klassen