

## **Fact Sheet: Notice of Proposed Rulemaking – Medicaid Programs: Preadmission Screening and Resident Review (CMS-2418-P)**

### **Overview**

The Medicaid Program: Preadmission Screening and Resident Review (CMS-2418-P) Notice of Proposed Rulemaking (NPRM) proposes to modernize and streamline the requirements for the Preadmission Screening and Resident Review Sections regulation (PASRR.)

Current PASRR regulations require that all applicants to and residents of Medicaid-certified nursing facilities (NFs) be screened for mental illness (MI) and intellectual disability (ID) and, if necessary, be provided specialized services while in the NF (Section 1919(b)(3)(F) and (e)(7.)) The PASRR regulations have not been updated since 1992. Regulatory updates are needed to modernize the regulations, reduce duplicative requirements and other administrative burdens on state PASRR programs, and make the process more streamlined and person-centered.

Changes to the PASRR regulations proposed in this NPRM include:

- Updating outdated definitions of MI and ID;
- Streamlining the Preadmission Screening process and expanding the number of exceptions to Preadmission Screening for individuals who seek NF admission for brief, time-limited stays or for treatment of severe physical or cognitive conditions;
- Enabling PASRR programs to monitor the use of Preadmission Screening exceptions to ensure PASRR-eligible NF applicants are receiving appropriate evaluations and specialized services;
- Implementing statutory changes to the Resident Review requirements that are not reflected in current regulations;
- Authorizing the use of telehealth technology in performing evaluations of NF applicants and residents under certain circumstances;
- Simplifying the list of information that must be collected during evaluations and giving states greater flexibility in identifying the clinicians qualified to provide this data;
- Clarifying that Federal Financial Participation (FFP) is available for specialized services;
- Placing greater emphasis on the role of the individual's preference for where to receive long-term services, including ensuring that the individual is aware of viable home- and community-based options before electing NF care; and
- Clarifying what data PASRR programs must report to CMS in order to demonstrate compliance with federal timeliness requirements and measure outcomes

The NPRM presents proposals and seeks input on these and other related topics. The NPRM is available on the Federal Register website, [www.federalregister.gov](http://www.federalregister.gov). Members of the public may submit comments on this NPRM through the Federal Register website until April 20, 2020.

Background:

Preadmission Screening and Annual Resident Review (now commonly referred to as Preadmission Screening and Resident Review, or PASRR) was created as part of the Omnibus Budget Reconciliation Act of 1987 (OBRA '87). The PASRR requirements, added to section

1919 of the Social Security Act, require states to create a system to assess the needs of individuals with mental illness (MI) or intellectual disability (ID) applying to, or already residing in, Medicaid-certified NFs, to ensure that individuals were not being placed in NFs unnecessarily or without adequate supports. The state mental health authority or state intellectual disability authority, as appropriate, must determine whether individuals with MI or ID who are applying to, or are living in, Medicaid-certified NFs require the level of services offered by a NF and whether they need additional (“specialized”) services for MI and ID beyond the services typically provided in a NF.

CMS published the final PASRR rule on November 30, 1992 (57 FR 56540). On October 19, 1996, Pub. L. 104-315 removed a requirement that Resident Review be performed annually, and provided instead that Resident Review should be performed upon a significant change in the resident’s physical or mental condition. CMS has not issued additional regulations since the final rule in November 1992, so current regulations do not reflect this statutory change.

CMS has received feedback from stakeholders including states’ Medicaid agencies, states’ PASRR programs, clinicians, NFs, and NF resident advocates that in addition to misaligning with the statutory requirements for Resident Review, portions of the current PASRR regulations are unclear, illogical, duplicative, or out of touch with current long-term care practices. While CMS has attempted to address some of the challenges presented by outdated regulations through technical assistance, CMS believes that updating and streamlining the regulations will provide the most effective method of improving implementation of PASRR nationwide. With this NPRM, CMS seeks to modernize PASRR requirements so that they may become an even more effective tool and resource for states, NFs, and individuals with MI or ID.