

421 – CONTRACT TERMINATION: NURSING FACILITIES AND ALTERNATIVE HOME AND COMMUNITY BASED SETTINGS

EFFECTIVE DATES: 04/08/09, 11/01/12, 10/01/13, 10/01/15, 10/01/17, 04/03/19

APPROVAL DATES: 10/11/12, 08/29/13, 07/30/15, 07/26/17, 03/12/19

I. PURPOSE

This Policy applies to ALTCS E/PD Contractors. This Policy is limited to and defines the relationship between a Nursing Facility (NF) and/or an Alternative Home and Community Based Setting and a Contractor following the termination of a contract between these entities, regardless of which entity terminates the contract or the reason for contract termination. This policy delineates how the Contractor, NF and Alternative Home and Community Based Setting shall collaborate to provide for the needs of the members residing in the facility at the time of contract termination.

II. DEFINITIONS

ADD-ON	Generally refers to contract standards that a Contractor may have with a NF to establish criteria for additional payment to the Class 1, 2 or 3 levels determined by the Uniform Assessment Tool (UAT).
ALTERNATIVE HOME AND COMMUNITY BASED SETTING	Under the Home and Community Based Services (HCBS) program, members may receive certain services while they are living in an alternative HCBS setting. HCBS settings as defined in 9 A.A.C. 28 Article 1 and AMPM Chapter 1200, section 1230. Alternative residential settings include but are not limited to Assisted Living Centers (ALC), Assisted Living Homes (ALH) Adult Foster Care (AFC) Homes, Behavioral Health Residential facilities, and Behavioral Health Supportive Homes.
ANNIVERSARY DATE	The Anniversary Date is 12 months from the date the member is enrolled with the Contractor and annually thereafter. In some cases, the anniversary date will change based on the last date the member changed Contractors or the last date the member was given an opportunity to change.

BED HOLD DAY

A 24 hour per day unit of service that is authorized by an ALTCS member's case manager or the behavioral health case manager or a subcontractor for an acute care member, which may be billed despite the member's absence from the facility for the purposes of short term hospitalization leave and/or therapeutic leave. Refer to the Arizona Medicaid State Plan, 42 CFR 447.40 and 42 CFR 483.12, 9 A.A.C. 28 and AMPM Chapter 100.

NURSING FACILITY (NF)

A health care facility that is licensed and Medicare/Medicaid certified by the Arizona Department of Health Services in accordance with 42 CFR 483.75 to provide inpatient room, board and nursing services to members who require these services on a continuous basis but who do not require hospital care or direct daily care from a physician. Contracted NFs are those facilities that have a contract with a Contractor. Non-contracted NFs are those facilities that do not have a contract with a Contractor.

ROOM AND BOARD (R&B)

The amount paid for food and/or shelter. Medicaid funds can be expended for room and board when a person lives in an institutional setting (e.g. NF, ICF). Medicaid funds cannot be expended for room and board when a member resides in an alternative residential setting (e.g. Assisted Living Home, Behavioral Health Residential Facilities) or an apartment like setting that may provide meals.

SUBACUTE OR SPECIALTY CARE

Generally refers to contract standards that a Contractor may have with a NF to establish criteria for paying a rate higher than the Class 1, 2 and 3 levels determined by the UAT.

SHARE OF COST (SOC)

The amount an ALTCS member is required to pay toward the cost of long term care services.

UNIFORM ASSESSMENT TOOL (UAT)

A standardized tool that is used by Contractors to assess the acuity of NF residents and commonly used for ARS residents residing in Assisted Living Centers (ALC), Assisted Living Homes (ALH) and Adult Foster Care (AFC) settings. The use of the Uniform Assessment Tool (UAT) is not intended to impact how Contractors determine authorizations for specialty levels of care (e.g., wandering dementia, medical sub-acute and behavioral management). This tool is located in AMPM Policy 1620-B.

III. POLICY**A. MEMBER/RESIDENT OPTIONS WHEN A NF OR ALTERNATIVE HOME AND COMMUNITY BASED SETTING CONTRACT IS TERMINATED**

Affected members residing in a NF and/or Alternative Home and Community Based Setting at the time of a contract termination may continue to reside in that facility until their open enrollment period, at which time members must either choose an available Contractor that is contracted with the facility, or move to a setting that is contracted with their current Contractor.

The Contractor in collaboration with the NF and/or Alternative Home and Community Based Setting and AHCCCS must develop a member/representative communication plan and a member transition plan. The purpose of the communication plan is to provide affected or impacted members and/or their representatives with consistent information regarding the contract termination. The purpose of the transition plan is to ensure a seamless transition to another placement, continuity of care and follow up monitoring of the member post move. The Contractor must receive approval of the member/representative communication and transition plan from the Division of Health Care Management Operations Unit. The plan must be submitted to AHCCCS within five business days of the termination decision. All member communications must be consistent with guidelines as specified in ACOM Policy 404.

B. REIMBURSEMENT**1. Nursing Facilities.**

The Contractor shall reimburse the NF at the previously contracted rates or the AHCCCS fee for service schedule rates, whichever are greater. Should AHCCCS increase its fee schedule, the Contractor shall reimburse the NF at the greater of the increased AHCCCS fee for service schedule rates or the Contractor's previously contracted rates. Should AHCCCS reduce its fee schedule, the Contractor shall reduce its previously contracted rates by the same percentage, and pay the greater of the adjusted rates.

If the Contractor had in place a provision for subacute, specialty care or add-on rates at the time of the contract termination, then the Contractor shall apply those rates. Should AHCCCS adjust its fee schedule, then the Contractor will adjust its subacute or add-on rate(s) by the average adjustment to the NF fee schedule rates.

2. Alternative Home and Community Based Settings.

The Contractor shall reimburse the Alternative Home and Community Based Setting at the previously contracted rate. Should AHCCCS adjust its HCBS Fee Schedule rates, the Contractor will adjust its Alternative Home and Community Based Residential Setting rates by the average percentage that the HCBS Fee Schedule rates are adjusted by.

C. QUALITY OF CARE

In the event that a Contractor, other entity, or AHCCCS identify instances where the overall quality of care delivered by an NF or Alternative Home and Community Based Setting places residents in immediate jeopardy, the Contractor will inform members/representatives of the problems and offer members alternative placement. Members may have the option to continue to reside in the NF or Alternative Home and Community Based Setting.

In some cases, AHCCCS may require that the Contractor find new placements for members. In such cases, the Contractor shall work with the members/representative to identify an appropriate placement that meets the needs of the member. AHCCCS may require Contractors to increase monitoring of facilities identified as having health or safety issues until AHCCCS is assured that the issues have been resolved or members have been transitioned to a placement setting that can meet their needs.

In the event of a bankruptcy or foreclosure order of an NF or Alternative Home and Community Based Setting, the Contractor shall notify AHCCCS of the situation. In these instances, the Contractor shall review the financial, health and safety status prior to placing a member in a placement owned by the same entity. In the event that a Contractor identifies a member specific quality of care concern, the Contractor shall identify that concern to the NF or Alternative Home and Community Based Setting for resolution. The Contractor shall also report to external entities, and to AHCCCS as specified in AMPM Policies 910 and 920.

D. ADMISSIONS/DISCHARGES/READMISSIONS

1. The Contractor is prohibited from utilizing as a placement setting for members, Group Homes for the Developmentally Disabled, as specified in A.A.C, Title 9, Chapter 33.
2. NFs or Alternative Home and Community Based Settings are not required to accept new admissions of members who are enrolled with a non-contracted Contractor.
3. NFs are required to otherwise follow admission, readmission, transfer, and discharge rights as specified in 42 CFR 438.12.
4. The Contractor may authorize bed hold days up to the allowed limit as specified in 9 A.A.C. 28.