

The Louisiana Department of Health Diversion Plan

Introduction

In June 2018, the State of Louisiana and the Louisiana Department of Health (LDH) signed an agreement with the Department of Justice to help ensure compliance with Title II of the American with Disabilities Act (ADA), which requires that the State's services to individuals with mental illness be provided in the most integrated setting appropriate to their needs. LDH is implementing a plan for a diversion system as part of its overall efforts to achieve compliance with the ADA and ensure successful implementation of its *Agreement to Resolve Department of Justice Investigation (Agreement)*.

Consistent with Section IV of the *Agreement*, LDH has developed this diversion plan to outline the steps LDH is taking to promptly identify individuals in the Target Population seeking admission to nursing facilities and provide intervention and services to prevent unnecessary institutionalization. Specifically, LDH is implementing a system to divert:

- Persons with serious mental illness (SMI) from avoidable hospitalizations that place them at risk for subsequent nursing facility admission;
- Persons with SMI who seek admission to, are referred to, and/or receive screenings and/or evaluations for nursing facility placement who do not meet Nursing Facility Level of Care (LOC) criteria or for whom a Pre-Admission Screening and Resident Review Level (PASRR) II review recommends placement in the community; and
- Persons with SMI who are admitted to a nursing facility on a temporary basis and could be transitioned into the community within a short period.

As described in this document, LDH seeks to achieve these diversion objectives through three main strategies:

- Revising eligibility pathways for nursing facility placement;
- Improving PASRR processes and criteria;
- Defining the diversion population;
- Developing a diversion protocol for the Target Population; and
- Implementing and expanding the availability of Community Support Services.

To monitor the performance of these strategies, LDH will establish measurable targets for the diversion and transition of Target Population members. The performance monitoring approach is described in the last section of this plan.

Revising Eligibility Pathways for Nursing Facility Admission

Eliminating the Behavior Pathway

LDH recently eliminated a driver of nursing facility placements for individuals with SMI: the Behavior eligibility pathway. The Behavior pathway provided an avenue for individuals with SMI to be admitted to nursing facilities without having met other LOC criteria for nursing facility placement. Nursing facility residents who were admitted per the Behavior pathway had no other qualifying condition to meet nursing facility LOC other than SMI.

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The Behavior pathway was included among other medical eligibility pathways in the Level of Care Eligibility Tool (LOCET), an initial screening tool used as part of Louisiana’s nursing facility application process, and the Minimum Data Set (MDS) 3.0 and the MDS for Home Care (MDS-HC), instruments used as part of the nursing facility level of care assessment process.

LDH implemented new regulations to effectuate changes to the Behavior pathway effective May 2018.¹ The Behavior pathway was eliminated as a medical eligibility pathway for nursing facility placement for new admissions. The rule included a “grandfather” clause: nursing facility residents who were admitted prior to the implementation of the new rule were (and are) deemed to meet nursing facility LOC as long as they continue to meet only on the Behavior pathway eligibility criteria. Residents lose their “grandfathered” status if they no longer meet on the behavior pathway, are discharged from the facility, or meet on an eligibility pathway other than the Behavior pathway.

LDH undertook steps to provide education and implementation support to providers as part of the elimination of the Behavior pathway. For example, LDH developed presentations and training materials for the state trade group, the Louisiana Nursing Home Association. To provide concrete guidance to nursing facilities on the execution of the new rule, LDH disseminated a list of nursing facility residents who continue to meet the Behavior pathway eligibility criteria and are thus “grandfathered” per new rule as described above.

Developing Policies and Procedures to Implement Temporary Approvals by the Level II Authority

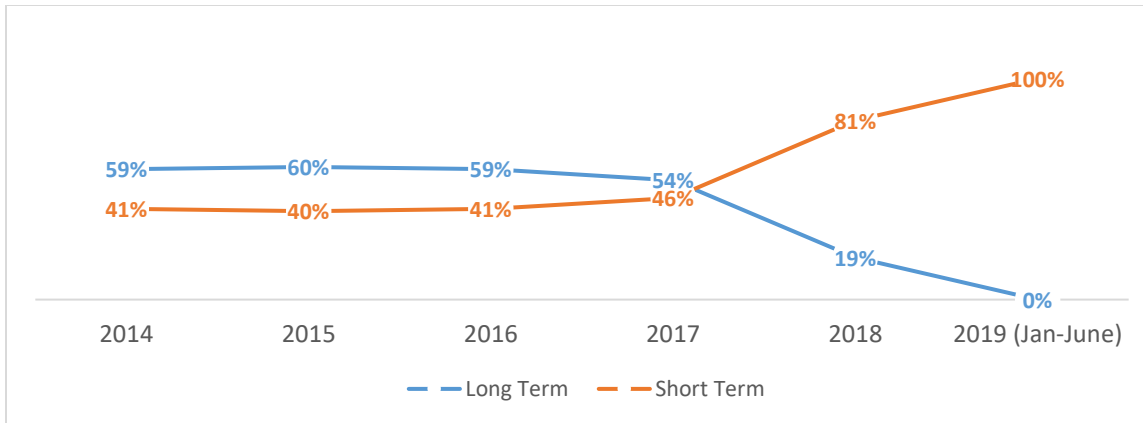
As part of a strategy to divert individuals with SMI from placement in nursing facilities, LDH has implemented changes to the screening process for nursing facility admissions for all individuals, including members of the Target Population members and individuals who would be members of the Target Population were they admitted to a nursing facility. In general, LDH is now primarily authorizing temporary stays rather than long-term “permanent” stays. This means that the need for continued stay in a nursing facility will have to be justified and will come under review more often.

Specifically, the Office of Behavioral Health (OBH) has formally standardized the utilization of temporary authorizations for all positive PASRR Level II reviews it authorizes for NF placement.² For pre-admission PASRR Level II requests, authorization requests will not exceed 90 days (or 100 days for persons approved for convalescent care by LDH). Subsequent re-reviews will not exceed one year, or 365 days. This change in process has resulted in 100% of authorizations issued by the OBH PASRR Level II authority being short term, requiring at least an annual re-review during which time the need for continued NF placement and services can be evaluated.

¹ Louisiana Administrative Code. Title 50, Part II, Subchapter G. Section 10156(l)(1)-(2). Included as attachment.

² OBH PASRR Level II Authorization Rubric. Included as attachment.

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Changing the LOC Determination Process to Implement Temporary Approvals

LDH also implemented changes to its nursing facility LOC determination process to ensure that individuals who meet a temporary pathway for nursing facility admission only receive temporary approval and must reapply for a continued stay. These procedures apply to all persons seeking to enter a Louisiana nursing home, not just applicants who may be members of the Target Population. The value of this change for purposes of the agreement is that a person's history or symptoms of SMI may not be known or readily apparent upon admission. Increasing the percentage of temporary approvals means that a high percentage of person's entering facilities will be reviewed again before a continued stay is approved, increasing the odds of identifying SMI post-admission. If SMI is identified or suspected at the end of a temporary stay, that person can be referred to the PASRR Level II authority for review.

To implement the temporary approval strategy, LDH re-designed the LOCET screening instrument used for initial placements in nursing facilities. The LOCET instrument is comprised of medical eligibility pathways for admission to nursing facilities. Some pathways are indicative of short-term needs (such as rehabilitation or medical management after a hospital stay) while some are indicative of possible longer-term needs (such as eligibility pathways based on cognitive and ADL needs). Independent reviewers performing the LOCET screening move through the various eligibility pathways in a set order to determine if the individual meets LOC. If an individual meets an eligibility pathway, the LOCET screening immediately concludes and a referral is made. Prior to May 2018, the LOCET instrument listed medical eligibility pathways in an order that resulted in the majority of individuals being admitted to nursing facilities on a long-term basis (99%).

In May, 2018, LDH restructured the order in which eligibility pathways appear in the instrument to prioritize temporary admissions over long-term admissions. For example, the eligibility pathways pertaining to assistance with daily living needs and cognitive criteria were previously listed first and second on the LOCET instrument, which resulted in a rate of long-term admission approvals of 99%. To achieve greater rates of temporary approvals, LDH updated the LOCET instrument to list medical eligibility pathways in an order that would result in more individuals being admitted to nursing facilities on a temporary basis, such as admissions for individuals who met eligibility pathways pertaining to physician involvement, medical treatments and health conditions, and skilled rehabilitation therapies. These eligibility pathways, which can only be used for temporary approvals, now appear first, second, and third on the LOCET instrument, respectively. If an individual is determined to meet one of these eligibility pathways during the LOCET screening, the screening immediately concludes and the individual is admitted to the nursing facility on a short-term basis.

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Since the implementation of the temporary authorization strategy, the Office of Aging and Adult Services (OAAS) shows an increase in temporary approvals from 24 per month to 1,650 per month. Among nursing facility residents admitted on a temporary basis who submit a Continued Stay request, only 15% receive a long-term approval (maximum authorization of 1 year), whereas 78% are referred to OBH for determination.³ Fundamentally, only 17% of temporary approvals result in a Continued Stay approval.⁴

Reviewing Continued Stays Beyond 90-100 Days

As part of an overall strategy to divert individuals with SMI from nursing facility placement, LDH has taken additional steps to implement its temporary approval policy. As described above, most individuals who are admitted to nursing facilities under the new policy receive temporary approval for up to 100 days. Since implementation of the temporary approval policy, 85% of all initial approvals are now temporary. For nursing facility residents who request approval for continued stay, LDH requires that OAAS staff verify the need for continued stay.

Nursing facilities are required to submit continued stay requests to OAAS at least fifteen days before the authorized temporary admission ends. As part of the review for continued stay requests, OAAS staff review medical records from the nursing facility, such as ADL documentation, nursing notes, physician orders, etc., in conjunction with the most recent MDS 3.0 available at the time of the submission. If there are questions about documentation provided by a nursing facility, OAAS Regional Staff visit the facility for an onsite review.

Notably, the 90-/100-day reassessment is a valuable opportunity to identify individuals with SMI whose SMI was not identified during the initial PASRR screening. If indications of serious mental illness are present during a review of the documentation submitted as part of the continued stay request process, the individual is referred to the Office of Behavioral Health for an OBH determination of the need for a Level II evaluation. This process can help identify individuals with SMI and provide a basis for referrals for community-based mental health services. In this way, the temporary approval strategy serves as a key intervention in LDH's diversion plan.

Improving PASRR Processes and Criteria

LDH is implementing a number of strategies to improve the PASRR Level I screenings and Level II evaluations to achieve diversion of individuals with SMI seeking admission to nursing facilities. These strategies to improve PASRR processes and criteria include:

- improving the identification of individuals with SMI through PASRR Level I screening;
- improving the delivery of PASRR Level II evaluations;
- performing PASRR Level II evaluations promptly to ensure continued compliance with federal standards regarding the timeliness of PASRR Level II determinations;
- revising PASRR Level II forms to include more information regarding mental health services in the community;
- providing additional training to ensure that PASRR Level II evaluators are familiar with the complete array of home and community-based services available; and

³ Ibid.

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http://ldh.la.gov/assets/docs/BehavioralHealth/PASRR/Louisiana_Nursing_Home_Association_Presentation_Sep_5_2018.pdf

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- strengthening documentation requirements used to establish a primary diagnosis of dementia relative to the PASRR screening process.

Improving the Identification of Individuals with SMI through PASRR Level I Screening

LDH has taken several steps to leverage the PASRR Level I screening process to better identify individuals with SMI who are referred to nursing facilities. These included modifying the Level I screening instrument, developing and implementing standardized training for personnel (except physicians) who complete any part of the PASRR Level I screening process, and specifying the credentials of individuals deemed qualified to complete the PASRR Level I Screen.

The PASSR Level I screening instrument was modified in June 2018 to incorporate several changes designed to better identify individuals with SMI for the purpose of diverting them from nursing facility admissions.⁵ LDH revised the form in response to the PASRR Technical Assistance Center's (PTAC) findings that listed Louisiana among the states where too many individuals were identified as having a mental health diagnosis after nursing home admission, suggesting that the pre-admission form may not have been sensitive enough. LDH incorporated best practices from other states in the revision, especially from those states that PTAC found to have better pre-admission identification.

LDH provided training opportunities for nursing facility and hospital staff to introduce the revised PASSR Level I screening tool. Specifically, OAAS held in-person trainings in Bossier City, Lafayette, and Metairie which were attended by 106 individuals. In addition, OAAS held a series of 10 webinars held twice a day for five consecutive days which were attended by 382 individuals. The webinar training and an instruction guide for completing the Level I Screen, including the list of individuals deemed qualified, are maintained on the LDH OAAS website.

Improving the Delivery of PASRR Level II Evaluations

Consistent with the *Agreement*, LDH is taking steps to ensure that each individual with SMI who has been admitted to a nursing facility receives a new PASRR Level II evaluation conducted by a qualified professional independent of the nursing facility and the State annually, and upon knowledge of any significant change in the resident's physical or mental condition.

In general, PASRR Level II Evaluations are prompted for Louisiana nursing facility residents with SMI through four routes:

- Initial: pre-admission screening PASRR Level II evaluations performed as part of the nursing facility application process and completed prior to admission (for all referrals with SMI indicated by a Level I screen);
- Extension Requests/Annual Reviews: PASRR Level II evaluations performed on NF residents with a previous OBH PASRR Level II issued authorization when a nursing facility requests a continued stay to extend an authorization that is expiring;
- Resident Reviews: Routine PASRR Level II evaluations performed on nursing facility residents with a valid authorization for NF placement who have a verified or suspected SMI diagnosis. Resident Reviews occur when there is a significant change in status which may impact the individual's need for services and/or continued NF placement; and

⁵ <http://ldh.la.gov/assets/docs/OAAS/PASRR/NFA-Level1-PASRR.pdf>

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- *Agreement-specific PASRR Level II evaluations performed for residents that are on the Master List of the Target Population and referred for a PASRR Level II. These are treated like Resident Reviews (described above).*

Level II Evaluation Route	When Does It Occur?	Who Receives It?
Pre-admission Screening	Prior to nursing facility placement.	All nursing facility applicants identified as possibly having SMI per Level I screen.
Extension Requests/Annual Reviews	When the nursing facility requests a continued stay beyond the existing authorization.	All nursing facility residents with an OBH PASRR Level II authorization seeking a continued stay in the NF.
Resident Reviews	When there is a “significant change” in a resident’s status, per federal definition.	Nursing facility residents with a “significant change” in status, including those previously identified and not identified by PASRR as having, or being suspected as having, a SMI diagnosis.
<i>Agreement-specific evaluations</i>	When there is a member of the Master List suspected of having a SMI diagnosis but who has not gone through the PASRR Level II review process; or was previously determined not to meet SMI criteria though it is suspected their behavioral health status has changed or worsened.	Target Population members included on the Master List maintained by OAAS suspected as having a SMI diagnosis.

LDH has undertaken concrete efforts to improve the processes by which PASRR Level II evaluations are prompted through each route.

For pre-admission screening PASRR Level II evaluations, LDH is optimizing the alignment between OAAS, OBH, and MCOs to better identify individuals suspected of having a SMI diagnosis and, as such, in need of a PASRR Level II evaluation conducted by OBH. Individuals referred for nursing facility placement receive a PASRR Level I screening performed by OAAS as the Level I authority. OAAS determines whether or not an individual meets NF LOC. If an individual meets NF LOC and is suspected of having a behavioral health diagnosis, OAAS sends the screening results to OBH as the Level II authority. OBH conducts an initial review to determine if a Level II evaluation is necessary, and when indicated, mandates a Level II evaluation be performed by the Medicaid MCO or its affiliate. When appropriate the individual receives a Level II evaluation performed by the Medicaid MCOs’ Level II Evaluator, a Licensed Mental Health Professional who operates independent of the nursing facility and the state. The Level II evaluation is reviewed and verified by the MCO prior to being returned to OBH for final determination regarding placement needs and recommendations for services.⁶ When appropriate, OBH then provides temporary 90-100 day authorizations for nursing facility admissions.

⁶ See “MCO Role in Evaluations & Determinations” for a flow chart conveying the PASRR Level I and Level II process. Included as attachment.

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For PASRR Level II evaluations performed upon individuals with expiring authorization (i.e. extension requests), LDH is executing the same alignment between OAAS, OBH and MCOs as noted above. For residents approved on a temporary basis who request a continued stay, OAAS reviews the continued stay request to verify LOC and forwards to OBH for a Level II determination to be conducted. If the LOC criteria is met and a PASRR Level II evaluation has been completed, OBH may provide an authorization for up to one year. Under this newly aligned process, OAAS and OBH coordinate efforts to ensure all residents admitted to nursing facilities are regularly reviewed via a process which enables the PASRR authorities to review NF LOC status and behavioral health needs. During this time, a referral will be made to a Transition Coordinator who can engage and discuss transition needs. When this occurs, referrals will be made to OAAS TCs when an individual continues to meet NF LOC and will be referred to an OBH TC when the individual no longer meets NF LOC. In the instance an individual no longer meets LOC, a temporary authorization will be issued with the purpose of facilitating transition back into the community. Under this aligned process, OAAS and OBH coordinate efforts to ensure all residents admitted to nursing facilities with a continued stay authorization who seek a continued stay beyond the initial authorization of up to one year receive a PASRR Level II evaluation on an annual basis. This occurs through managing the length of authorizations which prompt NF to request a re-review and extension to the existing authorization.

For routine PASRR Level II evaluations performed as part of a Resident Review for residents with a significant change in status, LDH recently implemented guidelines to improve and streamline this process. Specifically, in June 2018 OBH published a new set of guidelines for nursing facilities to use when determining whether a Resident Review is required (and whether a concomitant PASRR Level II evaluation would be completed). OBH disseminated these guidelines to nursing facilities in August 2018, and presented these guidelines in a training for the state nursing home association in September 2018.

For *Agreement*-specific PASRR Level II evaluations, LDH is optimizing the alignment between OAAS and OBH to better prompt PASRR Level II evaluations for residents who are identified as potentially being members of the Target Population. In this instance, the resident review process is conducted on individuals who are suspected of being part of the target population but who have either not gone through the PASRR Level II review process or were previously determined not to meet SMI criteria though it is suspected their behavioral health status has changed or worsened. In this instance, OBH screens to determine if a Level II evaluation is warranted. If so, they refer to the MCO for a Level II evaluation. Based on the findings of the evaluation a final determination is made by the PASRR Level II Determination Specialist whether or not the individual meets SMI criteria and what their behavioral health service needs are.

OBH modified the PASRR Level II Independent Behavioral Health Comprehensive Evaluation form to adhere to guidelines outlined in the *Agreement*. To implement the changes to the PASRR Level II evaluation forms and pathways for evaluation as described above, OBH provided in-person training in September 2017 to the Medicaid MCOs and the Medicaid MCO representatives serving as Level II evaluators. In addition, LDH provided training to nursing facilities in September 2016 to clarify the role of MCOs in the PASRR screening and evaluation process. OBH is also working with the Medicaid MCOs to identify and meet the additional training needs of their Level II evaluators. OBH has worked on conducting additional modifications to the Level II tool in an effort to better identify individual needs to remain in the community. The tool has been presented to the MCOs and updated based on their feedback. It will be finalized and implemented by April, 2020.

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Performing PASRR Level II Evaluations Promptly

To ensure that PASRR Level II evaluations are performed promptly, LDH has implemented policies and incorporated specific requirements within its Medicaid managed care contracts to ensure sufficient timeliness of evaluation completion.

Additionally, in an effort to ensure the provision of appropriate documentation needed in order to finalize the determination process, LDH issued a legal memorandum in December 2017 to providers to clarify their responsibilities to submit required documentation to OBH and Medicaid MCOs within a timely manner for the purposes of PASRR Level II evaluations.⁷ Specifically, the memo identifies the minimum data to be submitted as part of a PASRR Level II request and the required timeframes for providers sending requested records and information to the Medicaid MCOs. The memo also clarifies that disclosure of Medicaid enrollee information by a Medicaid provider to a Medicaid MCO is permitted without enrollee authorization for the purposes of PASRR Level II evaluations. The most recent data indicates that Medicaid MCOs are completing PASRR Level II evaluations within four business days of referral from OBH, consistent with state requirements.

Revising PASRR Level II Evaluation Forms to Include Information Regarding Mental Health Services in the Community

LDH recently revised the PASRR Level II evaluation forms to better convey the availability of community-based mental health services that may be appropriate for nursing facility residents with SMI. In addition, LDH is assessing options to align these updates to the OBH PASRR Level II Evaluation Summary and Determination Notice, which is submitted, along with the final authorization, to the individual seeking NF placement at the completion of the determination. This will ensure all personnel involved with Level II evaluations and determinations have information about community services and supports available to individuals with SMI. This includes the MCOs, the Level II Determination Specialists, Level I staff, Transition Coordinators, and the member themselves all having access to information about those items needed to maintain the individual in the community.

In order to achieve diversion and ensure nursing facility residents with SMI are offered the opportunity to transition into the community and receive community-based mental health services and supports when medically appropriate, LDH revised the evaluation forms used by PASRR Level II evaluators to display more information regarding the continuum of services that are available in the community. The goal of these revisions is to assist PASRR Level II evaluators with identifying community-based options to meet the needs of residents with SMI when the evaluators are completing the PASRR Level II evaluation and submitting to OBH for determination.

To achieve alignment with these updates to the evaluation forms used by PASRR Level II evaluators within the Medicaid MCOs, LDH will also update the OBH PASRR Level II Evaluation Summary and Determination Notice, which is submitted, along with the final authorization, to the individual seeking NF placement at the completion of the determination. The determination forms are used by OBH to better convey information about community-based mental health services and supports. In this way, all parties affiliated with the process will have immediate, better access to information regarding the continuum of services that are available in the community. The goal is to assist individuals with identifying community-based options to meet the needs of residents with SMI when developing a Level II summary, determination of placement, and recommendation for services. LDH seeks to

⁷ LDH Legal Memorandum “Provision of Required Documentation for the Purposes of PASRR”, 12/4/2017. Included as attachment.

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implement these updates to the Level II determination form to achieve alignment with the updated Level II evaluation form by April 2020.

Providing Additional Training to Ensure that PASRR Level II Evaluators Are Familiar with the Complete Array of Home and Community-based Services Available

To complement the updates to the PASRR Level II evaluation forms regarding community-based services as described above, LDH has taken additional steps to ensure that Level II evaluators are knowledgeable about the community-based services that are available for nursing facility residents with SMI.

LDH ensures the Medicaid MCOs are offering sufficient trainings to their affiliates and representatives that perform PASRR Level II evaluations. In this regard, LDH reviews the credentials and training processes for Level II evaluation specialists performing Level II evaluations on behalf of MCOs, including the qualification that each specialist is trained in using the Level of Care Utilization System for Psychiatric and Addiction Services assessment tool developed by the American Association of Community Psychiatrists and participates in regular PASRR trainings.

LDH has also developed directories for community-based resources available to individuals referred for PASSR evaluations, including mental health and substance use disorder services, Medicaid MCOs, local housing authorities, disability and public benefits offices, Local Governing Entities, crisis hotlines, transportation, and other relevant programs. These directories will be maintained and updated with current listing of available services within the behavioral health service array.

In addition, LDH provided training to nursing facilities in September 2016 to clarify that nursing facility residents are eligible to receive Medicaid-covered behavioral health and mental health rehabilitation services, including residents with SMI who are preparing to transition into the community, residents for whom services are recommended through the Level II determination process, and residents identified by MCOs as high service users. This guidance has continued to be shared with NF, MCOs and behavioral health treatment providers.

Strengthening Documentation Requirements Used to Establish a Primary Diagnosis of Dementia

In addition to solidifying the processes and timetables by which PASRR Level II evaluations are prompted, and in addition to enhancing the Level II evaluation forms to provide additional information regarding the availability of community-based services, LDH has also taken steps to strengthen the application and criteria of PASRR Level II evaluations to ensure appropriate identification of dementia as a primary diagnosis. The goal of strengthening these documentation requirements is to ensure that residents presenting with symptoms of dementia, such as overmedication and neglect, are not improperly diagnosed with dementia and accordingly excluded from the Target Population.

In May 2018, LDH issued a legal memorandum clarifying the new documentation requirements to verify dementia diagnoses for the purpose of PASRR Level II evaluation.⁸ As described in the guidance, to ensure the accurate diagnosis of dementia, the referring provider should provide documentation to support the assertion that the dementia symptoms are not due to comorbid mental illness, medication use, or another medical condition. At a minimum, this includes clear documentation reflecting the impact, history, and progression of the dementing illness. If this information is clear, comprehensive, and reasonably substantiates the dementia diagnosis while

⁸ See attached LDH Legal Memorandum “Required documentation to verify dementia diagnoses for the purposes of PASRR through OBH Level II Authority”, 5/30/2018.

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ruling out differential diagnosis possibilities, it will likely be determined additional information is not necessary. However, additional documentation requirements may be requested by LDH, including additional medical history, neurological consultation or examinations, lab tests, and imagery such as CT scans or MRIs.

To ensure successful implementation of this new policy, LDH recently contracted with an independent psychiatrist to review all PASRR Level II requests that include dementia and Alzheimer's diagnoses. In addition, LDH revised the PASRR Level II evaluation form to include an addendum that clearly delineates the documentation required for requests with a dementia diagnosis.

LDH has implemented extensive training on the new dementia diagnosis verification policy. This includes the provision of training to OBH and OAAS Transition Coordinators, PASRR Level II Specialists within OBH, Medicaid MCOs, PASRR Level II evaluators who are representatives/affiliates of the MCOs, nursing facilities, and hospitals.

Implementing and Expanding the Availability of Community Support Services

In addition to implementing improvements to the processes for screening individuals prior to approving nursing facility stays and ensuring that all individuals applying for nursing facility services are provided with information about community options, LDH is undertaking comprehensive efforts to develop, expand, and implement community-based services for individuals with mental illness. Consistent with Section VI of the *Agreement*, LDH is developing a wide range of community options of services and supports designed to serve individuals with SMI in the most integrated setting possible.

The following resources provide information about the planning, development, and implementation progress for services and supports in community-based settings:

- Crisis System
- Assertive Community Treatment
- Intensive Community Support Services
- Integrated Day Activities
- Peer Support Services
- Housing and Tenancy Supports

Projecting the Number of Diversions

As defined in the *Agreement*, diversion is a set of activities that occur before an individual is admitted to a nursing facility, which seek to provide an appropriate alternative placement to a nursing facility and meet the individual's needs in the most integrated setting. As defined by the *Agreement*, the Target Population is comprised of (a) Medicaid-eligible individuals over age 18 with SMI currently residing in nursing facilities; (b) individuals over age 18 with SMI who are referred for a PASRR Level II evaluation of nursing facility placement during the course of the *Agreement*, or have been referred within two years prior to the effective date of the *Agreement*. As indicated above the Target Population definition excludes those individuals with co-occurring SMI and dementia, where dementia is the primary diagnosis.

An initial activity undertaken by LDH was to define the diversion population. Using the definition of diversion and the Target Population in the *Agreement*, the State embarked on a process to review data and other information that would help define the diversion population. Specifically, the state looked at Medicaid claims data and data

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from the Utopia information system (on PASSR) to define the diversion population. Based on this analysis LDH is recommending an initial definition of the diversion population include:

1. Medicaid individuals with SMI admitted to a nursing facility on a temporary approval who could be transitioned to the community within the temporary authorization period (90 days, or 100 days for convalescent care) and without a continued stay request. This would be limited to individuals that were admitted for short term stays and whom the Transition Coordinator had undertaken a Transition Assessment and developed a Transition Plan within the first 90-100 days. While technically, these could be considered an admission versus a diversion, LDH believes that a rapid cycle process for initiating and implementing transition activity should be considered a diversion. Individuals in the Target Population that would have continued stays past 90 days would be considered as “Transition” individuals. The number of individuals that would be considered as diversions for these purposes was low. In 2018, three individuals were identified who would meet this definition.
2. Medicaid individuals with SMI seeking admission to a nursing facility for whom the PASSR level II indicated community placement versus a nursing facility admission. For the first six months of this calendar year there were 58 individuals who would meet this definition.
3. Medicaid individuals with SMI at risk of nursing facility placement. While technically this group of individuals do not meet the definition of the Target Population, LDH feels it is critically important to be proactive to ensure that these individuals are identified and provided the necessary services and supports to remain in the community. This information will also be helpful for establishing annual target for decreasing referrals for individuals with SMI to nursing facilities. LDH is in the process of developing a profile of individuals that would be considered “at risk” for meeting the definition of the Target Population. In addition to claims data, research and data on homelessness and housing instability will also be looked at for possible association with nursing facility placement. LDH will continue to analyze this population, ensuring a targeted focus of those truly at risk of nursing facility placement. Once additional analysis is completed, LDH will develop annual targets for those determined to be at risk. This work should be completed by March 2020.

Projections

To monitor the performance of the diversion strategies described in this plan, LDH is required to establish measurable targets for the diversion of the Target Population members. Specifically, the Agreement requires LDH to establish annual targets for the diversion of Target Population members. For Calendar Year 2020 LDH has developed the following projections for the number of individuals that meet the criteria in #1 and #2 above. These projections are based on the State’s data and experience with identifying these populations over the preceding year.

Population	Projected Diversions
#1 Short Term Nursing Stays	6
#2 PASSR II Recommendation	120
#3 At-Risk	TBD
Total	126

LDH will continue its efforts to define the “at-risk” population. The State has done preliminary analysis regarding this population. Many of these individuals are older (over 50 years old), have three or more chronic conditions and either presented at an Emergency Department or were admitted to an inpatient hospital (for either physical health or behavioral health purposes) — which is a major pathway for individuals to be referred to nursing

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facilities. LDH will continue its efforts and perform additional data analytics on this population including the impact that homelessness has on placing individuals with SMI at higher risk for nursing facility services.

Creating a Diversion Pathway

Meeting the projected numbers of individuals in the Target Population that will be diverted from nursing facilities will require LDH to develop processes and protocols for implementing the diversion strategy. LDH currently has a process in place for working with members of the Target Population that have been admitted into nursing facilities. An improved information system, as referenced in the 2020 Implementation Plan will assist LDH to identify individuals that have been admitted to nursing facilities more expeditiously, therefore allowing Transition Coordinators to rapidly identify Target Population members and begin the transition process sooner. Therefore, the diversion pathway for individuals in group #1 is already in place. The pathway includes the Transition Assessment and the development of the Transition Plan. The Transition Coordinators will implement these and other existing activities to transition these individuals, coordinate the necessary supports and provide case management services in the interim.

The second group of individuals, Medicaid individuals with SMI seeking admission to a nursing facility for whom the PASSR level II indicated community placement versus a nursing facility admission, will benefit from enhanced efforts by LDH, the MCOs and community providers to identify these individuals and triage the services and supports to meet their immediate needs. This will require enhanced attention by the MCOs and community providers to assess the individual's community needs, develop a person-centered plan for addressing these needs, refer individuals to the necessary services and supports and implement a robust case management strategy for these individuals. LDH will implement the following steps during CY 2020 to develop a pathway for these individuals.

Key Milestones/Task	Anticipated Date
Formalize process and protocols for engaging Medicaid individuals into community services who have been identified through the PASRR Level II process as needing community placement.	March 2020
Review current process and protocols for OBH referrals to MCOs for individuals with a PASRR Level II indicating community placement, identifying areas for modification/improvement.	April 2020
Revise process and protocols for referrals from OBH to MCOs based on this review.	April 2020
Draft approach to tracking and monitoring individuals that have been diverted using the revised processes and protocols.	April 2020
Train MCOs on any modifications to the PASRR Level II process and protocols including linking individuals with appropriate services.	May 2020
Implement updates to the Level II determination form to achieve alignment with the updated Level II evaluation form.	June 2020
Modify existing MCO reports related to PASRR to include information on those Level II reviews which recommended community placement.	July 2020
Conduct review of MCO reporting to determine the effectiveness of processes/protocols implemented and fidelity to established PASRR standards including timelines of Level II evaluation completion.	August 2020 and Ongoing
Draft improvement strategies based on review, developing necessary guidance for MCOs to perform critical diversion functions.	Ongoing

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Meet with the MCOs regarding these revised expectations regarding critical diversion functions.	November 2020
Evaluate the effectiveness of changes implemented in 2019 to ensure appropriateness of Level I and Level II determinations (e.g. quarterly data dashboards and other information).	Ongoing
Evaluate the effectiveness of changes implemented to ensure PASRR Level II are conducted promptly upon referral.	Ongoing
Evaluate options to conduct outreach with hospitals regarding diversion efforts.	February 2020
Meet with stakeholders to discuss strategies for working with major referral sources.	May 2020
Meet with leadership from these referral sources to identify potential diversion strategies.	May 2020
Develop and implement diversion strategies.	October 2020
Develop strategies for evaluating the impact of these efforts.	October 2020
Complete analysis of at-risk population including individuals who are homeless.	June 2020
Based on the analysis, develop a profile of individuals that would be considered “at-risk” for meeting the definition of the TP and develop diversion strategies for this group.	September 2020
Develop Methodology for 2021 diversion targets.	September 2020
Develop diversion targets for 2021.	October 2020
Develop and incorporate activities and measures into the new tracking system to monitor individuals that have been diverted using new protocols and processes.	November 2020
Identify and prioritize actions for calendar year 2021 and update implementation plan.	Annually