



State of Tennessee  
Department of Finance and Administration  
Bureau of TennCare  
310 Great Circle Road  
Nashville, TN 37243

Phil Bredesen  
Governor

M.D. Goetz, Jr.  
Commissioner

**URGENT MEMO**

**DATE:** June 19, 2009

**TO:** Administrators and Directors of Nursing  
Intermediate and Skilled Nursing Facilities

**FROM:** Patti Killingsworth  
Chief of Long Term Care

**Cc:** Darin Gordon, TennCare Director  
Scott Pierce, Chief Financial Officer  
Mollie Mennell, Deputy of LTC Quality and Administration  
Nita Mangum, Deputy of LTC Eligibility and Enrollment  
Pat Santel, Director of LTC Institutional Services  
Debbie Coleman, RN, PAE Nurse Unit Manager  
Kim Carroll, LTC Claims Unit Manager

**SUBJECT: NEW PAE FORM and CHECKLIST**

I trust that everyone has read the **URGENT MEMO** faxed on June 5<sup>th</sup> and again on June 8<sup>th</sup> regarding **IMPORTANT PASRR and PAE Changes Effective July 1, 2009.**

In addition to the **new PASRR screening form** that was attached to the memo, we have also developed a **new PAE application. Facilities must begin using the new PAE application on July 1, 2009.** As earlier advised, the newly revised PAE is now a stand-alone document and no longer includes the PASRR screen. As a reminder, **if you are seeking Medicaid reimbursement, both the PAE application and PASRR screen forms MUST be submitted before the PAE can be approved.**

You will recall that, among the changes that will be effective on July 1, 2009, **any deficiencies in the submitted PAE application** (e.g., missing information, including signatures and required documentation) **must be cured prior to disposition of the PAE to preserve the PAE submission date for payment purposes.**

Deficiencies cured *after* the PAE is denied but within 30 days of the original PAE submission date will be processed as a new application, with reconsideration of the earlier denial based on the record as a whole (including both the original denied application and the additional information submitted). If approved, the effective date of PAE approval can be no earlier than the date of receipt of the information which cured the original deficiencies in the denied PAE. Payment will not be retroactive back to the date the deficient application was received or to the date requested in the deficient application.

**PLEASE NOTE:**

Once a PAE has been denied, the original denied PAE application must be resubmitted along with any additional information which cures the deficiencies of the original application. Failure to include the original denied application may delay the availability of Medicaid reimbursement for nursing facility services.

In an effort to help facilities minimize the submission of incomplete PAEs and avoid technical denials, modifications have been made to the new PAE application. These changes are intended to assist you in submitting a “complete” PAE application. They include:

- 1) Additional in-place instructions, e.g., on pages 2 and 3, “Complete ALL functional areas; circle ONLY ONE answer for each functional area.”
- 2) On pages 2 and 3, for each functional area listed, additional clarification is provided regarding the meaning of each of the available responses: Always, Usually, Usually Not and Never.
- 3) On page 4, below each skilled or rehabilitative service, we have specified in “*Italics*” the documentation that must be submitted for the particular skilled or rehabilitative service requested.

In addition, the following changes have been made:

- 4) On page 5, under Required Attachments, *in addition* to the History and Physical, we will now accept other recent medical records supporting the applicant’s functional and/or skilled nursing or rehabilitative needs signed by the physician, nurse practitioner or physician’s assistant.
- 5) The certification of assessment (signed by the person completing or “certifying” the assessment) may be completed by a physician, nurse practitioner, physician assistant, registered or licensed nurse, or licensed social worker. The certification of level of care must still be signed by a physician.

Finally, we have developed a PAE checklist that facilities may use *prior to* submitting the PAE in order to review the application and ensure that: (1) all required elements have been completed; and (2) all required documentation is attached. The PAE checklist is for the benefit of the user and SHOULD NOT be submitted with the PAE.

**IMPORTANT REMINDER:**

**As a reminder, I urge you to review the June 5<sup>th</sup> memo and ensure that all staff are informed of these changes, including:**

- **PASRR screening forms must be completed and submitted to TennCare prior to admission** for ALL individuals seeking admission to a certified NF.
- **Nursing facilities will have up to 10 days after date of admission OR up to 10 days after the requested effective date of TennCare reimbursement (which cannot be prior to admission) to submit the PAE.**
- **Thirty (30)-day retroactive reimbursement of NF services will no longer be provided.**
- **The earliest date of Medicaid reimbursement for NF services is the date that ALL of the following criteria are met:**
  - 1) Effective date of level of care eligibility by TennCare (i.e., effective date of the PAE), which cannot be more than 10 days prior to date of submission of the approvable PAE;
  - 2) Effective date of Medicaid eligibility (in most cases, the date of DHS application); and
  - 3) Date of NF admission.

If you have any questions regarding these changes, please feel free to contact the TennCare Division of Long-Term Care, PAE Nurse Unit at 615-507-6964 or 1-877-224-0219.