

NURSING FACILITY SERVICES**17.2 APPLICATION/REDETERMINATION****A. THE APPLICATION PROCESS**

The application process for payment for nursing facility services is the same as the application process for the appropriate coverage group outlined in Chapter 1 with the following exceptions:

1. When the Department Participates in Payment

The Department participates in the payment of nursing facility services when it is established that:

The patient is Medicaid eligible or, if he must meet a spenddown, the **monthly** spenddown amount is equal to or less than the **facility's monthly Medicaid** rate.

Nursing facility care is medically necessary.

He is receiving care in a certified and Department-approved nursing facility.

2. Date of Eligibility

Payment for nursing facility services begins on the earliest date the three following conditions are met simultaneously:

- The client is eligible for Medicaid; and

NOTE: If the client is eligible as an SSI-Related Medicaid client, his **monthly** spenddown is presumed to be met when the cost of his nursing facility care **at the Medicaid rate** exceeds his spenddown amount. Thus, his Medicaid eligibility begins the first day of the month of application or the first day of the month, up to 3 months prior to the month of application, when coverage is backdated.

- The client resides in a **Medicaid-certified** nursing facility; and

There is a valid PAS or, for backdating purposes only, physician's progress notes or orders in the client's medical records.

Section 17.11 contains specific information about the PAS and details specific situations in which the progress notes or orders are used. Additional examples are also found in Section 17.11.