

MEDICAID-APPROVED NURSING HOME ADJUSTMENTS
INSTRUCTOR LESSON PLAN
TIME REQUIRED: 2 HOURS

Table of Contents

Lesson Description	2
Introduction to Medicaid-Approved Nursing Facility Adjustments.....	4
Topic 1: Introduction to Medicaid	6
Topic 2: Effective Dates of Medicaid-Approved Nursing Home Adjustments.....	8
Practical Exercise.....	14
Lesson Review, Assessment, and Wrap-up	15

LESSON DESCRIPTION

The information below provides the instructor with an overview of the lesson and the materials that are required to effectively present this instruction.

TMS # 4406920

PREREQUISITES Prior to this lesson, the Veteran Service Representatives (VSRs) should have completed the required Advanced Core courses as provided by the Pension Management Centers (PMCs).

TARGET AUDIENCE The target audience for Medicaid-Approved Nursing Facility Adjustments is Entry Level Pension Management Center (PMC) VSRs.

Although this lesson is targeted to teach the Entry Level PMC VSR employee, it may be taught to other VA personnel as mandatory or refresher type training.

TIME REQUIRED 2 hours

**MATERIALS/
TRAINING AIDS**

Lesson materials:

- Medicaid-Approved Nursing Home Adjustments PowerPoint Presentation
- Medicaid-Approved Nursing Home Adjustments Student Handout

**TRAINING
AREA/TOOLS**

The following are required to ensure the trainees are able to meet the lesson objectives:

- Classroom or private area suitable for participatory discussions
- Seating, writing materials, and writing surfaces for trainee note taking and participation
- Handouts, which include a practical exercise
- Large writing surface (easel pad, chalkboard, dry erase board, overhead projector, etc.) with appropriate writing materials
- Computer with PowerPoint software to present the lesson material

Trainees require access to the following tools:

- VA TMS to complete the assessment
- Medicaid-Approved Nursing Home Adjustments: Power Point Presentation
- Medicaid-Approved Nursing Home Adjustments: Trainee Handout

PRE-PLANNING

- Become familiar with all training materials by reading the Instructor Lesson Plan while simultaneously reviewing the corresponding PowerPoint slides. This will provide you the opportunity to see the connection between the Lesson Plan and the slides, which will allow for a more structured presentation during the training session.
- Become familiar with the content of the trainee handouts and their association to the Lesson Plan.
- Practice is the best guarantee of providing a quality presentation. At a minimum, do a complete walkthrough of the presentation to practice coordination between this Lesson Plan, the trainee handouts, and the PowerPoint slides and ensure your timing is on track with the length of the lesson.
- Ensure that there are copies of all handouts before the training session.
- When required, reserve the training room.
- Arrange for equipment such as flip charts, an overhead projector, and any other equipment (as needed).
- Talk to people in your office who are most familiar with this topic to collect experiences that you can include as examples in the lesson.
- This lesson plan belongs to you. Feel free to highlight headings, key phrases, or other information to help the instruction flow smoothly. Feel free to add any notes or information that you need in the margins.

TRAINING DAY

- Arrive as early as possible to ensure access to the facility and computers.
- Become familiar with the location of restrooms and other facilities that the trainees will require.
- Test the computer and projector to ensure they are working properly.
- Before class begins, open the PowerPoint presentation to the first slide. This will help to ensure the presentation is functioning properly.
- Make sure that a whiteboard or flip chart and the associated markers are available.
- The instructor completes a roll call attendance sheet or provides a sign-in sheet to the students. The attendance records are forwarded to the Regional Office Training Managers.

INTRODUCTION TO MEDICAID-APPROVED NURSING FACILITY ADJUSTMENTS

INSTRUCTOR INTRODUCTION

Complete the following:

- Introduce yourself
- Orient learners to the facilities
- Ensure that all learners have the required handouts

TIME REQUIRED

0.25 hours

PURPOSE OF LESSON

Explain the following:

This lesson is intended to teach Entry Level PMC VSRs how to adjust a beneficiary's award due to their Medicaid nursing home status. This lesson will contain discussions and exercises that will allow you to gain a better understanding of:

- Introduction to Medicaid
- Effective Dates of Medicaid-Approved Nursing Home Adjustments

LESSON OBJECTIVES

Discuss the following:

In order to accomplish the purpose of this lesson, the VSR will be required to accomplish the following lesson objectives.

The VSR will be able to:

Slide 2

- Define Medicaid-covered nursing facility care.
- Recognize indicators of Medicaid-approved nursing facility adjustment.
- Classify sources of Medicaid Notification.
- Determine whether the admission qualifies for a reduction of benefits.
- Identify effective dates for Nursing Home status.
- Determine whether to apply due process provisions.
- Recognize when to pay retroactive increases.
- Understand actions to take when beneficiary is also eligible for Compensation or DIC.
- Determine whether the discharge qualifies for a restoration of benefits.

Explain the following:

Each learning objective is covered in the associated topic. At the conclusion of the lesson, the learning objectives will be reviewed.

MOTIVATION

Veterans and surviving spouses that are in nursing homes are the beneficiaries that need the most financial assistance. By understanding the proper Medicaid-approved nursing homes adjustments, Veterans and surviving spouses will not be at risk of losing their Medicaid status, nor will they be paid too much by the VA.

REFERENCES

Slide 3

Explain where these references are located in the workplace.

- [M21-1, Part V, Subpart iii, Chapter 3, Pension Reductions for Medicaid-Covered Nursing Facility Care](#)
- [M21-1, Part I, Chapter 2, Section A, General Information on Due Process](#)
- [M21-1, Part I, Chapter 2, Section C, Adverse Action Proposal Period](#)
- [38 CFR 3.31, Commencement of Period of Payment](#)
- [38 CFR 3.551, Reduction Because of Hospitalization](#)

TOPIC 1: INTRODUCTION TO MEDICAID

INTRODUCTION

This topic will allow the trainee to gain more insight on the Medicaid process and who is eligible for pension reduction

TIME REQUIRED

0.50 hours

OBJECTIVES/ TEACHING POINTS

Topic objectives:

- Define Medicaid-covered nursing facility care.
- Recognize indicators of Medicaid-approved nursing facility adjustment.
- Classify sources of Medicaid Notification.
- Determine whether the admission qualifies for a reduction of benefits.

Introduction to Medicaid

Slide 4

- Medicaid is available only to certain low-income individuals and families.
- Medicaid sends payments directly to health care providers.
- A claimant's pension rate is reduced to \$90 a month under 38 U.S.C. 5503 (d) when admitted to a Medicaid-approved nursing facility and covered by a Medicaid plan, having no dependents.
- No part of the \$90 monthly pension may be used to reduce the amount of Medicaid paid to a nursing facility.
- Medicare.gov's Nursing Home Compare website (www.medicare.gov/NHCompare/home.asp) is used to confirm that the nursing facility is Medicaid-approved.

State-Run Nursing Facility

Slide 5

[M21-1 V.iii.3.3.b](#)

Even though some facilities accept Medicaid, they may not be considered a Medicaid-approved nursing facility and the \$90 monthly pension rate will not apply.

State-run nursing facilities that house Veterans are not subject to the \$90 monthly pension rate

Give examples of some state-run nursing facilities.

Sources of Medicaid Notification

Slide 6

Admission and discharge notifications can be in the form of a written notification from the facility, Fiduciary, or claimant (Veteran, surviving spouse, surviving child).

Other forms of notification include:

- VA Form 21-0779, Request for Nursing Home Information in Connection with Claim for Aid and Attendance
- VA Form 27-0820b, Report of Nursing Home or

Assisted Living Information

- Any letter or statement signed by the claimant that indicates admission or discharge
- A phone call from the claimant, Fiduciary, VSO, or social worker regarding admission or discharge

Display VA Form 21-0779 and go over each section with the class.

**Nursing Home
Reduction Eligibility**

Slide 7, 8

[M21-1 V.iii.3.4.c-d](#)

When a current-law pension beneficiary who has neither spouse nor child is currently residing in a nursing facility, but not at VA expense:

- determine if the nursing facility is Medicaid approved
- if the beneficiary is covered by a Medicaid plan for services furnished by the nursing facility, and
- confirm the date the beneficiary was admitted to the nursing facility

A Medicaid application can be pending simultaneously with a claim for VA benefits. Medicaid eligibility can be established retroactive to the date of application and can be effective from the month of admission to the Medicaid approved facility.

**Assumed Medicaid
Coverage, When
Determining VA
Benefits**

Slide 9

Assume that Medicaid coverage began the month of admission to a Medicaid-approved nursing facility if:

- a beneficiary is found to be Medicaid eligible (or the beneficiary has a Medicaid application pending), but
- the date that the Medicaid coverage began (or will begin) cannot be specifically determined.

Advise the beneficiary that VA has assumed that Medicaid coverage began the date of the beneficiary's admission to the nursing facility, and if the assumption is incorrect, the beneficiary should provide confirmation of his/her Medicaid status.

Confirming Medicaid Status

Slide 10,11

[M21-1 V.iii.3.4.h](#)

- Step 1: Determine whether the facility is Medicaid approved.
- Step 2: If the facility is approved, determine:
 - whether the nursing facility is providing Medicaid-covered care (or whether a Medicaid application is pending)
 - the date Medicaid coverage began (or the date VA will assume that Medicaid coverage began, if the exact date cannot be determined)
 - the date the beneficiary entered the nursing facility, and
 - whether the beneficiary is a patient or resident of the facility.
- Step 3: When it is necessary to obtain the beneficiary’s Medicaid status, contact either the
 - beneficiary
 - fiduciary
 - nursing home, or
 - local Medicaid office.
- Step 4: Document the information obtained through telephone contacts or written correspondence for the claims folder.

TOPIC 2: EFFECTIVE DATES OF MEDICAID-APPROVED NURSING HOME ADJUSTMENTS

INTRODUCTION

This topic will allow the trainee to understand how to process Medicaid-approved nursing home adjustments in specific circumstances.

TIME REQUIRED

0.75 hours

**OBJECTIVES/
TEACHING POINTS**

Topic objectives:

- Identify effective dates for Nursing Home status.
- Determine whether to apply due process provisions.
- Recognize when to pay retroactive increases.
- Understand actions to take when beneficiary is also eligible for Compensation or DIC.
- Determine whether the discharge qualifies for a restoration of benefits.

Effective Dates for Nursing Home/Medicaid Status – No Running Award

For claims when there is no running award, once development is complete, and it is confirmed that a

- Veteran with no dependents
- surviving spouse with no dependents, or

Slide 12

- surviving child,

Who

- is in a Medicaid-approved nursing facility, and
- is covered by a Medicaid plan for services furnished by the nursing facility, or
- states that he or she is covered by a Medicaid plan, or,
- has a Medicaid application pending,

Pay the award based on the facts found, limiting the current-law pension award to no more than \$90.00 per month for all periods required by 38 CFR 3.551(i).

Effective Dates for Nursing Home/Medicaid Status – Original or Reopened Award

Slide 13

[M21-1 V.iii.3.5.b](#)

If the effective date of the pension award is:

One or more months earlier than the month in which Medicaid coverage began (or VA assumes it began), then

- Pay full benefits from the beginning of the pension award through the end of the month in which the Medicaid coverage began, and
- Reduce to \$90 effective the first day of the following month.

In the same month or after the month Medicaid coverage began (or VA assumes it began)

- Pay \$90 from the beginning of the pension award.

Effective Dates for Nursing Home/Medicaid Reduction – Running Award

Slide 14,15

[M21-1 V.iii.3.6.c](#)

The effective date of a reduction of current-law Pension to or for a nursing home/Medicaid covered beneficiary is the *latest* of the following dates:

- the first day of the month after the month in which Medicaid coverage begins
- the first day of the month after the month following 60 days after issuance of a reduction notice, or
- the earliest date on which payment may be reduced without creating an overpayment (that is, the date of last payment (DLP)).

Note: When the beneficiary willfully conceals information necessary to make the reduction, the date of reduction is the first day of the month

following the month in which the willful concealment occurs.

- When the case of a beneficiary with a running award is reviewed for any reason, and it appears that the \$90 nursing home/Medicaid reduction would apply:
 - confirm Medicaid status, and
 - follow due process procedures before taking action to reduce benefits.

Important: A beneficiary may waive the 60-day due process period by requesting an immediate reduction in payments

Establishing Controls for Proposed Adverse Action for Reductions Based on Medicaid Status

Slide 16

[M21-1 V.iii.3.6.b](#)

Clear end product (EP) code 135 and establish EP code 600 at the time the proposed adverse action is released to the beneficiary for this issue.

The **adverse action proposal period** is the control period between the date the notice of proposed adverse action is mailed to the beneficiary and the date that the final decision notice is sent. The minimum period for the proposed adverse action is 60 days.

Important: Legally, the beneficiary has 60 days to respond. However, adverse action should not be taken until at least the 65th day to allow time for evidence to reach the development or authorization activity.

Retroactive Increases for Running Awards During Period of Medicaid-Covered Nursing Facility Care

Slide 17,18,19

[M21-1 V.iii.3.7.a-d](#)

Eligible Beneficiaries under Medicaid Nursing Home Status Receiving less than \$90

- When monthly benefits are \$90 or less for nursing home/Medicaid beneficiaries who would otherwise be subject to the \$90 limit, an adjustment for nursing home/Medicaid status does not apply. However, if monthly benefits become greater than \$90 through retroactive increase, the \$90 limit for nursing home/Medicaid status does apply.

Action Taken When a Nursing Home/Medicaid-Covered Beneficiary Receives a Retroactive Increase

- If a beneficiary is eligible for a retroactive increase, and the retroactive increase involves a period where Nursing Home/Medicaid-covered status, pay the retroactive increase through the last day of the calendar month in which Medicaid coverage began, with payment then limited to no more than \$90 from the first day of the next month.

- A notice of proposed adverse action is not required as long as the action does not reduce a running award or create an overpayment.

Once Medicaid nursing facility coverage is established, limit the beneficiary's award to \$90 per month for any period after the month in which Medicaid coverage began.

When a greater rate of payment is established, based on a change in circumstances, no retroactive increase can be made for any period after the month in which Medicaid-covered nursing facility care began. The monthly benefits received during this time cannot be increased, because \$90 per month should have been paid.

Making a Retroactive Increase for Medicaid/Nursing Home Beneficiaries

Award the beneficiary increased benefits through the end of the month in which Medicaid coverage began. Then, continue the old rate, from the first day of the next month after Medicaid coverage began, through the month before the \$90 limited rate begins.

Slide 20

[M21-1 V.iii.3.7.f](#)

Note: Complete the appropriate screens when adjusting a beneficiary's award to \$90. Do not establish a withholding to adjust for the \$90 per month limit.

When \$90 Nursing Home/Medicaid Rate No Longer Applies With a Change in Status

A beneficiary's full monthly pension should be restored, from the \$90 nursing home/Medicaid rate:

- upon discharge from Medicaid-covered nursing facility care
- upon return to private pay status in a Medicaid-approved nursing facility, or
- with the establishment of a spouse or dependent child.

Slide 21

[M21-1 V.iii.3.8.a](#)

Note: If the beneficiary transfers from one facility to another, the status of Medicaid coverage must be re-determined.

Effective Dates for Restoration to the Full Rate of Pension from the \$90 Nursing Home/Medicaid Rate

Restore the beneficiary's full rate of pension, including A&A, without regard to the provisions of 38 CFR 3.31, if awarded but not paid due to the \$90 nursing home/Medicaid limitation from the date:

- of discharge or release from the institution providing Medicaid-covered nursing facility care
- on which an institutionalized beneficiary returns to private pay status, or

Slide 22

[M21-1 V.iii.3.8.b](#)

- on which the beneficiary gains a spouse or dependent child.

Considering Veteran Admitted to a VAMC Who Is Currently Receiving the \$90 Nursing Home/Medicaid Rate

When a Veteran, who is currently receiving the \$90 nursing home/Medicaid rate, is admitted to a VA medical center (VAMC), the length of time Medicaid continues to cover nursing home expenses, in order to hold a bed, varies from State to State.

Continue the \$90 nursing home/Medicaid payment until Medicaid indicates that the Veteran is no longer covered by Medicaid.

Slide 23

[M21-1 V.iii.3.8.c](#)

Awarding Compensation as the Greater Benefit

When a Veterans Pension beneficiary is in a Medicaid approved facility, covered by Medicaid without dependents, and is entitled to both compensation at a rate greater than \$90 and Veterans Pension, award Veterans Pension at the \$90 rate as the greater benefit, and inform the Veteran that:

Slide 24

[M21-1 V.iii.3.9.b](#)

- compensation is the greater VA benefit, but his/her lesser benefit, \$90 per month Veterans Pension
 - is protected for Medicaid purposes, and
 - may provide the Veteran more money for his/her personal use, and
 - he/she can elect compensation at any time in the future by submitting a written request expressing a desire to receive that benefit.

Surviving Spouses With Entitlement to DIC or the \$90 Nursing Home/Medicaid Survivors Pension Rate

Monthly DIC rates currently exceed the amounts payable under the current Survivors Pension program. Normally, it is not to a surviving spouse DIC recipient's advantage to elect Survivors Pension.

If, however, a surviving spouse having no child is in a Medicaid-approved nursing facility and covered by a Medicaid plan, election of the lesser \$90 nursing home/Medicaid pension benefit would ensure that the beneficiary is allowed to keep \$90 each month for his/her personal use.

Slide 25,26

[M21-1 V.iii.3.9.d](#)

When a surviving spouse pension beneficiary is:

- in a Medicaid approved facility,
- covered by Medicaid, and

- without dependents, and
- is awarded DIC as the greater benefit without a formal election or reelection, inform the surviving spouse that:
 - DIC is the greater VA benefit, but a lesser benefit, \$90 per month Survivors Pension,
 - is protected for Medicaid purposes,
 - may provide him/her with more money for his/her personal use, and
 - he/she can elect Survivors Pension at any time in the future by submitting a written request expressing a desire to receive the lesser benefit.

When a Surviving Spouse's Election Is Received to Receive the \$90 Nursing Home/Medicaid Rate

Slide 27

[M21-1 V.iii.3.9.e](#)

When an election is received from a surviving spouse eligible for the \$90 nursing home/Medicaid rate, take action to award \$90 per month Survivors Pension from the date last paid. Follow due process procedures for running awards. Do not create an overpayment.

Important: A beneficiary may waive the 60-day due process period by requesting an immediate reduction in payments.

When a DIC-eligible Surviving Spouse Is No Longer Eligible for the \$90 Nursing Home/Medicaid Rate

Slide 28

[M21-1 V.iii.3.9.f](#)

When evidence is received that a DIC-eligible surviving spouse, receiving the \$90 nursing home/Medicaid pension rate, is no longer eligible for this \$90 limited rate, take immediate action to award DIC as of the date Medicaid coverage is terminated.

Note: The delayed payment provisions of 38 CFR 3.31 do not apply in this situation, because the award of DIC is considered an exception under 38 CFR 3.31(c)(3)(iii).

PRACTICAL EXERCISE

TIME REQUIRED 0.25 hours

EXERCISE Have the VSRs use the knowledge portal and materials to answer the questions on the Student Handout. Use the Answer Key to assist in the review.

Ask if there are any questions about the information presented in the exercise, and then proceed to the Review.

LESSON REVIEW, ASSESSMENT, AND WRAP-UP

INTRODUCTION

Discuss the following:

The Medicaid-Approved Nursing Home Adjustments lesson is complete.

Review each lesson objective and ask the trainees for any questions or comments.

TIME REQUIRED

0.25 hours

LESSON OBJECTIVES

You have completed the Medicaid-Approved Nursing Home Adjustments lesson.

The trainee should be able to:

- Define Medicaid-covered nursing facility care.
- Recognize indicators of Medicaid-approved nursing facility adjustment.
- Classify sources of Medicaid Notification.
- Determine whether the admission qualifies for a reduction of benefits.
- Identify effective dates for Nursing Home status.
- Determine whether to apply due process provisions.
- Recognize when to pay retroactive increases.
- Understand actions to take when beneficiary is also eligible for Compensation or DIC.
- Determine whether the discharge qualifies for a restoration of benefits.

ASSESSMENT

Remind the trainees to complete the online assessment in TMS to receive credit for completion of the course.

The assessment will allow the participants to demonstrate their understanding of the information presented in this lesson.