رشه س	HAWAII HEALTH SYSTEMS C O R P O R A T I O N "Touching Lives Everyday"	Quality Through Compliance	Policy No.: FIN 0008
			Revision No.: N/A
	Policies and Procedures	Issued by: Corporate Compliance Committee	Effective Date: December 5, 2001
Subject: Notice of Medicare Non- Coverage in a Skilled Nursing Facility (65C Plus)		Approved by:	Supersedes Policy: N/A
		Thomas M. Driskill, Jr. President & CEO	Page: 1 of 2

- I. **PURPOSE:** To establish procedural guidelines regarding the issuance of Service Denial Letters (a.k.a. Notice of Non-Coverage) prior to discharge from the Skilled Nursing Facility for a continued stay denial or exhaustion of HMSA 65C Plus benefits.
- **II. POLICY:** The appropriate Service Denial Letter must be used whenever the Skilled Nursing Facility denies coverage based on HMSA 65C Plus benefit eligibility and medical necessity requirements, or the patient's level of care is reduced. All patients must receive a Service Denial Letter prior to discharge from the Skilled Nursing Facility for a continued stay denial or exhaustion of HMSA 65C Plus benefits.

III. PROCEDURE:

- A. The SNF must issue the "<u>Pre-Service Denial</u>" letter to the patient prior to admission to the SNF if the patient is not eligible for coverage based on HMSA 65C Plus benefit eligibility and medical necessity requirements. (Refer to attachment titled "Pre-Service Denial SNF")
- B. The SNF must issue the "<u>Termination of Services Continued Stay Denial</u>" letter to the patient prior to any change in the level of care at the facility because the patient is no longer eligible for coverage based on HMSA 65C Plus benefit eligibility and medical necessity requirements. (*Refer to attachment titled "Termination of Services SNF Continued Stay Denial"*
- C. The SNF must issue the "<u>Exhaustion of HMSA 65C Plus Benefits</u>" letter to the patient prior to the exhaustion of the patient's maximum HMSA 65C Plus benefits for skilled nursing facility days. HMSA 65C Plus's maximum benefit is 100 covered days per benefit period. (*Refer to attachment titled "SNF Exhaustion of HMSA 65C Plus Benefits*".
- **D.** When the SNF issues a Service Denial Letter, a copy must be placed in the patient's medical records and a copy must be sent, or faxed, to the insurance company's Utilization Management Department.

E. An "<u>Acknowledgment of Receipt of this Notice</u>" (refer to attachments) must be completed whenever a Service Denial Letter is issued. If the patient refuses to sign the "Acknowledgment of Receipt of this Notice", the "<u>Refusal to Sign Acknowledgment of Receipt of this Notice</u>" (refer to attachments) must be completed by the person hand delivering the notice. A signature of a person acting as a witness of the hand delivery must also be obtained. One copy of both the "Acknowledgment of Receipt of this Notice" and the "Refusal to Sign Acknowledgment of Receipt of this Notice" (if applicable) should be sent to the insurance company's Utilization Management Department, the Personal Care Physician and Attending Physician, and the SNF Business Office respectively.