

**Received from the Department of Human Services Office of Long Term Living**

**The purpose of this email is to provide clarification to all Medical Assistance (MA) enrolled Nursing Facilities (NF) of policy and procedures related to Prior Medical Expenses (PME).**

Background

OLTL policy permits any medically necessary expense, recognized under state statutes, but not covered under the MA Program, as a deduction when determining an individual's payment toward the cost of Long-Term Care services. The post-eligibility treatment of income of institutionalized individuals is addressed by federal policy and limits allowable medical expense costs. In [42 CFR §436.832\(c\)\(4\)\(i,ii\)](#) it states:

(4) *Expenses not subject to third party payment.* Amounts for incurred expenses for medical or remedial care that are not subject to payment by a third party, including—

- (i) Medicare and other health insurance premiums, deductibles, or coinsurance charges; and
- (ii) Necessary medical or remedial care recognized under State law but not covered under the State's Medicaid plan, subject to reasonable limits the agency may establish on amounts of these expenses.

Examples of necessary medical or remedial care recognized under State law but not covered under the State's Medicaid plan are included in the PA Department of Human Services (DHS) Long-Term Care handbook in the following locations:

- [Long-Term Care Handbook Section 438.4](#)
- [Long-Term Care Handbook Section 468.33](#)

The following applicable regulatory citations & other resources are also available for your reference:

- [55 Pa. Code Chapter 181.452\(d\)\(5\), Subchapter D](#)
- [62 P.S. § 441.4](#)
- [PA DHS Operations Memorandum – Medicaid, OPS100303, “Limitations on Allowable Medical Expenses When Determining Payment Toward Cost of Care,” March 24, 2010.](#)

## Procedure

OLTL accepts requests for medically necessary nursing facility expenses incurred within six months of the date of MA application as a PME. For OLTL to verify that NFs have determined the correct PME amount for participants, NFs must submit all PME requests to their respective Field Operations Unit for review prior to billing, within 90 days of the date of the approved Medical Assistance Eligibility Notice (PA 162) date. Each request must include the following required documentation:

- Prior Room & Board Medical Expense Request Form (see attached)
- Detailed Invoice Statements
- Medical Assistance Application (PA 600) including the signature page
- Medical Assistance Eligibility Notice (PA 162)

Field Operations Financial Representatives will verify the Fee for Service (FFS) and/or Community HealthChoices (CHC) managed care organization (MCO) reimbursement obligation. If a portion of the PME should be covered by the CHC-MCO, the Field Operations Financial Representative will route the request to the resident's selected CHC-MCO.

NFs must provide all unresolved PME requests, from the date of CHC implementation in their area to current date, to their respective Field Operations Unit by March 31, 2022. Failure to submit the unresolved PME requests by March 31, 2022, could result in a denial of payment unless there are extenuating circumstances which prevented the submission. These denials will be handled on a case by case basis.

Thank you for your continued support and advocacy of the Department's Nursing Facility Services. Please feel free to contact your respective Nursing Facility Field Operations Teams should you have any questions:

Harrisburg- [ra-pwharfldopmainlin@pa.gov](mailto:ra-pwharfldopmainlin@pa.gov)

Johnstown- [ra-pwopsjohnstown@pa.gov](mailto:ra-pwopsjohnstown@pa.gov)

Norristown- [ra-pwopsnorristown@pa.gov](mailto:ra-pwopsnorristown@pa.gov)

Pittsburgh- [ra-pwoltlpittfieldop@pa.gov](mailto:ra-pwoltlpittfieldop@pa.gov)

Wilkes-Barre- [ra-pwopswhitehaven@pa.gov](mailto:ra-pwopswhitehaven@pa.gov)

**A listserv has been established for ongoing updates on the CHC program. It is titled OLTL-COMMUNITY-HEALTHCHOICES, please visit the ListServ Archives page at <http://listserv.dpw.state.pa.us> to update or register your email address.**

**Please share this email with other members of your organization as appropriate. Also, it is imperative that you notify the Office of Long-Term Living for changes**

that would affect your provider file, such as addresses and telephone numbers. Mail to/pay to addresses, email addresses, and phone numbers may be updated electronically through ePEAP, which can be accessed through the PROMIS<sup>™</sup>e provider portal. For any other provider file changes please notify the Bureau of Fee for Service Programs Enrollment and Certification Section at 1-800-932-0939 Option # 1.