

**WAC 388-96-905 Case mix accuracy review of MDS nursing facility resident assessments.**

(1) The department shall perform periodic nursing facility on-site accuracy reviews of minimum data set (MDS) assessments of nursing facility residents, for the purpose of verifying the accuracy of facility case mix data used to establish and update medicaid payment rates, and for other purposes the department may deem appropriate.

(2) Contractors, their representatives, and authorized nursing facility personnel may ask questions and raise concerns with the quality assurance nurse (QAN) or other designated department representative at the time a case mix accuracy review is conducted. Contractors, their representatives and authorized nursing facility personnel should attempt to resolve any differences and provide additional documentation, information or clarification prior to the case mix accuracy review exit conference.

(3) Upon completing a case mix accuracy review, the QAN shall hold an exit conference to inform the facility of the QAN's observations and preliminary findings. MDS inaccuracies, if any, will be identified and the findings that substantiate these inaccuracies shall be described.

(4) Within five working days after the case mix accuracy review exit conference is held, the nursing facility district manager (DM) for the facility's district shall send the case mix accuracy review decision letter to the nursing facility administrator at the facility address. The case mix accuracy review decision letter shall be sent certified mail, return receipt requested, shall describe in detail the QAN's findings, and shall identify the:

- (a) Resident assessments that were reviewed;
- (b) RUG-III or other applicable case mix grouping that was determined for the resident assessments reviewed;
- (c) Changes in assigned classification, if any, that were made for residents whose assessments were reviewed;
- (d) Right of the contractor to appeal any disagreement with the case mix accuracy review decision to the department's case mix accuracy review administrator or his or her delegate:
  - (i) Where to send an appeal request; and
  - (ii) The time limit for requesting an appeal.

(5) If the contractor intends to appeal the DM's case mix accuracy review decision letter, the appeal request must be in writing and mailed to the department's case mix accuracy administrator within ten calendar days after receipt of the case mix accuracy review decision letter. The appeal request letter shall:

- (a) Be signed by the contractor or by a partner, officer, or authorized employee of the contractor;
- (b) State the particular issue(s) raised, including any explanation or basis for disagreeing with the department's findings or actions.

(6) Prior to the informal administrative hearing, the case mix accuracy review administrator shall have no involvement in the case mix accuracy review decision.

(7) Upon receiving a timely appeal request, the administrator shall review any documentation and information submitted with the request, and contact the contractor by telephone to schedule an informal administrative hearing. The purpose of this informal hearing is to give the contractor one opportunity to present information which might warrant modification or deletion of resident-specific accuracy findings resulting from the case mix accuracy review. The scope of the in-

formal administrative hearing shall be limited to clinical issues of resident need and assessment. Nonclinical issues beyond the scope of appeal include, but are not limited to:

(a) Any remedies or negative actions imposed by the department to rectify practices or inaccuracies;

(b) Alleged inconsistencies in the accuracy review process;

(c) Challenges to the authority or adequacy of the case mix accuracy review process; and

(d) Payment rate issues or other adverse actions subject to review under WAC 388-96-904.

(8) On or before the informal hearing date, the contractor must submit all necessary supporting documentation or other information to the case mix accuracy review administrator. The administrator may request additional information or documentation from the contractor at any time before issuing the final, informal hearing decision. The contractor shall provide all information or documentation within the time limits established by this section, or by the administrator. In the event that the contractor fails to submit the required documentation for a claim or issue within the specified time limits, the accuracy review administrator shall dismiss the claim or issue with prejudice.

(9) The informal case mix accuracy review administrative hearing shall be conducted in person, unless both the contractor and the department agree that it can be conducted by telephone.

(10) Within ten days after the informal administrative hearing or within ten days after receipt of any additional information or documentation requested, whichever is later, the case mix accuracy review administrator shall send the appeal decision in writing to the nursing facility administrator at the facility address. The appeal decision letter shall be sent regular mail and shall:

(a) Be the final agency decision of the department;

(b) Be based on the independent judgment of the case mix accuracy review administrator who conducted the informal administrative hearing and reviewed all information and documentation; and

(c) Recite the right of the contractor to seek judicial review under the state's Administrative Procedure Act (chapter 34.05 RCW).

(11) A contractor dissatisfied with the final agency decision issued by the case mix accuracy review administrator may file a petition for judicial review pursuant to RCW 34.05.570(3) or other applicable authority.

[Statutory Authority: RCW 74.46.780 as amended by 1998 c 322 § 41 and RCW 74.46.800. WSR 98-20-023, § 388-96-905, filed 9/25/98, effective 10/1/98.]