

## **What is a retroactive denial in Connecticut Medicaid?**

A retroactive denial occurs when Medicaid payment is denied or recouped after services have already been provided, based on a determination that federal or state requirements were not met. In Connecticut, this may occur when required processes—such as PASRR—were not completed correctly or timely.

## **How does PASRR relate to retroactive denial in Connecticut?**

PASRR is a federally required screening and evaluation process for individuals with serious mental illness (SMI), intellectual disability (ID), or related conditions admitted to Medicaid-certified nursing facilities. If PASRR requirements are not followed, federal Medicaid payment (FFP) is not available for the affected dates of service. When federal payment is unavailable, the state may retroactively deny or recoup Medicaid payment for those services.

## **When can Connecticut issue a retroactive denial related to PASRR?**

Retroactive denial may occur when PASRR Level I was not completed prior to admission; a required PASRR Level II evaluation was not completed or was delayed; the PASRR determination indicated the individual did not meet nursing facility level of care yet the individual was admitted or remained in the facility; required specialized services were not arranged or provided; or PASRR documentation is missing, incomplete, or does not support compliance.

## **Does retroactive denial mean the nursing facility made the initial decision?**

Not necessarily. While admission decisions often involve hospitals, discharge planners, or others, Medicaid payment eligibility is contingent on compliance with PASRR requirements regardless of who initiated the admission.

## **What is the financial impact of a retroactive denial?**

When payment is retroactively denied, federal Medicaid funds cannot be claimed for the affected dates and the state may deny, adjust, or recoup payment to the nursing facility.

## **Can payment be restored once PASRR is completed?**

Payment may resume prospectively once PASRR compliance is achieved; however, payment for prior non-compliant dates may remain denied.

## **Is PASRR required even if the resident is not Medicaid-paid at admission?**

Yes. PASRR applies to all individuals admitted to a Medicaid-certified nursing facility regardless of payment source or expected length of stay.

## **How can providers avoid retroactive denials related to PASRR?**

Providers should ensure PASRR Level I completion prior to admission, make timely Level II referrals, maintain clear documentation, and coordinate with Connecticut PASRR authorities.

## **Who can providers contact with PASRR questions in Connecticut?**

Providers may contact Connecticut's PASRR authorities Maximus.