

PASRR Essentials: Federal Requirements and State-Specific Navigation for Nursing Facilities

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Host



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Training and education lead

Nikki is the training and education lead for the Center of Excellence for Behavioral Health in Nursing Facilities (COE-NF). For the past 20 years, Nikki has provided program implementation, development, management, external and internal training, policy development, quality assurance, and managed training coordination and technical support throughout the southeast region.

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Presenter



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Ellen is the vice president of operations with Acentra Health where they deliver technology-enabled services to millions of people nationwide to improve lives and provide real change. She leads multiple statewide assessment and eligibility programs in Florida, Nebraska, New Hampshire, New York, California, Kansas, and Washington, supported by a team of expert clinicians and highly knowledgeable health care professionals who are dedicated, innovative, and passionate about supporting vulnerable populations.

Learning Objectives

- Explain the purpose and scope of PASRR and its role in protecting individuals with SMI/ID/RC from inappropriate nursing facility placement.
- Identify federal requirements for Level I and Level II screenings, resident reviews, and documentation requirements under 42 CFR Part 483.
- Differentiate between federal PASRR rules and state-specific processes and requirements, including when and how to seek guidance from their state PASRR authority.
- Describe key definitions (SMI, ID, RC) and the criteria that trigger further evaluation.
- Apply best practices to ensure timely, accurate PASRR submissions and effective follow-up.
- Interpret Level II evaluation and determination outcomes, including how to document and implement required and recommended specialized services (SS) and/or specialized rehabilitative services (SRS) in the resident's care plan.
- Locate and use state-specific PASRR resources to resolve questions, coordinate services, and maintain compliance.

Oversight and Accountability for Institutional Care

1950s:

- 1955 aprox. 560,000 persons with MI/ID in public psych hospitals
- America begins deinstitutionalization

1980s:

- 1981 OBRA creates Section 1915(c) HCBS Waivers
- 1987 OBRA reforms NF regs and creates PASRR
- 1988 ICF/IID benefits funded under SSA

2000s:

- 2005 Introduction to Money Follows the People (MFP) under Deficit Reduction Act to support persons transitioning from institutional care to community settings

2020s:

- COVID-10 pandemic highlights vulnerabilities of institutional care settings
- MFP extended

1950

1970

1990

2000

2010

2020

1960 – 1970s

- 1963 Community Mental Health Centers Act
- 1965 Enactment of **Medicaid and Medicare**
- 1972 SCOTUS *Wyatt v. Stickney* affirms the right to treatment for institutionalized persons.

1990s

- PASRR is finalized in CFR
- 2.2m without psychiatric treatment
- 1996 Balanced Budget Act removes "annual" resident review and replaces with **significant change in condition**.
- 1999 - *Olmstead v. L.C.* decision - unjustified institutionalization is discrimination under ADA

2010s

- 2010 ACA extends MFP & introduces Balancing Incentive Program (BIP) & Community First Choice (CFC)
- 2016 - PASRR is updated in 2016 42 CFR Part 483.21 - Requirements for Long Term Care Facilities to include new requirements for **documentation of recommendations**.

PASRR Requirements

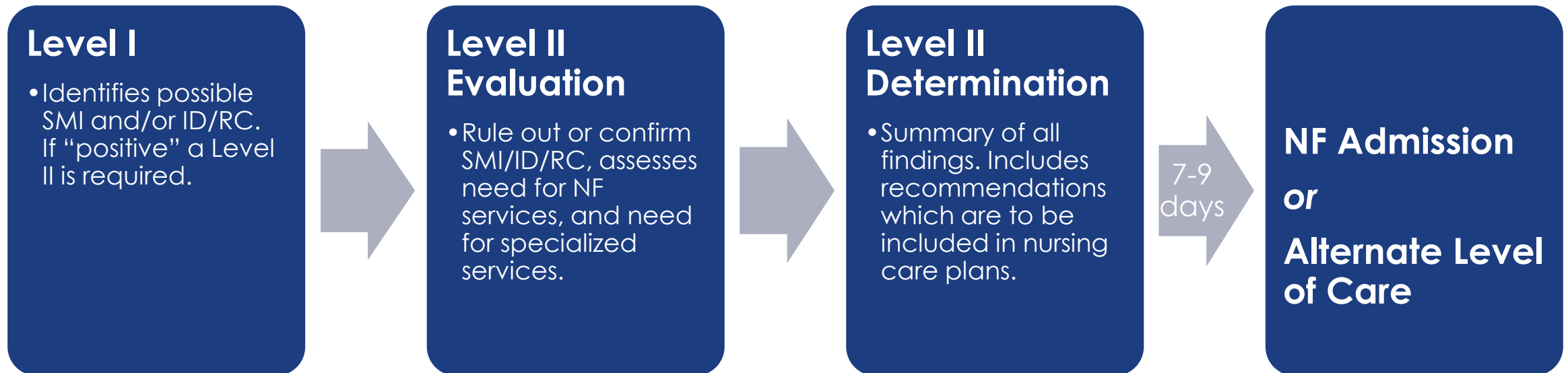
PASRR is required **prior** to any **new admission** into a Medicaid-certified nursing facility. PASRR Regulations prohibit nursing facilities from admitting any individuals with serious mental illness (**SMI**), intellectual disability (**ID**), or a related condition (**RC**) unless a determination has been made that nursing facility services are needed.

PASRR is intended to ensure that SMI/ID/RC applicants are identified and evaluated for the need for nursing facility level of services and other **specialized services**. When SMI/ID/RC confirmed, goal is to further assess the need for nursing facility level of services and/or additional specialized services.

Goal of PASRR

- Provide services to individuals with SMI/ID/RC while receiving nursing facility services
- Support community setting options for needed services

Key Elements in the PASRR Process



Who is Responsible for PASRR?

- States delegate who may complete a **Level I screen**
- **Level II evaluations** are completed by a qualified mental health professional (**QMHP**) for **SMI** and qualified intellectual disability professional (**QIDP**) for **ID/RC**
 - QMHP is defined by state Medicaid
 - QIDP is defined by state ID authority
- Level II determinations and notifications are completed by state ID authority for ID/RC and state mental health authority for SMI
- [State Contacts | PASRRAssist](#)

PASRR Criteria

SMI, ID, & RC

Serious Mental Illness - PASRR Definition

Code of Federal Regulations: *PASRR 42 CFR 483 Subpart C*

Serious Mental Illness (SMI): An individual is considered to have a serious mental illness if the individual meets the requirements in 42 CFR 483.102(b)(1) based on 3 things:

1. **Diagnosis,**
2. **Level of impairment (serious limitations), *and***
3. **Duration of illness (recent treatment).**

Must meet all **3**
criteria to
have PASRR
SMI

SMI PASRR Definition – (1) Diagnosis

1. **Diagnosis:** A major mental disorder under the Diagnostic and Statistical Manual of Mental Disorders (3rd Ed., Revised 1987), incorporated by reference, such as a schizophrenic, mood, paranoid, panic, or other severe anxiety disorder; somatoform disorder; personality disorder; other psychotic disorder; or another mental disorder *that may lead to a chronic disability*, but not a primary diagnosis of dementia, including Alzheimer's disease or a related disorder, or a non-primary diagnosis of dementia unless the primary diagnosis is a major mental disorder.
 - An individual is considered to have dementia if he or she has a primary diagnosis of dementia or a non-primary diagnosis of dementia unless the primary diagnosis is a major mental disorder (42 CFR 483.102(b)(2)).

SMI PASRR Definition – (2) Level of Impairment

2.Level of Impairment: Functional limitations in major life activities within the past three to six months that would be appropriate for the individual's developmental stage. Individual typically has **at least one** of the following on a continuing or intermittent basis:

- a. Serious difficulty **interacting appropriately and communicating effectively** with others
- b. Serious difficulty in **sustaining focused attention** or
- c. Serious difficulty in **adapting to typical changes**

SMI PASRR Definition – (3) Duration of Illness

- 3. Recent Treatment:** A treatment history indicating the individual has experienced at least one of the following:
- a. **Psychiatric treatment** more intensive than outpatient or
 - b. Within the last two years, due to MI, experienced an episode of **significant disruption** to the normal living situation

Intellectual Disability (ID) – PASRR Definition

Code of Federal Regulations: 42 CFR 483 Subpart C

Intellectual Disability: Characterized by significant limitations in both intellectual functioning and in adaptive behavior, which covers many everyday social and practical skills. This disability originates before the age of 18 (42 CFR 483.102(b)(3)).

Intellectual Disability (ID) – PASRR Definition cont.

- **Intellectual functioning** – generally an IQ test score of around **70** or as high as 75 indicates a limitation in intellectual functioning.
- **Adaptive Behavior** - collection of conceptual, social, and practical skills that are learned and performed by people in their everyday lives.
- **Age of Onset** - evidence of the disability during the developmental period, which in the US is operationalized as before the **age of 18**.

Related Condition (RC) – PASRR Definition

Code of Federal Regulations: § 435.1010

Related Condition: individuals who have a severe, chronic disability that meets the following **(4)** conditions:

1. Is attributable to one of the following: Cerebral palsy, epilepsy, or other condition
2. Is manifested before the person reaches the age of **22** years.
3. Is likely to continue **indefinitely**.
4. Results in substantial functional limitations in **3 or more** of the following areas of major life activity:
 - Self-care
 - Understanding and use of language
 - Learning
 - Mobility
 - Self-direction
 - Capacity for independent living

Must meet all 4
criteria to have a
PASRR Related
Condition

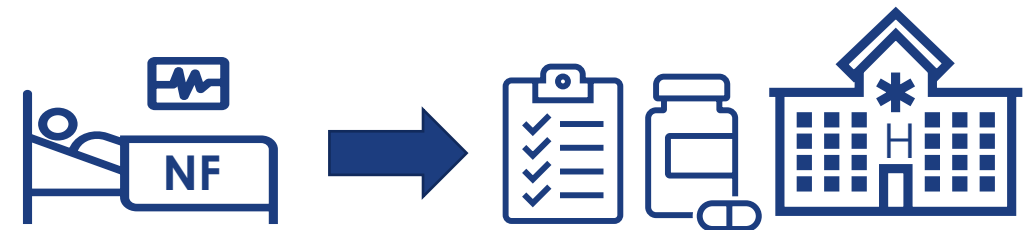
PASRR Requirements & Process

When Should PASRR Process be Performed?

Preadmission – PASRR is required prior to any new admission

- **New admission** means the person is admitting for the first time or the admission does not qualify as a readmission

Resident Review – PASRR is required upon significant change in condition



When Should PASRR Process be Performed?

PASRR is generally not required for interfacility transfers or readmissions.

- **Readmission** means the person is readmitting to the same or new nursing facility directly from a hospital stay. Some states have length of stay requirements.
- **Interfacility transfer** means the person is transferred from one NF to another, with or without an intervening hospital stay.

PASRR Tracking & Reporting Requirements

Recording Determinations

- All determinations made by the State mental health and intellectual disability authority, regardless of how they are arrived at, must be recorded ***in the individual's record*** (42 CFR § 483.130(j)).

Record Retention

- The State PASRR system must maintain records of evaluations and determinations, regardless of whether they are performed categorically or individually, in order to support its determinations and actions and to protect the appeal rights of individuals (42 CFR § 483.130(o)).

PASRR Tracking & Reporting Requirements

Tracking System

- The State PASRR system must establish and maintain a tracking system for all individuals with MI or IID in NFs to ensure that appeals and **future reviews** are performed in accordance with this subpart and subpart E (42 CFR § 483.130(p)).

Resident Review Report – CMS Annual Report

- Section 1919(e)(7)(C) of the Social Security Act, under Requirements for Nursing Facilities, details the state requirements for annual PASRR reporting to CMS. Specifically in sections **ii, iii, and iv.**

PASRR Tracking & Reporting Requirements

- 1919(e)(7)(C)(ii) – Residents:

- Who have not continuously resided in NF for at least 30 months (2 ½ yrs)
- Not requiring NF services
- Requiring specialized services, and

- 1919(e)(7)(C)(iii) – Residents:

- Not requiring NF services, and
- Not requiring specialized services

- 1919(e)(7)(C)(iv) – Annual Report:

- Number and disposition of residents from ii
- Number and disposition of residents from iii

Level I

PASRR Level I

A Level I PASRR screen identifies whether an individual referred for admission into an NF has or is suspected of having an SMI and/or ID/RC.

A Level I screen can also be used to initiate a Resident Review Level II evaluation when an individual has experienced a significant change in condition or requires a Level II at the end of a time-limited approval.

PASRR Level I

The objective of the Level I screening is to:

1. Accurately and appropriately **identify** SMI/ID/RC and if a provisional admission may be required.
2. Level I outcome will determine next steps. If the Level I is “positive” for SMI/ID/RC, a Level II evaluation is required.

PASRR Exemption

- **Exempted Hospital Discharge** - PASRR Level II must be completed if the nursing facility resident ***is expected to stay longer than the 30 days***. Must meet the following conditions to qualify for exemption:
 - Admitting to an NF from acute care hospital
 - Receive NF services for same condition treated at hospital
 - Attending physician certifies individual is likely to require less than 30 days

PASRR Time-Limited Provisional Admissions

States will specify time limits for the following categorical determinations:

- **Delirium** – PASRR Level II Resident Review must be completed within the required timeframe once the delirium clears.
- **Respite** – PASRR Level II Resident Review must be completed if the resident is expected to stay longer than the allowable days.
- **Emergency** – PASRR Level II Resident Review must be completed within 7 days of admission if the resident's stay is expected to exceed the allowable days.

Level II & Resident Review

PASRR Level II Categorical Determinations

States may make an advanced group determination that NF services are needed:

- **Terminal illness** – as defined for hospice purposes
- **Severe physical illnesses** – prognosis is poor, severe impairment, unlikely to benefit from specialized services (coma, vent dependent, COPD, Parkinson's disease, Huntington's disease, CHF, amyotrophic lateral sclerosis)
- **Convalescent care** – individual was hospitalized and required care for an acute physical illness

PASRR Level II May Be Terminated

- **Does not meet criteria for SMI, ID or RC** – no indication of a PASRR condition upon review
- **Primary of Dementia**
- **Non Primary Diagnosis of Dementia** – without a primary diagnosis of SMI and *does not have* a diagnosis of ID/RC

Purpose of PASRR Level II

Support a determination based upon three main questions:

1. Does the individual meet the criteria for SMI and/or ID/RC?
2. Does the individual require nursing facility services?
3. Does the individual require specialized services?

PASRR Level II

The objective of the Level II evaluation is to determine if the individual has SMI/ID/RC and:

- Determine the individual's need for nursing facility (NF) level of services (setting received?)
- Determine the individual's need for specialized services (SS)
- Determine the individual's need for less-specialized services

Level II Data Review Requirements



Copy of Level I / Medical Eligibility



Psychiatric Consult and/or Evaluation



History and Physical (physical exam with complete medical history).



Mental Health Assessment, Functional Assessment



Current Medication list



Current Nursing/ Medical Progress Notes



Psychosocial History, Substance/Drug History



Evaluation by Specialist

Resident Review for Significant Change in Condition

Section 1919(e)(7)(B)(iii) of the Social Security Act

- Review Required Upon Change In Resident's Condition:
 - A review and determination must be conducted promptly after a nursing facility has notified the State mental health authority or State intellectual disability or developmental disability authority, as applicable, under subsection (b)(3)(E) **with respect to** a mentally ill or intellectually disabled resident, that there has been a significant change in the resident's physical or mental condition.

Person has **SMI, ID, or RC** and has a significant change in condition requiring intervention for the **SMI/ID/RC**

CMS' RAI Manual - Guidance on Significant Change

In instances where the individual was previously identified by PASRR to have mental illness, intellectual disability, or a related condition, the following conditions may be noted as the reason for referral (note, this is not an exhaustive list):

- A resident who demonstrates increased behavioral, psychiatric, or mood-related symptoms.
- A resident with behavioral, psychiatric, or mood-related symptoms that have not responded to ongoing treatment.
- A resident who experiences an improved medical condition—such that the resident's plan of care or placement recommendations may require modification.
- A resident whose significant change is physical, but with behavioral, psychiatric, or mood-related symptoms, or cognitive abilities, that may influence adjustment to an altered pattern of daily living.
- A resident who indicates a preference to leave the facility. (This preference may be communicated verbally or through other forms of communication, including behavior.)
- A resident whose condition or treatment is or will be significantly different than described in the resident's most recent PASRR Level II evaluation and determination.

CMS' Examples of Significant Change for Residents with SMI/IDD/RC:

- Significant behaviors or symptoms related to SMI, IDD, RC
- Likely requires change to PASRR recommendations and services
- "Yes" answer in Section Q on the MDS
- Significant improvement and can now participate in evaluation process.

CMS' RAI Manual - Guidance on Significant Change

In instances where the individual had not previously been found by PASRR to have a mental illness, intellectual disability/developmental disability, or a related condition, the following conditions may be noted as the reason for referral (note that this is not an exhaustive list):

- A resident who exhibits behavioral, psychiatric, or mood-related symptoms suggesting the presence of a diagnosis of mental illness as defined under 42 CFR §483.102 (where dementia is not the primary diagnosis).
- A resident whose intellectual disability as defined under 42 CFR §483.102, or whose related condition as defined under 42 CFR §435.1010, was not previously identified and evaluated through PASRR.
- A resident transferred, admitted, or readmitted to a NF following an inpatient psychiatric stay or equally intensive treatment.

CMS' Examples of Significant Change for Residents without confirmed SMI/IDD/RC:

- Significant behaviors or symptoms related to new diagnosis or possible SMI
- IDD/RC possible but no prior evaluation completed
- Inpatient admission or need for intensive support services

NF Documentation Requirements

42 CFR Part 483 - Requirements for Long Term Care Facilities:

The facility must develop and implement a comprehensive person-centered care plan for each resident, consistent with the resident rights set forth at § 483.10(c)(2) and § 483.10(c)(3), that includes measurable objectives and timeframes to meet a resident's medical, nursing, and mental and psychosocial needs that are identified in the comprehensive assessment.

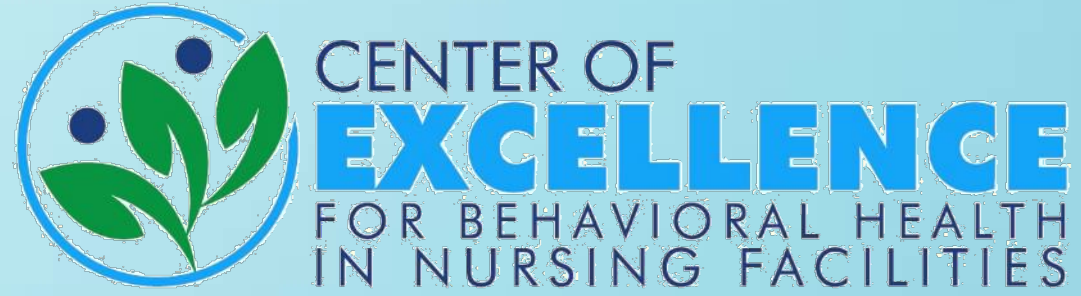
NF Documentation Requirements

The comprehensive person-centered care planning language was updated in 2016, 483.21(a)(1)(ii)(F) and 483.21(b)(1)(iii) to include:

- Include the minimum healthcare information necessary to properly care for a resident including, but not limited to: **PASRR recommendation, if applicable.**
- Any **specialized services** or **specialized rehabilitative services** the nursing facility will provide **as a result of PASRR recommendations.**
- If a facility disagrees with the findings of the PASRR, it must indicate its rationale in the resident's medical record.

Helpful Resources

Resource	What it Offers	Pros / Limitations
PTAC Home PASRRAssist	Contains a “Laws & Rules / Laws & Regulations” topic section, FAQs, annotated PASRR regs, state contacts, etc.	Good for federal + state-level guidance. Doesn't always have <i>each state's full text</i> or all updates.
Code of Federal Regulations eCFR :: 42 CFR Part 483 Subpart C -- Preadmission Screening and Annual Review of Mentally Ill and Mentally Retarded Individuals	The federal law/regulation portion — e.g. 42 CFR Part 483, Subpart C for PASRR regulations.	Authoritative for federal rules, but state rules (which can add detail / variations) are elsewhere.
State Medicaid / Mental Health / PASRR Agency Websites	Many states post their PASRR rules or regulations, state code, administrative code, etc. E.g., Ohio has its PASRR rules in its Administrative Code online.	These are the most accurate for a given state, but you need to know which state and what agency to check.



Questions?



COE-NF Grant End Information

Grant Ends: Monday, September 29, 2025

- **After This Date:**
 - No longer offering technical assistance consultations or live training events.
- **Resource Access:**
 - Training materials will be hosted on the CMS website (details coming soon).
 - Alliant Health Solutions will continue hosting COE-NF resources at nursinghomebehavioralhealth.org through September 2026.
- **Questions?**
 - Contact coeinfo@allianthealth.org



Thank You!

