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## Letter of Direction #92

**Date:** April 15, 2023

**To:** Centennial Care 2.0 Managed Care Organizations

**From:** Lorelei Kellogg, Acting Director, Medical Assistance Division 

**Subject:** MCO Requirements Regarding Ventilator Add-On Criteria, Procedure Code and Reimbursement Rate

**Title:** Ventilator Services

The purpose of this Letter of Direction (LOD) is to provide instructions to the Centennial Care Managed Care Organizations (MCOs) with information on the requirements in accordance with State Plan Amendment (SPA) 22-0012 Nursing Facility (NF) Ventilator Services. MCOs shall be required to implement an add-on rate for Ventilator Services provided in long-term and skilled nursing facilities in New Mexico.

1. Effective for dates of service on and after March 14, 2022, the nursing facility per diem add-on for a ventilator dependent resident will be \$305.66.
2. The per diem costs of providing services to the ventilator dependent residents shall be maintained separately (as a distinct part) of each facility's annual cost report beginning March 14, 2022.
3. Ventilator dependent per diem add-on rates will cover all skilled nursing care services and will be all-inclusive.
4. The resident's clinical condition shall be reviewed every 90 days to determine if the resident's medical condition continues to warrant services at the ventilator dependent nursing facility rate. If a resident no longer requires the use of a ventilator, the provider shall not receive additional reimbursement beyond the New Mexico Medicaid nursing home per diem rate determined for the facility.

Long-term and skilled nursing facilities in New Mexico must be certified by the Department of Health (DOH) to provide ventilator services.

**Clinical Criteria for Vent Wing**

To be eligible for the ventilator add-on services, the recipient must:

1. Have a health condition that requires close medical supervision defined as 24 hours a day of licensed nursing care along with specialized service or equipment;
2. Require mechanical ventilation greater than or equal to six hours a day;
3. Have tracheostomy (with daily care) and require mechanical ventilation for a portion of each day for stabilization;
4. Require continuous pulse oximetry monitoring to check the stability of oxygen saturation levels;
5. Require respiratory assessment and daily documentation by a licensed respiratory therapist or registered nurse;
6. Have a provider’s order for respiratory care to include suctioning as needed;
7. Have tracheostomy care with suctioning and room air mist or oxygen as needed, and one of the four treatment procedures listed below:
  - o Total parenteral nutrition
  - o Inpatient physical, occupational, and/or speech therapy
  - o Tube feeding (nasogastric or gastrostomy)
  - o Inhalation therapy treatments every shift and a minimum of four times per 24-hour period
8. The recipient’s diagnosis must be consistent with ICD diagnosis codes for ventilator dependency;
9. The skilled nursing facility must be approved for ventilator care;
10. Providers must be specially trained and competent in respiratory and vent care.

**Vent Wing Procedure Codes, Diagnosis Code and Rate**

Long-term and skilled nursing facilities in New Mexico that provide Ventilator Services that meet the clinical criteria can bill the add-on service with the following claim information:

Provider Type	Revenue Code	Description	Rate	Effective Date
211 or 212	0947	Other therapeutic svcs-complex medical equipment ancillary	\$305.66	March 14, 2022

Append CPT 94004-Nursing facility ventilation assistance and management to revenue code on above table.

The claim must also reflect an ICD-10 diagnosis code of Z99.11-Dependence on respirator (ventilator) status.

This LOD will sunset upon inclusion in the Managed Care Policy Manual.

If you have managed care questions regarding this LOD, please contact Jeannette Gurule at [Jeannette.C.Gurule@hsd.nm.gov](mailto:Jeannette.C.Gurule@hsd.nm.gov)