1. A Level II evaluation shall be required for any applicant to a Medicaid-certified nursing facility who is determined, as a result of the Level I identification screening, to have a condition of mental illness or mental retardation as defined in 42 CFR 483.102.

2. If, however, the individual also meets one of the following categorical determinations, a Level II evaluation is not required to be completed for that individual. These determinations may only be applied following the Level I review and only if existing data on the individual appear to be current and accurate and are sufficient to allow the evaluator readily to determine that the individual fits into the established category.

3. The categorical determinations are:
   a. a terminal illness in which a physician has documented that life expectancy is less than six months; and
   b. a severe physical illness such as coma, functioning at brain stem level, or other conditions which result in a level of impairment so severe that the individual could not be expected to benefit from active treatment. When this category is used, documentation must be available which fully describes the severity of the condition.