Policy: MP332
Section: Medical Benefit Policy
Subject: Skilled Nursing Facility

I. Policy: Skilled Nursing Facility

II. Purpose/Objective:
   To provide a policy of coverage regarding Skilled Nursing Facility

III. Responsibility:
   A. Medical Directors
   B. Medical Management

IV. Required Definitions
   1. Attachment – a supporting document that is developed and maintained by the policy writer or department requiring/authoring the policy.
   2. Exhibit – a supporting document developed and maintained in a department other than the department requiring/authoring the policy.
   3. Devised – the date the policy was implemented.
   4. Revised – the date of every revision to the policy, including typographical and grammatical changes.
   5. Reviewed – the date documenting the annual review if the policy has no revisions necessary.

V. Additional Definitions
Medical Necessity or Medically Necessary means Covered Services rendered by a Health Care Provider that the Plan determines are:

   a. appropriate for the symptoms and diagnosis or treatment of the Member's condition, illness, disease or injury;
   b. provided for the diagnosis, and the direct care and treatment of the Member's condition, illness disease or injury;
   c. in accordance with current standards of good medical treatment practiced by the general medical community.
   d. not primarily for the convenience of the Member, or the Member's Health Care Provider; and
   e. the most appropriate source or level of service that can safely be provided to the Member. When applied to hospitalization, this further means that the Member requires acute care as an inpatient due to the nature of the services rendered or the Member's condition, and the Member cannot receive safe or adequate care as an outpatient.

Medicaid Business Segment
Medical Necessity shall mean a service or benefit that is compensable under the Medical Assistance Program and if it meets any one of the following standards:

   (i) The service or benefit will, or is reasonably expected to, prevent the onset of an illness, condition or disability.
   (ii) The service or benefit will, or is reasonably expected to, reduce or ameliorate the physical, mental or development effects of an illness, condition, injury or disability.
   (iii) The service or benefit will assist the Member to achieve or maintain maximum functional
capacity in performing daily activities, taking into account both the functional capacity of the Member and those functional capacities that are appropriate for members of the same age.

**INDICATIONS:** Requires Prior Authorization by a Plan Medical Director or Designee

**GENERAL CRITERIA: INITIAL ADMISSION:**

Skilled nursing facility (SNF) services will be considered medically necessary when ALL of the following criteria are met:

- The member requires skilled nursing services and/or skilled rehabilitation services, defined as services that must be performed by or under the supervision of physician/advanced practitioner*; and/or are rendered by licensed providers (e.g., physical and occupational therapists, registered or licensed practical nurses, or speech and language pathologists) according to a plan of care developed by the provider team; and

- The plan of care clearly outlines services that are reasonable and necessary for the treatment of a member’s condition, (i.e., consistent with the nature and severity of the member’s illness or injury, the member’s specific medical needs, and accepted standards of medical practice) and at a frequency and intensity that could not be provided in a less intensive care setting; and

- The member is able to understand the plan of care, actively participate, and demonstrate carryover of principles; and

- The skilled services are required at least 5 days per week and for a minimum of 1 hr. per day; and

- The skilled services have a reasonable expectation to result in a meaningful and measurable improvement in the member’s condition and functional ability with a goal of progression to a lower level of care in a defined timeframe.

*Note: Qualifying skilled medical services include but are not limited to:

- Intravenous or intramuscular drug administration (oral drugs or drugs administered by a trained, non-licensed individual do not qualify)
- Total parenteral nutrition (daily)
- PEG tube or nasogastric tube feedings requiring monitoring of rate/frequency/duration and/or formula changes
- Wound care (stage III or IV) requiring daily debridement or wound vac maintenance, or other complicated wounds requiring aseptic, daily dressing changes
- Tracheostomy care requiring frequent suctioning (at least every 8 hrs)
- Colostomy care and education during the early post-operative period
- Invasive diabetic blood glucose monitoring

Qualifying skilled rehabilitative services include but are not limited to:

- Speech therapy (new diagnosis of dysphagia)
- Speech therapy for cognitive training in conjunction with one (1) additional modality
- Activity of daily living (ADL) training with or without adaptive equipment
- The skilled services are required at least 5 days per week and for a minimum of 1 hr. per day
- Member requires at least moderate assistance with a minimum of two of the following:
  - Transfer training
  - Bed mobility
  - Stair climbing
  - Gait evaluation and training
  - Household ambulation/wheelchair use

**CONTINUATION OF SNF or SWING BED**

Continuation of a SNF or Swing Bed will be considered medically necessary when the above criteria are met, and

- Documentation is provided showing meaningful progress toward the treatment plan goals; and

- The skilled care services cannot be adequately provided in the outpatient setting or in the member’s place of residence

**EXCLUSIONS:**

Skilled nursing facility or Swing Bed admission or continued stay will be considered not medically necessary and non-covered if ANY of the following are present:
- Planned services do not require the skill of a physician, advanced practitioner or licensed provider described above and can be safely and adequately provided by a trained family member or caregiver.
- The member is disoriented or confused to the degree of being unable to actively participate in a skilled plan of care.
- The member is ambulating or is mobile with minimal assistance or less and able to perform ADL’s with minimal assistance or less.
- Maintenance programs (e.g., further functional improvement is not expected).
- Passive range of motion program.
- Stage I or II wound care.
- Custodial care services.

**Note:** A complete description of the process by which a given technology or service is evaluated and determined to be experimental, investigational or unproven is outlined in MP 15 - Experimental Investigational or Unproven Services or Treatment.

**LINE OF BUSINESS:**
Eligibility and contract specific benefits, limitations and/or exclusions will apply. Coverage statements found in the line of business specific benefit document will supersede this policy. For Medicare, applicable LCD’s and NCD’s will supersede this policy. For PA Medicaid Business segment, this policy applies as written.

**REFERENCES:**
Centers for Medicare and Medicaid Services. Criteria for skilled services and the need for skilled service. 42 CFR Pt. 409.32
Centers for Medicare and Medicaid Services. Examples of skilled nursing and rehabilitative services. 42 CFR Pt. 409.33
Centers for Medicare and Medicaid Services. Skilled services requirements. 42 CFR Pt. 409.44

This policy will be revised as necessary and reviewed no less than annually.

**Devised:** 10/19

**Revised:**

**Reviewed:**