

POLICY & PROCEDURE

Policy Title:	Skilled Nursing Facility (SNF)	Number & Version:	UM-SNF.v8
Functional Unit:	Utilization Management	Effective Date:	02/03/2026
Policy Owner (Title):	Manage, Clinical Utilization Management	Page Number:	1 of 7

I. **POLICY STATEMENT and PURPOSE**

In its administration of Medicare Advantage plans (Health Plans), the Company shall determine benefits in accordance with the requirements of the Centers for Medicare & Medicaid Services (CMS). Where CMS has established a national coverage policy on an item or service or a local Medicare contractor has done so as authorized by CMS, the Company follows the Medicare coverage policy. In the absence of fully established Medicare coverage criteria, the Company may develop and implement internal criteria based on current evidence in widely used treatment guidelines or clinical literature. Internal criteria are reviewed and approved by the Medical Management Committee and are made publicly accessible.

CMS has not established coverage criteria for Skilled Nursing Facility (SNF) admissions; therefore, the Company has developed and implemented this coverage policy to ensure that patients receive clinically appropriate, medically necessary care at the appropriate level, which allows for the best clinical outcome and prevents harm such as inpatient acquired illness. The purpose of this policy is to describe the circumstances under which Skilled Nursing Facility admissions and continued stays would be considered medically necessary.

II. **BACKGROUND**

Members may require care in a facility (which meets specific regulatory certification requirements) which primarily provides inpatient skilled nursing care and related services to patients who require medical, nursing, or rehabilitative services but do not provide the level of care or treatment available in a hospital. Such facilities are referred to Skilled Nursing Facilities or SNFs. A SNF level of care is one that requires the daily involvement of skilled nursing or rehabilitation staff. The need for custodial care (for example, assistance with activities of daily living, like bathing and dressing) is not considered skilled care for Medicare purposes. However, if a member qualifies for coverage based on a need for skilled nursing or rehabilitation, Medicare will cover all the care needs in the facility, including assistance with activities of daily living (CMS Glossary, 2025).

III. **SCOPE**

This Policy applies to inpatient admissions, continued stays, and discharges from a skilled nursing facility.

IV. **DEFINITIONS**

Skilled Nursing Facility:

A skilled nursing facility is an institution (or a distinct part of an institution), such as a skilled nursing home or rehabilitation center, which is primarily engaged in providing to inpatients

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skilled nursing care and related services for patients who require medical or nursing care, or rehabilitation services for the rehabilitation of injured, disabled, or sick persons (SSA, 1999).

Skilled Services:

Skilled nursing and/or skilled rehabilitation services are those services, furnished pursuant to physician orders, that:

- Require the skills of qualified technical or professional health personnel such as registered nurses, licensed practical (vocational) nurses, physical therapists, occupational therapists, and speech-language pathologists or audiologists; and
- Must be provided directly by or under the general supervision of these skilled nursing or skilled rehabilitation personnel to assure the safety of the patient and to achieve the medically desired result.

NOTE: “General supervision” requires initial direction and periodic inspection of the actual activity. However, the supervisor need not always be physically present or on the premises when the assistant is performing services. Skilled care may be necessary to improve a patient’s current condition, to maintain the patient’s current condition, or to prevent or slow further deterioration of the patient’s condition (CMS, Sec. 30.2.1, 2023).

If the inherent complexity of a service prescribed for a patient is such that it can be performed safely and/or effectively only by or under the general supervision of skilled nursing or skilled rehabilitation personnel, the service is a skilled service, e.g., the administration of intravenous feedings and intramuscular injections; the insertion of suprapubic catheters; and ultrasound, shortwave, and microwave therapy treatments (CMS, Sec. 30.2.0, 2023).

Medically Necessary:

Services covered by a Health Care Provider that the Plan determines are:

- 1) Safe and effective
- 2) Not experimental or investigational
- 3) Appropriate for patients,
 - a) including the duration and frequency that is considered appropriate for the item or service, in terms of whether it is—
 - i) furnished in accordance with accepted standards of medical practice for the diagnosis or treatment of the patient's condition or to improve the function of a malformed body member,
 - ii) furnished in a setting appropriate to the patient's medical needs and condition,
 - iii) ordered and furnished by qualified personnel,
 - iv) one that meets, but does not exceed, the patient's medical need; and is
 - v) at least as beneficial as existing and available medically appropriate alternatives.

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V. OWNERSHIP & TRAINING

The Sr. Director, Utilization Management, is responsible for administration, oversight, and training regarding performance under this Policy.

VI. PROTOCOLS / COVERAGE POLICY

A. Clinical Indications for Admission:

Admission to a SNF may be considered medically necessary when ALL the following criteria are met:

- i. Individual has had a recent documented decline in functional status due to acute illness or injury, surgical procedure, or exacerbation of chronic condition
- ii. Skilled services are provided under the supervision of a physician and delivered by qualified and licensed personnel/providers
- iii. The admission care plan contains individual and realistic goals and discharge plans
- iv. Skilled services are medically necessary and cannot be provided in a lower level of care setting
- v. The individual is medically stable and is willing and able to participate in therapy
- vi. The services are expected to result in measurable improvement within a reasonable amount of time
- vii. One or more skilled therapies or skilled nursing services* are provided at least daily
**For a list of skilled nursing services that also apply as admission criteria, see Clinical Indications for Continued Stay*
- viii. When the admission is in pursuant of skilled therapy services:
 1. A decline in prior level of function occurred and assistance is required with Mobility Related Activities of Daily Living (MRADLs). Requiring at least contact guard assistance (CGA) for at least one of the following:
 - a. Bed Mobility
 - b. Ambulation at household distance
 - i. If non-ambulatory, wheelchair use at household distance
 - c. Toileting (includes transfers, hygiene, and/or clothing management)
 - d. Transfers
 2. **OR** therapy is in connection with a maintenance program are considered skilled when they are so inherently complex that they can be safely and effectively performed only by, or under the supervision of, a qualified therapist. If all other requirements for coverage under the SNF benefit are met, skilled therapy services are covered when an individualized assessment of the patient's clinical condition demonstrates that the specialized judgment, knowledge, and skills of a qualified therapist are necessary for the performance of a safe and effective maintenance program. Such a maintenance program to maintain the patient's current condition or to

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prevent or slow further deterioration is covered so long as the beneficiary requires skilled care for the safe and effective performance of the program. (CMS Sec. 30.4.1.2., 2023)

B. Clinical Indications for Continued Stay:

Ongoing assessment and management of an unstable condition or a complex medical condition is considered medically necessary when the above criteria and at least one of the following criteria are met:

- i. Intravenous or intramuscular injections with dosing scheduled daily or greater if the member does not have an able, willing caregiver at home
- ii. Enteral feeding that comprises at least 26 percent of daily calorie requirements and provides at least 501 milliliters of fluid per day
- iii. Initiation of IV TPN feeding or tube feeding or when documentation supports changes in intervention are required
- iv. Complex medication (including oral medications) requiring an adjustment in dosage OR medication change with documentation supporting an unstable condition or complications being treated (i.e., lab values, vital signs,)
- v. Sterile irrigation or replacement of suprapubic catheters
- vi. Treatment of a Stage 3 or Stage 4 or multiple Stage 2 decubitus ulcers or other complicated wound requiring daily, aseptic dressing changes that cannot be provided at a lower level of care
 - a. Treatment includes at least weekly wound assessment with progression of healing documented. *OR* if there is lack of progression, change in wound management is documented
- vii. Ostomy care related to complications that cannot be treated in an alternative care setting (i.e., home, outpatient)
- viii. Ventilator and/or tracheostomy weaning, with documentation supporting trials and progression of weaning respiratory support
- ix. New respiratory treatment occurring at least 3 times a day OR new use of oxygen, OR nasopharyngeal or deep suctioning to stabilize an acute medical/respiratory condition
- x. New respiratory treatment plan including initiation of medical gases such as bronchodilator therapy
- xi. New or worsening mental status changes with documentation of physician-supervised intervention (i.e., medication changes)
- xii. New or worsening behavioral symptoms with documented physician-supervised intervention for behavior modification and/or mental health consult as needed.
 - a. The documentation supports the individual is demonstrating measurable, restorative and continuing gains towards therapy goals (of at least one discipline) and therapy cannot be provided at a lower level of care OR there is documented medical instability affecting individual's participation or progression towards goals and there is documented intervention to stabilize individual. Medical instability is short term in nature and may last up to 3 days.

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C. Clinical Indications for Transition of Care:

Transition from a SNF to an alternate level of care may be considered medically necessary when ALL the following criteria are met:

- i. The individual is clinically stable
- ii. Ongoing skilled nursing services can be safely provided by home health care in a home setting or in an outpatient care setting
- iii. The individual has no signs of infection or is stable on anti-infective regimen that can be administered in an outpatient care setting
- iv. The individual is stable on an adequate nutritional program (i.e., enteral feedings can be safely provided in the home)
- v. Pain is managed without need for frequent change in medication or dosing
- vi. Mentation is at baseline, appropriate for patient's clinical condition and neurologic status is stable
- vii. Individuals in SNF for rehabilitative services: Further progress towards therapy goals is not expected or can be achieved at a lower level of care OR patient is no longer willing or able to participate in a therapeutic treatment program

D. Nonskilled services:

The following are considered nonskilled services unless because of special medical complications, skilled nursing or skilled rehabilitation personnel are required to perform, supervise or observe the patient. Physician orders and documentation must support this as well as nursing and therapy documentation.

- i. Administration of oral medications, eye drops, and ointments (the fact that a patient cannot take the medications themselves does not qualify this service as a skilled service)
- ii. General maintenance care of colostomy and ileostomy
- iii. Routine services to maintain satisfactory functioning of indwelling bladder catheters
- iv. Changes of dressings for uninfected post-operative or chronic conditions
- v. Prophylactic and palliative skin care including bathing, applying creams, or treatment of minor skin problems
- vi. Routine care of the incontinent patient, including use of diapers and protective sheets
- vii. General maintenance care in connection with a plaster cast (skilled supervision may be required where the patient has a preexisting skin or circulatory condition or requires adjustment of traction)
- viii. Braces or similar devices requiring routine care
- ix. Heat (whirlpool or steam bath) when administered as palliative or comfort measure
- x. Routine administration of medical gases after routine therapy has been established
- xi. Assistance in eating, dressing, and using the toilet
- xii. Periodic turning and reposition in bed

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- xiii. General supervision of exercises that have been taught to the patient performance of repetitious exercises that do not require skilled rehabilitation personnel for their performance. (CMS Sec. 30.5, 2023)

Skilled nursing facilities are required to provide a **Notice of Medicare Non-Coverage (NOMNC)** to Medicare health plan enrollees when their Medicare covered service(s) are ending. The NOMNC informs enrollees how to request an expedited determination from their Quality Improvement Organization (QIO) and provides enrollees the opportunity to request expedited determination from a QIO.

*Skilled nursing services and skilled therapy would be covered where such skilled services are necessary to *maintain* the patient's current condition or prevent or slow further deterioration so long as the beneficiary requires skilled care for the services to be safely and effectively provided, and all other requirements for coverage under the SNF benefit are met. Coverage does not turn on the presence or absence of an individual's potential for improvement from nursing care, but rather on the beneficiary's need for skilled care (CMS Sec. 30.4, 2023).

** As a "practical matter," daily skilled services can be provided only in a SNF if they are not available on an outpatient basis in the area in which the individual resides or transportation to the closest facility would be:

- i. An excessive physical hardship
- ii. Less economical, or
- iii. Less efficient or effective than an inpatient institutional setting. (CMS Sec.30.7, 2023)

The availability of capable and willing family or the feasibility of obtaining other assistance for the patient at home should be considered. Even though needed daily skilled services might be available on an outpatient or home care basis, as a practical matter, the care can be furnished only in the SNF if home care would be ineffective because the patient would have insufficient assistance at home to reside there safely (CMS Sec. 30.7, 2021).

VII. SUMMARY of EVIDENCE

Published evidence evaluating Skilled Nursing Facility (SNF) admissions exhibit positive outcomes for patients requiring skilled care, such as physical therapy, wound care, or intravenous medications. Evidence indicates patients admitted to SNF facilities to improve their condition, maintain their current condition, or prevent further deterioration of their condition had a greater chance for positive outcomes.

VIII. REGULATORY REFERENCES / CITATIONS

CMS National Coverage Determinations (NCDs) none
 CMS Local Coverage Determinations (LCDs) none

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CMS Local Coverage Article (LCAs) none

IX. PROFESSIONAL REFERENCES / CITATIONS

- Centers for Medicare and Medicaid Services (CMS). Publication 100-02. Medicare Benefit Policy Manual; Ch. 8: Coverage of Extended Care (SNF) Services. Issued October 2023. Accessed Jan. 2026.
<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c08pdf.pdf>
- Social Security Administration (SSA). Program Operations Manual System. Skilled Nursing Facility (SNF) Defined. Issued March 1999. Accessed Jan. 2026.
<https://secure.ssa.gov/poms.nsf/lnx/0600401260>
- Centers for Medicare and Medicaid Services (CMS) Glossary; Page 89: Skilled Care, Skilled Nursing Care, Skilled Nursing Facility, Skilled Nursing Facility Care. Accessed Jan. 2026.
https://www.cms.gov/glossary?term=&items_per_page=10&viewmode=grid&page=88

APPROVALS:

Chief Medical Officer
(MMC Chair):

Saria Saccocio, MD



VERSION HISTORY:

Version	Date	Author	Summary
01	09/11/2019	Bob Brault	Annual review. Extended Care, Skilled Nursing, and Skilled Therapy services described. Medicare Benefit Policy Manual, Ch. 8 added.
02	05/30/2020	Mandy Ashlock	Annual review. Added examples of Skilled Nursing Services requiring admission and revised Skilled Rehabilitative Therapies.
03	03/29/2021	Julie Braundmeier	Annual review; no substantive changes.
04	03/03/2022	Gina Vehige	Annual review; no substantive changes. Approved by QMMC 03/03/2022.
05	12/18/2023	Sheila Gray	Annual review. Additions to: Admission, Continued Stay, Discharge, Non-Skilled Services.
06	04/15/2024	Sheila Gray / Kerrie Stehl	Annual review. Additions to: Policy Statement and Summary of Evidence. Approved by MMC 4/10/2024.
07	02/06/2025	Sheila Gray/Kerrie Stehl	Annual review. Removal of 70' from household distance. Removal of examples of skilled nursing/therapy services. Approved by MMC 02/11/2025.
08	01/21/2026	Kerrie Stehl	Annual review; no substantive changes. Approved by MMC 02/03/2026.