University of Michigan Health Plan

BENEFIT COVERAGE POLICY

Title: BCP-61 Sub-Acute Rehabilitation (SAR) Services in a Skilled Nursing Facility (SNF)

Payment Reimbursement Policy: PRP-12 Sub-Acute Rehabilitation (SAR) Services in a Skilled Nursing Facility (SNF) Facility Charges

Effective Date: 10/01/2024

Important Information - Please Read Before Using This Policy

The following coverage policy applies to health benefit plans administered by UM Health Plan and may not be covered by all UM Health Plan plans. Please refer to the member's benefit document for specific coverage information. If there is a difference between this general information and the member's benefit document, the member's benefit document will be used to determine coverage. For example, a member's benefit document may contain a specific exclusion related to a topic addressed in a coverage policy.

Coverage determinations for individual requests require consideration of:

- 1. The terms of the applicable benefit document in effect on the date of service.
- 2. Any applicable laws and regulations.
- 3. Any relevant collateral source materials including coverage policies.
- 4. The specific facts of the particular situation.

Contact UM Health Plan Customer Service to discuss plan benefits more specifically.

1.0 Policy:

Please refer to the member's benefit plan coverage guidelines for Sub-Acute Rehabilitation. Benefit plans may include a maximum allowable benefit, either in duration of treatment or in number of visits. When the maximum allowable benefit is exhausted, coverage may no longer be provided even if the medical necessity criteria are met.

Prior approval is required for all non-network covered services to be paid at the network benefit level, except for emergency/urgent services.

Unlisted codes are subject to review.

This policy does not guarantee or approve Benefits. Coverage depends on the specific Benefit plan. Benefit Coverage Policies are not recommendations for treatment and should not be used as treatment guidelines.

Delegated vendor guidelines may be used to support medical necessity and other coverage determinations. InterQual® references are available upon request.

2.0 Background:

Coverage for sub-acute rehabilitation (SAR) services provided in a skilled nursing facility (SNF) or a hospital setting with beds licensed as a SNF requires prior approval. SAR is less intensive than acute rehabilitation. A combination of physical, occupational, and speech therapy may be provided with the number of hours each patient receives generally between one and two hours a day. The average length of stay at a skilled nursing facility is generally longer than at an acute rehabilitation facility.

3.0 Clinical Determination Guidelines:

- A. Health Plan uses InterQual® guidelines for clinical review of sub-acute rehabilitation admissions and subsequent stay, if applicable.
- B. Sub-acute care provides nursing and therapy services to a member who is medically stable and requires:
 - 1. 24-hour nursing assessment of needs, management of care and skilled intervention; and

- 2. Services delivered by licensed personnel for safety and to achieve the medically desired result; and
- 3. Services are available 24 hours a day, seven days a week, and provided or supervised by licensed nursing personnel.
- 4. Services for a bariatric patient when patient is overweight by 200 pounds or more or weighs 350 pounds or greater.
- C. Levels of Care in a SNF are determined upon admission and with each subsequent stay review to establish the per diem rate for care.
 - 1. Level I Basic Skilled Nursing may require the following:
 - a. Colostomy and/or ileostomy care.
 - b. Enteral tube feeding (naso-gastric, gastric, jejunum).
 - c. Insulin dependent diabetic care.
 - d. Bowel / bladder training.
 - e. Wound care (Stage I and II decubitus) with dressing changes.
 - f. Routine administration of oxygen and respiratory services, supplies, equipment and medications including IV hydration.
 - g. Physical, occupational, and speech therapy provided for at least three units (45 minutes) per day, at least five days per week.
 - 2. Level II Basic Skilled Nursing and Rehabilitation may require the following:
 - a. Services specified in Level I, and;
 - b. Physical, occupational, and speech therapy provided at least six units (1½ hours) per day, at least five days per week.
 - 3. Level III Sub-acute Skilled Nursing and Rehabilitation may require the following:
 - a. More intensive monitoring, more frequent nursing care and/or rehabilitation therapy (PT/OT/ST/ respiratory therapy) to improve functional outcomes.
 - b. Services specified in Level I and Level II.
 - c. Administration of IV medications including multiple dose antibiotics.
 - d. Parenteral therapy.
 - e. Respiratory monitoring.
 - f. Treatment of stage III and IV decubitus ulcers, supplies included.
 - g. Blood transfusion.
 - h. Administration (of fluids) via intravenous therapy.
 - i. Intravenous anticoagulation therapy.
 - j. Respiratory therapy for non-weanable ventilator care and/or other respiratory conditions.
 - k. Pulse oximetry.
 - I. Pustule drainage.
 - m. Tracheostomy care and weaning.
 - n. Physical, occupational, speech therapy at least eight units (two to three hours) per day, at least five days per week.
 - 4. Level IV Full Ventilator and Intensive Sub-acute Skilled Nursing may require the following:

- a. Services specified in Level I, Level II, and Level III.
- b. X-rays.
- c. Non-stable/ stable tracheostomy care and weaning.
- d. Weanable and non-weanable ventilator care up to 24 hours per day.
- e. Administration of multiple IV antibiotic regimes.
- f. Epidural pain/ spasticity management.
- g. Physical, occupational, and speech therapy combined total of three to four hours per day, up to 7 days per week.

4.0 Coding:

Prior Approval Legend: Y = All lines of business; N = None required; 1 = HMO/POS; 2 = PPO; 3 = ASO group L000264; 4 = ASO group L0001269 Non-Union & Union; 5 = ASO group L0001631; 6 = ASO group L0002011; 7 = ASO group L0001269 Union Only; 8 = ASO group L0002184; 9 = ASO group L0002237, 10 = ASO group L0002193.

NOTE: See PRP-12 Sub-Acute Rehabilitation (SAR)/Skilled Nursing Facility (SNF) Facility Charges for information on facility billing.

	COVERED CODES				
Code	Description	Prior Approval	Benefit Plan Cost Share Reference		
99304	Initial nursing facility care, per day, for E&M of a patient, which requires these 3 key components: A detailed or comprehensive history; A detailed or comprehensive examination; and Medical decision making this is straightforward or of low complexity	N	Professional fees for surgical and medical services		
99305	Initial nursing facility care, per day, for E&M of a patient, which requires these 3 key components: A detailed or comprehensive history; A detailed or comprehensive examination; and Medical decision making of moderate complexity	Ν	Professional fees for surgical and medical services		
99306	Initial nursing facility care, per day, for E&M of a patient, which requires these 3 key components: A detailed or comprehensive history; A detailed or comprehensive examination; and Medical decision making of high complexity	Ν	Professional fees for surgical and medical services		
99307	Subsequent nursing facility care, per day, for E&M of a patient, which requires at least 2 of these 3 key components: A problem focused interval history; A problem focused examination; Straightforward medical decision making	Ν	Professional fees for surgical and medical services		
99308	Subsequent nursing facility care, per day, for E&M of a patient which requires at least 2 of these 3 key components: An expanded problem focused interval history; An expanded problem focused examination; Medical decision making of low complexity	Ν	Professional fees for surgical and medical services		
99309	Subsequent nursing facility care, per day, for E&M of a patient, which requires at least 2 of	Ν	Professional fees for surgical and medical		

	COVERED CODES				
Code	Description	Prior Approval	Benefit Plan Cost Share Reference		
	these 3 key components: A detailed interval history; A detailed examination; Medical decision making of moderate complexity		services		
99310	Subsequent nursing facility care, per day, for E&M of a patient, which requires at least 2 of these 3 key components: A comprehensive interval history; A comprehensive exam; Medical decision making of high complexity	N	Professional fees for surgical and medical services		
99315	Nursing facility discharge day management; 30 minutes or less	N	Professional fees for surgical and medical services		
99316	Nursing facility discharge day management; more than 30 minutes	Ν	Professional fees for surgical and medical services		

5.0 Unique Configuration/Prior Approval/Coverage Details:

None.

6.0 Terms & Definitions:

Custodial Care. Non-covered services that:

- Are non-health related services.
- Do not seek to cure.
- Are provided when the medical condition of the patient is not changing.
- Do not require trained medical personnel.
- Are provided after stated clinical goals have been achieved.

<u>Skilled Care</u>. Skilled nursing, skilled teaching, skilled rehabilitation, and home infusion services when all the following are true:

- It must be delivered or supervised by licensed technical or professional medical personnel to obtain the specified medical outcome, and provide for the safety of the patient; and
- It is ordered by a Physician; and
- It is not delivered to assist with activities of daily living, including but not limited to dressing, feeding, bathing or transferring from a bed to a chair; and
- It requires clinical training to be delivered safely and effectively; and
- It is not Custodial Care.

The determination of available Benefits is based on whether or not Skilled Care is required by reviewing both the skilled nature of the service and the need for physician-directed medical management. A service shall not be determined to be "skilled" simply because there is not an available caregiver.

Skilled Nursing Facility. A hospital or nursing facility that is licensed and operated as required by law.

7.0 References, Citations & Resources:

- 1. Medicare Interactive.org available at: <u>https://www.medicareinteractive.org/get-answers/medicare-covered-services/inpatient-hospital-services/inpatient-rehabilitation-hospital-care</u>
- 2. InterQual: LOC: Subacute/SNF

8.0 Associated Documents [For internal use only]:

Policies & Procedures (P&P): MMP-09 Benefit Determinations MMP-02 Transition and Continuity of Care; UMPP-02 Peer to Peer Conversations

Standard Operating Procedure (SOP) – MMS-03 Algorithm for Use of Criteria for Benefit Determinations, MMS-52 Inpatient Case Process in CCA; MMS-53 Outpatient Case Process in CCA

Sample Letter – TCS Approval Letter; Clinically Reviewed Exclusion Letter; Partial Coverage, Partial Non-Coverage Letter; Specific Exclusion Denial Letter, Lack of Information Letter

Form – Request Form: Out of Network/ Prior Authorization.

Payment Reimbursement Policies (PRPs) - PRP-12 Sub-Acute Rehabilitation (SAR) Services in a Skilled Nursing Facility (SNF) Facility Charges.

9.0 Revision History:

Original Effective Date: 01/01/2020

Next Review Date: 10/01/2022

Revision Date	Reason for Revision		
9/19	Policy created		
9/20	Annual review, MCG replaced with InterQual®		
6/21	Annual review; no changes		
6/22	Annual review; added InterQual as reference		
7/23	Annual review; added ASO group L0002193 to section 4.0, updated InterQual reference in section 7.0, updated associated documents in section 8.0		
7/24	Annual review; 3.0.A. added "and subsequent stay, if applicable", updated InterQual reference		