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Skilled Nursing Facility (SNF) and Swing Bed Services

Audience
Medical Management

Purpose

Medical policy provides general guidance for applying Mountain Health CO-OP benefit plans (for purposes of medical policy, the terms “benefit plan” and “member contract” are used interchangeably). Coverage decisions must reference the member specific benefit plan document. The terms of the member specific benefit plan document may be different than the standard benefit plan upon which this medical policy is based. If there is a conflict between a member specific benefit plan and the Mountain Health CO-OP’s standard benefit plan, the member specific benefit plan supersedes this medical policy. Any person applying this medical policy must identify member eligibility, the member specific benefit plan, and any related policies or guidelines prior to applying this medical policy, including the existence of any state or federal guidance that may be specific to a line of business. Mountain Health CO-OP medical policies are designed for informational purposes only and are not an authorization, explanation of benefits or a contract. Receipt of benefits is subject to satisfaction of all terms and conditions of the member specific benefit plan coverage.

Mountain Health CO-OP reserves the sole discretionary right to modify all its policies and guidelines at any time. This medical policy does not constitute medical advice.

Definition

Skilled Nursing Facility (SNF): Skilled Nursing Facility (SNF) is a Medicare-certified institution that provides skilled nursing care and/or skilled rehabilitation services under physician orders requiring licensed clinical personnel.

Swing Bed Services : Swing bed services are SNF-level care provided in a small rural hospital setting, where beds may be used interchangeably for acute or post-acute care. Services are rendered at a Medicare-certified swing bed hospital. Contracting must support this level of care for reimbursement.

Policy/Procedure

A. Prior Authorization Requirements

- All SNF admissions
- All SNF continued stay
- Authorization requests must include clinical documentation supporting:
- Skilled level of care
- Plan of Treatment
- Initial functional status
- Therapy goals and Interventions
- Skilled Nursing interventions
- Initial discharge plan
- Complete the Skilled Nursing and Acute Rehab Request Authorization Form
    - Authorization Request for Behavioral Health, Substance Treatment and Skilled Nursing and Residential Care

B. Concurrent Review Requirements

- All SNF stays are subject to ongoing concurrent review
- Continued stay approval requires updated clinical documentation demonstrating
- Ongoing need for Skilled level of care
- Current Treatment plan
- Updated functional status with Measurable outcomes
- Therapy goals, Interventions, and updated metrics from all involved disciplines.
- Skilled Nursing interventions updates
- Discharge plan updates and post-discharge needs

C. Referrals, Accreditation and Medical Directors

Mountain Health Co-Op Medical Policies require that all facilities providing detox, residential, PHP, and IOP level of care for Mental Health and/or Substance Use Disorder services, as well as Skilled Nursing and a Rehabilitation level of care for acute or chronic care services, must meet minimum standards related to facility accreditation and Medical Director licensure.

For more information:

Authorization Request for Behavioral Health, Substance Treatment and Skilled Nursing and Residential Care

D. Medical Necessity and Level of Care Determination

Skilled nursing facility (SNF) or subacute facility is/was needed for appropriate care of the patient because of ALL of the following:

- There are no acute hospital care needs and 1 or more of the following(1):
    - Patient requires 3-day qualifying hospital stay or applicable waiver, and care is related to hospital condition (not including the day of discharge).[A]
- The patient has Intense and complex care needs that make recovery facility care safer and more practical than attempting care at a lower level and ALL of the following(3):
    - These care needs include the multiple components of care that are delivered by skilled professionals at a recovery facility.

- There is a plan to provide ALL of the following(4)(5):
- Care plan management and evaluation to meet patient needs, achieve treatment goals, and ensure medical safety(2)
- Observation and assessment of patient's changing condition to evaluate need for treatment modification or for additional procedures until condition stabilized
- Education services to teach patient self-maintenance or to teach caregiver patient care(6)
- Skilled care daily (or more frequently), including 1 or more of the following:
  - Nursing treatments needed for 1 or more of the following(5):
    - Intravenous (IV) infusion, IV injection, or intramuscular (IM) injection(1)
    - Insulin regimen establishment in presence of unstable blood sugar readings
    - Tube feeding (ie, gastrostomy tubes, jejunostomy tubes, percutaneous endoscopic gastrostomy (PEG) tubes, nasogastric tubes) required because patient needs feeding to supply at least 26% of daily calories and at least 501 mL of daily fluids.[B](8)
    - Nasopharyngeal or tracheostomy suctioning
    - Suprapubic catheter sterile irrigation, or replacement
    - Wound management that requires dressing changes with prescription medication or clean technique and treatment for 1 or more of the following(1):
      - Burns
      - Foot infection or wounds with application of dressing
      - Open lesions
      - Surgical wound complications
      - Treatment with any stage III or IV pressure injury(9)
      - Treatment with 2 or more ulcers, including venous ulcers, arterial ulcers, or stage II pressure injuries
      - Widespread skin disorder treatments(9)
    - Heat treatments that require nurse observation to evaluate response(5)
    - Oxygen administration, starting or managing changes(10)
    - Patient care training and assistance for 1 or more of the following(11):
      - Exercise program (eg, range of motion, pulmonary, cardiac)(12)
      - Safe performance of ADL (eg, dressing, communicating, eating)
      - Splint, brace, cast, prosthesis, or orthosis management
      - Urinary or bowel toileting program
      - Skilled restorative nursing program[C](2)
    - Pain management for infusion of pain medications
  - Therapy services (PT, OT, or SLP) needed for 1 or more of the following(2):
    - Rehabilitation therapy treatments needed for 1 or more of the following:
      - Ongoing assessment of rehabilitation needs and potential (eg, range of motion, strength, balance)
      - Supervision of therapeutic exercises or activities to ensure patient safety and treatment effectiveness
      - Gait evaluation and training

    - Therapy modalities that require PT or OT observation to evaluate response
    - Restoration of speech or swallowing with services of speech-language pathologist
    - Prosthesis evaluation and training
- Maintenance therapy treatments needed for ALL of the following[D]:
    - Maintain the patient's current condition or prevent or slow further deterioration.
    - Supervision of therapeutic exercises or activities to ensure patient safety and treatment effectiveness

Authorization and continued stay decisions must include:

- Acuity of the level of care
- Medical necessity of services

The member must require:

- Daily skilled services
- Care that cannot be safely provided at a lower level

Level of Care Criteria and Revenue Code Alignment

Level I / IB Skilled Care (Revenue Code 0191)

Minimum Requirement: Skilled care greater than (>6) days/week

This level focuses on rehabilitative care for the patient who is medically stable but requires 24/hr. nursing observation, assessment, monitoring and intervention. Therapies focus on functional outcomes by increasing strength, endurance and goals are to maintain function, reduce deterioration and to enable independence in performing activities of daily.

This level includes:

- Inpatient skilled nursing care to include general nursing, restorative nursing, ROM, bowel and bladder care
- Therapeutic services
- Semiprivate or multi-patient room
- Medical and house supplies included
- Mobile Radiology
- Laboratory services
- Pharmacy services and supplies
- Including all standard durable medical equipment
- Insulin dependent diabetic care
- Foley catheter care (maintenance and irrigation)
- Social Services
- NG and GI Tube supplies and equipment including enteral feedings
- Therapy evaluation and two (2) therapy treatments each per day (may be a combination of physical, speech, occupational) for a minimum of one **(1) hour** per day.
- Intravenous hydration, medications and other pharmaceuticals
- Wound Care

    - Stage I or Stage II decubitus, post-surgical and dressing care
- Colostomy and ileotomy supplies, care and teaching
- Oxygen services up to a flow of 10 liters per minute
- Nursing interventions 2-4 times/24 hours, including:
- Patient/caregiver education (medications, ADLs, chronic conditions)
- Complex wound care
- IV medications 1-2 times/day
- Bowel/bladder training
- Chronic disease management
- Respiratory treatments

Skilled Rehabilitation Services:
- 1-2 hours/day of combined therapies (PT, OT, ST, RT), 6-7 days/week
- If unable to tolerate therapy:
- Greater than > 2 hours/day combined restorative + rehab services (6 days/week)
- Must qualify via nursing/restorative needs if therapy below threshold

Level II Subacute Nursing and Rehabilitation (Revenue Code 0192)
Skilled Nursing Services:

This level of care encompasses all of Level I, including the following:
- IV therapy is greater than >3 times/day or multiple medications
- Two therapy evaluations and three (3) to four (4) therapy treatments per 24-hour period. Therapies can be any one of the following modalities: physical, speech or occupational and which are given for a minimum of **2 hours** daily.
- 4 hours/day of skilled nursing
- Interventions 4-6 times/24 hours, including:
- Advanced teaching (e.g., new ostomy, insulin management)
- Complex wound care
- Bowel/bladder treatment
- Chronic disease management
- Respiratory treatments, Oxygen services with a flow of 11 liters per minute or greater

Skilled Rehabilitation Services:
- 2-3 hours/day of greater than >2 therapies, 6-7 days/week
- Alternative:
- Greater than >2 hours/day restorative + rehab (6 days/week)
- Must qualify via nursing/restorative needs if therapy below threshold

Level III Advanced Subacute Care (Revenue Code 0193)

This type of care requires mor complex medical interventions for patients whose medical status requires intensive monitoring and treatment. Moderate to maximal assist in activities of daily living and mobility management with intense therapy interventions necessary to improve functional outcomes and levels of independence.

This level of care encompasses all of Level I and Level II plus the following:

- Wound Care Stage III/IV decubitus, post-surgical wound/dressing care
- Pain medication administration through subcutaneous routes, including supplies
- Stable tracheotomy care/supplies and suctioning
- Peripherally Inserted Central Catheter (PICC)/Midlines/Central Venous Access Lines
- Private Room Isolation

Skilled Nursing Services:

- 4 hours/day
- Interventions 4-6 times/24 hours, including:
- Advanced education
- Complex wound care
- IV therapy (multiple or greater than >3/day, e.g., antibiotics
- Bowel/bladder treatment
- Chronic disease management
- Respiratory treatments

Skilled Rehabilitation Services:

- 2-3 hours/day of 2-3 therapies, 6-7 days/week
- Alternative restorative pathway as above

Level IV Acute Care (Revenue Code 0194)

At this level the patient requires even more aggressive nursing care and periodic intensive medical intervention. This level includes all care from Level I, II, III and IV and the following.

  - Stable ventilator patients including respiratory therapy services
  - Requires tracheostomy weaning procedures

Skilled Nursing Services:

- 5 hours/day
- High-acuity interventions including:
- Central line/PICC maintenance
- Ventilator management
- Tracheostomy care and weaning
- PAP/advanced respiratory support

Skilled Rehabilitation Services:

- 3-4 hours/day of greater than >2 therapies, 6-7 days/week
- Alternative restorative pathway available

Level V Clinically Complex Care (Revenue Code 0199)

In this level the patient requires the most aggressive nursing care and medical intervention. Documentation should support the aggressive nursing hours, skilled need, and medical interventions required for the level of support.

This level of care encompasses all of Level I, II, III, IV plus the following.

- This level is designed for patients who are vent dependent and are limited in ability to participate in multiple therapies.
- Requires weaning procedures.
- Includes the costs of the ventilator equipment.

Skilled Nursing Services:

- **6 hours/day**
- 5-6 interventions/24 hours, including:
- Isolation for wound infection
- High-intensity nursing care
- Periodic intensive medical intervention

V. Reimbursement Methodology

Per Diem Payment

- SNF services reimbursed per day under PPS
- Based on the Patient Driven Payment Model (PDPM)
- Includes routine and ancillary services

Consolidated Billing

- SNF is responsible for billing for most services during stay
- Limited exclusions apply

VI. Billing Requirements

A. Claim Form

- UB-04 (CMS-1450)

B. Types of Bill

- **21X** – SNF inpatient
- **18X** – Swing bed
- **22X** – SNF outpatient

C. Billing Frequency

- Monthly
- At discharge
- At benefit exhaustion
- Interim Billing policy is applicable

VII. Revenue Codes

- **0022** – SNF PPS (HIPPS)
- **0191–0199** – Level of care (as defined above)
- **010X–021X** – Room & board
- **042X–044X** – Therapy
- **025X** – Pharmacy

- **027X** – Supplies

VIII. HCPCS/CPT Coding

A. HIPPS Codes

- Required for SNF PPS billing
- Reflect PDPM classification

B. CPT/HCPCS Codes

Used for:

- Excluded services
- Therapy, when separately payable
- Physician services (professional billing)

IX. Compliance and Documentation

Providers must:

- Maintain MDS assessments
- Document skilled needs daily
- Support level of care assignment
- Ensure physician certification

X. Limitations and Coverage Determination

Mountain Health Co-Op does not provide coverage for swing bed services in a Critical Access Hospital (CAH) or any acute care hospital setting, as contracting does not support reimbursement.

- A **Single Case Agreement (SCA)** may be considered only when:
- SNF placement has been fully explored, and
- No appropriate facilities are available
- Follow the Single Case agreement policy process.
- Patient/family preference to staying in the acute care hospital setting or CAH at the SB level of care is not a reason to consider a SCA.
- The patient must be transitioned to the most appropriate level of care setting.
- **Discharge Planning Requirements:**
- Must begin at admission
- Must support transition to:
- Lower level of care, or
- Discharge to home

References

1. CMS Skilled Nursing Facility Billing Guidance
2. CMS Swing Bed Services MLN (MLN006951)
3. https://www.medicare.gov/coverage/swing-bed-services
4. Medicare Claims Processing Manual
5. SNF Prospective Payment System (PPS)
6. CMS Internet Only Manual (IOM), Publication 100-08, Medicare Program Integrity Manual, Chapter 6, Section 6.3
7. CMS IOM, Publication 100-02, Medicare Benefit Policy Manual, Chapter 8, Section 40

8. CMS IOM, Publication 100-01, Medicare General Information, Eligibility, and Entitlement Manual, Chapter 4, Section 40

Vendors
• Third Party Administrator • Medical Management

Review/Revision/Approval History	
Date	Description
05/01/2026	**New Policy**
08/03/2026	**Reviewed and Approved by the Policy Committee**

Disclaimer

This document is for informational purposes only and should not be relied on in the diagnosis and care of individual patients. Medical and Coding/Reimbursement policies do not constitute medical advice, plan preauthorization, certification, an explanation of benefits, or a contract. Members should consult appropriate healthcare providers for medical advice, care, and treatment. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the member's benefit plan, effective when services are rendered.

The codes for treatments and procedures applicable to this policy are included for informational purposes. Including or excluding a procedure, diagnosis, or device code(s) does not constitute or imply member coverage or provider reimbursement policy. Please refer to the member's contract benefits in effect at the time of service to determine coverage or non-coverage of these services as they apply to an individual member.

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