

NON-ACUTE INPATIENT SERVICES

Effective Date: November 29, 2017

Review Dates: 1/93, 12/99, 12/01, 12/02, 11/03,
11/04, 10/05, 10/06, 10/07, 10/08, 10/09, 10/10, 10/11,
10/12, 10/13, 11/14, 11/15, 11/16, 8/17, 8/18

Date of Origin: June 30, 1988

Status: Current

I. POLICY/ CRITERIA

1. Skilled rehabilitative services are a covered benefit, as defined below and limited by the member contract, when the services are primarily restorative in nature. The patient's condition, the complexity and type of services, and the availability and feasibility of using a more economical alternative facility and service, including home-based services, are considered in coverage determinations. Admission to and services provided in a Skilled Nursing, Subacute, or Rehabilitation Facility are not covered if the necessary care or therapies can be provided safely in the home. When recovery or further meaningful improvement is not possible, skilled care may be needed to prevent deterioration of the patient's condition. Skilled care in this circumstance is considered custodial care and is not covered.

Skilled nursing and/or rehabilitative services must be:

- A. Primarily restorative and rehabilitative in nature.
 - B. Must be needed on a daily (5-7 days/week) basis, and, as a practical matter, the care can only be provided in a skilled nursing or hospital facility on an inpatient basis.
 - C. Furnished pursuant to a physician's order.
 - D. Require the skills of technical or professional personnel (where the inherent complexity of the service permits it to be provided by a technically knowledgeable person only).
 - E. Provided directly by or under the direction of such personnel and be reasonably expected to result in a meaningful improvement in the member's ability to perform functional day-to-day activities that are significant in the member's life roles within 60 days of initiation of the therapy.
2. Members who qualify for skilled, rehabilitative care are eligible for the following services while confined to a Skilled Nursing, Subacute, and Rehabilitation Facility:
 - A. Nursing care provided 24 hours a day by or under the supervision of a registered professional nurse.
 - B. Room and board in connection with such nursing care (private room covered only when medically indicated).
 - C. Physical, occupational or speech therapy (when billed through the nursing facility).
 - D. Medical social services.

- E. Drugs, biologicals, supplies, appliances and equipment (for use in the facility and billed by the SNF).
 - F. Medical services provided by an intern or resident in training.
 - G. Diagnostic or therapeutic services.
 - H. Such other services necessary for the health of the patient as are generally provided by skilled nursing facilities.
3. Therapy is covered if it can be reasonably expected to result in a meaningful improvement in the member's ability to perform functional day-to-day activities that are significant in the member's life roles within 60 days of initiation of the therapy. Therapy that does not meet these goals is not covered.
4. Examples of Covered and Non-covered Services

The following are provided as examples of covered and non-covered services. They are not intended to be comprehensive nor are they intended to provide a justification for placement in a skilled nursing or other rehabilitation facility.

A. Examples of covered skilled nursing services include:

- 1. Overall management and evaluation of a complex care plan.
- 2. Observation and assessment of the patient's changing condition.
- 3. Patient education services to teach self-maintenance or self-administration of care.
- 4. Intravenous, intramuscular or subcutaneous injections (self-administered injections, ex: insulin, do not require skilled services).
- 5. New intravenous, Levine tube or gastrostomy feedings to teach patient or nonmedical caregiver appropriate maintenance plan.
- 6. Nasopharyngeal and tracheotomy aspiration.
- 7. Insertion and sterile irrigation and replacement of catheters.
- 8. Application of dressings involving prescription medications and aseptic techniques.
- 9. Treatment of extensive decubitus ulcers or other widespread skin disorder.

B. Examples of covered skilled rehabilitative services include (where the need is documented by a referring provider):

- 1. Services to develop and manage a patient care plan, including tests and measurements of range of motion, strength, balance, coordination, endurance, functional ability, activities of daily living, perceptual deficits, speech and language or hearing disorders.
- 2. Therapeutic exercises or activities which, because of the type of exercise or the condition of the patient, must be performed by or under the supervision of a qualified physical therapist or occupational therapist to ensure the safety of the patient and the effectiveness of the treatment.

3. Hydrocollator, paraffin baths and whirlpool where the patient's condition is complicated by circulatory deficiency, desensitization, open wounds, fractures, etc.
4. Services of a speech pathologist or audiologist when necessary to restore function.

C. Examples of non-covered services include but are not limited to:

1. Administration of routine medications, eye drops and ointments.
2. General maintenance care of colostomy and ileostomy.
3. Routine services to maintain satisfactory functioning of indwelling bladder catheters.
4. Changes of dressings for noninfected postoperative or chronic conditions.
5. Prophylactic and palliative skin care, including bathing and application of creams or treatment of minor skin problems.
6. Routine care of incontinent patients, including use of diapers and protective sheets.
7. General maintenance care in connection with a plaster cast.
8. Routine care in connection with braces and similar devices.
9. Use of heat as a palliative and comfort measure, such as whirlpool and hydrocollator.
10. Routine administration of medical gases after a regimen of therapy has been established.
11. Assistance in dressing, eating and going to the bathroom.
12. Periodic turning and repositioning in bed.
13. General supervision of exercises which have been taught to the patient, including the carrying out of maintenance programs through the performance of repetition exercises to improve gait, maintain strength or endurance.
14. Custodial care.

5. **Prior Authorization Requirements**

All skilled services in a Skilled Nursing, Subacute, or Rehabilitation Facility must be authorized.

II. MEDICAL NECESSITY REVIEW

Required

Not Required

Not Applicable

III. APPLICATION TO PRODUCTS

Coverage is subject to member's specific benefits. Group specific policy will supersede this policy when applicable.

- ❖ **HMO/EPO:** *This policy applies to insured HMO/EPO plans.*
- ❖ **POS:** *This policy applies to insured POS plans.*
- ❖ **PPO:** *This policy applies to insured PPO plans. Consult individual plan documents as state mandated benefits may apply. If there is a conflict between this policy and a plan document, the provisions of the plan document will govern.*
- ❖ **ASO:** *For self-funded plans, consult individual plan documents. If there is a conflict between this policy and a self-funded plan document, the provisions of the plan document will govern.*
- ❖ **INDIVIDUAL:** *For individual policies, consult the individual insurance policy. If there is a conflict between this medical policy and the individual insurance policy document, the provisions of the individual insurance policy will govern.*
- ❖ **MEDICARE:** *Coverage is determined by the Centers for Medicare and Medicaid Services (CMS); if a coverage determination has not been adopted by CMS, this policy applies.*
- ❖ **MEDICAID/HEALTHY MICHIGAN PLAN:** *For Medicaid/Healthy Michigan Plan members, this policy will apply. Coverage is based on medical necessity criteria being met and the appropriate code(s) from the coding section of this policy being included on the Michigan Medicaid Fee Schedule located at: http://www.michigan.gov/mdch/0,1607,7-132-2945_42542_42543_42546_42551-159815--,00.html. If there is a discrepancy between this policy and the Michigan Medicaid Provider Manual located at: http://www.michigan.gov/mdch/0,1607,7-132-2945_5100-87572--,00.html, the Michigan Medicaid Provider Manual will govern. If there is a discrepancy or lack of guidance in the Michigan Medicaid Provider Manual, the Priority Health contract with Michigan Medicaid will govern. For Medical Supplies/DME/Prosthetics and Orthotics, please refer to the Michigan Medicaid Fee Schedule to verify coverage.*

Special Notes:

Priority Health case managers may use the LiveSafe Assessment as part of the determination process to ensure that members meet criteria for skilled care.

This policy does not apply to substance abuse or alcoholism rehabilitation services or treatment facilities.

This policy was previously titled "Skilled Nursing Facility"

IV. BACKGROUND

1. Long Term Acute Care (LTAC)

Defined as medical care provided to patients that meet acute care criteria and that require hospitalization for a period of time generally greater than 25 days. This environment provides the patient with daily physician visits, a critical care and medical/surgical experienced nursing staff, a complete respiratory department (24 hours a day, 7 days a week), an in-house rehab department, case management, and social services, an in-house pharmacy, radiology, an

operating room, an ICU, and a complete healthcare system designed to meet the needs of high acuity patients. Care provided in a LTAC is covered at the in-patient LTAC benefit.

Examples of patient needs meeting LTAC criteria:

- Long term IV therapies (3 weeks or longer)
- Ventilation/Pulmonary Care
- Hemo or Peritoneal Dialysis
- Post CVA
- Low Tolerance Rehab
- Wound Care
- Complicated Infectious Process

2. Skilled Nursing, Subacute and Rehabilitation Facility Care

Care and treatment, including therapy, and room and board in semi-private accommodations, are covered at a Skilled Nursing, Subacute, or Rehabilitation Facility when we have approved a treatment plan in advance. The treatment plan will be approved based on our determination of Medical/Clinical Necessity and appropriateness.

3. Custodial and Maintenance Care

Any care you receive (if, in our opinion), you have reached the maximum level of mental and/or physical function and you will not improve significantly more. Custodial and maintenance care includes room and board, therapies, nursing care, home health aides and personal care designed to help you in the activities of daily living and home care and adult day care that you receive, or could receive, from members of your family.

4. Residential or Assisted Living

Non-skilled care received in a home or facility on a temporary or permanent basis are not covered. Examples of such care include room and board, health care aides, and personal care designed to help you in activities of daily living or to keep you from continuing unhealthy activities.

V. CODING INFORMATION

There are no specific codes that define this policy. See content. Confer with health management or network development staff.

VI. REFERENCES

AMA CPT Copyright Statement:

All Current Procedure Terminology (CPT) codes, descriptions, and other data are copyrighted by the American Medical Association.

This document is for informational purposes only. It is not an authorization, certification, explanation of benefits, or contract. Receipt of benefits is subject to satisfaction of all terms and conditions of coverage. Eligibility and benefit coverage are determined in accordance with the terms of the member's plan in effect as of the date services are rendered. Priority Health's medical policies are developed with the assistance of medical professionals and are based upon a review of published and unpublished information including, but not limited to, current medical literature, guidelines published by public health and health research agencies, and community medical practices in the treatment and diagnosis of disease. Because medical practice, information, and technology are constantly changing, Priority Health reserves the right to review and update its medical policies at its discretion.

Priority Health's medical policies are intended to serve as a resource to the plan. They are not intended to limit the plan's ability to interpret plan language as deemed appropriate. Physicians and other providers are solely responsible for all aspects of medical care and treatment, including the type, quality, and levels of care and treatment they choose to provide.

The name "Priority Health" and the term "plan" mean Priority Health, Priority Health Managed Benefits, Inc., Priority Health Insurance Company and Priority Health Government Programs, Inc.