

SNF Coverage Basics

2/12/2025

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Objectives

After this session, attendees will understand:

- The Medicare medical and technical requirements for inpatient SNF coverage
- What is covered and non-covered in a SNF
- When and how to deliver an appropriate noncoverage notice to a beneficiary when applicable

Today's Presenters

- Provider Outreach and Education Consultants
 - Kathy Mersch
 - Andrea Freibauer

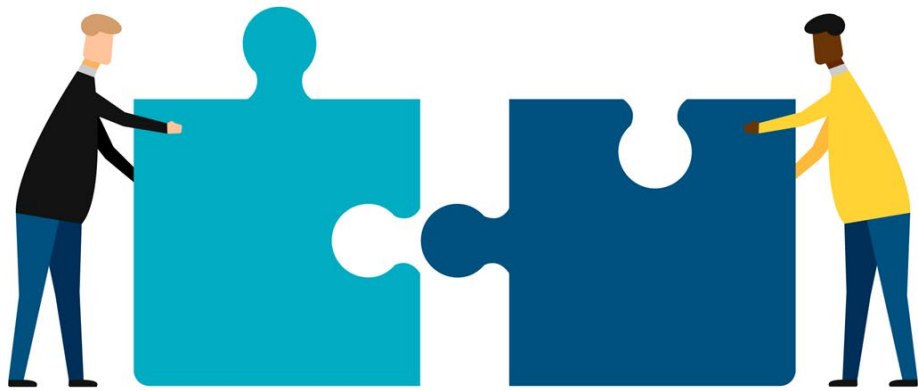




Agenda

- [Part A Post-Hospital Extended Care Services](#)
- [Technical Requirements for Coverage](#)
- [Medical Requirements for Coverage](#)
- [Covered vs. Noncovered Services](#)
- [Resources and References](#)
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Part A Post-Hospital Extended Care Services



- Can be covered in SNF or swing bed hospital as inpatient
- Certain requirements must be met for claim to be considered for payment
 - Beneficiary needs to meet both technical and medical requirements

Technical Requirements for Coverage

SNF Technical Requirements



- Beneficiary must meet all of the following
 - Services rendered in Medicare-certified SNF
 - Patient enrolled in Medicare Part A
 - Three-day qualifying hospital stay
 - 30-day transfer from qualifying hospital stay
 - SNF days available in benefit period

Technical: Medicare-Certified SNF

- Facility setting, primarily engaged in providing either/both
 - Skilled nursing care and related services for residents who require medical or nursing care
 - Skilled rehabilitation services for rehabilitation of injured, disabled, or sick persons
- Not primarily for care or treatment of mental diseases
- Must have wide range of specialized medical services and employ variety of paramedical and skilled nursing personnel
- Meets facility and transfer agreement requirements
- [Social Security Act Section 1819](#)

Swing Bed Hospitals

- Only acute-care hospitals and CAHs in rural areas
 - Must meet criteria
 - Acute care inpatient beds used for post-acute SNF care as needed
 - No dedicated unit or section required
- Coverage requirements, billing and payment same as SNF
 - Exception – SNF swing bed in CAH exempt from using list of Major Categories for SNF consolidated billing

Technical: Part A Entitlement

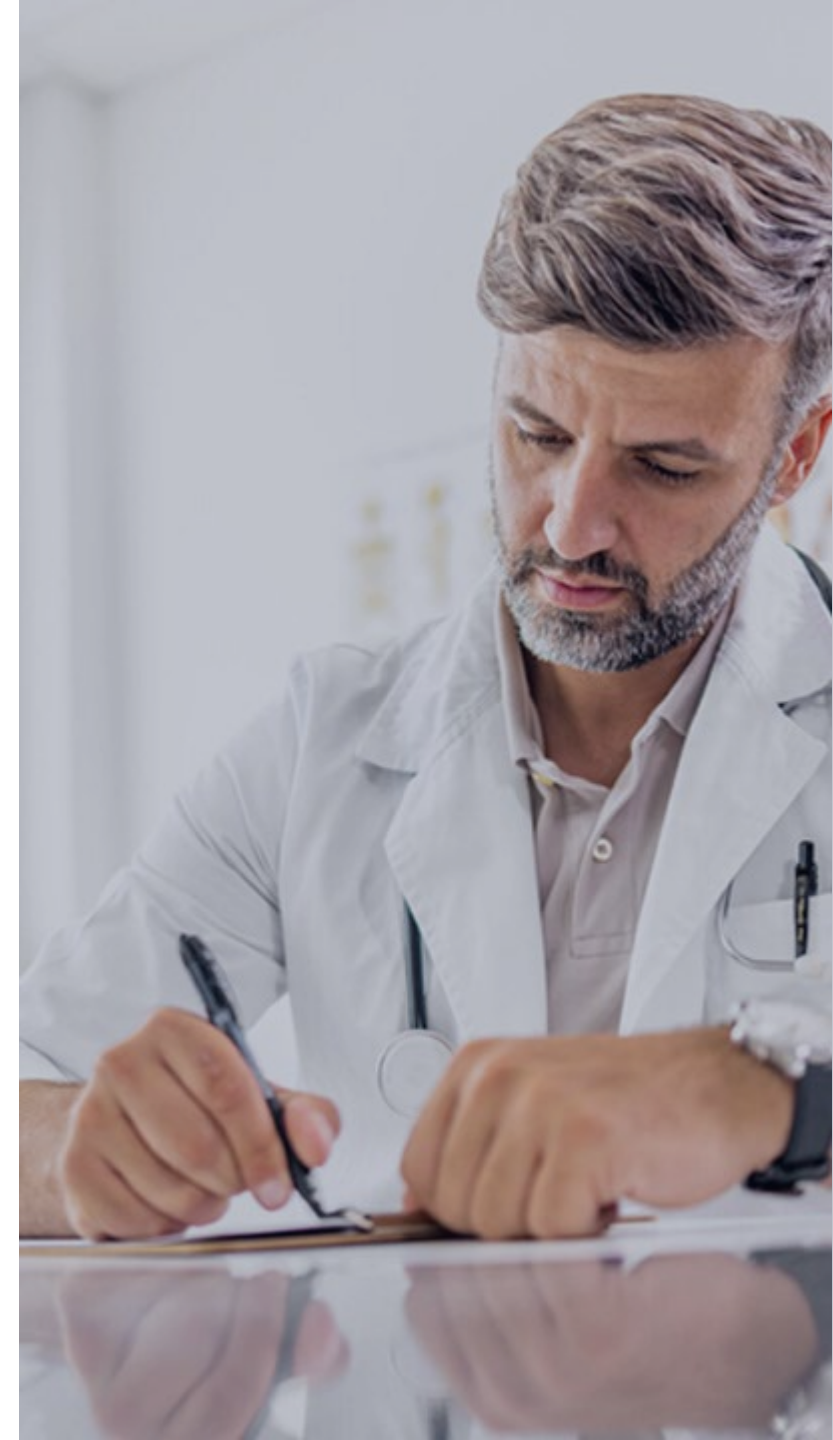
- Beneficiaries must have
 - Medicare Part A to cover IP claims
 - Medicare Part B to cover OP claims
- Registration/admission staff should verify entitlement prior to claim submission
 - Suggest making copy of Medicare card for internal records
 - Verify information on Medicare card using self-service tools
 - NGSConnex
 - FISS DDE

Technical: Three-Day Qualifying Hospital Stay (QHS)

- Prior hospital inpatient for medically necessary stay of at least three consecutive calendar days
 - One or more hospitals – consecutive stays
 - Do not count time spent in observation or ED before admission
 - Must be formally admitted (order)
 - Use midnight-to-midnight rule to calculate days of care for Medicare reporting purposes
- QHS must be Medicare-participating hospital or institution that meets CoP for emergency services hospital
 - Can include foreign hospitals that qualify as “emergency hospital”
 - Excluded – Religious Nonmedical Health Care Institutions

Midnight-to-Midnight Rule

- Counts as one inpatient day
 - Day of admission
 - Day of admission and discharge (or death) occurring on same day
- Not counted as inpatient day
 - Day of discharge
 - Day of death
 - Day beneficiary begins LOA
 - Time spent in observation or emergency department
 - SNF interrupted stay day



Three-Day QHS – Exceptions

- QHS may be waived in certain situations
 - Official Public Health Emergency (such as COVID-19)
 - Patient enrolled in
 - MAO plan
 - 1876 Cost plan
 - PACE plan
 - SNF affiliated with [Shared Savings Program \(SSP\)](#) Accountable Care Organization (ACO)
- Need to verify, do not assume QHS waived

Three-Day QHS – No SNF Bed Available

- If hospital inpatient's care needs drop from acute to SNF level and no SNF bed available
 - Physician can certify continued inpatient stay in hospital is medically necessary
 - [CMS IOM Publication 100-01, Medicare General Information, Eligibility, and Entitlement Manual, Chapter 4, Section 10.6](#)
 - [42 CFR 424.13\(c\)](#)
 - Must continue efforts to place beneficiary in participating SNF as soon as one becomes available



Pop Quiz!

QHS or Not?

- Admitted 1/20/25 and discharged 1/22/25
 - In observation status 1/20/25 – 1/21/25, admitted 1/21/25 and discharged 1/23/25
- Admitted 1/20/25 and discharged 1/24/25
 - Hospital #1 admitted 1/20/25 and discharged 1/22/25, hospital #2 admitted 1/22/25 and discharged 1/23/25

Technical: 30-Day Transfer

- Transferred to Medicare-certified SNF within 30 days after QHS discharge
- Exceptions
 - Beneficiary's condition makes it medically inappropriate to begin treatment in SNF immediately after discharge
 - Medically predictable at time of hospital discharge that beneficiary needs covered care within pre-determined time-period
 - Care begins within that time-period, generally no more than 30 days

30-Day Transfer and Readmissions

- Readmission to SNF after SNF discharge may occur within 30 days of last covered day
- If beneficiary past 30-day window
 - Needs new three-day qualifying hospital stay to access same spell of illness if any benefit period days remain
- If beneficiary nonskilled for 60 consecutive days
 - Needs new qualifying stay day to access new benefit period
 - Will receive new set of 100 days



Pop Quiz!

30-Day Transfer or Not?

- Discharged from QHS 1/20/25 and admitted same day to SNF
- Discharged from QHS 1/20/25 to home, admitted to SNF 2/10/25
- Discharged from QHS 1/20/25 and admitted same day to SNF, SNF covered IP stay 1/20/25 – 2/1/25, discharged to home and readmitted to SNF 2/26/25

Benefit Period

- Tracks benefit days used during inpatient stay(s)
- Limited number of days per benefit period
- Defined start and end circumstances
 - Begins when admitted to qualified hospital or SNF as inpatient after Medicare entitlement date
 - Ends 60 consecutive days from date of discharge from qualified hospital or SNF when patient either
 - Facility free
 - No skilled care for 60 days in a row

SNF Benefit Period

- 100 SNF inpatient days (renewable)
 - Days 1 – 20: Full days
 - Medicare pays for medically necessary services covered under SNF benefit
 - Patient or SNF responsible for non-covered services
 - Days 21 – 100: Coinsurance days
 - Beneficiary (or supplemental insurance) pays \$209.50/day (CY 2025)
 - Medicare pays remainder (up to SNF PPS payment due)
 - Day 101 and beyond: Benefits exhausted
 - Beneficiary (or supplemental insurance) responsible for payment
 - No Medicare payment made

Did You Know?

- Benefit period links inpatient hospital and SNF stays
 - Hospital and SNF days used separately
 - Not bound by calendar year
 - Benefit days cannot be carried from one benefit period to the next
 - Use or lose

SNF Benefit Days

- Benefits exhausted (100 days used)
 - No Medicare payment made under Part A after day 100
 - Some services covered under Part B
 - Benefits can be renewed
 - Facility-free for 60 consecutive days
 - Nonskilled level of care for 60 consecutive days



Pop Quiz!

Scenario #1

- Beneficiary had QHS 6/20/24 – 7/15/24
- Admitted to SNF on 7/15/24 with covered stay, discharge to home on 10/1/24
- Admitted to hospital, covered inpatient stay 1/14/25 - 1/21/25
- Admitted to SNF on 1/21/25
 - *New benefit period?*
 - *How many SNF days available as of 1/21/25?*
 - *Does patient meet technical requirements?*



Pop Quiz! Scenario #2

- Beneficiary had QHS 8/20/24 - 9/15/24
- Admitted to SNF on 9/15/24 with covered stay, discharge to home on 12/1/24
- Admitted to hospital, covered inpatient stay 1/28/25 – 2/1/25
- Admitted to SNF 2/1/25
 - *New benefit period?*
 - *Does patient meet technical requirements?*
 - *How many SNF days available as of 2/1/25?*



Pop Quiz!

Scenario #3

- Beneficiary had QHS 8/20/24 - 9/15/24
- Admitted to SNF on 9/15/24 with covered stay
 - Benefits exhausted 12/23/24
 - Remained at skilled level of care through discharge to hospital on 1/31/25
- Admitted to hospital, covered inpatient stay 1/31/25 – 2/5/25
- Readmitted to SNF 2/5/25
 - *New benefit period?*
 - *Does patient meet technical requirements?*
 - *How many SNF days available as of 2/5/25?*



Pop Quiz!

Scenario #4

- Beneficiary had QHS 8/20/24 - 9/15/24
- Admitted to SNF on 9/15/24 with covered stay
 - Noncovered level of care as of 12/1/24
 - Remained at noncovered level of care through discharge to hospital on 2/1/25
- Admitted to hospital, covered inpatient stay 2/1/25 – 2/3/25
- Readmitted to SNF 2/3/25, covered level of care
 - *New benefit period?*
 - *Does patient meet technical requirements?*
 - *How many SNF days available as of 2/3/25?*

Medical Requirements for Coverage

SNF Medical Requirements



- Beneficiary must need daily care for either
 - Skilled nursing services
 - Rehabilitation services

Medical: Daily Skilled Nursing or Rehabilitation Services

- SNF inpatient daily skilled services necessary because:
 - Not available on outpatient basis in patient's location
 - When compared to inpatient setting, transportation back and forth to facility is:
 - Excessive physical hardship
 - Less economical
 - Less efficient or effective
- SNF services must be for treatment of condition
 - Beneficiary received inpatient hospital services for, or
 - Which arose while in SNF for treatment of condition for which beneficiary previously hospitalized

SNF Level of Care

- Services must be
 - Reasonable and necessary for diagnosing or treating patient's qualifying condition
 - Of reasonable duration and quantity
- Different than
 - Level of intensive care furnished by general hospital
 - Level of custodial or supportive care furnished by nursing homes (daily services above room and board)

What Is Skilled Care?

- Requires skill of and directly provided (or under general supervision of) qualified technical or professional health personnel
 - Registered nurses
 - Licensed practical nurses
 - Physical therapists
 - Occupational therapists
 - Speech-language pathologists
 - Audiologists

Certification of Medical Necessity (CMN)

- Must be documented in medical record
- No specific format or procedure for documentation of certification
- Must be dated and signed by certifying physician or NPP
- Required certification or recertification statement timeframes
 - Certification must be obtained at time of admission or as soon as reasonable and practicable
 - First recertification required no later than 14th day of post hospital SNF care
 - Subsequent recertifications required at least every 30 days after first recertification

CMN Required Elements

- Medical necessity certification must include statement that beneficiary needs skilled nursing care (furnished directly by or requiring supervision of skilled nursing personnel), and/or other skilled rehabilitation services
 - Required on daily basis
 - Can only be practically provided in SNF or swing-bed hospital on inpatient basis
 - For ongoing condition for which individual received inpatient care in hospital

Covered vs. Noncovered Services

Covered SNF Services

- Semi-private room and board
 - Private when medically necessary
- PT, OT and/or SLP services furnished by SNF or under arrangement
- Medical social services
- Nursing care provided by, or under supervision of, registered professional nurse
- Medically necessary medical services and other diagnostic or therapeutic services furnished by SNF or under arrangement
- Certain drugs, biologicals, supplies, appliances, and equipment

SNF Consolidated Billing Requirement

- SNF has billing responsibility
 - Entire package of care that beneficiaries receive while in covered Part A SNF stay
 - PT, OT and SLP services received during noncovered stay
- Limited number of services specifically excluded from consolidated billing (separately payable)

SNF CB Exceptions

- Medicare beneficiaries in covered Part A stay
 - Physician's professional services
 - Certain dialysis-related services
 - Certain ambulance services
 - Erythropoietin for certain dialysis patients
 - Certain chemotherapy drugs and chemotherapy administration services
 - Radioisotope services
 - Customized prosthetic devices
- Medicare beneficiaries in noncovered stay
 - All non-therapy covered SNF services

When Medical Coverage Criteria Not Met

- Required to provide formal advance notice to beneficiary so patient can make informed decision to receive services
 - Must not be given under duress or when patient cannot make informed decision
- Transfers liability to beneficiary when
 - Coverable item or service not medically reasonable and necessary for beneficiary
 - Custodial care
- “Triggering events” – Initiation, reduction or termination of services
 - [CMS IOM Publication 100-04, Medicare Claims Processing Manual, Chapter 30, Section 70.2](#)

CMS Advance Notice of Noncoverage Forms

- Appropriate standard CMS notice (form) must be used
 - Must be completed appropriately and accurately
 - Must be signed by beneficiary
- Always use most current version
 - SNF Part A items and services – [SNF ABN Form CMS-10055](#)
 - Swing-bed determinations – [Preadmission/Admission HINN \(HINN 1\)](#)
 - Part B items and services – [ABN Form CMS-R-131](#)
- SNF can be held liable for services if no notice or improper/invalid notice given to beneficiary

Optional/Voluntary Use

- Not required, but recommended
 - Medicare Part C (MAO/HMO) enrollees and non-Medicare patients
 - Item or service not Medicare benefit (such as personal comfort items)
 - Did not meet technical requirement (No QHS, 30-day transfer)
 - Benefits exhausted (used all 100 days in current benefit period)
 - Extended care items or services reduced or terminated in accordance with physician's order
 - When physician
 - Does not order items or services
 - Agrees in writing with assessment of SNF, UR entity, QIO or MAC that extended care items or services not necessary

Resources and References

CMS Resources

- CMS [Skilled Nursing Facility Center](#)
- CMS Educational Tool: [Skilled Nursing Facility Billing Reference \(MLN006846\)](#)
- [SNF Consolidated Billing](#) (reference and files)
- CMS IOM
 - [Publication 100-02, Medicare Benefit Policy Manual, Chapter 8, Section 30.6](#) (daily skilled services definition)
 - [Publication 100-04, Medicare Claims Processing Manual, Chapter 30, Sections 50.6](#) (standards for appropriate notice) and Section 70 (SNF ABN)

NGS Resources

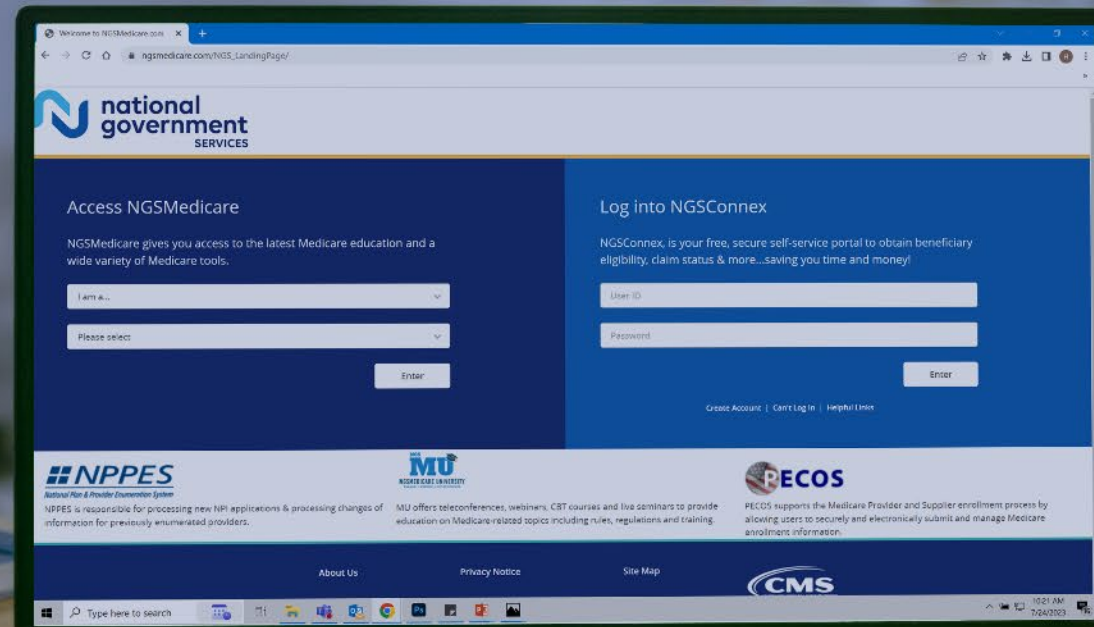
- [Acronym Search](#)
- Fundamentals of Medicare online guide
 - [Skilled Nursing Facility Inpatient Care](#)
- NGSConnex User Guide
 - [Inpatient and SNF Spell History](#)
- Articles and tip sheets:
 - [Ambulance Transports Included in SNF Consolidated Billing](#)
 - [Three-Day Qualifying Hospital Stay Required for Medicare-Covered SNF Stay](#)
- CERT alert – [SNF Inpatient Stays](#)



Questions?

Thank you!

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Online resources, event calendar, LCD/NCD, and tools



IVR System

The interactive voice response system (IVR) is available 24-hours a day, seven days a week to answer general inquiries



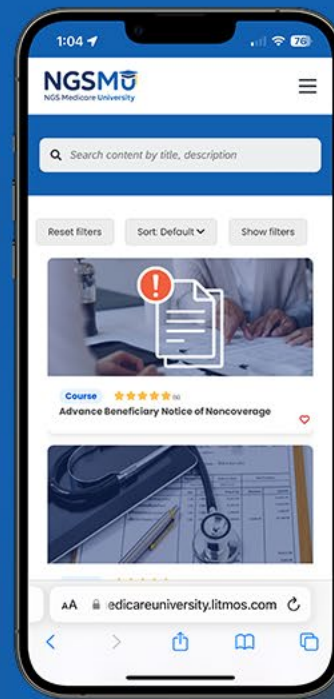
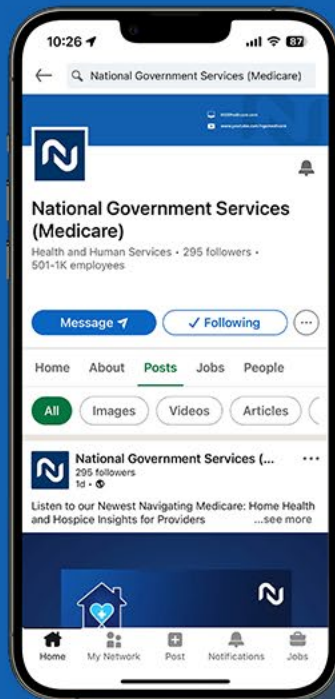
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