

Skilled Nursing Facility

Policy

Harvard Pilgrim reimburses inpatient skilled nursing facility services provided by a contracted, licensed skilled nursing facility (SNF) within the applicable benefit limit.

Policy Definition

A *Skilled Nursing Facility* is a state-licensed facility that is primarily engaged in providing skilled nursing care and skilled rehabilitation services.

Prerequisite(s)

Applicable Harvard Pilgrim referral, notification and authorization policies and procedures apply. (Refer to *Referral, Notification and Authorization* for more information.)

HMO/POS/PPO

Prior authorization required for skilled nursing facility inpatient admissions, extended length of stay and change in level of care. Custodial care requires prior review for appropriate denial documentation purposes. (Refer to *Skilled Nursing Facility and Rehabilitation Facility Authorization* for specific requirements.)

Open Access HMO and POS

For *Open Access HMO* and *Open Access POS* products, no referral is required to see a contracted specialist.

Harvard Pilgrim Reimburses¹

Level of Care Descriptions and Criteria for Admission

A Harvard Pilgrim clinician determines the most medically appropriate, least restrictive treatment setting for inpatient skilled nursing facility services. Skilled nursing levels of care are defined by the criteria below:

Basic Skilled Level of Care

- The member requires skilled nursing and/or skilled rehabilitation services by registered and/or licensed professionals on a daily basis at least five days a week.
- Daily skilled services can be provided only on an inpatient basis and the member cannot as a practical matter be safely treated in a less intense or less restrictive alternate setting.

Examples of skilled services in the basic skilled level may include:

- Observation and assessment of patient's condition.
- Administration of at least one IV or IM injection per day. (Subcutaneous injections alone do *not* constitute SNF level of care.)
- Continuous IV hydration.
- Skilled care of decubitus ulcers, wounds, or widespread skin disorders. Skilled care must involve aseptic techniques, prescription medication, and skilled nursing observation/evaluation of the wound or ulcer, and includes complex treatment of decubitus ulcers that, as a practical matter, can only be provided in a SNF.
- Skilled administration of a system of care including chest PT and/or aerosol delivery of medication at least three times per day, new respiratory treatments including initial phases of a regimen involving administration of medical gases (e.g., oxygen, bronchodilator therapy).
- Naso-pharyngeal or tracheostomy suctioning provided on a frequent basis with documented need for patient observation for respiratory distress.
- Nursing management of indwelling bladder catheter, nephrostomy tube, or supra-pubic tube during the early post-insertion period, or in the presence of catheter complications, and insertion of sterile irrigation, and/or replacement of supra-pubic catheters.
- Skilled management of enteral feeding regimen for members with newly inserted N/G, J- or G-tube who are functionally incapable of sufficient oral intake required to sustain life. Members who are medically stable on routine tube feedings do not qualify for SNF care.
- Skilled management and/or teaching during early post-operative period for colostomy/ileostomy care.

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Sub-Acute Level of Care

- The member has had a serious illness or injury but does not require acute hospitalization and the Harvard Pilgrim clinician determines that a short term, goal-oriented inpatient treatment plan is required, and
- The member requires skilled nursing and more than two hours of skilled rehabilitation services per day, at least six days per week (i.e., more hours of skilled nursing and/or skilled rehabilitation services than are normally provided at the basic skilled level of care).
- The member requires frequent medical management, including on-site evaluation by a physician, nurse practitioner or physician assistant for medical assessment and/or prescribing changes in the treatment plan (management services must be documented in the inpatient medical record).
- Medical record documentation must indicate significant weekly progress towards agreed-upon discharge goals.

Examples of subacute services included in the subacute level of care are:

- Administration of parenteral medications and fluids requiring adjustment to doses based upon monitoring of laboratory results.
- Administration of two or more different IM or IV medications given on a daily basis (maintenance of inactive lines is considered basic skilled care).
- Administration of TPN, PPN or other medications via a central line (e.g., Hickman catheter or port-a-catheter).
- Administration of chest PT and/or aerosol delivery of medication more than three times per day including >30% oxygen therapy, monitoring of oxygen saturation levels and subsequent changes in oxygen orders, new nebulizer treatments, or skilled respiratory assessments, suctioning, and/or unstable tracheotomy care.
- Complex wound care requiring aseptic technique, including packing, debridement, irrigation and assessment of wounds, or stage three or four decubitus ulcers.
- Monitoring and adjustment of a complex pain management treatment plan including frequent dose adjustments, changes in the route of medication administration, or skilled intervention for uncontrolled pain and/or an unstable medical condition.

Vent Level of Care

- The member is vent dependent, but does not require acute hospital or acute rehab level of care.
- The member is unable to wean from the vent, and will likely remain on the vent indefinitely.
- The member requires frequent medical management, intermittent suctioning and vent management.

HMO/POS/PPO

Inpatient skilled nursing care services at a single all-inclusive rate as determined by the contracted rate and when notified and authorized within appropriate time frames.

The per diem rate is generally considered payment in full for all services provided to the member and includes:

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| • Bariatric equipment (350 lbs. or more) | • Infusion pumps and services | • PIC line insertion/management |
| • BiPap and BiPap ST | • Laboratory | • Sitter services |
| • Continuous passive motion machine (cpm) | • Liquid oxygen | • Suction equipment |
| • Electric and semi-electric hospital beds | • Manual wheelchairs including extra-wide wheelchairs | • Tens unit |
| • Enteral/parenteral nutrition and supplies | • Nebulizer | • Traction (bucks or skeletal) |
| • Extra wide cardiac chair | • On-site/mobile x-ray | • Trapeze |
| • Hoyer lift | • Ostomy supplies and teaching | • Ventilators |
| | • Oxygen concentrators services and supplies | • Wound care supplies |

Information Related to Durable Medical Equipment (DME)

- Non-disposable/single patient use DME provided as part of an individual member's SNF care and included in the per diem rate, should be sent home with the member upon discharge from the SNF. This includes but is not limited to; bed pans, emesis basins, splints, and tens.
- Non-disposable / multi-patient use DME provided as part of the individual member's SNF care that are owned or rented by the SNF should not be sent home with the member upon discharge from the SNF. These items are included in the per diem rate, and include but are not limited to, walkers, canes, and wheelchairs.
- If DME is purchased from a contracted DME provider, on behalf of an individual member receiving care within the

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PAYMENT POLICIES
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SNF, those items must be sent home with the patient upon discharge from the SNF. These items include but are not limited to: customized orthotics, prosthetics, adaptive devices, and bariatric equipment.

- SNF agrees to not delay obtaining authorization and ordering any custom-type device that is medically necessary to promote discharge and rehabilitation of the member. This type of DME must be authorized by a Harvard Pilgrim clinician and ordered through a Harvard Pilgrim contracted DME provider. For questions about DME benefit eligibility, authorizations, contracted DME providers, or DME ordering, call Harvard Pilgrim's Provider Service Center at 1-800-708-4414.

Outpatient Services

Outpatient therapy treatment:

- The SNF will be reimbursed the lower of the SNF's charge or the standard Harvard Pilgrim outpatient fee schedule.
- Reimbursement for appropriately notified or authorized outpatient therapy treatment, as applicable, is per visit and is not dependent upon the length of time of the visit.
- Only *one visit per type of authorized therapy treatment* is reimbursable per day.
- SNF can be reimbursed for one visit each of PT, OT and ST services provided on the same day.
- Unlisted codes will be reimbursed based Harvard Pilgrim Health Care's Payment Policies and Procedures.
- All other outpatient services will be denied.

Services Not Included in the Per Diem Rate — Prescription Pharmaceuticals

The following services will be reimbursed to the SNF separately from the per diem rate:

The following prescription pharmaceuticals (listed by both generic and brand names) are reimbursed to the SNF in addition to the per diem, in accordance with the terms outlined in the skilled nursing facility agreement. The pharmaceuticals must be provided to members during an authorized inpatient skilled admission and must be itemized on the UB-04 claim with the pharmacy invoice attached.

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| • Aldesleukin | • Cytomegalovirus Immune Globulin | • Hb1g | • Prolastin |
| • Alglucerase | • Daptomycin | • Hyper Hep B | • Proleukin |
| • Alpha 1 Proteinase Inhibitor | • Darbepoetin Alfa | • Immune globulin | • Quinupristin Dalfopristin |
| • Ambisome | • Enbrel | • Interferon Beta 1A | • Retacrit |
| • Amphotericin B Liposome | • Enfuvirtide | • Interferon Beta 1B | • Ribavirin |
| • Aranesp | • Epoetic Alfa | • IVIG | • Quinupristin Dalfopristin |
| • Avonex | • Epogen | • Leukine | • Sargramostim |
| • Betaseron | • Etanercept | • Linezolid | • Synercid |
| • Cancidas | • Filgrastim | • Meropenem | • Temodar |
| • Carboplatin | • Foscarnet Sodium IV | • Micafulgin Sodium IV | • Temozolomide |
| • Caspofungin Acetate | • Foscavir IV | • Mitomycin | • Tobramycin Nebulizer |
| • Ceredase | • Fuzeon | • Mitoxantrone | • Vfend IV |
| • Cidofovir injection | • Gamastan | • Mutamycin | • Virazole |
| • Ciprodex | • Gammagard | • Mycamine | • Vistide |
| • Ciprofloxacin Dexamethasone | • Gammaked | • Neulasta | • Vorinconazole IV |
| • Cubicin | • Gammar | • Neupogen injection | • Zarzio |
| • CytoGam | • Ganciclovir | • Novantrone | • Zoladex |
| | • Goserelin Acetate | • Pegfilgrastim | • Zyvox |
| | | • Procrit | |

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Services Not Included in the Per Diem Rate

The following services are excluded from the SNF per diem rate and may be billed by and reimbursed separately to a Harvard Pilgrim–contracted provider. (Harvard Pilgrim reimburses the provider.)

- Ambulance services*
- Attending physician services
- Bone growth stimulators
- Consulting physician services
- Custom compression stockings
- Customized motorized wheelchairs
- Customized orthotic devices or braces
- Diagnostic testing not performed on site (such as CAT scan, MRI, radiation therapy)
- Dialysis (hemodialysis and peritoneal dialysis)
- Inexsufflator
- Prosthetic devices
- Specialty beds, mattresses and surfaces (such as air-fluidized mattress)
- Ultra-violet lights
- Wheelchair car services

*The SNF will be financially responsible for any excluded non-emergent transportation service that does not have proper authorization.

Applying the Contracted Rate

The admission date determines all skilled nursing facility reimbursement terms. When an admission bridges contracted effective dates, the contracted rate on the date of admission applies to the entire SNF stay. This applies to all negotiated rates.

Membership Dates

When a skilled nursing facility admission occurs prior to a member’s effective date, Harvard Pilgrim begins reimbursement from the time membership is effective, the member’s PCP or designee begins to direct the member’s care and the skilled nursing facility notifies Harvard Pilgrim of the admission.

Harvard Pilgrim Does Not Reimburse

HMO/POS/PPO

- After Harvard Pilgrim membership terminates, even if the member is an inpatient in the skilled nursing facility on the date of membership termination
- Blood and blood products
- Custodial care
- Personal services (e.g., telephones, televisions, guest trays, etc.)
- Private duty nursing care unless medically necessary and recommended by the PCP and authorized by Harvard Pilgrim

Exclusions to this reimbursement policy may be covered under another reimbursement policy (e.g., DME).

Member Cost-Sharing

Services are subject to member out-of-pocket cost (e.g., copayment, coinsurance, deductible), as applicable.

Billing Guidelines and Documentation

Coding²

Code	Description	Comments
0250	Pharmacy	Itemize pharmaceuticals that are excluded from the contracted rate; attach the associated pharmacy invoice to the claim.

Other Information

- Bill inpatient SNF services as contractually defined.
 - Enter the number of days in Form Locator 46 of the paper UB-04 or segment SV2, data element SV205 with UN qualifier in SV204 of loop 2400 of the 837I, version 5010.
- Bill all outpatient services with the appropriate revenue code and HCPCS or CPT code.

Interim Billing

- Include only charges that have not been previously billed.
- Bill using the “from date” to the “through date.”
- Bill subsequent interim bills from the date after the “through date” on the previous bill.

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Custodial Care Denial Documentation Process

To obtain the appropriate denial on a custodial care claim for denial documentation, SNFs must contact the designated Harvard Pilgrim nurse care manager in advance for review of services.

- Claims for custodial care services will be denied as non-covered services, member liable.
- Alternate payer letters can be provided only when a custodial level of care determination has been completed and documented by Harvard Pilgrim in the time period for which it has been requested.

Related Policies

- Ambulance Transport Payment Policy
- Authorization Policy
- Blood Products & Services Payment Policy
- Claims Submission Guidelines
- Dialysis Payment Policy
- Durable Medical Equipment (DME) Authorization Policy
- Durable Medical Equipment (DME) Payment Policy
- Interim Billing Payment Policy
- Laboratory & Pathology Payment Policy
- Late Charge/Replacement Claim Billing Payment Policy
- Medical Review Criteria Immune Globulin
- Outpatient Advanced Imaging Authorization
- Physical, Occupational, & Speech Therapy Payment Policy
- Skilled Nursing Facility and Rehabilitation Facility Authorization Policy
- Skilled Nursing Facility and Subacute Care Medical Review Criteria

PUBLICATION HISTORY

11/01/01	original documentation
01/01/03	removed inpatient First Seniority terminated member reimbursement; levels of care criteria language updated
04/01/03	annual review; added reimbursement within benefit limit
10/01/04	annual review; clarification of how reimbursement is made when admission bridges contracted effective dates
10/31/05	annual review; clarified custodial care denial documentation process
07/31/07	annual review; clarified level of care descriptions and criteria for admission; updated items included and excluded from per diem rate, added DME info and prescription pharmaceuticals
01/31/08	annual review; replaced pharmacy reimbursed list
07/31/08	annual review, no edits
10/31/08	added Cellcept (Mycophenolate Mofetil) and Dalteparin Sodium to pharmacy exclusion list
07/15/09	annual review; removed Iveegam, Lamprene, Retrovir, Sporanex and Zovirax from prescription pharmaceutical list; removed KCI from wound vacuum
06/15/10	annual review, revision to prescription pharmaceutical list
06/15/11	annual review; revision to prescription pharmaceutical list; minor edits for clarity
11/15/11	removed "if provided by physician on staff" from services excluded in the SNF per diem rate
01/01/12	removed First Seniority Freedom information from header
06/15/12	annual review; revision to prescription pharmaceutical list, minor edits for clarity
06/15/13	annual review; revised prescription pharmaceutical list
06/15/14	annual review; added dialysis as a related policy; added <i>Connecticut Open Access HMO</i> referral information to Prerequisites
06/15/15	annual review; revised prescription pharmaceutical list, administrative edits, added Medical Review Criteria IMG as related policy
06/15/16	annual review: revised prescription pharmaceutical list; removed scooters; administrative edits
06/15/17	annual review; updated prescription pharmaceutical list; created header to clarify services not included in the skilled nursing facility per diem rate; updated EDI information; added PT, OT, ST to related policies section; administrative edits
02/01/18	updated Open Access Product referral information under Prerequisites
07/02/18	annual review; revised prescription pharmaceutical list; added notation for Ambulance Services; added Skilled Nursing Facility and Subacute Care Medical Review Criteria as a Related Policy; removed reference to KCL wound vacuum
07/01/19	annual review; revised prescription pharmaceutical list; removed bullet regarding billing of custodial care that have not received an administrative denial

¹This policy applies to the products of Harvard Pilgrim Health Care and its affiliates—Harvard Pilgrim Health Care of Connecticut, Harvard Pilgrim Health Care of New England, and HPHC Insurance Company—for services performed by contracted providers. Payment is based on member benefits and eligibility, medical necessity review, where applicable, and provider contractual agreement. Payment for covered services rendered by contracted providers will be reimbursed at the lesser of charges or the contracted rate. (Does not apply to inpatient per diem, DRG, or case rates.) HPHC reserves the right to amend a payment policy at its discretion. CPT and HCPCS codes are updated annually. Always use the most recent CPT and HCPCS coding guidelines.

²The table may not include all provider claim codes related to SNFs.