



## Medical Necessity Guidelines

### SKILLED NURSING FACILITY CLINICAL GUIDELINES

#### **Overview:**

This policy outlines L.A. Care's clinical guidelines used to assess the medical necessity of skilled nursing and levels of care.

#### **Definitions:**

**Custodial care** means care which is primarily for the purpose of assisting the individual in the activities of daily living or in meeting personal rather than medical needs, such as assistance in walking, getting in and out of bed, bathing, dressing, feeding, using the toilet, preparation of special diets, and supervision of medication that usually can be self-administered, which is not specific therapy for an illness or injury or when an individual has reached the maximum level of physical or mental function and does not require the continuing attention or supervision of trained, licensed medical or paramedical personnel.

**Enhanced Barrier Precautions (EBP)** mean additional infectious control techniques to reduce transmission of Multidrug-Resistant Organisms (MDROs) between residents for those who may be infected, colonized or high risk for colonization. The approach requires the use of gown and gloves during high-contact resident care activities that provide opportunities for transfer of MDROs to staff hands and clothing. High contact resident care activities include, but are not limited to: dressing, bathing/showering, transferring, changing linens, changing briefs or assisting with toileting, device care or use, wound care (chronic wounds rather than skin tears and abrasions) and therapy

**Isolation** means placement of residents in single bedrooms only with infected residents who must wear well-fitting masks indoors when outside the room and health care personnel must use at a minimum gloves and gowns upon every room entry and for all care interactions. Cohorting patients does not constitute isolation.

**Neurocognitive Disorder** means a disease, illness or condition having a significant adverse effect on an individual's mental abilities and cognition that represents a marked deterioration from a previous level of function. Conditions associated with neurocognitive disorder may include traumatic brain injury, stroke, cardiovascular disorders, metabolic diseases, hormonal disorders, exposure to heavy metals, poisoning, drug- and alcohol-related conditions, short-lived or chronic infection, chronic low oxygen. The term also covers diseases that cause a progressive loss of structure or function of the neurons in the brain, such as Huntington's, Parkinson's, Alzheimer's or Lewy Body Dementia.

**Skilled Need** means a skilled nursing care or skilled rehabilitation treatment need that is so inherently complex requiring the skills of and must be performed or supervised by licensed technical or professional health personnel such as registered nurses, licensed practical (vocational) nurses, physical therapists, occupational therapists and speech pathologists or audiologists.

**Skilled nursing facility** means a health facility or a distinct part of a hospital which provides continuous skilled nursing care and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis. It provides 24-hour inpatient care and, as a minimum, includes

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physician, skilled nursing, dietary, pharmaceutical services and an activity program. (Cal. Code Regs. Tit. 22, § 72103)

### Skilled Nursing or Subacute Level of Care

- 1.1 Skilled nursing and skilled rehabilitation services are those services, furnished pursuant to physician orders, that:
  - 1.1.1 Require the skills of licensed technical or professional health personnel such as registered nurses, licensed practical (vocational) nurses, physical therapists, occupational therapists and speech pathologists or audiologists; **and**
  - 1.1.2 Must be provided directly by or under the general supervision of these skilled nursing or skilled rehabilitation personnel to assure the safety of the individual and to achieve the medically desired result; **and**
  - 1.1.3 Are not custodial in nature
- 1.2 Skill nursing and skilled rehabilitation services can be rendered in multiple places of services such as acute care hospital, long term acute care hospital, acute rehabilitation unit, skilled nursing and subacute facilities, ambulatory settings or home.
- 1.3 Admission and continued stay in skilled nursing or subacute level of care is considered **medically necessary** in the following circumstances:
  - 1.3.1 There are no acute hospital care needs identified; and
  - 1.3.2 Patient is stable for transfer to the skilled nursing or subacute facility; and
  - 1.3.3 Skilled nursing or subacute facility level of care is more appropriate than other lower levels of care (e.g., outpatient, home healthcare, custodial), as indicated by **1 or more** of the following:
    - 1.3.3.1 Meets criteria under one of the 4 L.A. Care established Skilled Level of Care as defined under the agreement between contracted Skilled Nursing Facilities and L.A. Care Health Plan.
    - 1.3.3.2 The severity of medical illness and complexity and intensity of skilled treatment(s) needed are beyond the capabilities of alternative levels of care; or
    - 1.3.3.3 The frequency diagnostic and therapeutic services needed, including but not limited to clinical assessments and treatment modalities makes alternative levels of care impractical; or
    - 1.3.3.4 Lower level of care has already failed; and
  - 1.3.4 Skilled nursing or subacute facilities must provide, at a minimum, daily skilled nursing and/or skilled rehabilitation treatments
    - 1.3.4.1 **Skilled nursing services**
    - 1.3.4.2 Skilled nursing services are indicated when:
      - 1.3.4.2.1 The service required by a patient can only be performed safely and effectively by or under the general supervision of skilled nursing personnel; **and**
      - 1.3.4.2.2 Observation and assessment of the patient's changing condition requires skilled nursing personnel to evaluate the need for treatment modification or for additional procedures until condition and/or treatment regimen is stabilized and/or completed
    - 1.3.4.3 Skilled nursing services include but not limited to:
      - 1.3.4.3.1 Usage of Intravenous (IV) infusion, IV injection, or intramuscular (IM) injection to resolve the acute admitting condition; **or**

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- 1.3.4.3.2 Initiation and ongoing titration of either new nasogastric, gastrostomy and jejunostomy feedings (continuous or bolus) or new total parental nutrition (TPN) infusion until stable and able to be delivered in a lower level of care safely; **or**
    - 1.3.4.3.3 Wound management for newly formed and actively and progressively healing wound/ulcers that requires at a minimum daily dressing changes with prescription medication and aseptic technique and treatment; **or**
    - 1.3.4.3.4 Management of surgical drains (JP, PleurX) or catheters (excluding foley) that require at least daily drainage
    - 1.3.4.3.5 Oxygen weaning and/or need for frequent nasopharyngeal and tracheostomy aspiration/suctioning or respiratory therapy treatment (> 2 x day); **or**
    - 1.3.4.3.6 Patient care skills training and assistance such as:
      - 1.3.4.3.6.1 Bladder or bowel training program including foley weaning
      - 1.3.4.3.6.2 New ostomy care, management and training in the immediate post-operative period
      - 1.3.4.3.6.3 New suprapubic catheter care management and training in the immediate post-operative period
      - 1.3.4.3.6.4 New diabetic insulin training
      - 1.3.4.3.6.5 Titration and daily dose adjustments of oral medications to optimize disease states
  - 1.3.5 **Skilled rehabilitation services**
    - 1.3.5.1.1 Skilled rehabilitation services are indicated when:
      - 1.3.5.1.1.1 Patient has a new (acute) medical condition or acute exacerbation of a chronic medical condition that has resulted in a decrease in functional ability such that they cannot adequately recover without therapy; **and**
      - 1.3.5.1.1.2 Therapy must be reasonable and necessary for the patient's condition, including the amount, duration and frequency of services and must be directly and specifically related to an active written treatment plan developed by physician and therapist; **and**
      - 1.3.5.1.1.3 Individual is expected and continues to show measurable functional improvement on a daily basis, or the services must be necessary for the establishment of a safe and effective maintenance program.
    - 1.3.5.1.2 Skilled rehabilitation services include:
      - 1.3.5.1.2.1 Physical Therapy
      - 1.3.5.1.2.2 Occupational Therapy
      - 1.3.5.1.2.3 Speech Therapy
- 1.4 Services that are not ordinarily considered a skilled need could be considered as such in cases in which, because of special medical complications, skilled nursing or skilled rehabilitation personnel are required to perform or supervise it or to observe the individual. In these cases, the complications and special services involved must be documented by physicians' orders and nursing or therapy notes.
- 1.5 A skilled nursing or subacute facility level of care is considered **not medically necessary** when any one of the following is present:

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- 1.5.1 Services do not meet the criteria above; or
  - 1.5.2 Patient is not participating in the treatment plan (i.e., not participating in rehabilitation therapies, patient education, etc.); or
  - 1.5.3 Patient has not demonstrated practical improvement in the level of functioning within a reasonable period of time; or
  - 1.5.4 Patient is ambulatory/mobile for household distances with less than minimal assistance, and is capable of performing activities of daily living with less than minimal assistance; or
  - 1.5.5 Services are provided to preserve the present level of function or prevent regression of functions for an illness, injury or condition that is resolved or stable; or
  - 1.5.6 Care is primarily for routine services directed toward the prevention of injury or illness; or
  - 1.5.7 Routine or maintenance medication administration, such as insulin, oral medications, eye drops, nebulization treatments, and oxygen; or
  - 1.5.8 Care solely for the administration of oxygen, intermittent positive pressure breathing treatments and/or nebulizer treatments for stable respiratory conditions; or
  - 1.5.9 Routine enteral feedings and/or TPN/PPN; or
  - 1.5.10 Routine colostomy care; or
  - 1.5.11 The presence of a stable indwelling or suprapubic catheter, the need for routine intermittent straight catheterization or ongoing intermittent straight catheterization for a chronic condition, catheter replacement or routine catheter irrigation; or
  - 1.5.12 Wound care requiring daily dressing changes that can safely be performed in the outpatient setting.
- 1.6 Enhanced Barrier Precautions should be considered **medically necessary** when all the following is true:
- 1.6.1 Residents have 1 of more of the following conditions:
    - 1.6.1.1 Infection or colonization with an MDRO; or
    - 1.6.1.2 Unhealed wound(s), regardless of MDRO colonization status; or
    - 1.6.1.3 Indwelling medical devices (e.g., central line, foley catheter, feeding tube, tracheostomy, ventilator) regardless of MDRO colonization status;
  - 1.6.2 Facilities demonstrate constituent use of appropriate personal protective equipment required during all high contact resident care activities, including:
    - 1.6.2.1 Dressing
    - 1.6.2.2 Bathing/showering
    - 1.6.2.3 Transferring
    - 1.6.2.4 Changing linens
    - 1.6.2.5 Changing briefs or assisting with toileting
    - 1.6.2.6 Device care or use
    - 1.6.2.7 Wound care (chronic wounds rather than skin tears and abrasions)
    - 1.6.2.8 Physical and occupational therapy
- 1.7 Additional services for isolation should be considered **medically necessary** when all of the following are true:
- 1.7.1 Usage of a single room without cohorting; and
  - 1.7.2 Enhanced barrier precautions are not appropriate; and
  - 1.7.3 Active or suspected infection with certain infectious agents known to be transmitted by the following specific routes as defined by CDC:
    - 1.7.3.1 Contact
    - 1.7.3.2 Droplet
    - 1.7.3.3 Airborne

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- 1.8 Additional services for obesity should be considered **medically necessary** when both of the following are true:
  - 1.8.1 BMI > 40
  - 1.8.2 Functional level of substantial to maximum assist based on MDS
- 1.9 Sitters should be considered **medically necessary** when all of the following is true:
  - 1.9.1 The member has a known diagnosed Neurocognitive Disorder; **and**
  - 1.9.2 The disorder is not due to an acute reversible condition or cause; **and**
  - 1.9.3 The underlying condition is not expected to improve; **and**
  - 1.9.4 The member exhibits severe behavioral and aggressive disturbances disorder due to poor impulse control; **and**
  - 1.9.5 The behavior is not due to an underlying psychiatric diagnosis for which the member is receiving psychiatric care; **and**
  - 1.9.6 Treatment for the condition has been medically optimized with both pharmacologic and non-pharmacologic; **and**
  - 1.9.7 Member needs frequent nursing interventions (> 4 / hour) including redirection or behavior modification