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## Provider Compliance Tips for Skilled Nursing Facility (SNF) Inpatient Services

### Provider Types Affected:

- Physicians and other practitioners who have residents in a SNF who are receiving Inpatient Services

### Background

The Medicare SNF benefit pays for certain skilled services provided in various skilled nursing settings, including swing-bed hospitals, nursing homes, and other freestanding facilities. Covered SNF services require the skills of qualified technical or professional health personnel. The SNF benefit does not cover custodial services alone, such as assistance with bathing, dressing, and using the bathroom.

An inpatient is a person who has been admitted to a SNF or swing bed hospital for bed occupancy to receive inpatient services. A person is considered an inpatient if formally admitted as a resident with the expectation that they will remain at least overnight and occupy a bed. This also applies to residents that are admitted but are found to no longer need inpatient services and are discharged before actually using a bed overnight.

Based on the [Supplementary Appendices for the Medicare Fee-For-Service 2015 Improper Payments Report](#), the improper payment rate for SNF Inpatient services was 11.0 percent and the projected improper payment amount for SNF services during the 2015 report period was \$4.0 billion.

## Reasons for Denials

The majority of improper payments for SNF services were due to insufficient documentation. Providers of SNF services are required to submit medical records to support the medical necessity of SNF services provided. For example, required documents include, but are not limited to:

- A certification that the beneficiary needed daily skilled care that could only be provided in a SNF setting
- An authenticated plan of care
- The time (in minutes) for the therapy service provided

## To Prevent Denials

Claims for skilled care coverage need to include sufficient documentation to enable a reviewer to determine the following:

- That the beneficiary requires skilled involvement in order for the services in question to be furnished safely and effectively
- That the services themselves are, in fact, reasonable and necessary for the treatment of a resident's illness or injury. For example, the services must be consistent with:
  - The nature and severity of the individual's illness or injury
  - The individual's particular medical needs, and accepted standards of medical practice

The documentation must also show that the services are appropriate in terms of duration and quantity, and that the services promote the documented therapeutic goals.

Resident goals must be routinely assessed and documented to provide a sufficient basis for determining Medicare coverage. According to the [“Medicare Benefit Policy Manual,” Chapter 8](#), the resident's medical record must be documented as appropriate with the following:

- The history and physical exam pertinent to the resident's care (including the response or changes in behavior to previously administered skilled services)
- The skilled services provided
- The resident's response to the skilled services provided during the current visit
- The plan for future care based on the rationale of prior results
- A detailed rationale that explains the need for the skilled service in light of the resident's overall medical condition and experiences
- The complexity of the service to be performed
- Any other pertinent characteristics of the resident

The documentation in the resident's medical record must be accurate and avoid vague or subjective descriptions of the resident's care that would not be sufficient to indicate the need for skilled care.

## Resources

SNFs may find the following resources helpful in avoiding improper payments for their services:

For More Information About...	Resource
The Supplementary Appendices for the Medicare Fee-For-Service 2015 Improper Payments Report	<a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2015ImproperPaymentsReport.pdf">https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/CERT-Reports-Items/Downloads/AppendicesMedicareFee-for-Service2015ImproperPaymentsReport.pdf</a>
"Medicare Benefit Policy Manual," Chapter 8	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c08.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c08.pdf</a>

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"Medicare Benefit Policy Manual," Chapter 8	<a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c08.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c08.pdf</a>



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