

Payment Policy: Skilled Nursing Facility Leveling

Reference Number: CC.PP.206

Product Types: All

Last Review Date: 3/2026

[Coding Implications](#)

[Revision Log](#)

See [Important Reminder](#) at the end of this policy for important regulatory and legal information.

Policy Overview

The purpose of this policy is to ensure that the level of skilled nursing facility care reported by the provider reflects the services performed.

Application

- I. It is the policy of health plans affiliated with Centene Corporation® that the following requirements must be met to be reimbursed for each skilled nursing facility level of care for facilities contracted for levels 1 through 4:
 - A. *Level of Care 1 (Rev Code 191) - Skilled Nursing Services Requirements, either of the following:*
 1. Skilled nursing up to four hours per day, seven days per week;
 2. Skilled therapy one to two hours per day, at least five days per week;
 - B. *Level of Care 2 (Rev Code 192)- Comprehensive Care Services Requirements, either of the following:*
 1. Skilled nursing at least four hours per day, seven days per week;
 2. Skilled therapy for at least two hours per day, at least five days per week.
 - C. *Level of Care 3 Complex (Rev Code 193) - Medical/Surgical Sub-Acute Care Services Requirements:* Skilled nursing for more than four hours per day, seven days per week, *and* skilled therapy for at least three hours per day, at least five days per week;
 - D. *Level of Care 4 (Rev Code 194) – Intensive Care Services Requirements:*
 1. Skilled nursing for more than four hours per day, seven days per week; *and*
 2. Patient requires Level 4 – Intensive Care Services due to a high acuity need, such as one of the following:
 - a. Catastrophic multiple traumas;
 - b. Severe head injury or cerebrovascular accident;
 - c. Stabilized spinal cord injury;
 - d. Weanable and non-weanable ventilator-dependent patients.
- II. It is the policy of health plans affiliated with Centene Corporation that the following requirements must be met to be paid for each skilled nursing facility level of care for facilities contracted for levels 1 through 5:
 - A. *Level of Care 1 (Rev Code 191) – Skilled Nursing Services Requirements, either of the following:*
 1. Skilled nursing up to four hours per day, seven days per week;

2. Skilled therapy one to two hours per day, at least five days per week

Level of Care 2 (Rev Code 192) – Comprehensive Care Services Requirements, either of the following:

- i. Skilled nursing at least four hours per day, seven days per week;
 - ii. Skilled therapy for at least two hours per day, at least five days per week
- b. *Level of Care 3 (Rev Code 193) – Medical/Surgical Services Requirements:* Skilled nursing for more than four hours per day, seven days per week *and* skilled therapy for at least three hours per day, at least five days per week
- c. *Level of Care 4 (Rev Code 194) – Medically Complex Services Requirements:* Skilled nursing more than four hours per day, seven days per week *and* skilled therapy at least three hours per day, at least five days per week
- d. *Level of Care 5 (Rev Code 199) – Intensive Care Services Requirements, either of the following:*
- i. Skilled nursing required for more than four hours per day, seven days per week.

Background

The following information is a synopsis from the Medicare Benefit Policy Manual¹:

Skilled nursing and/or skilled rehabilitation services are services, furnished in accordance with physician orders, that:

- Require the skills of qualified technical or professional health personnel such as registered nurses, licensed practical (vocational) nurses, physical therapists, occupational therapists, and speech-language pathologists or audiologists; and
- Must be provided directly by or under the general supervision of these skilled nursing or skilled rehabilitation personnel to assure the safety of the patient and to achieve the medically desired result.

For a nursing service to be considered a “skilled service,” it must be a service that can only be safely and effectively performed by, or under the general supervision of, a registered nurse or, when provided by regulation, a licensed practical (vocational) nurse. Further, “general supervision” requires initial direction and period inspection of the actual activity.

A condition that would not ordinarily require skilled nursing services may still require skilled nursing under certain circumstances. In such instances, skilled nursing care is necessary only when:

PAYMENT POLICY

Skilled Nursing Facility Leveling

- The particular patient’s special medical complications require the skills of a registered nurse or, when provided by regulation, a licensed practical nurse to perform a type of service that would otherwise be considered non-skilled; OR,
- The needed services are of such complexity that the skills of a registered nurse or, when provided by regulation, a licensed practical nurse are required to furnish the services.

A service is not considered a skilled nursing service merely because it is performed by or under the direct supervision of a nurse. If a service can be safely and effectively performed (or self-administered) by an unskilled individual, the service cannot be considered a skilled nursing service even if a nurse provided the service.

Coding and Modifier Information

This payment policy references Current Procedural Terminology (CPT®). CPT® is a registered trademark of the American Medical Association. All CPT® codes and descriptions are copyrighted 2025, American Medical Association. All rights reserved. CPT codes and CPT descriptions are from current manuals and those included herein are not intended to be all-inclusive and are included for informational purposes only. Codes referenced in this payment policy are for informational purposes only. Inclusion or exclusion of any codes does not guarantee coverage. Providers should reference the most up-to-date sources of professional coding guidance prior to the submission of claims for reimbursement of covered services.

Modifier	Descriptor
NA	NA

ICD-10 Codes	Descriptor
NA	NA

Definitions:

Skilled nursing facility (SNF) - An institution (or part of an institution) licensed under state laws and whose primary focus is to provide skilled nursing care and related services for residents requiring medical or nursing care. A SNF may also be a place of rehabilitation services for injured, disabled, or sick members/enrollees.

Related Documents or Resources

NA

References

1. Centers for Medicare and Medicaid Services. Medicare benefit policy manual: chapter 8 coverage of extended care (SNF) services under hospital insurance. <https://www.cms.gov/regulations-and-guidance/guidance/manuals/internet-only-manuals-ioms-items/cms012673>. Published August 6, 2021. Accessed January 27, 2026.
2. Burke RE, Juarez-Colunga E, Levy C, Prochazka AV, Coleman EA, Ginde AA. Rise of post-acute care facilities as a discharge destination of US hospitalizations. *JAMA Intern Med*. 2015;175(2):295 to 296. doi: 10.1001/jamainternmed.2014.6383
3. Carter C, Christman E, Kelley D. Post-acute care: trends in Medicare’s payments across sectors and ways to rationalize payments. Medicare Payment Advisory Commission Meeting Brief. <https://www.medpac.gov/document/microsoft-word-pac-intro-jan-2015-meeting-brief->

PAYMENT POLICY

Skilled Nursing Facility Leveling

[docx/](#). Published January 8, 2015. Accessed January 27, 2026.

4. Mor V, Intrator O, Feng Z, Grabowski DC. The revolving door of rehospitalization from skilled nursing facilities. *Health Aff (Millwood)*. 2010;29(1):57 to 64. doi: 10.1377/hlthaff.2009.0629
5. Ouslander JG, Lamb G, Perloe M, et al. Potentially avoidable hospitalizations of nursing home residents: frequency, causes, and costs: [see editorial comments by Drs. Jean F. Wyman and William R. Hazzard, pp 760 to 761]. *J Am Geriatr Soc*. 2010;58(4):627 to 635. doi: 10.1111/j.1532-5415.2010.02768.x
6. Redberg RF. The role of post–acute care in variation in the Medicare program. *JAMA Intern Med*. 2015;175(6):1058. doi: 10.1001/jamainternmed.2015.0679
7. Centers for Medicare and Medicaid Services. Medicare benefit policy manual: chapter 1 inpatient hospital services covered under part A. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c01.pdf>. Published October 1, 2003 (revised August 6, 2021). Accessed January 27, 2026.
8. Centers for Medicare & Medicaid Services, Department of Health and Human Services. Title 42 – Public Health (Subpart D—Requirements for Coverage of Posthospital SNF Care, § 409.31 Level of care requirement). <https://www.govinfo.gov/content/pkg/CFR-2023-title42-vol2/pdf/CFR-2023-title42-vol2-chapIV.pdf>. Published March 25, 1983 (revised January 1, 2026). Accessed January 27, 2026.
9. Centers for Medicare and Medicaid Services. Medicare benefit policy manual: chapter 7 home health services. <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c07.pdf>. Published October 1, 2003 (revised December 21, 2023). Accessed January 27, 2026.
10. Centers for Medicare and Medicaid Services. Nursing home quality initiative. <https://www.cms.gov/medicare/quality/nursing-home-improvement>. Published December 30, 2025. Accessed January 27, 2026.
11. Centers for Medicare and Medicaid Services. Medicare claims processing manual: chapter 30, financial liability protections. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c30.pdf>. Published November 1, 2003 (revised October 31, 2024). Accessed January 27, 2026.
12. Munoz-Price LS. Long-term acute care hospitals. *Clin Infect Dis*. 2009;49(3):438 to 443. doi:10.1086/600391

Revision History	
09/08/2023	Payment rules only transitioned from the retired CP.MP.206 SNF Facility Leveling. Changed I.D.2. to note that the clinical circumstances noted are examples of intensive care.
04/2024	Annual review. Minor rewording in Background with no impact on criteria. References reviewed and updated.
08/2024	Updated header to reflect that policy is a payment policy.
03/2025	Annual review. CPT code table removed.
03/2026	Annual review. Changed formatting and spelled out numbers in Application section with no clinical significance. In I.D.2.b., spelled out “CVA.” Removed indication for administration of high-cost drug from criteria I.D.2.e. and II.E.2 as well as list of high-cost drugs. Background updated to include additional information regarding skilled nursing services. References reviewed and updated.

PAYMENT POLICY

Skilled Nursing Facility Leveling

Important Reminder

For the purposes of this payment policy, “Health Plan” means a health plan that has adopted this payment policy and that is operated or administered, in whole or in part, by Centene Management Company, LLC, or any other of such health plan’s affiliates, as applicable.

The purpose of this payment policy is to provide a guide to payment, which is a component of the guidelines used to assist in making coverage and payment determinations and administering benefits. It does not constitute a contract or guarantee regarding payment or results. Coverage and payment determinations and the administration of benefits are subject to all terms, conditions, exclusions and limitations of the coverage documents (e.g., evidence of coverage, certificate of coverage, policy, contract of insurance, etc.), as well as to state and federal requirements and applicable plan-level administrative policies and procedures.

This payment policy is effective as of the date determined by Health Plan. The date of posting may not be the effective date of this payment policy. This payment policy may be subject to applicable legal and regulatory requirements relating to provider notification. If there is a discrepancy between the effective date of this payment policy and any applicable legal or regulatory requirement, the requirements of law and regulation shall govern. Health Plan retains the right to change, amend or withdraw this payment policy, and additional payment policies may be developed and adopted as needed, at any time.

This payment policy does not constitute medical advice, medical treatment or medical care. It is not intended to dictate to providers how to practice medicine. Providers are expected to exercise professional medical judgment in providing the most appropriate care, and are solely responsible for the medical advice and treatment of members. This payment policy is not intended to recommend treatment for members. Members should consult with their treating physician in connection with diagnosis and treatment decisions.

Providers referred to in this policy are independent contractors who exercise independent judgment and over whom Health Plan has no control or right of control. Providers are not agents or employees of Health Plan.

This payment policy is the property of Centene Corporation. Unauthorized copying, use, and distribution of this payment policy or any information contained herein are strictly prohibited. Providers, members and their representatives are bound to the terms and conditions expressed herein through the terms of their contracts. Where no such contract exists, providers, members and their representatives agree to be bound by such terms and conditions by providing services to members and/or submitting claims for payment for such services.

Note: For Medicaid members, when state Medicaid coverage provisions conflict with the coverage provisions in this payment policy, state Medicaid coverage provisions take precedence. Please refer to the state Medicaid manual for any coverage provisions pertaining to this payment policy.

Note: For Medicare members, to ensure consistency with the Medicare National Coverage Determinations (NCD) and Local Coverage Determinations (LCD), all applicable NCDs and LCDs should be reviewed prior to applying the criteria set forth in this payment policy. Refer to the CMS website at <http://www.cms.gov> for additional information.

PAYMENT POLICY

Skilled Nursing Facility Leveling

©2020 Centene Corporation. All rights reserved. All materials are exclusively owned by Centene Corporation and are protected by United States copyright law and international copyright law. No part of this publication may be reproduced, copied, modified, distributed, displayed, stored in a retrieval system, transmitted in any form or by any means, or otherwise published without the prior written permission of Centene Corporation. You may not alter or remove any trademark, copyright or other notice contained herein. Centene® and Centene Corporation® are registered trademarks exclusively owned by Centene Corporation.