

# SWING BED (SWB)

Rural Hospitals under 100 Beds and Critical Access Hospitals

*CPAs / ADVISORS*



# Federal Regulations

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# Hospitals Under 100 Beds

To receive, and retain, approval to furnish post-acute SNF-level care via a swing bed agreement, hospitals must:

- Be located in a rural area, which includes all areas that are not delineated as urbanized by the United States (U.S.) Census Bureau based on the most recent census for which data is published (an urbanized area does not include an urban cluster);
- Have fewer than 100 beds (excluding beds for newborns and intensive care-type units)\*;
- Have a Medicare provider agreement as a hospital;
- Not have had a swing bed approval terminated within the two (2) years previous to submission of the current application for swing bed approval (this requirement applies to all swing bed providers, including CAHs);
- Not have had a nursing waiver granted as specified in the “Code of Federal Regulations” (CFR) at 42 CFR 488.54(c); and
- Be substantially in compliance with the following SNF participation requirements as specified at 42 CFR 482.66(b)(1–8): Residents’ rights;
- Admission, transfer, and discharge rights;
- Resident behavior and facility practices;
- Patient activities;
- Social services;
- Discharge planning;
- Specialized rehabilitative services; and
- Dental services.

**\*A hospital licensed for more than 100 beds may be eligible for swing-bed approval if it utilizes and staffs for fewer than 100 beds. State Operations Manual Chapter 2.**

# Appendix T – Regulations and Interpretive Guidelines for Swing Beds in Hospitals

## §482.58 Special Requirements for Hospital Providers of Long-Term Care Services (“Swing-Beds”)

- A hospital that has a Medicare provider agreement must meet the following requirements in order to be granted an approval from CMS to provide post-hospital extended care services, as specified in §409.30 of this chapter, and be reimbursed as a swing-bed hospital, as specified in §413.114 of this chapter:

### Interpretive Guidelines §482.58

- Surveyors assess the manner and degree of non-compliance with the swing bed standards in determining whether there is condition-level compliance or non-compliance.

### §482.58(a) Eligibility

- A hospital must meet the following eligibility requirements:
  - (1) The facility has fewer than 100 hospital beds, excluding beds for newborns and beds in intensive care type inpatient units (for eligibility of hospitals with distinct parts electing the optional reimbursement method, see §413.24(d)(5) of this chapter).
  - (2) The hospital is located in a rural area. This includes all areas not delineated as “urbanized” areas by the Census Bureau, based on the most recent census.
  - (3) The hospital does not have in effect a 24-hour nursing waiver granted under §488.54(c) of this chapter.
  - (4) The hospital has not had a swing-bed approval terminated within the two years previous to application.

### Interpretive Guidelines §482.58

- The swing-bed concept allows a hospital to use their beds interchangeably for either acute-care or post-acute care. A “swing-bed” is a change in reimbursement status. The patient swings from receiving acute-care services and reimbursement to receiving skilled nursing (SNF) services and reimbursement.
- Allowing a hospital to operate swing-beds is done by issuing a “swing-bed approval.” If the facility fails to meet the swing-bed “requirements” (not the same as the provider Conditions of Participation (CoPs)), and the facility chooses not to initiate a plan of correction, they lose the approval to operate swing-beds and receive swing-bed reimbursement. The facility does not go on a termination track. If the hospital continues to meet the CoPs for the provider type, it continues to participate in Medicare, but loses swing-bed approval.

# State Operations Manual–Chapter 2: The Certification Process

## 2037D - Calculation of Bed Count

- Exclude from the bed count newborn and intensive care beds.
- A hospital licensed for more than 100 beds may be eligible for swing-bed approval if it utilizes and staffs for fewer than 100 beds. The Survey Agency (SA) forwards to the Regional Office (RO) documentation that the hospital is operating within the bed category. Include in the packet floor plans, bed assignments by room number, staffing schedules, and census information for the previous 12 months. The SA obtains written assurance from appropriate hospital officials that the hospital will not operate with a greater number of inpatient hospital beds than permitted by the category for which approval is requested.

# RUG Payment System

- Paid on RUG-IV
  - Eight Classification levels; 66 Groups.
    - Rehabilitation Plus Extensive Services
    - Rehabilitation
    - Extensive Services
    - Special Care High
    - Special Care Low
    - Clinically Complex
    - Behavioral Symptoms & Cognitive Performance Reduced  
Physical Function Measure of late loss Activities of Daily Living(ADLs) -Bed mobility Transfer ,Toilet Use), Eating
  - RUG level calculated on the Minimums Date Set (MDS)

# SWB VS SNF UNIT QUALIFIED HOSPITAL UNDER 100 BEDS

- All 99 beds can be used for swing bed on an as-needed basis; SNF unit is limited to number of licensed beds
- SWB MDS is less complicated; there are 11 different item subsets for nursing homes and only 8 for swing bed providers
- MDS Comprehensive; Quarterly; and the Part A PPS Discharge Item set do not have to be completed for SWB.
- MDS Comprehensive consists of the: Admission Assessment; Annual Assessment; Significant Change in Status Assessment and the Significant Correction Prior to Comprehensive Assessment.
- SWB is a 5 star; Separate unit is subject to the Nursing Home Compare Quality Measures.

# Critical Access Hospital

CAHs must be substantially in compliance with the following SNF participation requirements as specified at 42 CFR 485.645(d)(1–9):

- Residents' rights;
- Admission, transfer, and discharge rights;
- Resident behavior and facility practices;
- Patient activities (with exceptions for director of services);
- Social services;
- Comprehensive assessment, comprehensive care plan, and discharge planning (with some exceptions);
- Specialized rehabilitative services;
- Dental services; and
- Nutrition.

A CAH may maintain no more than 25 inpatient beds. A CAH with Medicare approval to furnish swing bed services may use any of its inpatient beds for either inpatient or SNF-level services. A CAH may also operate a distinct part rehabilitation or psychiatric unit, each with up to 10 beds; however, it may not use a bed within these units for swing bed services.

# Appendix W – Survey Protocol, Regulations and Interpretive Guidelines for Critical Access Hospitals (CAHs) and Swing-Beds in CAHs

## 485.645 Special Requirements for CAH Providers of Long-Term Care Services (“Swing-Beds”)

A CAH must meet the following requirements in order to be granted an approval from CMS to provide post-CAH SNF care, as specified in §409.30 of this chapter, and to be paid for SNF-level services, in accordance with paragraph (c) of this section.

### Interpretive Guidelines §485.645

- The swing-bed concept allows a CAH to use their beds interchangeably for either acute-care or post-acute care. A “swing-bed” is a change in reimbursement status. The patient swings from receiving acute-care services and reimbursement to receiving skilled nursing (SNF) services and reimbursement.
- Medicare allows a CAH to operate swing-beds through the issuance of a “swing-bed approval.” If the facility fails to meet the swing-bed requirements, and the facility does not develop and implement an accepted plan of correction, the facility loses the approval to operate swing-beds and receive swing-bed reimbursement. The facility does not go on a termination track. If the CAH continues to meet the CoP for the provider type, it continues to operate but loses swing-bed approval.

### §485.645(a) Eligibility

- A CAH must meet the following eligibility requirements:
- The facility has been certified as a CAH by CMS under §485.606(b) of this subpart; and
- (2) The facility provides not more than 25 inpatient beds. Any bed of a unit of the facility that is licensed as a distinct-part SNF at the time the facility applies to the State for designation as a CAH is not counted under paragraph (a) of this section.

# CAH SWB PAYMENT

- The Medicare Skilled Nursing Facility(SNF) SWB in a CAH is paid 101% of cost.
- The SNF SWB Medicare routine payment is the same as the acute Medicare routine payment.
- The SNF SWB day is based upon the patient's need of daily skilled care, per Medicare regulations.
- SNF SWB days are Medicare Part A, Medicare Advantage, skilled Medicaid, and skilled level other.
- Nursing Facility (NF) SWB days are patients that need intermittent skilled care, that is not on a daily basis. This usually consists of mainly Medicaid days.

# SWB VS SNF Unit in CAH

- SWB is paid on cost. Separate unit is paid on RUG.
- SWB does not have to complete MDS; Separate unit is required to complete MDS.
- SWB is a 5 star; Separate unit is subject to the Nursing Home Compare Quality Measures.
- SWB – patient does not have to physically move; Separate unit the patient must be moved to the bed certified for SNF.
- Part A Medicare ancillaries are paid on cost in SWB; Part A Medicare ancillaries are included in RUG.

# Management of CAH SWB Days

- SWB days, if mainly Medicare, will increase the CAHs total Medicare reimbursement %, thus picking up higher Medicare overhead cost.
- **Other non-Medicare SNF** days pull overhead to the other payors and reduce Medicare reimbursement of overhead cost.
- Physicians can bill Medicare for their visits to the SWB SNF if the visit is medically necessary and documented in the medical record.
- Medicare physician reimbursement for SWB SNF Medicare Part A is comparable to acute care visit reimbursement.
- 3-day stay in a hospital (includes IRF) in the last 30 days is a qualifier for Medicare coverage in SNF SWB.
- The Hospital needs to follow patients for the 30 day window.
- Strategic planning on how every admission affects Medicare Part A Reimbursement is central to the management of the CAH SWB program.

# Federal Regulations State Operations Manual Appendix T

## Interpretive Guidelines §482.58

- There is no length of stay restriction for any hospital swing-bed patient.
- There is no Medicare requirement to place a swing-bed patient in a nursing home and there are no requirements for transfer agreements between hospitals and nursing homes.

# Daily Skilled Nursing Services Defined

## Medicare Covered Services Definition - Medicare Benefit Policy Manual Chapter 8

Care in a SNF is covered if all of the following four factors are met:

- The patient requires skilled nursing services or skilled rehabilitation services, i.e., services that must be performed by or under the supervision of professional or technical personnel (see §§30.2 - 30.4); are ordered by a physician and the services are rendered for a condition for which the patient received inpatient hospital services or for a condition that arose while receiving care in a SNF for a condition for which he received inpatient hospital services
- The patient requires these skilled services on a daily basis (see §30.6)
- As a practical matter, considering economy and efficiency, the daily skilled services can be provided only on an inpatient basis in a SNF. (See §30.7.)
- The services delivered are reasonable and necessary for the treatment of a patient's illness or injury, i.e., are 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 services must also be reasonable in terms of duration and quantity.

# Medicare Presumption of Care – Medicare Benefit Policy Manual Chapter 8

- Resident following a 3-day qualifying hospital stay, there is a presumption that they meet the Medicare level of care criteria assigning to one of the top 52 of the 66 RUG levels. The presumption lasts through the assessment reference day of the 5-day assessment, which must occur no later than the eighth day of the stay. (see 42 CFR 413.345); and
- Admission to SNF is admitted directly to the SNF within 30 days of the qualifying stay; or
- Resident was in SNF receiving Medicare Part A benefits and is re-hospitalized and returns directly to SNF.

# Definition of Skilled Daily Care

- Skilled nursing services or skilled rehabilitation services (or a combination of these services) must be needed and provided on a “daily basis,” i.e., on essentially a 7-days-a-week basis.
- A patient whose inpatient stay is based solely on the need for skilled rehabilitation services would meet the “daily basis” requirement when they need and receive those services on at least 5 days a week. (If therapy services are provided less than 5 days a week, the “daily” requirement would not be met.)