Medical Policy: SKILLED NURSING FACILITY AND CUSTODIAL CARE

Benefit Type: Medi-Cal

Original Date: Oct. 17, 2013 | **Last Review Date:** May 15, 2026 | **Effective Date:** Sept. 3, 2026

Policy Statement

In accordance with the Code of Federal Regulations(CFR), Title 22, Section 51123 and CCR, Title 22, Section 51120 Skilled Nursing Facility (SNF), it is the policy of Gold Coast Health Plan (GCHP) to ensure the appropriate levels of care, including custodial care, skilled nursing facility care (NF-B), intermediate care (NF-A) is provided as a covered benefit under Medi-Cal for eligible beneficiaries.

Purpose

To provide guidance related to custodial care as a covered benefit under Medi-Cal as outlined in Cal. Code Regs. Tit. 22, § 51123 - Skilled Nursing Facility Services and CCR, Cal. Code Regs. Tit. 22, § 51120 - Intermediate Care Services

Health Equity Statement

GCHP is committed to the vision in which all Californians equitably benefit from resources and systems that give everyone the opportunity to achieve their optimal health, resulting in communities that thrive.

GCHP adopts the American Medical Association (AMA) and the state Department of Health Care Services (DHCS) commitments to whole-person centered, evidence-based and integrated strategies to advance health equity, addressing social and structural drivers of health. Decisions are therefore based on the evidence-based criteria as well as considerations of the member's social and structural drivers of health, and considerations that the decisions create no harm nor exacerbate existing harms.[1, 2]

Definitions

Custodial care: Institutional care that is below the level of care covered in a Skilled Nursing Facility (SNF). It is primarily for the purpose of:

- Assisting an individual in the activities of daily living (e.g., help in walking, getting out of bed, bathing, dressing, feeding, using the toilet, food preparation, and supervision of medication that usually can be self-administered)
- Providing personal care that does not require continuing attention or supervision of trained, medical, or paramedical personnel.
- Maintenance care provided by family members, health aides or other unlicensed individuals after an acute medical event when an individual has reached the maximum level of physical or mental function.
- Meeting personal rather than medical needs, which is not specific therapy for an illness or injury and is not skilled care.

In-Home Supportive Services (IHSS) program eligibility:

- Medi-Cal eligibility determination.
- Live at home or an abode of your own choosing (acute care hospital, long-term care facilities, and licensed community care facilities are not considered "own home").

Intermediate Care: Provides 24-hour personal care, habilitation, developmental, and supportive health care services to developmentally disabled persons. There are three levels of care, ICF/DD, ICF/DD-H, and ICF/DD-N.

- **NF-A (Intermediate Care):** Focuses on supportive, long-term care.

Long Term Care (LTC): A variety of services designed to meet a person's health or personal care needs during a short or long period of time.

Medicare Administrative Contractors (MACs): Health insurance companies authorized by CMS to manage day-to-day operations for Medicare Parts A and B.

Skilled Nursing Care: Nursing and therapy care that can only be safely and effectively performed by, or under the supervision of, professionals or technical personnel. It is health care given when skilled nursing or therapy is needed to treat, manage, and observe a patient's condition, and evaluate their care.

- **NF-B (Skilled Nursing):** Provides a higher level of daily skilled medical care.

Subacute Care: A level of care that is defined as comprehensive inpatient care designed for someone who has an acute illness, injury or exacerbation of a disease process.

- **Subacute/ICF-DD:** Specialized care for individuals with specific, higher-intensity medical needs

I. **Facility Skilled Nursing**
skilled nursing facility care (NF-B)

II. **Intermediate Care**
intermediate care (NF-A)

III. **Custodial Level of Care**
In determining whether a person is receiving custodial care, the A/B MAC (A) or (B) considers the level of care and medical supervision required and furnished. It does not base the decision on diagnosis, type of condition, degree of functional limitation, or rehabilitation potential.

Custodial Care is a covered Medi-Cal benefit under Medi-Cal Fee-For-Service through In Home Supportive Services (IHSS).

Examples of custodial care include but is not limited to:

- Assistance in dressing, eating, and toileting.
- Positioning in bed.
- Prophylactic and palliative skin care, including bathing and application of creams, or treatment of minor skin problems.
- Stable bolus feeding by nasogastric, gastrostomy or jejunostomy tube (Note: skilled care, supervision or observation may be required if feedings are not stable).
- Routine care of the incontinent individual, including use of diapers and protective sheets.
- Routine services to maintain satisfactory functioning of indwelling bladder catheters (this would include emptying containers and cleaning them and clamping tubing).
- General maintenance care of colostomy and ileostomy.
- General supervision of exercise which does not require skilled rehabilitation personnel.

Examples of exercise supervision include but is not limited to:
Repetitive exercises to maintain function, improve gait, or maintain strength or endurance, passive exercises to maintain range of motion in paralyzed extremities, or assisted walking.

- Dressing changes for non-infected postoperative or chronic conditions.
- General maintenance care in connection with a plaster cast (skilled supervision or observation may be required where the individual has pre-existing skin or circulatory conditions or needs to have traction adjusted).
- Routine care in connection with braces and similar devices.
- Use of heat as a palliative and comfort measure, such as whirlpool or steam pack.
- Routine administration of medical gases after a regimen of therapy has been established (i.e., administration of medical gases after the individual has been taught how to institute therapy).
- Administration of routine oral medications, eye drops, self-injectable medications and ointments (the fact that an individual cannot be relied upon to take such medications themselves or that state law requires all medications be dispensed by a nurse to those individuals in an institution would not change this service to a skilled service).
- Chronic uncomplicated oral or tracheal suctioning (Note: skilled care, supervision or observation may be required if suctioning is complicated).

Indication	Primary Payer	Secondary
GCHP Medi-Cal ONLY (not dual eligible)	GCHP	N/A
GCHP Medi-Cal ONLY, Dual Eligible/Enrolled	Medicare (through Medicare Plan) – verify Medicare Denial	GCHP
GCHP D-SNP (Medi-Cal and Medicare)	GCHP (Medicare)	GCHP (Medi-Cal)

Medical Policy References

1. DSNP: Skilled Nursing Facility and Custodial Care

References

1. American Medical Association (AMA)
2. AMA Center for Health Equity Mission and Guiding Principles
3. DHCS Medi-Cal Provider Manual – Long Term Care
4. Distinct Part Nursing Facilities, Level B (DP/NF-B)
5. DHCS Medi-Cal Long-Term Care Reimbursement
6. California Department of Social Services (CDSS) IHSS Program
7. Department of Health Care Services (DHCS) Comprehensive Quality Strategy
8. Medicare Benefit Policy Manual Chapter 8 - Coverage of Extended Care (SNF) Services Under Hospital Insurance
9. Centers for Medicare and Medicaid Services. Medicare Benefit Policy Manual Chapter 16 – General Exclusions from Coverage. Rev. 13593; Issued: 01-26-26
10. Centers for Medicare and Medicaid Services. Medicare Benefit Policy Manual Chapter 7 - Home Health Services. Rev. 12425 Issued: 12-21-23

11. Rates: Facility Reimbursement – Miscellaneous Inclusive and Exclusive Items
12. CalAIM Skilled Nursing Facility and Subacute Care Facility Longterm care Carve In: Resources for Managed Care Plans
13. 4 CCR Title 22 Section 51124.5 (a) Subacute Level of Care
14. Medi-Cal Provider Manual – Subacute Care: Adult
15. Medi-Cal Provider Manual, Part 2 Long Term Care
16. Medi-Cal Provider Manutal – Subacute Care: Pediatric
17. LTC- Title 22 CCR 51335
18. ICF- Title 22 CCR 51334
19. Medicare Long Term Care Coverage

Disclaimer

Guidelines provide references identified at the time of review. New guidelines or medical literature may emerge and/or been published. Treating health care professionals are solely responsible for diagnosis, treatment and medical guidance. Gold Coast Health Plan (GCHP) regularly reviews and updates these guidelines to provide the most current information

History

MEDICAL ADVISORY COMMITTEE GUIDELINE HISTORY			
Adopted By MAC	**Reapproved**	**Revised**	**Retired**
Oct. 17, 2013			
	Oct. 16, 2014		
	Oct. 29, 2015		
	Oct. 27, 2016		
	Oct. 26, 2017		
	Oct. 25, 2018		
	Oct. 24, 2019		
	Oct. 22, 2020		
	Oct. 21, 2021		
	Oct. 20, 2022		
		Oct. 19, 2023	
MAC Sunset on July 18, 2024			
CREDENTIALING PEER REVIEW COMMITTEE (C/PRC) GUIDELINE HISTORY			
Adopted By CPRC	**Reapproved**	**Revised**	**Retired**
		March 6, 2025	