Medical Coverage Policy | Long Term Acute Care Hospital (LTACH) Admission and Transition of Care Criteria

EFFECTIVE DATE: 11|01|2026
POLICY LAST REVIEWED: 07|01|2026

OVERVIEW

Long-term acute care hospitals (LTACHs) furnish extended medical and rehabilitative care to individuals with clinically complex problems, such as multiple acute or chronic conditions, that need hospital-level care for relatively extended periods.

MEDICAL CRITERIA

Medicare Advantage Plans and Commercial Products
Admission Criteria

Admission to a long-term acute care hospital (LTACH) may be considered medically necessary when ALL the following criteria are met**:**

1. Patient has medical or respiratory complexity that requires daily practitioner intervention and intensive treatment
2. Complexity of patient's condition and care needs is too great for placement in a skilled nursing facility
3. Availability of multidisciplinary team, including PT, OT, ST, RT
4. RNs on duty 24 hours/day

Common conditions/services that may be considered medically necessary for LTACH level of care included, but are not limited to:

- Complex wound care:
  - Daily physician monitoring of wound
  - Wound requiring frequent complicated dressing changes, and possible repeated debridement of necrotic tissue
  - Large wound with possible delayed closure, draining, and/or tunneling or high output fistulas
  - Lower extremity wound with severe ischemia
  - Skin flaps and grafts requiring frequent monitoring
- Infectious disease:
  - Parenteral anti-infective agent(s) with adjustments in dose
  - Intensive sepsis management
  - Common conditions include osteomyelitis, cellulitis, bacteremia, endocarditis, peritonitis, meningitis/encephalitis, abscess and wound infections
- Medical complexity:
  - Primary condition and at least two other actively treated co-morbid conditions that require monitoring and treatment
  - Common conditions include metabolic disorders, stroke, heart failure, renal insufficiency, necrotizing pancreatitis, emphysema (COPD), peripheral vascular disease, and malignant/end-stage disease
- Rehabilitation:
  - Care needs cannot be met in a rehabilitation or skilled nursing facility
  - Patient has a comorbidity requiring acute care
  - Patient is able to participate in a goal-oriented rehabilitation plan of care
  - Common conditions include CNS conditions with functional limitations, debilitation, amputation, cardiac disease, orthopedic surgery

- Mechanical ventilator support:
    - Failed weaning attempts at an acute care facility
    - Patient has received mechanical ventilation for 21 consecutive days for 6 hours or more/day
    - Ventilator management required at least every 4 hours as well as appropriate diagnostic services and assessments
    - Patient exhibits weaning potential, without untreatable and/or progressive lung and/or neurological conditions
    - Patient is hemodynamically stable and not dependent on vasopressors
    - Respiratory status is stable with maximum PEEP requirement 10 cm H2O, and FiO2 60% or less with O2 saturation at least 90%
    - Common conditions include complications of acute lung injury, disorders of the central nervous and neuromuscular systems, and cardiovascular, respiratory, and pleural/chest wall disorders

Concurrent Review
Patient continues to meet the criteria above and does not meet the criteria to be transitioned to alternate level of care.

Clinical Indications for Transition of Care
Transition from a long-term acute care hospital to an alternate level of care may be considered medically necessary when ALL the following criteria are met:

- All care can be managed at a lower level of care, including wound care and the management of multiple medical conditions
- Patient has no signs of infection or is stable on an anti-infective regime which can be administered outpatient
- Patient is hemodynamically stable, has stable electrolytes, and does not require daily medication adjustments
- Cardiovascular status is stable and cardiac monitoring is not required
- Patient does not require dialysis, or it can safely be performed be in a lower level of care
- Respiratory status is stable, and the patient does not require every 4-hour monitoring
- If ventilator dependent on admission, the patient is now off the ventilator or is stable and unable to be weaned and:
    - Ventilator settings and airway are stable
    - Stable oxygenation during movement or suctioning
    - Oxygenation adequate, e.g.,SaO2 at least 90% on FiO2 40% or less
    - Suction is required less often than every 4 hours
- Patient is stable on an adequate nutritional program
- Pain management is adequate and does not need frequent change in medication or dose
- Neurologic status is stable with mentation at baseline

PRIOR AUTHORIZATION

Prior authorization is required for Medicare Advantage Plans and recommended for Commercial products.

Effective 10/1/2025, for Fully-Funded Commercial Products only, prior authorization requests may not be needed when the requesting physician is a BCBSRI Contracted Primary Care Provider. See below for a list of specialties. Prior authorization continues to be needed for all other Commercial Products, including Self-Funded and Medicare Advantage Plans.

The following specialties, that are credentialed as a primary care provider, are included in this exemption:

- Internal Medicine
- Pediatric Medicine
- Family Practice

- Obstetrics and Gynecology
- Doctor of Osteopathic Medicine
- NP (Nurse Practitioner)/PCP (Primary Care Physician or Provider)
- PA (Physician Assistant)

Medicare Advantage Plans
Effective March 15, 2025, a post-acute care vendor has been delegated to perform utilization management services for admission, concurrent, and retrospective requests according to this policy, except for members who are attributed to a Prospect Primary Care Provider.

POLICY STATEMENT

Services at long term acute care hospital may be considered medically necessary when the medical criteria for admission and transition from are met.

Medicare may change coverage or criteria. All changes are effective when Medicare determines them to be so and are applicable to Medicare Advantage Plan members and will supersede this policy.

COVERAGE

Benefits may vary between groups and contracts. Please refer to the appropriate Benefit Booklet, Evidence of Coverage, or Subscriber Agreement for applicable hospital benefits/coverage.

BACKGROUND

A long-term acute care facility is a specialty-care hospital that is designed to provide extended medical and rehabilitative care for patients who are clinically complex with serious medical problems that require intense, special treatment for an extended period usually 20 to 30 days. Typically, the average length of stay at a LTACH is greater than 25 days.

Long-term acute care facilities offer more individualized and resource-intensive care than a skilled nursing facility, nursing home, or acute rehabilitation facility is able to provide. Patients are typically transferred to a long-term acute care hospital from the intensive care unit of a traditional hospital because they no longer require intensive diagnostic procedures offered by a traditional facility.

CODING

Not applicable

RELATED POLICIES

None

PUBLISHED

Provider Update, September 2026
Provider Update: January/September 2025
Provider Update, April 2024
Provider Update, April 2023
Provider Update, June 2022

REFERENCES

1. Medicare Benefit Policy Manual, 100-02, Chapter 1, Section 110 – Inpatient Rehabilitation Facility (IRF) Services, https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/bp102c01.pdf
2. Medicare Program Integrity Manual, 100-08, Chapter 6, Section 6.5.2 - Conducting Patient Status Reviews of Claims for Medicare Part A Payment for Inpatient Hospital Admissions, https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/pim83c06.pdf
3. Medicare Claims Processing Manual, 100-04, Chapter 3, Section 150 – Long Term Care Hospitals (LTCHs) PPS https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/clm104c03.pdf

4. Centers for Medicare & Medicaid Services, Medicare Learning Network, Long-Term Care Hospital Prospective Payment System (MLN6922507) https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/html/medicare-payment-systems.html
5. Centers for Medicare & Medicaid Services (CMS) National Coverage Determination (NCD) 10.3, Inpatient Hospital Pain Rehabilitation Programs
6. Centers for Medicare & Medicaid Services (CMS) National Coverage Determination (NCD) 240.8, Pulmonary Rehabilitation Services

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