

In the News

Jimmo vs Sebelius Settlement Agreement

Attention: Providers of Skilled Nursing and Skilled Therapy Services

Please ensure all appropriate staff within your facility and/or practice review and understand the clarifications provided by Centers for Medicare & Medicaid Services (CMS) regarding the Jimmo v. Sebelius Settlement Agreement. A short summary of the issue is outlined below, along with links to important websites for further education and training.

A short summary outlining the settlement is below, along with links to important websites for further education.

CMS reminds the Medicare community of the Jimmo v. Sebelius Settlement Agreement (January 2013). This settlement clarified that the Medicare program covers skilled nursing care and skilled therapy services under Medicare's skilled nursing facility, home health, and outpatient therapy benefits, when a beneficiary needs skilled care in order to maintain function or to prevent or slow decline or deterioration (provided all other coverage criteria are met). Specifically, the Jimmo v. Sebelius Settlement required manual revisions to restate a "maintenance coverage standard" for both skilled nursing and therapy services under these benefits:

Skilled nursing services would be covered where such skilled nursing services are necessary to maintain the patient's current condition or prevent or slow further deterioration, so as long as the beneficiary requires skilled care for the services to be safely and effectively provided.

Skilled therapy services are covered when an individualized assessment of the patient's clinical condition demonstrates that the specialized judgment, knowledge, and skills of a qualified therapist ("skilled care") are necessary for the performance of a safe and effective maintenance program. The maintenance program to maintain the patient's current condition or to prevent or slow further deterioration is covered so long as the beneficiary requires skilled care for the safe and effective performance of the program.

The Jimmo Settlement Agreement may reflect a change in practice for those providers, adjudicators, and contractors who may have erroneously believed that the Medicare program covers nursing and therapy services under these benefits only when a beneficiary is expected to improve. The Jimmo Settlement Agreement is consistent with the Medicare program's regulations governing maintenance nursing and therapy in skilled nursing facilities, home health services, and outpatient therapy (physical, occupational, and speech) and nursing and therapy in inpatient rehabilitation hospitals for beneficiaries who need the level of care that such hospitals provide.*

**(Jimmo Settlement, "Important Message about the Jimmo Settlement", CMS.gov, August 2017)*

Links for further reference, education and training:

[CMS Manual Transmittal – Jimmo v. Sebelius](#)

[CMS Manual Updates to Clarify Skilled Nursing Facility Coverage](#)

[Jimmo v. Sebelius Settlement Agreement Fact Sheet](#)

[Jimmo v. Sebelius Fact Sheet CMS](#)

[Jimmo v. Sebelius Settlement Agreement](#)

[Summary of Responses](#)