**What is medically necessary and reasonable?**

Skilled services must be reasonable and necessary to treat the patient's illness or injury, or to restore or maintain the function affected by the patient's illness or injury. The services must require the skills of a professional and be consistent with:

- The nature and severity of the condition
- The patient's medical needs
- The accepted standards of medical and nursing practice

The patient's overall health condition is a valid factor in deciding whether skilled services are medically necessary.

**How is medical necessity clearly documented in the patient's record?**

For skilled observation and assessment performed by a nurse, document the complexity of the beneficiary's condition and co-morbidities that may affect the outcomes of the condition you are assessing. It is expected that the documentation will show significant changes in the beneficiary's condition and associated changes in the plan of care. Observation and assessment is not medically necessary when these indications are part of the patient's longstanding condition.

Additionally, **document the need for skilled care to address changes in patient's condition.**

**Example:** Skilled nursing services to evaluate a beneficiary's condition with CHF and COPD post hospitalization for pneumonia with several new medications should include objective documentation such as: "Lung sounds coarse throughout. Patient finished antibiotic therapy today for pneumonia, and to see pulmonologist tomorrow for follow up due to COPD and emphysema. Reviewed new medications and addressed questions and compliance with new regimen."

Therapy services may be considered reasonable and necessary if the inherent complexity of the service is such that it can only be performed safely and/or effectively by, or under the general supervision of, a skilled therapist.

**Example:** Physical therapy services to evaluate the beneficiary's gait, establish a gait training program, and provide skilled services should include objective documentation such as: “Patient ambulated 15 feet today using a four wheeled walker. Instructed in step cadence and length as well as balance. Observed SOB and unsteady gait. Patient reports that 'she feels unsteady and needs to sit down.'”

**What is important to remember?**

- Include documentation for all disciplines
- Include **objective data** in the documentation
- Remember to “paint a picture” that supports medical necessity

**Where do I find more information?**