



MEMORANDUM

TO: Scott & White Health Plan Participating Providers

FROM: Scott & White Health Plan (SWHP)

SUBJECT: *Jimmo v. Sebelius* Settlement Agreement

DATE: September 26, 2017

Dear Participating Providers:

On January 24, 2013, the U.S. District Court for the District of Vermont approved a settlement agreement in the case of *Jimmo v. Sebelius*. The settlement involves skilled care for skilled nursing facilities (SNFs), home health (HH), inpatient rehabilitation facility (IRF), and outpatient therapy (OPT) benefits.

The settlement agreement is intended to clarify that when skilled nursing or skilled therapy services are required in order to provide care that is reasonable and necessary to prevent or slow further deterioration, coverage cannot be denied based on the absence of potential for improvement or restoration. Conversely, coverage in this context would not be available when the member's needs can be met safely and effectively through the use of nonskilled personnel.

The *Jimmo v. Sebelius* settlement agreement does not change existing Medicare coverage requirements. It only serves to clarify that, in the context of maintenance services, coverage does not turn on the presence or absence of potential for improvement, but on the need for skilled care.

For detailed information and frequently asked questions, please visit the Centers for Medicare & Medicaid Services (CMS) website at: <https://www.cms.gov/Center/Special-Topic/Jimmo-Center.html>.

If you have any questions regarding this notice, please do not hesitate to contact the SWHP Provider Relations Department at 1-800-321-7947, ext. 203064 or 254-298-3064.