



Related MLN Matters Article #: MM3948

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### *Financial Liability for Services Subject to Home Health Consolidated Billing*

#### Key Words

Financial, Liability, Home, Health, Consolidated, Billing, CR3948, MM3948, R635CP, Durable, Medical, Equipment, HHA

#### Provider Types Affected

Home Health Agencies (HHAs) and providers and suppliers of services to Medicare patients in a home health episode of care

#### Key Points

- The effective date of the instruction is October 1, 2000.
- The implementation date is November 3, 2005.
- Change request (CR) 3948 clarifies instructions on home health (HH) consolidated billing and identifies circumstances in which providers or beneficiaries may be liable for payment for service subject to the HH Prospective Payment System (HH PPS) consolidated billing.
- Section 1842 (b)(6)(F) of the Social Security Act requires consolidated billing for all HH services that are included under a physician-authorized HH care plan.
- Under HH consolidated billing, only the primary HHA can bill for services included in a beneficiary's HH benefit during the beneficiary's HHA episode of care with the exception of Durable Medical Equipment (DME) and physician-provided therapy services.
- The following types of services are subject to this HH consolidated billing provision, and are included in the primary HHA's payment:
  - Skilled nursing care;
  - Home health aide services;
  - Physical therapy;
  - Speech-language pathology;

- Occupational therapy;
- Medical social services;
- Routine and non-routine medical supplies;
- Medical services provided by an intern or resident-in-training of a hospital, under an approved teaching program of the hospital, in the case of a HHA that is affiliated or under common control with that hospital; and
- Care for homebound patients involving equipment too cumbersome to take to the home.
- The following two types of services are not subject to the HH consolidated billing methodology:
  - Physician-performed therapy services (which means that although the procedure code would be subject to HH consolidated billing, the specialty code which indicates that it was provided by a physician removes it); and
  - Durable Medical Equipment (DME).
- DME may be billed by a supplier to a Durable Medical Equipment Regional Carrier (DMERC) or billed by an HHA (including HHAs other than the primary HHA) to a Regional Home Health Intermediary (RHHI).
- If the RHHI and the DMERC receive duplicate bills (for either purchase or rental), the first claim received will be processed and paid, and the subsequent duplicate claims will be denied.
- Medicare payment for services that fall under HH consolidated billing is made to the primary HHA.
- The HHA that submits a successfully processed Request for Anticipated Payment (RAP) or No-RAP Low Utilization Payment Adjustment (LUPA) will be recorded as the primary HHA for a given episode in the Common Working File (CWF).
- Independent providers or suppliers of these services will not be paid separately and should first determine if the homebound beneficiary is being served by a primary HHA.
- All providers and suppliers serving a HH patient should attempt to protect the beneficiary from unexpected liability by notifying them of the possibility that they can be responsible for payment.
- Hospitals are responsible for making Medicare beneficiaries and caregivers aware of Medicare HH coverage policies in order to:
  - Help ensure that those services are provided appropriately; and
  - Alert the beneficiary to their potential liability under HH consolidated billing.

### Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM3948.pdf>

<http://www.cms.hhs.gov/transmittals/downloads/R635CP.pdf>