
CMS Manual System

Pub. 100-02 Medicare Benefit Policy

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal 25

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CHANGE REQUEST 3529

SUBJECT: Implementation of Coverage of Religious Nonmedical Health Care Institution (RNHCI) Items and Services Furnished in the Home, MMA section 706.

I. SUMMARY OF CHANGES: This transmittal adds a new section to reflect section 706 of MMA. Medicare now covers certain nonmedical durable medical equipment provided in the home to RNHCI beneficiaries.

NEW/REVISED MATERIAL - EFFECTIVE DATE*: January 1, 2005

IMPLEMENTATION DATE: April 4, 2005

Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS:

(R = REVISED, N = NEW, D = DELETED)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	1/ Table of Contents
N	1/130/ Coverage of Religious Nonmedical Health Care Institution (RNHCI) Items and Services Furnished in the Home
N	1/130.1/ Coverage and Payment of Durable Medical Equipment Under the RNHCI Home Benefit
N	1/130.2/ Coverage and Payment of Home Visits Under the RNHCI Home Benefit

III. FUNDING: Medicare contractors shall implement these instructions within their current operating budgets.

IV. ATTACHMENTS:

	Business Requirements
X	Manual Instruction
	Confidential Requirements
	One-Time Notification
	Recurring Update Notification

***Unless otherwise specified, the effective date is the date of service.**

Medicare Benefit Policy Manual

Chapter 1 - Inpatient Hospital Services Covered Under Part A

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(Rev. 25, 11-05-04)

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Benefit*

130.2 – Coverage and Payment of Home Visits Under the RNHCI Home Benefit

130 - Coverage of Religious Nonmedical Health Care Institution (RNHCI) Items and Services Furnished in the Home

(Rev. 25, Issued: 11-05-04, Effective: 01-01-05, Implementation: 04-04-05)

Prior to the passage of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) of 2003, the Medicare program's RNHCI benefit was limited to inpatient services provided in an RNHCI facility. MMA revised sections 1821(a) and 1861 of the Social Security Act to extend coverage to RNHCI items and services that are provided in a beneficiary's home and that are comparable to items and services provided by a home health agency that is not a RNHCI.

Beneficiaries elect the RNHCI benefit if they are conscientiously opposed to accepting most medical treatment, since accepting such services would be inconsistent with their sincere religious beliefs. The Medicare home health benefit provides skilled nursing, physical therapy, occupational therapy, speech language pathology and home health aide services to eligible beneficiaries under a physician's plan of care. The home health benefit also provides medical supplies, a covered osteoporosis drug and durable medical equipment (DME) while under a plan of care (see chapter 7).

Medicare covers specified durable medical equipment and intermittent RNHCI nursing visits provided in the home to RNHCI beneficiaries. These services comprise the RNHCI home benefit. The remainder of the services covered under the Medicare home health benefit are medical in nature and must be provided under the order of a physician. As such, these services conflict with RNHCI beneficiaries' conscientious opposition to medical care.

The RNHCI home benefit must exclude the same services that are excluded from the home health benefit, which include: drugs and biologicals; transportation; services that would not be covered as inpatient services; housekeeping services; services covered under the End Stage Renal Disease (ESRD) program; prosthetic devices; and medical social services provided to family members. These exclusions are defined at 42 CFR 409.49. Additionally, the RNHCI home benefit excludes the items or services provided by any HHA that is not an RNHCI; or any supplier, independent RNHCI nurse or aide that is working directly for a beneficiary rather than under arrangements with the RNHCI.

Medicare requires a brief letter of intent from the provider in order to determine the number of RNHCIs that will be implementing the home service benefit.

In the case where a RNHCI chooses to provide home services then only care on an intermittent basis which is provided to an eligible beneficiary who is confined to their home for health reasons will be covered under the home benefit. The home benefit is not to be confused with hospice care, which may involve more frequent visits and can involve institutional services. If for some reason the home serviced patient requires more than intermittent service, then institutional services may be required. However, the patient would need to meet the criteria for admission to

a RNHCI, or the patient would require another institutional setting not necessarily covered by Medicare.

Similar to the inpatient RNHCI benefit, the physician role in certifying and ordering the home benefit is replaced with the use of the RNHCI utilization review committee to review the need for care and plan for initial and continued care in the home setting. The home benefit will also require a prompt review of admission to the home service, since the patient must be fully eligible (have a health condition that keeps them confined to the home (42CFR409.42(a), have health needs that can be met with intermittent care, and have a valid election) before billable services can be rendered and Medicare payment requested. Additionally the utilization review committee is responsible for review and approval of care plans and orders for DME items, and review of the need for the continuation of services

As in the original RNHCI benefit, Medicare will only pay for nonmedical services in the home, but not for those religious items or services provided by the RNHCI.

Medicare covers these items and services for dates of service from January 1, 2005 through December 30, 2006. Total Medicare payments under this benefit for each calendar year during this period are limited to \$700,000.

130.1 – Coverage and Payment of Durable Medical Equipment Under the RNHCI Home Benefit

(Rev. 25, Issued: 11-05-04, Effective: 01-01-05, Implementation: 04-04-05)

Medicare covers a defined list of nonmedical DME items for RNHCI home services that are comparable to items used in the inpatient RNHCI setting and could be provided by a HHA.. The DME items include canes, crutches, walkers, commodes, a standard wheelchair, hospital beds, bedpans, and urinals. Those RNHCIs offering home services may order these items without a physician order and without compromising the beneficiary election for RNHCI care. The need for each item of DME ordered must be supported by the RNHCI patient's plan of care for the home setting and the RNHCI nurses' notes for home services. It must be noted that the benefit is applicable only to what we shall refer to as "nonmedical DME items" and does not include any of the related services provided by RNHCI staff members.

The RNHCI shall establish a payment arrangement with one or more DME suppliers to obtain any of the items on the DME list (below) they may require for a beneficiary. The supplier will provide the items and related instructions on use to the beneficiary/family/care giver. The RNHCI will submit claims for these DME items to the RNHCI specialty FI.

The RNHCI must stress to suppliers that DME claims are not to be submitted to the DMERC because this will cause the beneficiary's election for RNHCI care to be revoked.

DME Items and HCPCS Codes for use by RNHCI Home Service Units

Canes

E0100 Cane, includes canes of all materials, adjustable or fixed, with tip

E0105 Cane, quad or three prong, includes canes of all materials, adjustable or fixed with tip

Crutches

E0112 Crutches, underarm, wood, adjustable or fixed, pair, with pads, tips and handgrips

E0113 Crutch underarm, wood, adjustable or fixed, pair, with pad, tip and handgrip

E0114 Crutches, underarm, other than wood, adjustable or fixed, pair, with pads, tips and handgrips

E0116 Crutch underarm, other than wood, adjustable or fixed, with pad, tip and handgrip

Walkers

E0130 Walker, rigid (pickup), adjustable or fixed height

E0135 Walker, folding (pickup), adjustable or fixed height

E0141 Walker, rigid, wheeled, adjustable or fixed height

E0143 Walker, folding, wheeled, adjustable or fixed height

Commodes

E0163 Commode chair, stationary, with fixed arms

E0167 Pail or pan for use with commode chair

Wheelchairs

K0001 Standard wheelchair

Hospital Beds & Accessories

E0250 Hospital bed, fixed height, with any type side rails, with mattress

E0255 Hospital bed, variable height, hi-lo, with any type side rails, with mattress

E0260 Hospital bed, semi-electric (head and foot adjustment), with any type side rails, with mattress

E0275 Bed pan, standard, metal or plastic

E0276 Bed pan, fracture, metal or plastic

E0290 Hospital bed, fixed height, without side rails, with mattress

E0292 Hospital bed, variable height, hi-lo, without side rails, with mattress

E0325 Urinal; male, jug-type, any material

E0326 Urinal; female, jug-type, any material

Payment to RNHCIs for these specified DME items will be made based on the DME fee schedule. Coinsurance applies to these items. Deductible does not apply to these items.

130.2 – Coverage of Home Visits Under the RNHCI Home Benefit

(Rev. 25, Issued: 11-05-04, Effective: 01-01-05, Implementation: 04-04-05)

Medicare covers intermittent RNHCI nursing visits provided in the home to RNHCI beneficiaries. The RNHCI nursing personnel may be skilled in ministering to a beneficiary's religious needs (not covered by Medicare), but do not have the training or nursing skill sets required of credentialed/licensed health care professionals (e.g. registered nurse). While RNHCI nurses may provide tender loving care, they are focused primarily on religious healing and meeting basic beneficiary needs for assistance with activities of daily living (e.g. bathing, toileting, dressing, ambulation), as part of creating a milieu for religious healing. The care provided by a RNHCI is not at the level of either a registered nurse or a licensed practical nurse. The physical care provided by a RNHCI nurse is at a level that could be considered as supportive, but decidedly not "skilled" as defined by the Medicare program.

For purposes of payment for RNHCI nursing services in the home, the following services are comparable to the services of HHAs that are not RNHCIs. (e.g. the RNHCI nurse and the home health aide share the following basic tasks):

- Assist with activities of daily living (ADLs) which include: ambulation, bed to chair transfer, and assist with range of motion exercises; bathing, shampoo, nail care and dressing; feeding and nutrition; and toileting;*
- Light housekeeping, incident to visit*
- Documenting visit*

By comparison the home health aide will routinely perform additional medically oriented services (e.g. observation and reporting of existing medical conditions; taking and reporting vital signs; and using basic infection control procedures).

Due to the uniqueness of RNHCI nursing in the Medicare program, Medicare pays for RNHCI nursing visits at a percentage of the HHAs "low utilization payment adjustment" (LUPA) rate for home health aides. Only a visit by a RNHCI nurse to a home will be considered as billable to

Medicare. A visit is defined as an episode in which a RNHCI nurse will render physical care to a RNHCI beneficiary in the home setting. The visit is a single billable unit that is not influenced by the number of involved caregivers or the duration of the episode. The difference in skill levels and the incorporation of RNHCI religious activity (noncovered by Medicare) into a visit, resulted in a payment rate that is 80% of the home health aide rate adjusted by metropolitan service area (MSA) wage index rate for the involved RNHCI.

RNHCI nursing visits are paid using the low utilization payment adjustment system even in situations where the involved patient would not be classified as low utilization. The HHAs have moved to PPS, which is constructed on the medical model and therefore inappropriate for RNHCI use. The same “labor”/“non-labor” portions applied in the HHA PPS will be used for calculating the RNHCI nursing visit payments.

Example of LUPA Payment: An RNHCI in Baltimore, MD, provides twelve RNHCI nursing visits over the course of a 30 day period.

1. Home Health Aide Visit (National standardized rate for 2005).....	\$ 44.76
2. RNHCI Nurse Visit	(.80 * \$ 44.76) 35.81
3. Calculate the labor portion of the Standardized Budget Neutral Per-Visit Payment Amount for 1 RNHCI nurse visit.....	(.76775 * \$35.81) 27.49
4. Apply wage index factor for Baltimore, MD.....	(.9907 * \$ 27.49) 27.23
5. Calculate the non-labor portion of the Standardized Budget Neutral Per-Visit Payment Amount for 1 RNHCI nurse visit.....	(.23225 * \$ 35.81) 8.32
6. Subtotal—Low Utilization Payment Adjustment (LUPA) wage for 1 RNHCI nurse visit.....	(\$ 27.49 + \$ 8.32) \$ 35.55
7. Total - Calculate total Low Utilization Payment Adjustment (LUPA) for 12 RNHCI nurse visits provided during the 30-day episode ...	(12 * \$ 35.55) \$ 426.60

Step 1. Take the HHA aide visit base rate (\$ 44. 76) for the involved year (2005), from the HHA update published annually each November in the **Federal Register**.

Step 2. To calculate the RNHCI nurse visit base rate, multiply the HHA base rate (\$ 44.76) by the allowed percentage for a RNHCI nurse visit (.80%) to allow for religious activity and reduced physical care skill level = (\$ 35.81)

Step 3. To calculate the labor portion of the Standardized Budget Neutral Per-Visit Payment Amount for 1 RNHCI nurse visit, multiply the fixed allowance .76775 by the RNHCI nurse visit rate (\$ 35.81) = (\$ 27.49)

Step 4. Apply the wage index for the involved Metropolitan Standardized Area (MSA) from the HHA update published annually each November in the **Federal Register** (Baltimore, MD = .9907) multiplied by the labor portion of the RNHCI nurse visit (\$ 27.49) = (\$27.23).

Step 5. To calculate the non-labor portion of the Standardized Budget Neutral Per-Visit Payment Amount for 1 RNHCI nurse visit, multiply the fixed allowance .23225 by the RNHCI nurse visit rate (\$ 35.81) = (\$ 8.32)

Step 6. To calculate the LUPA rate for 1 RNHCI nurse visit add the products from Step 4 (\$27.49) and Step 5 (\$ 8.32) = (\$ 35.55)

Step 7. To calculate the LUPA payment for RNHCI nurse visits to one beneficiary in a 30 day period, multiple the product of Step 6 (\$ 35.55) by the number of visits (12) = (\$ 426.60)