SUBJECT: Annual Update of Healthcare Common Procedure Coding System (HCPCS) Codes Used for Home Health Consolidated Billing Enforcement

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide the January 2023 annual update to the list of HCPCS codes used by Medicare systems to enforce consolidated billing of home health services. The attached recurring update notification applies to chapter 10, section 20.

EFFECTIVE DATE: January 1, 2023
*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: January 3, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. 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: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-Only One Per Row.

<table>
<thead>
<tr>
<th>R/N/D</th>
<th>CHAPTER / SECTION / SUBSECTION / TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

III. FUNDING:
For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:
Recurring Update Notification
SUBJECT: Annual Update of Healthcare Common Procedure Coding System (HCPCS) Codes Used for Home Health Consolidated Billing Enforcement

EFFECTIVE DATE: January 1, 2023

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

IMPLEMENTATION DATE: January 3, 2023

I. GENERAL INFORMATION

A. Background: The CMS periodically updates the lists of Healthcare Common Procedure Coding System (HCPCS) codes that are subject to the consolidated billing provision of the Home Health Prospective Payment System (HH PPS). With the exception of therapies performed by physicians, supplies incidental to physician services and supplies used in institutional settings, services appearing on this list that are submitted on claims to Medicare contractors will not be paid separately on dates when a beneficiary for whom such a service is being billed is in a home health episode (i.e., under a home health plan of care administered by a home health agency). Medicare will only directly reimburse the primary home health agencies that have opened such episodes during the episode periods. Therapies performed by physicians, supplies incidental to physician services and supplies used in institutional settings are not subject to HH consolidated billing.

The HH consolidated billing code lists are updated annually, to reflect the annual changes to the HCPCS code set itself. Additional updates may occur as frequently as quarterly in order to reflect the creation of temporary HCPCS codes (e.g., 'K' codes) throughout the calendar year. The new coding identified in each update describes the same services that were used to determine the applicable HH PPS payment rates. No additional services will be added by these updates; that is, new updates are required by changes to the coding system, not because the services subject to HH consolidated billing are being redefined.

This recurring update notification provides the annual HH consolidated billing update effective January 1, 2023.

The following codes are added to the HH consolidated billing non-routine supply code list in this update:

A2014 Omeza collag per 100 mg Omeza collagen matrix, per 100 mg
A2015 Phoenix wnd mtrx, per sq cm Phoenix wound matrix, per square centimeter
A2016 Permeaderm b, per sq cm Permeaderm b, per square centimeter
A2017 Permeaderm glove, each Permeaderm glove, each
A2018 Permeaderm c, per sq cm Permeaderm c, per square centimeter

The following codes are added to the HH consolidated billing therapy code list:

No update.

B. Policy: Section 1842(b)(6) of the Social Security Act requires that payment for home health services provided under a home health plan of care is made to the home health agency. This requirement is found in Medicare regulations at 42 CFR 409.100 and in Medicare instructions at publication 100-04, Medicare Claims Processing Manual, chapter 10, section 20.

II. BUSINESS REQUIREMENTS TABLE
"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

<table>
<thead>
<tr>
<th>Number</th>
<th>Requirement</th>
<th>Responsibility</th>
<th>Responsibility</th>
<th>Other</th>
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<tbody>
<tr>
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<td>MAC</td>
<td>DME</td>
<td>Shared-System Maintainers</td>
</tr>
<tr>
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<td></td>
<td>B H H H H H H H</td>
<td>F I S S M C V C W F</td>
<td>X</td>
</tr>
<tr>
<td>12911.1</td>
<td>The contractor shall revise the list of codes used to enforce existing HH non-routine supply consolidated billing edits to add HCPCS codes A2014, A2015, A2016, A2017, and A2018 effective for claims with line item dates of service on or after January 1, 2023.</td>
<td>MAC</td>
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### III. PROVIDER EDUCATION TABLE

<table>
<thead>
<tr>
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<th>Responsibility</th>
<th>Responsibility</th>
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<td>F I S S M C V C W F</td>
<td>X X X</td>
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<tr>
<td>12911.2</td>
<td>Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.</td>
<td>MAC</td>
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</tbody>
</table>

### IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

<table>
<thead>
<tr>
<th>X-Ref Requirement Number</th>
<th>Recommendations or other supporting information:</th>
</tr>
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<tbody>
<tr>
<td>.1</td>
<td>The current CWF home health consolidated billing edits are alerts 7702 and 7703, edits 5389 and 5390, and the associated informational unsolicited response processes.</td>
</tr>
</tbody>
</table>

Section B: All other recommendations and supporting information: N/A

### V. CONTACTS
Pre-Implementation Contact(s): Carla Douglas, carla.douglas@cms.hhs.gov, Wil Gehne, wilfried.gehne@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
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ATTACHMENTS: 0