
CMS Manual System

Pub. 100-04 Medicare Claims Processing

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

Transmittal 8

Date: OCTOBER 17, 2003

CHANGE REQUEST 2931

I. SUMMARY OF CHANGES: This is an annual update of HCPCS codes used for home health consolidated billing enforcement.

NEW/REVISED MATERIAL - EFFECTIVE DATE: January 1, 2004

***IMPLEMENTATION DATE: January 1, 2004**

Disclaimer: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged.

II. SCHEDULE OF CHANGES (R = REVISED, N = NEW, D = DELETED)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
N/A	

III. FUNDING: *Medicare contractors only:

These instructions should be implemented within your current operating budget.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	One-Time Special Notification

One-Time Notification

Pub. 100-04	Transmittal: 8	Date: October 17, 2003	Change Request 2931
-------------	----------------	------------------------	---------------------

SUBJECT: Annual Update of HCPCS Codes Used for Home Health Consolidated Billing Enforcement

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 which 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. Medicare contractors include fiscal intermediaries (FIs), carriers, and durable medical equipment regional carriers (DMERCs).

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 one-time notification provides the annual HH consolidated billing update for calendar year 2004. Quarterly updates may follow in the course of calendar year 2004 if necessary. The specific changes are described in the attached code list.

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.

C. Provider Education:

The changes in this notification are dependent on the distribution of the annual update to HCPCS. FIs and carriers shall inform affected providers by posting either a summary or relevant portions of this document on their Web site within 2 weeks of the publication of the final HCPCS tape. Also, FIs and carriers shall publish this same information in their next regularly scheduled bulletin which follows the publication of the final HCPCS tape. If they have a listserv that targets affected providers, they shall use it to notify subscribers that information about "Annual Update of HCPCS Codes Used for Home Health Consolidated Billing Enforcement" is available on their Web site. All bulletins and notifications shall inform providers and suppliers that the HH consolidated billing master

code list is available at the following Internet address:
cms.hhs.gov/providers/hhapps/#billing.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
2931.1	Medicare claims processing systems shall modify the list of codes used to enforce consolidated billing.	CWF
2931.1.1	Medicare claims processing systems shall add HCPCS codes to the list of codes used to enforce existing HH consolidated billing edits on claims with dates of service on or after January 1, 2004 per the attached listing.	CWF
2931.1.2	Medicare claims processing systems shall delete and replace HCPCS code from the list of codes used to enforce existing HH consolidated billing edits on claims with dates of service on or after January 1, 2004 per the attached listing.	CWF

III. SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: January 1, 2004</p> <p>Implementation Date: January 1, 2004</p> <p>Pre-Implementation Contact(s): Wil Gehne, (410) 786-6148, wgehne@cms.hhs.gov Kelly Buchanan (410) 786-6132, kbuchanan@cms.hhs.gov</p> <p>Post-Implementation Contact(s): Regional offices</p>	<p>These instructions should be implemented within your current operating budget</p>
--	---

Attachment

**To download the Filename R8CP2.zip
associated with this instruction, click [here](#).**