
Program Memorandum Intermediaries

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal A-01-28

Date: FEBRUARY 28, 2001

CHANGE REQUEST 1557

SUBJECT: Addendum to Periodic Interim Payments (PIP) For Home Health Providers

This Program Memorandum (PM) clarifies Transmittal A-01-03, dated January 12, 2001, Change Request 1437. Specifically, the clarification is to the note on page two. An HHA that receives the one-time PIP contemplated by BIPA is not required to repay the additional PIP payment at the time it files its cost report. BIPA provides that the one-time PIP payment is to be included in the tentative settlement of the report. The intermediary will notify the provider of the net over or under payment upon completion of the tentative settlement review. If the net overpayment is not repaid within 30 days of the intermediary's notification, the provider will be charged interest on the overpayment. The interest will be assessed from the date of the tentative settlement.

Any overpayment that is due would still be due when the cost report is filed. The HHA should calculate such overpayment amounts by reducing the amounts shown owing the program on the "as-filed" report by the amount of the one-time PIP. Any overpayment amount remaining is the amount due with the filing of the report in accordance with the usual rules.

NOTE: The "as-filed" cost reports must reflect all payments received with respect to the cost period, including the one-time PIP. HCFA instructions provide for completion of the tentative settlement review within 60 days of the submission of the report. Make tentative settlements for the one-time PIP adjustments between the 45th and 60th day after the acceptance of an acceptable cost report.

The *effective date* for this PM is December 21, 2000.

The *implementation date* for this PM is February 28, 2001.

The instructions contained in this PM should be implemented within your current operating budget.

This PM may be discarded after January 31, 2002.

If you have any administrative questions, contact David Goldberg on (410) 786-4512.