

# Program Memorandum Intermediaries/Carriers

Department of Health &  
Human Services (DHHS)

Centers for Medicare &  
Medicaid Services (CMS)

Transmittal AB-02-041

Date: MARCH 29, 2002

## CHANGE REQUEST 2080

**SUBJECT: Correction of Remark Code Message for Home Health Consolidated Billing**

### I - GENERAL INFORMATION

**A - Background:** Home health consolidated billing affects many provider types. Line-item denials of claims occur for these providers if specific services are billed in a period of time when a primary home health agency has billed a home health episode for a specific beneficiary.

**B - Policy:** Home Health Consolidated Billing was required by the Balanced Budget Amendment Act of 1997.

### II - BUSINESS REQUIREMENTS

Req. #	Requirements	Resp.
2080.1	Must revise the message currently attached to CMS claim remark code N70 to read only: "Home health consolidated billing and payment applies." [Note this is verbatim the first part of the current message, the rest of the message must be deleted.]	FIs, carriers, & DMERCs

### III - Supporting Information and Possible Design Considerations

#### A – Other Instructions:

X-Ref Req. #	Instructions
2080.1	FIs and carriers should educate their providers that primary home health agencies are not liable to reimburse them for services denied because of home health consolidated billing unless: (1) the provider is providing a service called for on the home health plan of care, and (2) the provider has a subcontracting agreement with the home health agency.

#### B – Design Considerations:

X-Ref Req. #	Recommendation for Medicare System Requirements
	None

#### C - Interfaces: None

**D - Contractor Financial Reporting /Workload Impact:** Putting this revised message in place should help reduce inquiries about home health consolidated billing denials for many contractors.

**E - Dependencies:** This CR amends the original N70 remark code message put forward in CR 1584 (Transmittal AB-01-48) dated March 27, 2001.

**F - Testing Considerations:** No special considerations

**IV - Attachment(s):** None

<b>Version:</b>	<b>Effective Date: March 29, 2002</b>
<b>Implementation Date: March 29, 2002</b>	<b>Funding:</b> These instructions should be implemented within your current operating budget.
<b>Discard Date: March 29, 2003</b>	<b>Pre-Implementation Contact:</b> Elizabeth Carmody, 6-7533; Wil Gehne, 6-6148
<b>Post-Implementation Contact:</b> Your regional office	