
Program Memorandum Intermediaries

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

Transmittal A-01-02

Date: JANUARY 12, 2001

CHANGE REQUEST 1490

SUBJECT: Use of Telehealth In Delivery of Home Health Services

Background

Section 504 of the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000 adds a new subsection (e) to §1895 of the Social Security Act (the Act). The Act governs the home health prospective payment system (PPS) in order to provide telehealth services outside the scope of the Medicare home health benefit and home health PPS.

The new subsection of the law states: "Section 1895 is amended by adding at the end of the following new subsection:

- (e) Construction Related to Home Health Services-
 - (1) Telecommunications - Nothing in this section shall be construed as preventing a home health agency furnishing a home health unit of service for which payment is made under the prospective payment system established by this section for such units of service from furnishing services via a telecommunication system if such services-
 - (A) do not substitute for in-person home health services ordered as part of the plan of care certified by a physician pursuant to §§1814(a)(2)(C) or 1835(a)(2)(A); and
 - (B) are not considered a home health visit for purposes of eligibility or payment under this title.
 - (2) Physician Certification-Nothing in this section shall be construed as waiving the requirement for a physician certification under §§1814(a)(2)(C) or 1835(a)(2)(A) of such Act for the payment of home health services, whether or not furnished via a telecommunications system."

This provision does not provide coverage or payment for Medicare home health services provided via a telecommunications system. This new subsection of the law does not permit the substitution or use of a telecommunications system to provide any covered home health services paid under the home health PPS, or any covered home health service paid outside of the home health PPS. Furthermore, this provision does not change the definition of a visit for purposes of coverage and payment under the Medicare home health benefit. As stated in 42 CFR 409.48(c), a visit is an episode of personal contact with the beneficiary by staff of the home health agency (HHA), or others under arrangements with the HHA for the purposes of providing a covered service. The new provision clarifies that there is nothing to preclude an HHA from adopting telemedicine or other technologies that they believe promote efficiencies, but that those technologies will not be specifically recognized or reimbursed by Medicare under the home health benefit. This provision does not waive the current statutory requirement for a physician certification of a home health plan of care under current §§1814(a)(2)(C) or 1835(a)(2)(A) of the Act.

HCFA-Pub. 60A

The *effective date* for this Program Memorandum (PM) is December 21, 2000.

The *implementation date* for this PM is January 12, 2001.

These instructions should be implemented within your current operating budget.

This PM may be discarded after January 1, 2002.

If you have any questions, contact your regional office.