
Program Memorandum Carriers

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

Transmittal B-00-50

Date: OCTOBER 12, 2000

CHANGE REQUEST 1350

SUBJECT: Home Health Prospective Payment System (PPS)

This Program Memorandum (PM) provides instructions to you and DMERCs when claims are received for certain services and supplies while a patient is under a home health plan of care (POC). Transmittal AB-00-65, Change Request 1316, which was released in June 2000 provides detailed systems and business requirements for implementing home health. All changes described below are effective for home health claims with service dates on or after October 1, 2000.

Background Information – PPS Consolidated Billing

The Balanced Budget Act of 1997 required consolidated billing of all home health services while a beneficiary is under a home health plan of care authorized by a physician. Consequently, billing for all such items and services will be made to a single home health agency (HHA) overseeing that plan.

The law states that payment will be made to the primary HHA whether or not the item or service was furnished by the agency, by others under arrangement to the primary agency, or when any other contracting or consulting arrangements existed with the primary agency, or "otherwise." Payment for all items is scheduled in the home health PPS episode payment that the primary HHA receives.

Types of services that are subject to the home health consolidated billing provision include:

- o Skilled nursing care;
- o Home health aide services;
- o Physical therapy;
- o Speech-language pathology;
- o Occupational therapy;
- o Medical social services;
- o Routine and non-routine medical supplies;
- o Medical services provided by an intern or resident-in-training of a hospital, under an approved teaching program of the hospital, in the case of a HHA that is affiliated or under common control with that hospital; and
- o Care for homebound patients involving equipment too cumbersome to take to the home.

Common Working File (CWF) Implementation

CWF will track episode records by beneficiary for the 60-day episode period and update the records based on the daily claims process. The CWF date of accretion on the episode will be the same as the date on the Request for Anticipated Payment (RAP), or no-RAP low utilization payment area. CWF will maintain 36 iterations of episodes in the episode file and when the 37th episode and subsequent episodes come in, episodes will be dropped by age (i.e., the oldest will be dropped). In

the future, CWF and standard systems will further enhance the application of home health PPS and consolidated billing edits.

HCFA-Pub 60B

2

Carrier Claims Processing

CWF will reject claims for services that should not be billed separately when a patient is under an established 60-day home health POC episode. For Part B, those services include physical therapy (Type of Service W), Speech-Language Pathology (Type of Service W) and Occupational Therapy (Type of Service U). (See Attachment A.) Return the rejected claims as denials using the following EOMB and MSN messages. For DMERCs, those services included are certain non-medical suppliers. (See Attachment B.)

MSN Message:

“Medicare does not pay separately for this service.” (Message 16.32)

Remittance Message:

“Claim/service denied/reduced because this procedure/service is not paid separately.”

(Message B15)

Contractors should publish this information in their next regularly scheduled provider bulletins, websites or scheduled training/seminars.

The *effective date* for this Program Memorandum (PM) is October 1, 2000.

The *implementation date* for this PM is October 30, 2000.

These instructions should be implemented within your current operating budget.

This PM may be discarded after December 31, 2001.

If you have any questions, contact the appropriate regional office.

2 Attachments

ATTACHMENT A

Therapy codes

'90901', '90911', '92506', '92507', '92508', '92510',
'92525', '92526', '92597', '92598', '96105', '97001',
'97002', '97003', '97004', '97012', '97014', '97016',
'97018', '97020', '97022', '97024', '97026', '97028',
'97032', '97033', '97034', '97035', '97036', '97039',
'97110', '97112', '97113', '97116', '97122', '97124',
'97139', '97150', '97250', '97260', '97261', '97265',
'97504', '97520', '97530', '97535', '97537', '97542',
'97545', '97546', '97703', '97750', '97770', and '97799'.

ATTACHMENT B

Non- Routine Medical Supplies (DMERCs)

When a beneficiary is in a 60-day episode, these items are included in the PPS episode payment. HHAs must bill for all supplies provided during the 60-day episode including those not related to the Plan of Care because of the consolidated billing requirements. The codes listed below were published in the *Federal Register*.

A4212	Non coring needle or stylet
A4213	20+ cc syringe only
A4215	sterile needle
A4310	Insert tray w/o bag/cath
A4311	Catheter w/o bag 2-way latex
A4312	Cath w/o bag 2-way silicone
A4313	Catheter w/bag 3-way
A4314	Cath w/drainage 2-way latex
A4315	Cath w/drainage 2-way silicone
A4316	Cath w/drainage 3-way
A4320	Irrigation tray
A4321	Cath therapeutic irrig agent

A4322 Irrigation syringe
A4323 Saline irrigation solution
A4326 Male external catheter
A4327 Fem urinary collect dev cup
A4328 Fem urinary collect pouch
A4329 external catheter start set
A4330 Stool collection pouch
A4335 Incontinence supply
A4338 Indwelling catheter latex
A4340 Indwelling catheter special
A4344 Cath index foley 2 way silicn
A4346 Cath indw foley 3 way

2

A4347 Male external catheter
A4351 Straight tip urine catheter
A4352 Coude tip urinary catheter
A4353 Intermittent urinary cath
A4354 Cath insertion tray w/bag
A4355 Bladder irrigation tubing
A4356 Ext ureth clmp or compr dvc
A4357 Bedside drainage bag
A4358 Urinary leg bag
A4359 Urinary suspensory w/o leg bag
A4361 Ostomy face plate
A4362 Solid skin barrier
A4363 Liquid skin barrier

A4364 Ostomy/cath adhesive
A4365 Ostomy adhesive remover wipe
A4367 Ostomy belt
A4368 Ostomy filter
A4397 Irrigation supply sleeve
A4398 Ostomy irrigation bag
A4399 Ostomy irrig cone/cath w brs
A4400 Ostomy irrigation set
A4402 Lubricant per ounce
A4404 Ostomy ring each
A4421 Ostomy supply misc
A4455 Adhesive remover per ounce
A4554 Disposable underpads, all sizes
A4460 Elastic compression bandage
A4462 Abdmnl drssng holder/binder
A4481 Tracheostoma filter

A4622 Tracheostomy or larngectomy
A4623 Tracheostomy inner cannula
A4625 Trach care kit for new trach
A4626 Tracheostomy cleaning brush
A4649 Surgical supplies
A5051 Pouch clsd w barr attached
A5052 Clsd ostomy pouch w/o barr
A5053 Clsd ostomy pouch faceplate
A5054 Clsd ostomy pouch w/flange

A5055	Stoma cap
A5061	Pouch drainable w barrier at
A5062	Drnble ostomy pouch w/o barr
A5063	Drain ostomy pouch w/flange
A5071	Urinary pouch w/barrier
A5072	Urinary pouch w/o barrier
A5073	Urinary pouch on barr w/flng
A5081	Continent stoma plug
A5082	Continent stoma catheter
A5093	Ostomy accessory convex inse
A5102	Beside drain btl w/wo tube
A5105	Urinary suspensory
A5112	Urinary leg bag
A5113	Latex leg strap
A5114	Foam/fabric leg strap
A5119	Skin barrier wipes box pr 50
A5121	Solid skin barrier 6x6
A5122	Solid skin barrier 8x8
A5123	Skin barrier with flange
A5126	Disk / foam pad +or- adhesive

A5131	Appliance cleaner
A5149	Incontinence / ostomy supply
A6020	Collagen wound dressing
A6154	Wound pouch each
A6196	Alginate dressing <=16 sq in
A6197	Alginate drsg >16 <=48 sq in

A6198	Alginate dressing > 48 sq in
A6199	Alginate drsg wound filler
A6200	Compos drsg <=16 no bdr
A6201	Compos drsg >16<=48 no bdr
A6202	Compos drsg >48 no bdr
A6203	Composite drsg <= 16 sq in
A6204	Composite drsg >16<=48 sq in
A6205	Composite drsg > 48 sq in
A6206	Contact layer <= 16 sq in
A6207	Contact layer >16<= 48 sq in
A6208	Contact layer > 48 sq in
A6209	Foam drsg <=16 sq in w/o bdr
A6210	Foam drg >16<=48 sq in w/o b
A6211	Foam drg > 48 sq in w/o brdr
A6212	Foam drg <=16 sq in w/bdr
A6213	Foam drg >16<=48 sq in w/bdr
A6214	Foam drg > 48 sq in w/bdr
A6215	Foam dressing wound filler
A6219	Gauze <= 16 sq in w/bdr
A6220	Gauze >16 <=48 sq in w/bdr
A6221	Gauze > 48 sq in w/bdr
A6222	Gauze <=16 in no w / sal w/ o b
A6223	Gauze >16<=48 no w / sal w/ o b
A6224	Gauze > 48 in no w /sal w/ o b

A6228 Gauze ≤ 16 sq in water / sal
A6229 Gauze $>16 \leq 48$ sq in watr / sal
A6230 Gauze > 48 sq in water / salne
A6234 Hydrocolld drg ≤ 16 w / o bdr
A6235 Hydrocolld drg $>16 \leq 48$ w / o b
A6236 Hydrocolld drg > 48 in w / o b
A6237 Hydrocolld drg ≤ 16 in w / bdr
A6238 Hydrocolld drg $>16 \leq 48$ w / bdr
A6239 Hydrocolld drg > 48 in w / bdr
A6240 Hydrocolld drg filler paste
A6241 Hydrocolloid drg filler dry
A6242 Hydrogel drg ≤ 16 in w / o bdr
A6243 Hydrogel drg $>16 \leq 48$ w / o bdr
A6244 Hydrogel drg >48 in w / o bdr
A6245 Hydrogel drg ≤ 16 in w / bdr
A6246 Hydrogel drg $>16 \leq 48$ in w / b
A6247 Hydrogel drg > 48 sq in w / b
A6248 Hydrogel dressing, wound filler
A6251 Absorpt drg ≤ 16 sq in w / o b
A6252 Absorpt drg $>16 \leq 48$ w / o bdr
A6253 Absorpt drg . 48 sq in w / o b
A6254 Absorpt drg ≤ 16 sq in w / bdr
A6255 Absorpt drg $>16 \leq 48$ in w / bdr
A6256 Absorpt drg > 48 sq in w / bdr
A6257 Transparent film ≤ 16 sq in
A6258 Transparent film $>16 \leq 48$ in
A6259 Transparent film > 48 sq in

A6261	Wound filler gel / paste / oz
A6262	Wound filler dry form / gram
A6266	Impreg gauze no h20 / sal / yard
A6402	Sterile gauze <= 16 sq in
A6403	Sterile gauze>16 <= 48 sq in
A6404	Sterile gauze > 48 sq in
A6405	Sterile elastic gauze / yd
A6406	Sterile non-elastic gauze / yd
K0277	Skin barrier solid 4x4 equiv
K0278	Skin barrier with flange
K0279	Skin barrier extended wear
K0280	Extension drainage tubing
K0281	Lubricant catheter insertion
K0407	Urinary cath skin attachment
K0408	Urinary cath leg strap
K0409	Sterile H2O irrigation solut
K0410	Male ext cath w / adh coating
K0411	Male ext cath w / adh strip
K0419	Drainable plstic pch w fcplt
K0420	Drainable rubber pch w fcplt
K0421	drainable plstic pch w / o fp
K0422	Drainable rubber pch w / o fp
K0423	Urinary plstic pouch w fcplt
K0424	Urinary rubber pouch w fcplt
K0425	Urinary plstic pouch w / fp
K0426	Urinary hvy plstc pch w / o fp
K0427	Urinary rubber pouch w / o fp

K0428 Ostomy faceplt / silicone ring
 K0429 Skin barrier solid ext wear
 K0430 Skin barrier w flang ex wear

7

K0431 Closed pouch w st wear bar
 K0432 Drainable pch w ex wear bar
 K0433 Drainable pch w st wear bar
 K0434 Drainable pch ex wear convex
 K0435 Urinary pouch w ex wear bar
 K0436 Urinary pouch w st wear bar
 K0437 Urine pch w ex wear bar conv
 K0438 Ostomy pouch liq deodorant
 K0439 Ostomy pouch solid deodorant

Listed below are codes that were deleted and cross-walked to new codes.

Old code	Deleted date	New "A" Code	Effective date
A4363	12/31/99	A4369	01/01/00
A4363	12/31/99	A4370	01/01/00
A4363	12/31/99	A4371	01/01/00
K0277	12/31/99	A4372	01/01/00
K0278	12/31/99	A4373	01/01/00
K0279	12/31/99	A4374	01/01/00
K0419	12/31/99	A4375	01/01/00
K0420	12/31/99	A4376	01/01/00
K0421	12/31/99	A4377	01/01/00
K0422	12/31/99	A4378	01/01/00
K0423	12/31/99	A4379	01/01/00
K0424	12/31/99	A4380	01/01/00
K0425	12/31/99	A4381	01/01/00
K0426	12/31/99	A4382	01/01/00
K0427	12/31/99	A4383	01/01/00
K0428	12/31/99	A4384	01/01/00
K0428	12/31/99	A4385	01/01/00
K0429	12/31/99	A4386	01/01/00
K0430	12/31/99	A4387	01/01/00
K0431	12/31/99	A4388	01/01/00
K0432	12/31/99	A4389	01/01/00
K0433	12/31/99	A4390	01/01/00

K0434	12/31/99	A4391	01/01/00
K0435	12/31/99	A4392	01/01/00
K0436	12/31/99	A4393	01/01/00
K0437	12/31/99	A4394	01/01/00
K0438	12/31/99	A4395	01/01/00
K0439	12/31/99	A4396	01/01/00

