
Program Memorandum

Carriers

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

Transmittal B-03-037

Date: MAY 2, 2003

CHANGE REQUEST 2705

SUBJECT: Excluding from Home Health Consolidated Billing Edits Claims for Therapy Services Rendered by Physicians

I. GENERAL INFORMATION

A. Background:

- The Home Health Prospective Payment System, including consolidated billing, became effective October 1, 2000.
- When a beneficiary is in a home health plan of care, the home health agency is responsible for providing a variety of services to the beneficiary, and payment for these services is included in the payment to the home health agency. These services include physical and occupational therapy services. Many of these services would be separately payable if the beneficiary is not in a home health plan of care or the services fall outside of the dates during which the beneficiary is receiving home health benefits, i.e., in an episode of home health care.
- CMS must differentiate the services for which home health consolidated billing applies from those which are separately payable.
- CMS issues Program Memoranda (PM) periodically indicating the procedure codes subject to home health consolidated billing methodology.
- The common working file (CWF) currently performs a variety of edits to apply home health consolidated billing methodology based on the dates on which the service was rendered, the procedure codes affected by home health consolidated billing, and the dates during which the beneficiary was in a home health episode of care. CWF uses both the claim for the individual service and that of the home health agency to apply these edits.
- Because a final claim from the home health agency is the only way to confirm the dates in which the beneficiary was in a home health episode of care, services subject to home health consolidated billing will either be denied if the home health final claim has been paid; or they will be paid and this payment later recovered, if the final home health claim is received after the service has been paid. (In addition, for any of these claims to be paid at all, all other coverage conditions must be met.)

B. Policy:

Certain services which are ordinarily separately payable if covered are subject to the home health consolidated billing methodology. This means that Medicare will not pay for the service separately if the beneficiary is in a home health episode of care when the service was rendered. The services subject to home health consolidated billing are announced regularly in a CMS PM. However, therapy services are not subject to the home health consolidated billing methodology when performed by a physician. Currently, CWF edits for home health consolidated billing do not differentiate between services provided by a physician from those provided by other practitioners. CWF will need to be changed to exclude from home health consolidated billing edits claims for therapy services provided by physicians.

CMS-Pub. 60B

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement
“Should” denotes an optional requirement

Req. #	Requirements	Resp.
01	<p>CWF, Standard Systems Maintainers, and Carriers shall apply home health consolidated billing methodology to services subject to this billing methodology as follows:</p> <ol style="list-style-type: none"> 1. For therapy services listed as being subject to home health consolidated billing in regularly released CMS PM and provided by practitioners other than physicians when the beneficiary is in a home health episode of care. 2. For other services listed in a CMS PM as being subject to home health consolidated billing when the beneficiary is in a home health episode of care. 	CWF. SSMs Carriers
02	CWF, SSMs and Carriers shall exclude from home health consolidated billing methodology claims for therapy services rendered by physicians.	CWF. SSMs Carriers

III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A – Other Instructions: NA

B – Design Considerations:

X-Ref Req. #	Recommendation for Medicare System Requirements Implementation	
02	Bypass CWF edit 5390 if the procedure code is a therapy code subject to home health consolidated billing but the specialty indicates a physician.	
02	Therefore bypass CWF edit 5390 for specialty codes	
	<u>Code</u>	<u>Physician Specialty</u>
	01	General Practice
	02	General Surgery
	03	Allergy/Immunology
	04	Otolaryngology
	05	Anesthesiology
	06	Cardiology
	07	Dermatology

	08	Family Practice
	09	Interventional Pain Management
	10	Gastroenterology
	11	Internal Medicine
	12	Osteopathic Manipulative Therapy
	13	Neurology
	14	Neurosurgery
	16	Obstetrics/Gynecology
	18	Ophthalmology
	19	Oral Surgery (dentists only)
	20	Orthopedic Surgery
	22	Pathology
	24	Plastic and Reconstructive Surgery
	25	Physical Medicine and Rehabilitation
	26	Psychiatry
	28	Colorectal Surgery (formerly proctology)
	29	Pulmonary Disease
	30	Diagnostic Radiology
	33	Thoracic Surgery
	34	Urology
	35	Chiropractic
	36	Nuclear Medicine
	37	Pediatric Medicine
	38	Geriatric Medicine
	39	Nephrology
	40	Hand Surgery
	41	Optometry
	44	Infectious Disease
	46	Endocrinology
	48	Podiatry
	66	Rheumatology
	70	Multispecialty Clinic or Group Practice
	72	Pain Management

	76	Peripheral Vascular Disease
	77	Vascular Surgery
	78	Cardiac Surgery
	79	Addiction Medicine
	81	Critical Care (Intensivists)
	82	Hematology
	83	Hematology/Oncology
	84	Preventive Medicine
	85	Maxillofacial Surgery
	86	Neuropsychiatry
	90	Medical Oncology
	91	Surgical Oncology
	92	Radiation Oncology
	93	Emergency Medicine
	94	Interventional Radiology
	98	Gynecological/Oncology
	99	Unknown Physician Specialty
02	The result of this bypass shall be that physicians' claims will be neither denied nor payment recovered if the procedure code is a therapy code among those ordinarily subject to home health consolidated billing and the beneficiary was in a home health episode at the time the service was rendered. No unsolicited responses will be generated for physician claims.	

C - Interfaces: NA

D - Contractor Financial Reporting /Workload Impact: NA

E - Dependencies: NA

F - Testing Considerations: NA

IV. ATTACHMENT(S)

<p>Implementation Date: October 1, 2003</p> <p>Discard Date: October 1, 2004</p> <p>Post-Implementation Contact: Regional Offices</p> <p>Effective Date: When Published</p>	<p>Funding: These instructions should be implemented within the carriers' current operating budget.</p> <p>Pre-Implementation Contact: Claudette Sikora CMM/PBG/DPCP 410-786-5618</p>
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