

Dear Referring Providers and Advocates:

Under the mandate of section 702 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (P.L. 108-173), the Centers for Medicare & Medicaid Services (CMS) is sponsoring the **Home Health Independence Demonstration** to study the benefits and cost of allowing Medicare beneficiaries with severe, chronic conditions to be deemed homebound for the purposes of remaining eligible for Medicare home health services even though they leave home more than would be allowed under the usual Medicare rules. The demonstration permits an eligible beneficiary to leave home for as often and as long as he or she likes (except to work regularly in a paid position full-time or part-time outside the home) and still be considered homebound and continue to receive Medicare home health services.

The demonstration is scheduled to begin October 4, 2004, and to run for 2 years. It will include qualifying beneficiaries in Colorado, Massachusetts, and Missouri. A total of 15,000 beneficiaries can participate over the 2 years. Enclosed with this letter are materials that provide information about the demonstration, its eligibility criteria, and how you can refer your patients for participation.

We ask for your assistance by informing Medicare beneficiaries needing home health care and who appear to be eligible about this opportunity. This would include beneficiaries who meet the following criteria:

- The beneficiary has been certified by an attending physician to have a permanent and severe disabling condition that is not expected to improve.
- The beneficiary needs permanent help with at least 3 of 5 activities of daily living (ADLs). (The 5 ADLs are bathing, dressing, eating, toileting, and transferring.)
- The beneficiary needs permanent skilled nursing care (other than medication management), and daily attendant visits to monitor or treat a medical condition or to provide ADL assistance.
- The beneficiary needs assistance to leave home (and leaving home requires considerable and taxing effort).
- The beneficiary is NOT working regularly in a paid position full-time or part-time outside the home.
- The beneficiary meets existing eligibility and coverage criteria for Medicare home health care (other than the restrictions on absences from home).
- The beneficiary has Part B and does not receive Medicare home health services through an HMO, Medicare Advantage plan or via the hospice benefit.

Additionally, as part of the Medicare home health certification process, referring physicians will be asked to certify that appropriate patients meet demonstration criteria.

For further information and assistance, please call our implementation contractor, Abt Associates, at 1-888-HHDEMO-5 (1-888-443-3665) or e-mail them at homehealthindependence@abtassoc.com.

The demonstration also maintains a Website for providers, beneficiaries, and other interested parties at: <http://www.cms.hhs.gov/researchers/demos/homehealthindependence.asp>.

We thank you for your cooperation in helping us to implement this important research demonstration.

Sincerely,

Stuart Guterman
Director
Office of Research, Development, and Information

Enclosure

The Home Health Independence Demonstration

The Home Health Independence Demonstration is a pilot project being conducted by the Centers for Medicare and Medicaid Services (CMS) that allows qualifying Medicare beneficiaries who are receiving Medicare home health benefits in COLORADO, MASSACHUSETTS, and MISSOURI to leave their home more frequently and for longer periods without risking the loss of those benefits.

What is the Home Health Independence Demonstration?

Current rules used to determine who qualifies for Medicare home health services require that beneficiaries must be “homebound” and that any time away from home must be “infrequent or of short duration” or for adult day care, other medical care, or religious services. The Home Health Independence Demonstration removes the limitation based on frequency, purpose, or actual time spent away from home.

Under the mandate of section 702 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (P.L. 108-173), CMS is conducting a 2-year demonstration to study the benefits and cost of providing home health services to Medicare beneficiaries with severe, chronic conditions who otherwise would not be considered homebound by the usual Medicare rules.

To qualify for the demonstration, Medicare beneficiaries must meet all current home health eligibility and coverage criteria and must: have a permanent, severe disability that is not expected to improve; need permanent help with 3 of 5 activities of daily living. (The 5 ADLs are bathing, dressing, eating, toileting, and transferring); need permanent skilled nursing care, and daily attendant visits to monitor or treat a medical condition or to provide ADL assistance; require assistance to leave home; and must not be working outside the home.

This ability to leave home more often, for any purpose, and for longer periods of time is the **ONLY** change under the demonstration. Beneficiaries must meet **ALL** the other usual eligibility and coverage criteria for Medicare home health care (including having limitations that make leaving home require a considerable and taxing effort). Care planning, service delivery, billing, payment, and quality improvement procedures are all unchanged under the Home Health Independence Demonstration. A home health agency (HHA) still has the obligation not to accept any individual patient if it is unable to meet the patient’s needs, and agencies are not required to participate in the demonstration.

The Home Health Independence Demonstration is scheduled to begin **October 4, 2004**, and will run until **October 3, 2006**. A maximum of 15,000 Medicare beneficiaries (across all 3 states) will be allowed to participate.

Who can participate in the Home Health Independence Demonstration?

Medicare beneficiaries who:

- are enrolled in Medicare Part B;
- receive home health services under the traditional Medicare home health benefit (e.g., NOT through an HMO/Medicare Advantage plan, or via the hospice benefit);
- receive their Medicare home health services in **Colorado, Massachusetts, or Missouri**;
- meet all of the eligibility criteria for Medicare home health care (e.g., services ordered by a physician, requires part-time or intermittent skilled care, leaving home requires considerable and taxing effort, etc.); and
- meet **ALL** of the demonstration criteria listed in the legislation, which are as follows:

- (1) The beneficiary has been certified by one physician as an individual who has a permanent and severe, disabling condition that is not expected to improve;

- (2) The beneficiary is dependent upon assistance from another individual with at least 3 out of the 5 activities of daily living* for the rest of the beneficiary's life;
- (3) The beneficiary requires skilled nursing services for the rest of the beneficiary's life and the skilled nursing is more than medication management;
- (4) An attendant is required to visit the beneficiary on a daily basis to monitor and treat the beneficiary's medical condition or to assist the beneficiary with activities of daily living;
- (5) The beneficiary requires technological assistance or the assistance of another person to leave the home; and
- "(6) The beneficiary does not regularly work in a paid position full-time or part-time outside the home."

**For purposes of this demonstration, the term "activities of daily living" means eating, toileting, transferring, bathing, and dressing.*

Are all HHAs participating in the Home Health Independence Demonstration?

All Medicare-certified HHAs serving beneficiaries in the States of **Colorado, Massachusetts, and Missouri** can provide services through the Home Health Independence Demonstration. While CMS seeks the cooperation of home health agencies in the implementation of this demonstration, agencies are not required to identify patients for the demonstration. Agencies currently evaluate prospective Medicare patients on an individual basis and accept those whose needs they can meet; this would also be the case with prospective demonstration participants. Beneficiaries currently select HHAs that can meet their needs; under the demonstration, beneficiaries who believe that they are eligible for the Home Health Independence Demonstration are expected to consider the agency's capacity to enroll them in the demonstration when making that selection.

Does anything else about Medicare home health services change under this demonstration?

No. Care planning, service delivery, billing and payment, and quality improvement procedures are all unchanged under the Home Health Independence Demonstration. The only difference is that beneficiaries can leave home more frequently without risk of losing their benefits.

Do we have to do anything different?

Agencies and individuals who have contact with Medicare beneficiaries who are potentially eligible for the Home Health Independence Demonstration are encouraged to:

- Let beneficiaries know about this opportunity! If they are already receiving Medicare home health services, they can potentially participate in the demonstration and have the opportunity to leave home more often. If they have not been able to receive home health services under Medicare solely because they leave home too often to qualify as "homebound", this could be an opportunity for them to receive those services.
- Let others who work with potentially eligible beneficiaries know about this opportunity! Help us get the word out!

If you are a physician who orders home health services for patients...

You can identify any of your patients who are current Medicare home health users and who also meet the demonstration criteria and let them know about the demonstration. In addition, as part of the Medicare home health certification process that is required every 60 days, you will be asked to certify that appropriate patients meet the demonstration eligibility criteria (as well as the other Medicare home health eligibility and coverage criteria.) HHAs are being supplied with the suggested (optional) wording to be included in the home health Plan of Care.

To find out more about the Home Health Independence Demonstration, you can :

- visit our Website at <http://www.cms.hhs.gov/researchers/demos/homehealthindependence.asp> which includes a list of "frequently-asked questions" (FAQ) – and answers;

- call us toll-free at 1-888-HHDEMO-5 (1-888-443-3665); or send e-mail to: HomeHealthIndependence@abtassoc.com.