

Home Health Agencies' (HHAs) Responsibilities Regarding Patient Notification

The following gives detailed information regarding home health consolidated billing, and the important role that patient notification by home health agencies plays in alleviating the problems currently being encountered by some independent providers as a result of the enforcement of home health consolidated billing.

Home Health Consolidated Billing

The law governing the development of the home health prospective payment, implemented in October 2000, requires the consolidated billing of all Medicare-covered home health services (except durable medical equipment (DME)) while a beneficiary is under a home health plan of care authorized by a physician. Billing for all Medicare-covered home health services (except DME) is to be made by the home health agency that establishes the plan of care for the episode. The home health agency that establishes the patient's plan of care for the episode is known as the "primary" agency. The primary agency has responsibility for consolidated billing under the home health prospective payment system.

Since the implementation of the home health prospective payment system in October 2000, the enforcement of the consolidated billing requirements have been refined. Some independent practitioners have raised concerns about their ability to determine whether a patient is under a home health plan of care and subject to the consolidated billing requirements governing home health prospective payment. The consolidated billing requirements prevent an independent provider from billing Medicare Part B directly for payment for various medical supplies and therapies while a patient is under a home health plan of care.

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

- Skilled nursing care;
- Home health aide services;
- Physical therapy;
- Speech-language pathology;
- Occupational therapy;
- Medical social services;
- Routine and non-routine medical supplies;
- 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*
- Care for homebound patients involving equipment too cumbersome to take to the home.

Patient Notification

Under the Medicare Home Health Services Conditions of Participation: ***Patient rights***, (42 CFR, §484.10 (c) (i)), the HHA must advise the patient, in advance, of the disciplines that will furnish care, and the frequency of visits proposed to be furnished. It is, therefore, the responsibility of the HHA to fully inform beneficiaries that all services, including therapies and supplies, will be provided by his/her primary HHA.

In addition, under the Conditions of Participation: ***Patient liability for payment***, (42 CFR, §484.10 (e)), HHAs are responsible for advising the patient, in advance, about the extent to which payment is expected from Medicare or other sources, ***including the patient***. Information regarding patient liability for payment must be provided by the HHA both orally and in writing. This should assist in alerting the beneficiary to the possibility of payment liability if he/she were to obtain services from anyone other than their primary HHA.

An inquiry capability for home health information, via carrier systems, is scheduled for implementation in April 2003, as part of the 270/271 HIPAA transaction standard. The implementation of this capability means that independent providers will be able to obtain information regarding a patient's status in a home health plan of care. In the meantime, as required in the Medicare Conditions of Participation for Home Health Agencies, HHAs should inform beneficiaries of the disciplines that will be furnishing their care. It is imperative that HHAs ensure that these responsibilities are properly carried out, especially since beneficiaries are not always reliable sources of information to other providers.

HHAs' adherence to these requirements will help to ensure that all home health services are provided within the appropriate venue.