PROGRAM MEMORANDUM INTERMEDIARIES

Department of Health and Human Services

Health Care Financing Administration

Transmittal No. A-00-11 **Date MARCH 2000**

CHANGE REQUEST 401

This Program Memorandum re-issues Program Memorandum A-99-12 Change Request 401, dated March 1999; the only change is the discard date all other material remains the same.

This Program Memorandum re-issues Program Memorandum A-98-3 Change Request 401, dated February 1998; the only change is the discard date all other material stays the same.

SUBJECT: Medicare Home Health Benefit - Section 4615 of the Balanced Budget Act of 1997. Clarification That No Home Health Benefits Are Authorized Based Solely on Drawing Blood.

This program memorandum provides a clarification of the statutory eligibility and coverage requirements applicable to the Medicare home health benefit as amended by the Balanced Budget Act (BBA) of 1997. Sections 1814 and 1835 of the Social Security Act (the Act) establish a specific test of eligibility for the Medicare home health benefit. Section 1861(m) of the Act describes the range of covered services available to beneficiaries who are eligible for home health services. Section 4615 of the BBA of 1997, amends Sections 1814(a)(2)(C) and 1835(a)(2)(A) of the Act, by stating that a person cannot qualify for Medicare's home health benefit on the basis of needing skilled nursing care solely for venipuncture.

To qualify for the Medicare home health benefit, §§1814(a)(2)(C) and 1835(a)(2)(A) of the Act require a Medicare beneficiary to be confined to the home, under the care of a physician, receiving services under a plan of care established and periodically reviewed by a physician, be in need of skilled nursing care on an intermittent basis or physical therapy or speech-language pathology or have a continuing need for occupational therapy.

Section 1861(m) of the Act governs the extent of Medicare home health services that may be provided to eligible beneficiaries by or under arrangements made by a participating home health agency (HHA). To eligible beneficiaries, HHAs may provide needed home health services which include part-time or intermittent skilled nursing care, part-time or intermittent home health aide services, physical therapy, speech-language pathology, occupational therapy, medical social services, medical supplies (including catheters, catheter supplies, ostomy bags, and supplies related to ostomy care, and a covered osteoporosis drug (as defined in §1861(kk) of the Act), but excluding other drugs and biologicals), durable medical equipment while under the plan of care established by physician, medical services provided by an intern or resident-in-training of the hospital, under an approved teaching program of the hospital in the case of an HHA which is affiliated or under common control with a hospital, and services at hospitals, skilled nursing facilities, or rehabilitation centers when they involve equipment too cumbersome to bring to the home. This revision of the law specifically excludes venipuncture as a basis for qualifying for Medicare home health services <u>if this is the sole skilled service the beneficiary requires.</u>

However, the Medicare home health benefit will continue to pay for a blood draw if the beneficiary has a need for another qualified skilled service and meets all home health eligibility criteria.

This Program Memorandum applies to home health services furnished on or after February 5, 1998. If a beneficiary is receiving home health services based solely on the need for venipuncture on February 5, he/she will no longer be qualified to receive benefits effective that date.

These instructions should be implemented within your current operating budget.

Contact person for this Program Memorandum is Carol Blackford (410) 786-5909.

This Program Memorandum may be discarded after March 1, 2001.