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# Program Memorandum Intermediaries/Carriers

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Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)  
Date: AUGUST 29, 2003

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Transmittal AB-03-136

## CHANGE REQUEST 2892

**SUBJECT: Correction to Quarterly Update of HCPCS Codes Used for Home Health Consolidated Billing Enforcement**

### I. GENERAL INFORMATION

#### A. Background:

The CMS periodically updates the lists of Healthcare Common Procedure Coding System (HCPCS) codes that are subject to the consolidated billing provision of the Home Health Prospective Payment System (HH PPS). Services appearing on this list submitted on claims to both Medicare fiscal intermediaries (FIs) and carriers, including Durable Medical Equipment Regional Carriers (DMERCs), will not be paid for dates when a beneficiary for whom such a service is being billed is in a home health episode (i.e., under a home health plan of care administered by a home health agency). Medicare will only directly reimburse the primary home health agencies that have opened such episodes during the episode periods. Note that therapies performed by physicians, supplies incidental to physician services and supplies used in institutional settings, are not subject to HH consolidated billing.

These updates of the HH consolidated billing code list would occur as frequently as quarterly in order to reflect the creation of temporary HCPCS codes (e.g., 'K' codes). These temporary codes may describe services subject to consolidated billing in addition to the permanent list of HCPCS codes that is updated annually.

The Program Memorandum AB-03-096, the third quarterly HH consolidated billing update for calendar year 2003, was published on July 3, 2003. Among other changes, it removed code A4421 from the list of supply codes subject to home health consolidated billing. Removing code A4421 was an error.

This instruction is to notify providers that the following code will not be deleted from home health consolidated billing enforcement:

A4421 Ostomy Supply misc

#### B. Policy:

Section 1895 of the Social Security Act codifies the HH PPS.

## II. BUSINESS REQUIREMENTS

Req. #	Requirements	Resp.
2892.1	Medicare claims processing systems shall modify the list of codes used to enforce consolidated billing.	CWF
2892.1.1	Medicare claims processing systems shall restore HCPCS code A4421 to the list of codes used to enforce existing HH consolidated billing edits on claims with dates of service on or after October 1, 2003.	CWF
2892.2	Contractors shall inform affected provider communities of the changes to the codes subject to HH consolidated billing.	FIs, Carriers, DMERCs
2892.2.1	Contractors shall inform affected provider communities by posting relevant portions of this instruction on their Web sites within 2 weeks of the issuance date of this instruction.	FIs, Carriers, DMERCs
2892.2.2	Contractors shall publish this same information in their next regularly scheduled bulletin.	FIs, Carriers, DMERCs
2892.2.3	Contractors that have a listserv that targets the affected provider communities shall use it to notify subscribers that information about "Correction to Quarterly Update of HCPCS Codes for Home Health CB Enforcement" is available on your Web Site.	FIs, Carriers, DMERCs
2892.2.4	Contractors shall direct providers and suppliers interested in an updated complete list of codes subject to HH consolidated billing to the HH consolidated billing master code list available at <a href="http://cms.hhs.gov/providers/hhapps/">http://cms.hhs.gov/providers/hhapps/</a> .	FIs, Carriers, DMERCs

## III. – SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

**A – Other Instructions:** N/A

**B – Design Considerations:** N/A

**C - Interfaces:** N/A

**D - Contractor Financial Reporting /Workload Impact:** N/A

**E - Dependencies:** N/A

**F - Testing Considerations:** N/A

**IV. – ATTACHMENT(S)** N/A

<p><b>Version:</b> Final 8-13-2003</p> <p><b>Implementation Date:</b> October 1, 2003</p> <p><b>Discard Date:</b> October 1, 2004</p> <p><b>Post-Implementation Contact:</b> Regional Office</p>	<p><b>Effective Date:</b> October 1, 2003</p> <p><b>Funding:</b> Within current operating budget</p> <p><b>Pre-Implementation Contact:</b> Wil Gehne, (410) 786-6184, <a href="mailto:wgehne@cms.hhs.gov">wgehne@cms.hhs.gov</a>; Elizabeth Carmody (410) 786-7533, <a href="mailto:ecarmody@cms.hhs.gov">ecarmody@cms.hhs.gov</a> and Kelly Buchanan, (410) 786-6132, <a href="mailto:kbuchanan@cms.hhs.gov">kbuchanan@cms.hhs.gov</a>;</p>
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