OASIS Alert

Survey & Certification: SURVEYORS TO SMACK AGENCIES THAT DONT EXPLAIN BUNDLING

As if admission visits weren't already long enough, home health agencies now must add explaining complicated bundling rules to patients to their admit to-do list, according to recent instructions from the **Centers for Medicare & Medicaid Services**.

But on the bright side, unpleasant tangles with Part B providers over services and items subject to home health consolidated billing should ease by next spring.

The home health conditions of participation require HHAs to "inform beneficiaries of the disciplines that will be furnishing their care." That notification includes explaining that the primary HHA must provide therapy and medical supplies, CMS stresses in program memorandum A-02-104.

HHAs' explanation of bundling to patients should alleviate "the problems currently being encountered by some independent providers as a result of the enforcement of home health consolidated billing," according to the memo.

In other words, CMS is passing the buck to HHAs, protests consultant **Richard Dixon** with **Dixon-Kanary & Co.** in Augusta, GA. "CMS can't explain it to beneficiaries, so now it expects home health agencies to," Dixon observes.

Visiting nurse associations "will chalk this one up to just one more complicated thing that Medicare is insisting they explain to the poor, sick and confused beneficiaries and their families," says **Bob Wardwell** with the **Visiting Nurse Associations of America**.

Many home health agencies will feel they are being unduly burdened by CMS with this responsibility, observers tell **Eli**.

Medicare requires HHAs to explain bundling under 42 CFR, 484.10 (c) (i), the COP for patient rights, and 484.10 (e), the COP for patient liability for payment, CMS argues in the memo. The patient rights COP obliges agencies to inform the beneficiaries of the disciplines and frequency of visits proposed, and therefore that "all services, including therapies and supplies, will be provided by his/her primary HHA," CMS spells out.

The explanation under payment liability "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," according to the memo.

At least informing patients of bundling does them a financial service, Dixon notes. If they obtain therapy or supplies under Part B, they are subject to a 20 percent copayment. Under home health, those same services require no copay. "Patients have a financial incentive to go with the HHA," he says.

But sometimes the entities furnishing the therapy or supplies make it very difficult for beneficiaries to take advantage of that cost savings.

The one bright spot in the home health memo is that CMS plans to give therapists and suppliers access to patients' home health episode information starting in April 2003.

Many of the problems with overlapping claims have been due to those providers' lack of information about patients' home health status, CMS admits. "This should have been done, and was requested by providers, at the outset of PPS," charges Wardwell, a former CMS official. But it's better late than never. "This system should reduce the complaints of bundled therapists and suppliers that they had no way to know the patient was in a home health episode."

Editor's Note:The memo is at www.cms.gov/manuals/pm_trans/A02104.pdf.