Episodic Payment System for Certified Home Health Agencies (CHHA)
Billing Guidance - December 26, 2018

The Department of Health (DOH) has received several questions regarding appropriate billing for the CHHA Episodic Payment System. The detailed guidance below serves to reiterate all previously published guidance.

Synchronization of Medicare and Medicaid Episodes

In support of the April 9, 2013 Billing Guidelines, DOH presents the following as further detailed guidance:

"In order to align the Medicare and Medicaid episode start dates for dual-eligible recipients, the only time a provider may submit a claim for an episode of less than 60 days is either for a new patient or for an episode that began on May 1, 2012.

A patient is only new to a given provider the first time that provider bills Medicaid for that patient. Therefore, synching to align Medicare and Medicaid start dates may only occur once for a given patient/provider combination.

Additionally, a new Medicaid episode should not be created due to the completion of a new OASIS assessment. The billed rate code must be consistent with the most recent OASIS assessment on or before the first day of the billed Medicaid episode. If a new assessment is completed during a 60-day episode, the new assessment will determine the rate code to be used for the next Medicaid episode."

Please note: While synchronization of Medicare and Medicaid episodes is allowed as defined above, providers are not required to do so. In addition, services paid by Medicare should not be included in the bill to Medicaid.

While DOH is sensitive to the fact that providers are responsible for billing multiple payors with similar but different payment systems, it is important for providers to keep in mind that the goal of the Medicaid program is to provide necessary services to eligible individuals in the most cost-effective way.

Examples for Reference:

Scenario 1 - A dual-eligible individual is hospitalized for a cardiac event and discharged from hospital on January 1, requiring home care services, which commence on the same day. Medicare covers all home care services from January 1 through January 31.

- Provider should bill Medicare January 1 – January 31
- Medicaid claim will span February 1 – April 1

Scenario 2 - A dual-eligible individual is hospitalized for a cardiac event and discharged from hospital on January 1, requiring home care services, which commence on the same day.

Medicare covers some home care services from January 1 through January 31; Medicaid covers additional services January 1 through January 31 and all services February 1 forward.

- Provider should bill Medicare January 1 – January 31 for those services covered by Medicare.
- Medicaid claim will span January 1 – March 1. Services being paid for by Medicare January 1 – January 31 should not be included on the Medicaid claim.

Scenario 3 - A Medicare-enrolled individual is hospitalized for a cardiac event and discharged from hospital on January 1, requiring home care services, which commence on the same day. Medicare covers all home care services from January 1 through January 31. The patient then becomes Medicaid enrolled as of February 1. Both Medicare and Medicaid cover services as of February 1. This is the first time the provider will bill Medicaid for this specific recipient, and therefore, the individual meets the definition of New Patient.

- Provider should bill Medicare January 1 – March 1.
- A partial Medicaid claim may be submitted for February 1 – March 1, to synchronize with the Medicare episode. (Note: In this scenario, the provider is <u>not required</u> to submit a partial episode.)
- The next episodes should be billed beginning March 2 and last for 60 days, barring any additional issues.