

Office of Clinical Standards and Quality/Survey & Certification Group

Ref: S&C: 12-15-HHA

**EXPIRED EFFECTIVE: 03/15/2024**

**DATE:** December 23, 2011

**TO:** State Survey Agency Directors

**FROM:** Director  
Survey and Certification Group

**SUBJECT:** **EXPIRED:** Revised Initial Certification Process for Home Health Agencies (HHAs)

**Memo Expiration Information:**

**Expiration Date:** 03/15/2024

**Expiration Information:** Refer to QSO-24-07-HHA: Revisions to Home Health Agencies (HHA) – Appendix B of the State Operations Manual

**Memorandum Summary**

- **Revised HHA Initial Certification Process:** This memorandum revises the current process for *initial certification* of prospective HHAs. An additional step is added to accommodate a second review of enrollment criteria performed by the Regional Home Health Intermediary (RHHI) or Medicare Administrative Contractor (MAC). The Centers for Medicare & Medicaid Services (CMS) Regional Office (RO) will **hold** the issuance of a CMS certification number (CCN) and provider agreement until the RHHI/MAC has re-reviewed certain Medicare enrollment requirements (e.g., site visit verification, capitalization requirements and Medicare exclusion) following the initial survey. Only upon recommendation from the RHHI/MAC that the prospective HHA **continues** to remain in compliance with the enrollment requirements will the RO proceed with completing initial certification of the HHA.

**Background**

Currently, when a prospective HHA provider wishes to participate in the Medicare program, it must complete and submit a Form CMS-855A to the RHHI/MAC. Once the RHHI/MAC verifies the information on the enrollment application, it provides the SA and RO with written notification, via a recommendation of approval, that the initial certification survey to determine compliance with the Conditions of Participation (CoPs), may be conducted. Upon completion of

the initial survey, if the RO concurs with the State Survey Agency (SA) or an approved Accreditation Organization (AO) recommendation for certification, the RO signs the provider  
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agreement on behalf of the Secretary and issues a CCN to the HHA. The RO notifies the RHHI/MAC that the provider is in compliance with the CoPs and notes the date of compliance.

### **Revised Procedure**

As a part of the ongoing effort of CMS' Center for Program Integrity to improve the enrollment process and reduce the Medicare program's vulnerability to fraud, we are adding *an additional step* to the current procedure for processing the *initial* certification of prospective HHAs. Following the SA's or AO's recommendation for certification after the initial survey, the RO will now **hold** the issuance of a CCN and provider agreement until the RHHI/MAC has re-reviewed certain Medicare enrollment requirements (e.g., site visit verification, capitalization requirements and Medicare exclusion checks) and has notified the RO that the prospective HHA continues to be in compliance with the criteria. Only when the RHHI/MAC determines that the prospective HHA continues to remain in compliance with the enrollment requirements following the SA/AO initial survey will the RO proceed with processing the initial certification of the HHA.

It is critical that the RHHI/MAC be given the opportunity to re-review the information submitted on the CMS-855A to ensure that the specific enrollment requirements noted above continue to be met before CMS enters into an agreement with the HHA. Criteria for a successful site visit include a determination that the facility is open, staffed with personnel, and, if applicable, serving customers, and appears operational. If the provider/supplier does not pass the site visit, the contractor must deny its enrollment. See PIM, Ch. 15, Sec. 15.19.2.2.

Upon receipt of and concurrence with a SA or AO recommendation for initial certification, the RO will notify the RHHI/MAC via e-mail that the initial survey has been completed, the HHA is in compliance with the CoPs and that the RO is awaiting notification from the RHHI/MAC of the results of the re-review before the certification is processed. The RHHI/MAC will conduct the re-review and then notify the RO of the results of its re-review via e-mail. If the re-review indicates that the prospective HHA remains in compliance with all enrollment criteria and the RO concurs, the RO will issue the CCN and the provider agreement and forward a Form CMS-2007 to the RHHI/MAC with the effective date of participation being the date on which the HHA was determined to be in compliance with the CoPs.

If, however, the RHHI/MAC re-review determines that the prospective HHA is no longer in compliance with the enrollment requirements, the MAC will notify the HHA of this by letter and send a copy to the RO. Upon receipt of this recommendation of denial of enrollment, the RO will then issue a denial letter to the HHA explaining that certification has not been granted due to the HHA's failure to meet the enrollment requirements as described in the RHHI/MAC letter. The basis for denial contained within the RO denial letter **should be 424.530(a)(1)**, and associated appeal rights will be provided through the provider enrollment process to the prospective HHA. The letter should include standard appeals language from the Program Integrity Manual, Chapter 15, Section 15.24.11. Please note, however, that the correct mailing address for the appeal is:

CMS Provider Enrollment Operations Group

7210 Ambassador Road - Mailstop AR-18-50  
Baltimore, MD 21244

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The certification case is to be closed in the Automated Survey Processing Environment (ASPEN).

**Effective Date:** Immediately

**Training:** The information contained in this letter should be shared with all Survey & Certification staff, their managers and the State/Regional Office training coordinators.

**References:**

**42 CFR 489.13** <http://www.cms.gov/MLN MattersArticles/Downloads/MM7232.pdf>  
Pub.100-08, Chapter 15 Special Provisions for HHAs  
<http://www.cms.gov/manuals/downloads/pim83c15.pdf>

**42 CFR § 424.518** Regarding the site visit requirement for providers and suppliers in the moderate and high risk categories, CMS has provided detailed instructions to contractors on the timing of the site visit based on the type of application. See PIM, Ch. 15, Sec. 15.19.2.1

/s/

Thomas E. Hamilton

cc: Survey and Certification Regional Office Management  
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