

# CMS Manual System

## Pub 100-19 Demonstrations

Transmittal 44

Department of Health &  
Human Services (DHHS)

Centers for Medicare &  
Medicaid Services (CMS)

Date: APRIL 7, 2006

Change Request 4381

**SUBJECT: Additional Billing Guidance for HHA Sites in the Demonstration Project for Medical Adult Day-Care Services (MMA Section 703)**

**I. SUMMARY OF CHANGES:** This Change Request represents a modification of CR 3660 which outlines payment processing procedures for the Demonstration Project for Medical Adult Day-Care Services as mandated under Section 703 of the MMA. This CR identifies an additional critical requirement needed to ensure correct claims payment for beneficiaries enrolled in this demonstration.

**NEW/REVISED MATERIAL :**

**EFFECTIVE DATE : May 8, 2006**

**IMPLEMENTATION DATE : May 8, 2006**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED – *Only One Per Row.*

R/N/D	Chapter / Section / SubSection / Title
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**III. FUNDING:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

**IV. ATTACHMENTS:**

One-Time Notification

*\*Unless otherwise specified, the effective date is the date of service.*

# Attachment – One-Time Notification

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**SUBJECT: Additional Billing Guidance for HHA Sites in the Demonstration Project for Medical Adult Day – Care Services (MMA Section 703)**

## I. GENERAL INFORMATION

**A. Background:** The purpose of the change request is to require the Home Health Agencies (HHAs) participating in the Demonstration Project for Medical Adult Day-Care Services (as mandated under Section 703 of the MMA) to use HCPCS demonstration modifier “Q2” to identify each demonstration service.

As described in more detail in CR 3660 (which describes other data collection for this demonstration), Section 703 of the MMA states that the Secretary shall conduct a 3 year demonstration in not more than 5 sites to provide, as part of the episode of care for home health services, medical adult day-care services to Medicare beneficiaries as a substitute for a portion of home health services that would otherwise be provided in the beneficiaries homes. Payment will be provided directly to the HHA for all services included in the home health Plan of Care whether delivered at home or in the medical adult day care facility (MADCF).

While documentation of services delivered both at home and in the MADCF will appear on a single UB-92, effective monitoring and evaluation of the demonstration requires a way to distinguish between them – i.e., to track and quantify which services during the home health episode were delivered in the home (as under normal Medicare procedures) and which in the MADCF (specific to the demonstration).

The business requirements specified in this change request apply only to the Medicare home health benefit and only affect the Regional Home Health Intermediaries (RHHIs) processing claims for sites enrolled in the demonstration.

**B. Policy:** This CR represents an additional provider billing requirement for the MADCS Demonstration Project.

It specifically directs providers to use the HCPCS demonstration modifier “Q2” to allow accurate identification and documentation of payment for Medicare beneficiaries enrolled in this demonstration. Providers participating in the demonstration will be directed to append the modifier “Q2” to the HCPCS code on each line item representing a service provided in the MADCF. Lines representing services provided to participating beneficiaries in their homes will NOT have the “Q2” modifier appended.

Since HCPCS modifiers are not utilized or edited in processing HHA claims, this direction is not anticipated to require any changes in CMS or contractor systems or procedures.



#### IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

##### A. Other Instructions: N/A

X-Ref Requirement #	Instructions

##### B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

##### C. Interfaces: N/A

##### D. Contractor Financial Reporting /Workload Impact: N/A

##### E. Dependencies: N/A

##### F. Testing Considerations: N/A

#### V. SCHEDULE, CONTACTS, AND FUNDING

<b>Effective Date*:</b> May 8, 2006 <b>Implementation Date:</b> May 8, 2006 <b>Pre-Implementation Contact(s):</b> Armen Thoumaian (410) 786-6672 <b>Post-Implementation Contact(s):</b> Armen Thoumaian (410) 786-6672	<b>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.</b>
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