CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-03 Medicare National Coverage Determinations	Centers for Medicare & Medicaid Services (CMS)
Transmittal 78	Date: DECEMBER 5, 2007
	Change Request 5834

SUBJECT: Pulmonary Rehabilitation Services

I. SUMMARY OF CHANGES: CMS has determined that no national coverage determination is appropriate at this time, and that decisions pursuant to ý1862(a)(1)(A) should continue to be made by local contractors through the local coverage determination process or by case-by-case adjudication.

This addition of section 240.8 of Pub. 100-03 is a national coverage determination (NCD). NCDs are binding on all carriers, fiscal intermediaries, quality improvement organizations, qualified independent contractors, the Medicare Appeals Council, and administrative law judges (ALJs) (see 42 CFR section 405.1060(a)(4) (20

NEW/REVISED MATERIAL
EFFECTIVE DATE: September 25, 2007
IMPLEMENTATION DATE: January 7, 2008

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

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	1/Table of Contents
N	1/240.8/Pulmonary Rehabilitation Services (Effective September 25, 2007)

III. FUNDING:

SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: For Medicare Administrative Contractors (MACs):
The Medicare administrative contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

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

Attachment – Business Requirements

Pub. 100-03	Transmittal: 78	Date: December 5, 2007	Change Request: 5834

SUBJECT: Pulmonary Rehabilitation Services

Effective Date: September 25, 2007

Implementation Date: January 7, 2008

I. GENERAL INFORMATION

A. Background: Currently, the Centers for Medicare & Medicaid Services (CMS) does not cover pulmonary rehabilitation as a single entity. However, there is a limited benefit for some pulmonary rehabilitation services provided in a comprehensive outpatient rehabilitation facility (CORF). Certain components of pulmonary rehabilitation may fall under other existing benefit categories. On November 15, 2006, CMS received a request for a national coverage determination (NCD) that would address components of pulmonary rehabilitation services in the hospital outpatient, physician office, and CORF settings. This change request communicates the findings resulting from that request. The complete analysis can be accessed on the CMS website at: http://www.cms.hhs.gov/mcd/viewnca.asp?where=index&nca_id=199.

B. Policy: After examining the available medical evidence, CMS has determined that no NCD is appropriate at this time, and that decisions pursuant to §1862(a) (1) (A) of the Social Security Act should continue to be made by local contractors through the local coverage determination (LCD) process or by case-by-case adjudication. See Heckler v. Ringer, 466 U.S. 602, 617 (1984) (Recognizing that the Secretary has discretion to either establish a generally applicable rule or to allow individual adjudication.). See also, 68 Fed. Reg. 63692, 63693 (November 7, 2003).

II. BUSINESS REQUIREMENTS TABLE

Use"Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				OTHER
							FISS	MCS	VMS	CWF	
5834.1	Effective with dates of service on and after September 25, 2007, contractors shall continue to process claims for pulmonary rehabilitation services using their LCD process or case-by-case adjudication. No changes to process or policy are made with this instruction. See Pub 100-03, NCD Manual, part 4, section 240.8, for further information.	X		X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)						
		A/	DM	FI	CA	RH	Shared-System Maintainers	OTHER

							FISS	MCS	VMS	CWF	
5834.2	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X	X	X					

IV. SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

B. For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s):
National Coverage Determination: Roya Lotfi, roya.lotfi@cms.hhs.gov, 410-786-4072

Post-Implementation Contact(s): Appropriate RO

VI. FUNDING

A. For Fiscal Intermediaries and Carriers, use the following statements:
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. For Medicare Administrative Contractors (MACs), use the following statement:
The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of

work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

Medicare National Coverage Determinations Manual

Chapter 1, Part 4 (Sections 200 – 310.1)

Coverage Determinations

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(Rev. 78, 12-05-07)

240.8 - Pulmonary Rehabilitation Services (Effective September 25, 2007)

240.8 - Pulmonary Rehabilitation Services – (Effective September 25, 2007)
(Rev. 78, Issued: 12-05-07, Effective: 09-25-07, Implementation: 01-07-08)

A. General

Pulmonary rehabilitation was defined in a 1999 joint statement of the American Thoracic Society and the European Respiratory Society as a multi-disciplinary program of care for patients with chronic respiratory impairment that is individually tailored and designed to optimize physical and social performance and autonomy and an evidence-based, multidisciplinary, and comprehensive intervention for patients with chronic respiratory diseases who are symptomatic and often have decreased daily life activities. Integrated into the individualized treatment of the patient, pulmonary rehabilitation is designed to reduce symptoms, optimize functional status, increase participation, and reduce health care costs through stabilizing or reversing systematic manifestations of the disease.

Although services that make up pulmonary rehabilitation individually may be covered under Medicare and fall into various applicable benefit categories, the Centers for Medicare & Medicaid Services (CMS) has determined that the Social Security Act (the Act) does not expressly define a comprehensive Pulmonary Rehabilitation Program as a Part B benefit. In addition, respiratory therapy services are identified as covered services under the Comprehensive Outpatient Rehabilitation Facility benefit and defined in 42 CFR 410.100(e)(1) to (2)(vi).

B. Nationally Covered Indications

N/A

C. Nationally Non-Covered Indications

N/A

D. Other

The CMS has determined that a national coverage determination (NCD) for pulmonary rehabilitation is not appropriate at this time. Local contractors should continue to make decisions under §1862(a)(1)(A) of the Act through their local coverage determination (LCD) process or by case-by-case adjudication. See Heckler v. Ringer, 466 U.S. 602, 617 (1984) (Recognizing that the Secretary has discretion to either establish a generally applicable rule or to allow individual adjudication.). See also, 68 Fed. Reg. 63692, 63693 (November 7, 2003). LCDs can be accessed from the CMS search engine located at: http://www.cms.hhs.gov/mcd/search.asp.

(This NCD last reviewed September 2007.)