

DEC 19 2011

**RE: Important Information About Changes
to Billing Instructions for Episodic Payment
System - Certified Home Health Agencies**

Dear Administrator:

In response to provider concerns, the Department has initiated programming changes in the eMedNY payment system which will affect the billing procedures for the Episodic Payment System for Certified Home Health Agencies (CHHAs) beginning April 1, 2012.

These changes will apply to two types of episodic claims:

1. Claims in which the period of service is less than 60 days, but the provider is requesting a full episodic payment in accordance with the four allowable exceptions identified by the Department.
2. Claims for maternity patients who are 18 years of age or older, in cases where an OASIS assessment is not required.

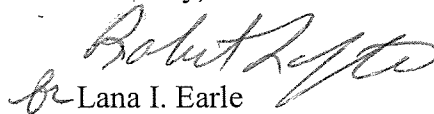
Detailed information about the revised billing instructions is included in the attached document:

**CHHA Episodic Payment System: Revised Instructions for Partial Episodes
and Maternity Patients - Dec 19, 2011**

This document also has been distributed via email to all individuals who registered for the Department's November 10 Webinar regarding Implementation of the Episodic Payment System.

Please note that these revisions will update some of the information and examples which were presented in the Webinar. If you have any questions about this information, please contact Charles Tobey or Tim Casey at (518) 473-8910.

Sincerely,



Lana I. Earle

Director

Bureau of Long Term Care Reimbursement

Attachments

CHHA Episodic Payment System: Revised Instructions for Partial Episodes and Maternity Patients - Dec 19, 2011

In response to provider concerns, the following refinements to the Episodic Payment System have been initiated and are expected to be completed by April 1, 2012:

1. PARTIAL EPISODES

Providers must report actual dates of service in the From and Through dates in field 6 on the UB-04 claim form for a Final Claim, regardless of whether a full episodic payment is expected for an episode of care lasting less than 60 days.

As previously stated, full payment will be made for partial episodes if the patient was:

- Discharged to home
- Transferred to hospital
- Transferred to hospice
- Deceased

If the reported length of the episode is less than 60 days, payment will be pro-rated unless field 17 on the UB-04 (discharge status) is populated with one of the following values:

- 01 (discharge to home or self care)
- 02 (hospital)
- 50 (hospice - home)
- 51 (hospice - medical facility)
- 20 (death)

If one of these values is present in field 17, the provider will receive payment for a full episode, regardless of the number of days in the From and Through fields.

2. MATERNITY PATIENTS

Maternity patients 18 and older are not excluded from the Episodic Payment System.

However, because federal regulations do not require an OASIS assessment for maternity patients, a special rate code (4920) has been created for maternity patients for whom no OASIS has been completed.

Rate code 4920 will have the same Case Mix Index and Outlier Threshold as the lowest acuity group in the 108 OASIS-based rate codes (4810).

For rate codes 4810 through 4917, the Medicaid claim form must include Occurrence Code 50 and this code must be used to report the most recent assessment date prior to, or coincident with, the start date of the episode. Occurrence Code 50 will not be required for Rate Code 4920, which can be used only for maternity patients.

Providers may, at their discretion, complete an OASIS assessment for a maternity patient and use a different rate code as applicable.

Consistent with federal rules, maternity patients are defined as: patients who are currently or were recently pregnant and are receiving treatment as a direct result of such pregnancy.

NOTE: These enhancements to the Episodic Payment System are expected to be in place by April 1, 2012. However, they will not be available for provider testing on January 1, 2012.