



Correction to Period Sequence Edits on Home Health Claims

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Related Change Request (CR) Number: 12085

Related CR Release Date: March 16, 2021

Effective Date: January 1, 2020

Related CR Transmittal Number: R10596OTN

Implementation Date: July 6, 2021

PROVIDER TYPES AFFECTED

This MLN Matters Article is for Home Health Agencies (HHAs) submitting Home Health (HH) claims to MACs for services they provide to Medicare patients.

PROVIDER ACTION NEEDED

This article informs you about revisions to Medicare's Common Working File (CWF) HH period sequence edits to no longer exclude Low-Utilization Payment Adjustment (LUPA) claims. Make sure your billing staffs are aware of these changes.

BACKGROUND

The CWF contains edits that ensure that Medicare pays HH claims in the correct episode or period of care sequence. Currently, these edits bypass LUPA claims. Before the implementation of the Patient-Driven Groupings Model (PDGM), this bypass was correct. If the claim had 4 or fewer visits, it would correctly receive a LUPA payment regardless of whether it was an early or late episode.

Under the PDGM, the early or late Health Insurance Prospective Payment System (HIPPS) codes for a period of care can have different LUPA thresholds, ranging from 1 to 6 visits. The correct early or late HIPPS code must be assigned before Medicare systems can correctly determine whether a LUPA payment should apply. In some cases, incorrect payments result if Medicare systems bypass period of care sequence edits for LUPA claims.

When HHAs bring such claims to their attention, MACs manually recode affected claims to correct payment. CR 12085 corrects CWF editing to remove the LUPA bypass for HH claims with from dates on or after January 1, 2020. Once the CR 12085 correction is in effect, manual recoding will no longer be necessary.

CR 12085 contains no new policy, but corrects the implementation of existing policy.

ADDITIONAL INFORMATION

The official instruction, CR 12085, issued to your MAC regarding this change is available at <https://www.cms.gov/files/document/r10596OTN.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

DOCUMENT HISTORY

Date of Change	Description
March 17, 2021	Initial article released.

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