

Home Health Agency (HHA) reimbursement FAQs

No-pay Requests for Anticipated Payment (RAP) with Notice of Admission (NOA)

RAP for Calendar Year (CY) 2021 and the implementation of a new one-time NOA process started in CY 2022. In that final rule, we finalized the reduction in up-front payment, made in response to a RAP, to zero percent for all 30-day periods of care beginning on or after January 1, 2021.

Starting in CY 2022, HHAs were able to submit a one-time NOA that establishes the home health period of care and covers all contiguous 30-day periods of care until the individual is discharged from Medicare home health services.

Does TRICARE require a Notice of Admission (NOA)?

No, the Notice of Admission (NOA) was not adopted by the Defense Health Agency (DHA) so it is not required.

Occupational therapy Low Utilization Payment Adjustment (LUPA) add-on

For LUPA 30-day periods of care in which an HHA fails to submit a timely RAP or NOA, no LUPA payments will be made for days that fall within the period of care prior to the submission of the RAP or NOA.

Will there be a change of how LUPAs are reimbursed?

If the DHA adopts the late penalty for LUPAs, reimbursement will change. No change to reimbursement noted at this time.

LUPA episodes that occurred as the only episode or as an initial episode in a sequence of adjacent episodes were adjusted by applying an additional amount to the LUPA payment before adjusting for area wage differences.

Are there any changes to LUPA policy from 2021?

No changes will be made from 2021 – 2022 on the LUPA claims.

The use of telecommunications

The amended plan of care requirements at § 409.43(a) also state that these services cannot substitute for a home visit ordered as part of the plan of care and cannot be considered a home visit for the purposes of patient eligibility or payment, in accordance with section 1895(e)(1)(A) of the [Social Security Act](#).

We proposed to amend § 409.46(e) to include not only remote patient monitoring, but other communication or monitoring services, consistent with the plan of care for the individual.

Will telemedicine be included for HHA?

No changes have been made by CMS at this time to include telemedicine.

Partial Episode Payment (PEP)

Medicare also adjusts the national standardized 30-day period payment rate for certain intervening events that are subject to a partial payment adjustment (PEP adjustment). For certain cases that exceed a specific cost threshold, an outlier adjustment may also be available.

Will there be any changes to PEP?

No, there will be no changes to PEP until the DHA provides additional guidance.

For more information, see [TRICARE Reimbursement Manual \(TRM\) Ch.12, Sec 9](#).