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**To: All Indiana Health Coverage Programs Home Health Providers**

**Subject: Defining Homebound Status for Indiana Health Coverage Programs Members**

## Overview

The Office of Medicaid Policy and Planning (OMPP) strives to ensure that services provided through the Indiana Health Coverage Program (IHCP) be appropriate and medically necessary. Since 1982, home health services for IHCP members have required prior authorization, and all requests for home care services are evaluated by professional clinical staff employed by the IHCP's prior authorization contractor, Health Care Excel (HCE). HCE staff is experienced in approving home care services, and HCE evaluates each case based on the medical and social information provided by the patient's physician. The decision to approve, deny, or modify a request for home care services is made according to commonly-accepted clinical standards regarding the appropriate level and amount of care needed.

## Home Health Services Policy

The OMPP's policy for services provided to IHCP members receiving home health services has not changed; however, there may be some confusion in the provider community. On June 6, 2000, banner page *BR200023* included an article for all Indiana Health Coverage Programs home health providers that explained the OMPP's position on *homebound status* or persons *medically confined to the home*. The article stated the following:

*"It has come to the attention of OMPP that Medicaid recipients receiving home health services may be receiving incorrect information concerning the requirement that an individual be medically confined to the home in order to receive services. Medically confined does not mean an individual jeopardizes continued receipt of services if he/she leaves his/her home, even on a very limited basis. OMPP requests your assistance in providing clarification to clients about this subject."*

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Although the OMPP intended for the banner page article to clarify the OMPP's operant position, which had not changed, some home health agencies interpreted the information to mean that under no circumstances may such an individual leave his or her home.

Prior authorizations are reviewed based on factors relating to the home health recipient. Pursuant to 405 IAC 5-16-3(d)(2)(M), the covered services and limitation rule regarding prior authorizations for home health services states, "Whether the recipient works and or attends school outside of the home, including what assistance is required." This is one factor HCE uses when reviewing prior authorizations to determine the amount of services required by the home health recipient. Therefore, HCE reviews and approves, modifies, or denies requested prior authorization services as appropriate for recipients needing services whether the recipient works or attends school outside the home.

Attachment 3-g of the *State Medicaid Director's Letter* dated July 25, 2000, provides clarification regarding the prohibition of a homebound requirement for the Medicaid home health benefit. The following is the text of the letter:

*The Medicaid home health benefit is an important tool for serving persons with disabilities in integrated settings. Medicaid regulations at 42 CFR 440.70(a)(1) require that home health services be provided to an individual at his or her place of residence. An individual's place of residence for purposes of home health services does not include a hospital, nursing facility, or intermediate care facility for the mentally retarded. Home health services must include part-time or intermittent nursing services, home health aide services, and medical supplies, equipment, and appliances suitable for use in the home. Physical or occupational therapy and speech pathology and audiology services are optional.*

*While current regulations specify that these services must be provided to an individual at his place of residence, it is not necessary that the person be confined to the home for the services to be covered under the Medicaid health benefit. The "homebound" requirement is a Medicare requirement that does not apply to the Medicaid program. Imposing a homebound requirement on receipt of Medicaid home health benefits as explained below violates Medicaid regulations related to "amount, duration, and scope of services" at 42 CFR 440.230 and "comparability of services" at 42 CFR 440.240. However, States may still limit the home health benefit in the manner allowed by statute and regulation.*

*Section 42 CFR 440.230 (c) indicates that "the Medicaid agency may not arbitrarily deny or reduce the amount, duration or scope of a required service under sections 440.210 and 440.220 to an otherwise eligible recipient solely because the diagnosis, type of illness, or condition." Sections 440.210 and 440.220 relate to required services for the categorically needy and to required services for the medically needy, including home health services. If a State limits home health services to persons who are homebound, while not providing medically necessary home health services to persons who are not homebound, it is arbitrarily denying the home health service*

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*based on the individual's condition (i.e., whether or not the individual is homebound) in violation of regulations at 440.230 (c).*

*Section 42 CFR 440.240(b) indicates that "the plan must provide that the services available to any individual in the following groups are equal in amount, duration, and scope for all recipients within the group: (1) The categorically needy. (2) A covered medically needy group." Thus, if a State limits the provision of Medicaid home health services to individuals who are homebound, the State violates Federal requirements at 440.240(b) by providing the services to some individuals within the eligibility group and not to others within the group. However, States may still limit the home health benefit in the manner allowed by statute and regulation.*

*The restriction of home health services to persons who are homebound to the exclusion of other persons in need of these services ignores the consensus among health care professionals that community access is not only possible but desirable for individuals with disabilities. New developments in technology and service delivery have now made it possible for individuals with even the most severe disabilities to participate in a wide variety of activities in the community with appropriate supports. Further, ensuring that Medicaid is available to provide medically necessary home health services to persons in need of those services who are not homebound is an important part of our efforts to offer persons with disabilities services in the most integrated setting appropriate to the needs, in accordance with the Americans with Disabilities Act.*

*For purposes of receipt of Medicaid home health services, a person's place of residence continues to be defined by the requirements of 42 CFR 440 (c).*

**As of May 14, 2001, providers are being notified that home health agencies will be out of compliance if they deny services to a Medicaid member based on the Medicare definition of homebound.**

## **Additional Information**

If there are any questions about this bulletin, please call EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.