Contact Tidal Healthcare Consulting for assistance in getting your agency started!
info@tidalhealthcareconsulting.com
813-294-5185

Medicare Home Health Agency Start Up Process

Licensure Process

Business Set up

The home health agency must be registered as a legal operating business, obtain a Tax ID number and NPI number.

Office Space

Home Health agencies require an office space with zoning approval. There are no space requirements, and many start up agencies begin with an executive suite. A lease is required and will be reviewed by the surveyor. Take note, once the Medicare survey is completed, the agency cannot move until after they obtain their Medicare provider ID.

Accreditation

Florida requires home health agencies providing skilled care to become accredited by an outside organization. The three approved organizations are: ACHC, CHAP and Joint Commission. Accreditation costs will be split between the two surveys, the first cost for the licensure and a second for the Medicare certification. The cost ranges for licensure $5000 - $6000, and then Medicare certification an additional $7500 - $9000 depending on the accreditation body. Accreditation covers a 3-year time period and must be maintained as long as the agency is in operation. An application for accreditation is completed with an "In Process" letter provided to the agency.

The following accrediting organizations have been approved by Florida and CMS to conduct deemed surveys for Medicare and Medicaid:

- Community Health Accreditation Program – toll free at (800) 656-9656 or visit their web site at http://www.chapinc.org
- The Joint Commission – (630) 792-5000 or visit their web site at www.jointcommission.org
- Accreditation Commission for Health Care – toll free at (855) 937-2242 or visit their web site at https://www.achc.org/.

Application Submission

Home health license applications are submitted by mail to the Agency for Health Care Administration (AHCA) and require the following information:

- Copy of business registration
- Proof of Tax ID number
- Proof of NPI
- Zoning letter for the office

- Liability and Malpractice Insurance
- Accreditation in process letter from selected accreditation body
- Financial schedules – must be completed by a CPA for an additional cost
- Proof of financial ability to operate based on the financial schedules
    - Usually requires a bank statement showing between $160,000 - $200,000
    - Statement from the agency owner that
- Lease for the agency office
- Strategic plan
- Application fee: $1700

Personnel Requirements

- Administrator
    - Florida Requirements - Licensed physician, physician assistant, registered nurse or an individual having at least 1 year supervisory or administrative experience in home care or a facility.
    - Medicare Requirements – Licensed physician, physician assistant, registered nurse or holds an undergraduate degree and has at least 1 year supervisory or administrative experience in home health care or related health care program.
- Director of Nursing
    - Florida and Medicare Requirements – A registered nurse who is a direct employee with at last 1 year supervisory experience as a registered nurse

Application Review

AHCA will review the application within 60 days and will either approve the application or submit an omission letter for any further information needed.

Licensure Survey

Once the application is approved, the accreditation body is notified, and a licensure survey is scheduled. This takes on average 4-8 weeks from notification. A surveyor will schedule a date and time for the survey which usually takes from 1-4 hours depending on the surveyor. Items reviewed during survey:

- Policies and procedures
- Personnel files for the administrator and director of nursing
- Admission packet
- Office set up

License Approval

Once the survey is completed and passed, the accreditation body will report the findings to AHCA. AHCA will then issue a license. This process may take from 1-2 months. Once the license is issued, there must be someone physically at the agency for a continuous 8 hours daily.

Medicare Certification

Application Submission

Licensed home health agencies may apply for enrollment in the Medicare program or make a change in their enrollment information using the online Internet-based Provider Enrollment, Chain and Ownership System (PECOS).

For additional information regarding the Medicare enrollment process, including Internet-based PECOS, go to www.cms.gov/MedicareProviderSupEnroll.

Access the following link: https://pecos.cms.hhs.gov/pecos/login.do#headingLv1

Palmetto Government Benefits Administration (Palmetto GBA) is designated by the U.S. Dept. of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) as the regional home health and hospice intermediary (RHHI) to receive Medicare applications from home health agencies in Florida.

If you have questions or concerns in completing the Medicare enrollment application, please contact Palmetto GBA at 803-382-6167.

Items required for submission:

- Application fee - $650
- Organizational chart
- Home health license
- Accreditation certificate
- Business registration
- Tax ID
- NPI
- Bank statement showing on average $100,000 depending on how the application is submitted
- Bank verification letter indicating the account is in good standing
- Funds self-attestation
- Blank check or bank letter with account and routing number

Application Review

Once the application has been submitted via mail or online, Palmetto GBA will review the application submitted by the home health agency. Palmetto GBA has 6 months to review and approve or deny the Medicare Enrollment Application.

When the application has been approved, Palmetto GBA will send a letter to the home health agency with a copy to AHCA's Laboratory and In-Home Services Unit.

The application will then be reviewed by a Medicare Certification Specialist in the Unit to ensure that the information reported on the CMS-855A is consistent with the information on the home health agency licensure file.

If the information is not consistent, the home health agency will be notified via email of the errors or omissions and instructed to contact Palmetto GBA to update the CMS-855A.

If the information is consistent, the home health agency will be notified via email of the additional requirements needed for completion of the enrollment package.

Email correspondence from the Unit will be sent to the contact person and corresponding email address listed on the CMS-855A.

This process has been very slow. It may take between 1 month – 4 months, longer if additional information is required.

Additional Provider Requirements

The home health agency will receive only one letter via email describing the additional requirements that must be addressed to deem the application complete. The email will be sent to the contact person and corresponding email address listed on the CMS-855A. No further action can be taken until the following is received:

Federal Forms and Documents

The following forms and documents must be completed and submitted to the Laboratory and In-Home Services Unit prior to certification.

- OASIS G325 Compliance letter – see OASIS information for requirements
- CMS 1561, Health Insurance Benefit Agreement – (2 originals)
- HHS 690, Assurance of Compliance Medicare – (2 originals)
- Civil Rights Clearance from the Office of Civil Rights (OCR) – (original and a copy)
  - OMB No. 0945-0006, Civil Rights Information Request for Medicare Certification and;
  - Nondiscrimination policies and notices – Please note the nondiscrimination policies and notices that are required to be developed and submitted with the Civil Rights Information Request Form.

  You may submit the Certification Civil Rights Information Request Form and required attachments via online or mail.

  Via online through OCR:
  Access the following link: https://ocrportal.hhs.gov/ocr/pgportal/

- Answer all of the questions and submit the Civil Rights Clearance package online. The submission will go directly to the Office of Civil Rights (OCR).
- Once the OCR has processed the Civil Rights Clearance package, the provider will receive an e-mail from OCR stating that the provider has completed the civil rights submission. The e-mail will contain an OCR number, which is necessary for OCR to access the provider's online submission.
- The home health agency must forward a copy of the e-mail from OCR to the Laboratory and In-Home Services Unit email box at HQAhomehealth@ahca.myflorida.com.
- The Laboratory and In-Home Services Unit will submit the email to the CMS Regional Office in lieu of the completed Civil Rights Clearance package.

Via mail:
Submit the Certification Civil Rights Information Request Form (original and a copy) and required nondiscrimination policies and notices, along with a copy of the letter from the Laboratory and In-Home Services Unit, to the following address:

Agency for Health Care Administration
Laboratory and In-Home Services Unit
2727 Mahan Drive, MS #32
Tallahassee, FL 32308

Deemed Survey

Once the Medicare application is approved, the letter is forwarded to the accreditation body and the agency may start accepting trial patients for the survey.

Accepting Patients for Skilled Care Services

Your agency must provide skilled nursing services, physical therapy, speech therapy or occupational therapy to a minimum of 10 patients before the deemed survey can be conducted. These patients do not have to be Medicare patients, as CMS will not reimburse for any services prior to the effective date determined by CMS. The agency must provide at least 2 services (Nursing, PT, OT, ST or MSW) during the trial period. Once the agency admits 10 patients and are prepared for survey, the accreditation body is notified to schedule the survey. This takes between 4-8 weeks from notification.

Preparing for the Survey

CMS requires the home health agency to be currently providing skilled care services to a minimum of 7 patients at the time of the initial Medicare survey. Surveyors will expect to review a comprehensive assessment for each of these patients that include the required OASIS items.

Items reviewed during survey:

- Patient chart review – 7 charts that the surveyor picks
- Personnel review – At least 1 personnel file for each requested service
- Patient home visits – 3 home visits will be completed
- Emergency management plan and disaster drills
- QAPI – Quality assurance and performance improvement plan, project and meeting minutes
- Required meeting minutes
- Policy review

To prepare for the survey, please review the Federal Regulation Set used by surveyors, which is based on the Federal Conditions of Participation. The Federal Regulation Set can be viewed and printed from http://cms.hhs.gov/manuals/Downloads/som107ap_b_hha.pdf.

The CMS Medicare Home Health Agency Manual should also be reviewed at www.cms.hhs.gov/manuals – click on the link for "Paper-Based Manuals".

Once the survey has been successfully completed, the home health agency must send a copy of the deemed survey report to the AHCA Laboratory and In-Home Services Unit.

Enrollment in the Medicare Program

If the requirements have been met, the AHCA Laboratory and In-Home Services Unit will forward the deemed survey, the civil rights documentation, and recommendation for approval of enrollment to the CMS Regional Office in Atlanta, Georgia. If the recommendation is accepted, CMS will send a tie-in notice letter with the home health agency's Medicare provider number to the home health agency, along with a copy to the AHCA Laboratory and In-Home Services Unit. During this process, the agency may be required to submit another bank statement showing the $100,000 that has been in existence for 30 days. A site visit will also be made to ensure the office is operational. They usually stop by 10-20 minutes after opening hours or 10-20 minutes prior to closing.

It may take 1-3 months for CMS to issue the tie-in notice.

Questions

- CMS-855A Medicare Enrollment Application – Questions about completing the Medicare Enrollment Application and the review of that application must be directed to Palmetto GBA at (803) 382-6167. If you have received a letter from Palmetto GBA regarding your application, please contact the Palmetto GBA representative listed on the letter.
- Once your Medicare application is approved by Palmetto GBA, if you have any questions about the remainder of the Medicare enrollment process, please contact the Laboratory and In-Home Services Unit at (850) 412-4500 and ask to speak with a Medicare Certification Specialist or email HQAHomeHealth@ahca.myflorida.com.