

## Skilled Home Health Billing Update

October 20, 2026

Effective January 1, 2027, Neighborhood will align its Skilled Home Health billing requirements with [Medicare billing practices](#) for the **INTEGRITY for Duals (FIDE-SNP)** and **Dual CONNECT (CO-DSNP)** lines of business. For Skilled Home Health services beginning on this date, providers will no longer be required to obtain prior authorization. Instead, providers must submit a Notice of Admission (NOA) claim and bill services using the same admission notification and billing processes required by Medicare.

### Billing Requirements

Providers must bill Neighborhood for covered Skilled Home Health services in the same manner they bill Medicare. Claims should continue to be submitted using the UB-04 institutional claim format with applicable HIPPS codes.

Billing requirements include:

- **Centers for Medicare & Medicaid Services (CMS) Certification:** To be eligible for reimbursement, providers must be a CMS-certified Home Health Agency and meet all applicable Medicare participation requirements.
- **Notice of Admission:** Agencies must submit a NOA within five calendar days of the start of care. Late or missing submissions may affect reimbursement.
- **30-Day Periods:** Payments are split into 30-day blocks determined by clinical groupings, patient function, and comorbidity adjustments.
- **Low Utilization Payment Adjustment (LUPA):** If visit counts fall below specific thresholds in a 30-day window, Medicare drops the block payment down to a per-visit rate.
- **Consolidated Billing:** Home health agencies (HHAs) are responsible for covering or coordinating outside services under a plan of care, excluding specific items like durable medical equipment.
- **Essential Documentation:** Claims require a signed face-to-face encounter note, a physician-certified plan of care, and completed OASIS assessments.

### Medical Necessity Reminder

While prior authorization will no longer be required for these services, all Home Health services must continue to meet [Medicare's Reasonable and Necessary requirements](#) (medical necessity) and be supported by appropriate clinical documentation. Submission of a NOA does not guarantee coverage or payment. Services remain subject to retrospective review to ensure medical necessity and compliance with applicable coverage requirements.

### Applicable Services

These prior authorization and billing changes apply to the following skilled home health services:

- ❖ Skilled Nursing
- ❖ Occupational Therapy
- ❖ Medical Social Worker

❖ Physical Therapy

❖ Speech Therapy

❖ Certified Nursing Assistant

## **Exclusions**

This billing change applies only to Medicare-covered Home Health services and does not apply to Private Duty Nursing (PDN) services. Private Duty Nursing services will continue to follow existing authorization, billing, and reimbursement requirements.

Neighborhood encourages providers to review their billing processes in advance of the implementation date to ensure compliance with these updated requirements and avoid payment delays or claim denials.