



**STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES**

Med-QUEST Division
Health Care Services Branch
P. O. Box 700190
Kapolei, Hawaii 96709-0190

May 3, 2013

MEMORANDUM

MEMO NOS
ACS-M 13-05

TO: Home Health Agencies

FROM: ^{CSF} Kenneth S. Fink, MD, MGA, MPH
Med-QUEST Division Administrator

SUBJECT: MED-QUEST DIVISION AND MEDICARE'S PECOS REQUIREMENTS

This memorandum provides information regarding the Med-QUEST Division's (MQD) position on Medicare's new Provider Enrollment, Chain, and Ownership System (PECOS) requirements to allow home health agencies the ability to receive reimbursement from Medicare for services that are ordered by a physician enrolled in Medicare.

The Medicare requirements are independent of Medicaid. The MQD has not and is not planning to implement the same requirements. However, MQD is responsible for ensuring that Medicare changes do not negatively increase cost to Hawaii residents.

- 1) There are no new requirements for home health agencies to be able to bill MQD either Fee-For-Service (FFS) or contracted health plans for Medicaid services. MQD will not absorb Medicare cost-shifting; MQD FFS or contracted health plans will not pay for Medicare services denied because the ordering provider was not PECOS compliant.
- 2) The home health agency may not hold Medicaid beneficiaries liable for Medicaid's failure to reimburse the agency, due to failure of the provider to follow PECOS requirements.
- 3) MQD does not have any oversight of Medicare noticing requirements.

If you have any questions related to this memorandum, please contact the MQD Provider Hotline at 692-8099.

c: QUEST & QExA Health Plans