



**Center for Clinical Standards and Quality/Survey & Certification Group**

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**Admin Info: 13-26-HHA**

**DATE:** June 28, 2013

**TO:** State Survey Agency Directors

**FROM:** Director  
Survey and Certification Group

**SUBJECT:** Publication of Proposed Rule: Medicare and Medicaid Programs; Home Health Prospective Payment System Rate Update for CY 2014, Home Health Quality Reporting Requirements, and Cost Allocation of Home Health Survey Expenses CMS-1450-P

**Memorandum Summary**

**Proposed Rule:** Medicare and Medicaid Programs; Home Health Prospective Payment System Rate Update for CY 2014, Home Health Quality Reporting Requirements, and Cost Allocation of Home Health Survey Expenses CMS-1450-P is on display and will publish on July 3, 2013.

Proposed rule CMS-1450-P would ensure that Medicaid responsibilities for home health surveys are explicitly recognized in the State Medicaid Plan. The Centers for Medicare & Medicaid Services (CMS) seeks comment on a methodology for calculating State Medicaid programs' fair share of Home Health Agency surveys costs. For that portion of costs attributable to Medicare and Medicaid, we would assign 50 percent to Medicare and 50 percent to Medicaid, the same methodology that is used to allocate costs for dually-certified nursing homes.

The proposed rule can be viewed at: <http://federalreg1450ister.gov/inspection.aspx>. Please be mindful this link will change once the proposed rule is published on July 3, 2013 in the *Federal Register*. CMS will accept comments on the proposed rule until August 26, 2013.

**Effective Date:** Immediately.

/s/  
Thomas E. Hamilton

cc: Survey and Certification Regional Office Management