When patient changes from Medicare (traditional) to Medicare HMO or vice-versa

The following is an excerpt from the PalmettoGBA Billing Manual. The full manual (link) is included as a related article to this post:

10.1.5.2 - Effect of Election of Medicare Advantage (MA) Organizationand Eligibility Changes on HH PPS Episodes(Rev. 2230, Issued: 05-27-11, Effective: 08-28-11, Implementation: 08-28-11)If a Medicare beneficiary is covered under an MA organization during a period of homecare, and subsequently decides to change to Medicare fee-for-service coverage, a newOASIS assessment must be completed, as is required any time the Medicare paymentsource changes. With that assessment, a RAP may be sent to Medicare to open an HHPPS episode.If a beneficiary under fee-for-service receiving home care elects an MA organizationduring an HH PPS episode, the episode will end and be proportionally paid according toits shortened length (a partial episode payment (PEP) adjustment). The MA organizationbecomes the primary payer upon the MA organization enrollment date. Other changes ineligibility affecting fee-for-service status should be handled in a similar manner.For additional information about MA eligibility changes, see section 80.

Knowledgebase
http://kb.barnestorm.biz/KnowledgebaseArticle51476.aspx