



# MLN Matters



Information for Medicare Fee-for-Service Health Care Professionals

Related Change Request (CR) #: 3585

MLN Matters Number: MM3585

Related CR Release Date: December 3, 2004

Related CR Transmittal #: 28 and 386

Effective Date: January 1, 2005

Implementation Date: January 3, 2005

## *MMA - Hospice Pre-Election Evaluation and Counseling Services*

**Note:** This article was revised to contain Web addresses that conform to the new CMS website and to show they are now MLN Matters articles. All other information remains the same.

### Provider Types Affected

Hospices, their medical directors, and physician employees

### Provider Action Needed



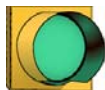
#### **STOP – Impact to You**

Section 512 of the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA) provides for a one-time payment to a hospice for pre-election evaluation and counseling services furnished by a physician who is either a medical director of or an employee of the hospice agency. HCPCS code G0337 will be used for these services and the payments for these services will not be included in the hospice payment cap.



#### **CAUTION – What You Need to Know**

Effective with services provided on or after January 1, 2005, Medicare systems will pay for hospice pre-election evaluation and counseling services furnished by the hospice-employed medical director or physician employee no more than one time only per beneficiary. Payment will be made on behalf of a beneficiary who is terminally ill (prognosis of six months or less if the disease runs its normal course), has not made a hospice election, and has not previously received hospice pre-election evaluation and counseling services.



#### **GO – What You Need to Do**

To ensure accurate claims processing, please review the information included here and stay current with instructions for hospice pre-election evaluation and counseling services. (The FY 2005 national payment

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amount for this service will be \$54.57; future changes in the rate will be identified in the Physician Fee Schedules.)

## Background

Effective January 1, 2005, Section 512 of the MMA amends Section 1812(a)(1)(5), 1814(i) and 1816(dd) of the Act to provide for a one-time payment to a hospice for evaluation and counseling services furnished by a physician who is either the medical director of or an employee of the hospice agency.

To be eligible to receive this service, a beneficiary must:

- Be determined to have terminal illness (which is defined as having a prognosis of six months or less if the disease or illness runs its normal course);
- Not have made a hospice election; and
- Not have previously received the pre-election evaluation and counseling services.

Services under this benefit are comprised of:

- Evaluation of the patient's need for pain and symptom management;
- Counseling regarding hospice and other care options; and may include
- Advice regarding advanced care planning.

The above noted services are currently available through other Medicare benefits. Therefore, this service may not be reasonable and necessary for all individuals. However, if a beneficiary or the beneficiary's physician deem it necessary to seek the expertise of the medical director of the hospice agency or physician employee of the hospice agency, this benefit is available to assure that a beneficiary's end-of-life options for care and pain management are addressed.

Please note that the evaluation and counseling service may not be initiated by the hospice (that is, the entity receiving payment for the service).

Payments by hospice agencies to physicians or others in a position to refer patients for services furnished under this provision may implicate the Federal anti-kickback statute.

If the beneficiary's physician is also the medical director of a hospice, employed by a hospice, or possesses expertise in the provision of palliative or hospice care, that physician:

- Already possesses the expertise necessary to furnish end-of-life services; and
- Will have received payment for these services through the use of evaluation and management (E&M) codes.

## Documentation

Appropriate documentation guidelines should be followed whether the beneficiary or the beneficiary's physician initiates the request for the evaluation and counseling service.

If the **beneficiary's physician** initiates the request, which must be in writing, then:

- Determination of the terminal diagnosis should be included; however,

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- Certification of the terminal diagnosis is not required, since this provision is not a prerequisite or part of the hospice benefit.

The hospice medical director or physician employee would be expected to provide a written note on the patient's medical chart and maintain a written record of this service.

If the **beneficiary** initiates the request for the service, the hospice medical director or physician employee should:

- Maintain a written record of the service; and
- With the beneficiary's permission, communicate with the beneficiary's physician to the extent necessary to ensure continuity of care.

### *Payment*

Section 512 of the MMA specifies that the payment will be made to the hospice for services provided by the hospice medical director or physician employed by the hospice. The provision of these services may not be delegated to any other hospice personnel (such as nurse practitioners, registered nurses, social workers, or others) and may not be furnished by a physician under contract with the hospice.

Payment to the hospice agency for the provision of this evaluation and counseling service is made using HCPCS code G0337. The national payment amount for this service for FY 2005 will be \$54.57.

Code G0337 will be paid only when billed by the hospice agency to its Medicare intermediary. Claim line items with G0337 submitted to a Medicare carrier will be denied. The hospice should submit such claims to its intermediary using type of bill 81x or 82x with the G0337 code and a revenue code of 0657 as the **only** revenue code on the claim.

Future changes in the rate will be identified in the Physician Fee Schedule.

The payment for these services is not included in the hospice payment cap, as the Evaluation and Counseling provision is not a service within the hospice benefit.

### *Additional Information*

The official instructions issued to the intermediary regarding this change can be found at

<http://www.cms.hhs.gov/transmittals/Downloads/R386CP.pdf> and  
<http://www.cms.hhs.gov/transmittals/Downloads/R28BP.pdf> on the CMS website.

The two issuances of CR3585 include the actual revised sections of the Medicare Claims Processing and Medicare Benefit Policy Manuals resulting from this change.

If you have questions regarding this issue, please contact your fiscal intermediary at their toll free number, which may be found at

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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