



Related MLN Matters Article #: MM5245 **Revised**

Date Posted: September 8, 2006

Related CR #: 5245

[Instructions for Reporting Hospice Services in Greater Line Item Detail](#)

Key Words

MM5245, CR5245, R1011CP, Hospice, RHHI, Home Health

Provider Types Affected

Hospices submitting claims to Medicare regional home health intermediaries (RHHIs) for hospice services provided to Medicare beneficiaries

Note: MLN Matters article MM5245 was revised on January 24, 2008, to add references to related Change Requests (CRs) 5567 (Reporting of Additional Data to Describe Services on Hospice Claims) and CR5745 (Billing Instructions Regarding Payment for Hospice Care Based on Location Where Care is Furnished). Links to these may be found in the Important Links section below.

Key Points

- The effective date of the instruction is January 1, 2007.
- The implementation date is January 2, 2007.
- Change Request (CR) 5245 provides billing instructions for hospices, as well as requirements for RHHIs concerning billing for continuous home care services on separately dated line items in 15-minute time increments.
- It also includes information on reporting Healthcare Common Procedure Coding System (HCPCS) codes to identify the service location of all hospice levels of care.
- Since the inception of the hospice program in 1983, hospices have been required to submit on Centers for Medicare & Medicaid Services (CMS) claims only a small number of service lines to report the number of days at each of the four hospice levels of care, and HCPCS coding was required only to report procedures performed by the beneficiary's attending physician (if that physician was employed by the hospice).
- This limited claims data has restricted CMS's ability to ensure optimal payment accuracy in the hospice benefit, and to carefully analyze the services provided in this growing benefit.

- Effective January 1, 2007, CMS will require hospices to report additional detail on their claims.

Continuous Home Care

- A hospice is paid a continuous home care (CHC) rate when CHC is provided. This rate is paid as follows:
 - Only during a period of crisis and
 - Only as necessary to maintain the terminally ill individual at home.
- The CHC rate is divided by 24 hours in order to arrive at an hourly rate.
 - **A minimum of eight hours must be provided.**
 - The CHC need not be continuous, i.e., four hours could be provided in the morning and another four hours in the evening, but **the care must reflect the needs of an individual in crisis.**
 - The care must be predominantly nursing care provided by either a registered nurse (RN) or licensed practical nurse (LPN).
 - In other words, **at least half of the hours of care are provided by the RN or LPN.**
 - Homemaker or home health aide services may be provided to supplement the nursing care but may not be discounted or provided "at no charge" in order to qualify for CHC.
- The care provided by all members of the interdisciplinary and/or home health team must be documented in the medical record regardless if that care does or does not compute into CHC.

Billing Instructions

- Services at the CHC level of care must be billed using separately dated line items which report the number of hours of care provided in 15-minute increments, and these increments are used in calculating the payment rate.
- Payment for CHC is based upon the number of 15-minute increments that are billed for 32 or more units. Rounding to the next whole hour is no longer applicable.
- Since CHC requires a minimum of 8 hours in a 24-hour period (starting at midnight and ending at 11:59 PM of the same day) claims with less than 32 units (15-minute increments) for the day (i.e. 8 hours) will be paid at the routine care payment rate.

Note: Only direct patient care during the period of crisis may be billed, and documentation of the crisis and care rendered should be noted in the hospice medical record.

- Billing for CHC should not reflect nursing shifts and non-direct patient increments (e.g., meal breaks, report, education of staff). **CHC is not intended to be used as respite care.**

HCPCS Codes for Reporting Type of Hospice Service Location

- Services for all hospice levels of care must be reported with a HCPCS code that identifies the location where that level of care was provided including:
 - Routine home care;
 - CHC;

- General inpatient care; and
- Inpatient respite care.
- For services provided on or after January 1, 2007, hospices must report a HCPCS code (in FL 44) along with each level of care Revenue Code to identify the type of service location where that level of care was provided.
- The HCPCS codes that will be used to report the type of service location for hospice services are on page 4 of MLN article MM5245.
- If care is rendered at multiple locations, each location is to be identified on the claim with a corresponding HCPCS code.
 - For example, routine home care may be provided for a portion of the billing period in the patient's residence and another portion in an assisted living facility.
 - In this case, hospices should report one Revenue Code 651 (Routine Home Care) line with HCPCS code Q5001 and the number of days of routine home care provided in the residence and another Revenue Code 651 (Routine Home Care) line with HCPCS code Q5002 and the number of days of routine home care provided in the assisted living facility.
- In submitting claims, the Health Insurance Portability and Accountability Act (HIPAA) standard 837 Institutional claim format requires line item dates of service for all outpatient claims and Medicare classifies hospice claims as outpatient claims.
- For claims for services **provided on or before December 31, 2006**. CMS allows hospices to satisfy this requirement by placing any valid date in the Statement Covers Period dates (FL 6 on the claim).
- For services **provided on or after January 1, 2007**, service date reporting will vary between continuous home care lines as follows:
 - For revenue code 652, hospices should report a separately dated line item for each day that continuous home care is provided, reporting the number of hours, or parts of hours rounded to 15-minute increments, of continuous home care that was provided on that date; and
 - For other revenue codes, hospices should report a separate line for each level of care provided at each service location type, as described in the instructions for HCPCS coding (FL 44) as mentioned above. (Hospices may continue to report any valid date in FL 6 Statement Covers Period on these line items.)
- CR5245 instructs the RHHIs to ensure that:
 - Service lines on hospice claims with Revenue Codes 651 (Routine Home Care), 652 (CHC), 655 (Inpatient Respite Care) or 656 (General Inpatient Care) **should also contain** HCPCS codes in the range Q5001 – Q5009. Failure to include the HCPCS code will cause the RHHI to return the claim to the provider.
 - The number of service units reported on a hospice claim with Revenue Code 652 (CHC) **does not exceed 96**. Claims with service units above 96 will be returned.

- Payment on hospice claims will be calculated by interpreting the number of units reported with Revenue Code 652 (CHC) as 15-minute increments and multiplying the hourly CHC rate using the number of increments.

Important Links

The related MLN Matters article can be found at

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5245.pdf> on the CMS website.

For complete details, please see the official instruction issued to the intermediary regarding this change. That instruction may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R1011CP.pdf> on the CMS website.

Providers may also want to read the following related CRs and their related MLN Matters article:

- CR5567 (Reporting of Additional Data to Describe Services on Hospice Claims) at <http://www.cms.hhs.gov/Transmittals/downloads/R1397CP.pdf> and related MM5567 at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5567.pdf> and
- CR5745 (Billing Instructions Regarding Payment for Hospice Care Based on Location Where Care is Furnished) at <http://www.cms.hhs.gov/Transmittals/downloads/R1352CP.pdf> and related MM5745 at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5745.pdf> on the CMS website.

If affected providers have any questions, they may contact their intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.