



Medicare Systems Edit Refinements Related to Hospice Services – JA6778

Related CR Release Date: February 5, 2010 **Revised**

Date Job Aid Revised: November 17, 2010

Effective Date: Claims submitted on or after July 6, 2010

Implementation Date: July 6, 2010

Note: JA6778 was revised to add a reference to related Change Request (CR) 6905 (New Hospice Site of Service Code) in the Reference Materials section.

Key Words MM6778, CR6778, R121BP, R1907CP, Hospice

- Contractors Affected**
- Medicare Carriers
 - Part A/B Medicare Administrative Contractors (A/B MACs)
 - Fiscal Intermediaries (FIs)
 - Durable Medical Equipment MACs (DME MACs)
 - Regional Home Health Intermediaries (RHHIs)

Provider Types Affected Providers submitting claims to FIs, carriers, A/B MACs, DME MACs, and/or RHHIs for services provided to Medicare beneficiaries that have elected the hospice benefit



CR6778:

1. Revises existing Medicare standard systems edits to allow Medicare fee-for-service (FFS) claims to process for beneficiaries in a Medicare Advantage (MA) plan on the date of a Medicare hospice election;
 2. Adds new edits ensuring the appropriate place of service is reported for hospice general inpatient care (GIP), respite, and continuous home care (CHC);
 3. Provides a technical correction to the *Medicare Benefit Policy Manual*, regarding the requirement for nursing care related to hospice CHC; and
 4. Revises the *Medicare Benefit Policy Manual* to clarify policy regarding payment of ambulance transports.
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1. Medicare Hospice and MA Enrollment Edits

- In an effort to alleviate the often timely process involved for providers to resolve claim disputes on payment responsibility between MA plans and FFS Medicare, the Centers for Medicare & Medicaid Services (CMS) is revising the Medicare hospice and MA enrollment edit(s) for claims submitted on or after July 6, 2010, to allow claims to be processed by FFS Medicare for services occurring on the date of the hospice election.
- This will prevent services provided on the date of the election from rejecting as MA Plan responsibility.
- Providers that have claims being disputed may resubmit their claims on or after July 6, 2010, to FFS Medicare for payment consideration. Contractors will not be required to provide automated adjustments.

2. New Edits for GIP, Respite and CHC

- To facilitate more accurate billing of Medicare hospice claims, CMS is implementing several edits within the claims processing system to return to providers (RTP) claims submitted on types of bill 81x or 82x for which hospice days are billed for services provided in non-covered settings.

Claims for GIP Care

- Claims for days of GIP care (revenue code 0656) will be RTP'd if the Healthcare Common Procedure Coding System (HCPCS) site of service locations (Q5001 (patient's home/residence), Q5002 (assisted living facility), or Q5003 (nursing long term care facility of non-skilled nursing facility)) are reported on the same line, as these are not appropriate settings for payment of GIP.
- GIP may only be provided at Medicare certified hospice facilities, hospitals, or SNFs.

Claims for Respite Days

- Similarly, claims for respite days (revenue code 0655) will be RTP'd if the HCPCS site of service codes Q5001 (patient's home/residence) or Q5002 (assisted living facility) are reported on the same line, as these are not appropriate settings for payment of this level of care.
- Respite care may only be provided in a Medicare or Medicaid participating hospital, SNF, hospice facility, or NF.

Claims for Days of CHC

- Claims for days of CHC care (revenue code 0652) will be RTP'd if the HCPCS site of service locations (Q5004 (skilled nursing facility), Q5005 (inpatient hospital), Q5006 (inpatient hospice), Q5007 (long term care hospital), or Q5008 (inpatient psychiatric facility)) are reported on the same line, as these locations are not appropriate settings to bill for payment of CHC.
 - CHC may only be provided in the patient's home, and may not be provided in these types of facilities.
 - CMS believes these edits will improve the accuracy of Medicare billing and
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Provider Needs to Know...

payment for hospice services.

3. Technical Correction to the *Medicare Benefit Policy Manual*

- CMS is providing a technical correction to the *Medicare Benefit Policy Manual*, regarding the requirement for nursing care related to hospice continuous home care.
- Regulations at 42 CFR 418.204 describe CHC as being provided during periods of crisis as necessary to maintain an individual at home.
- The regulation requires that care provided on days billed as CHC be “predominantly nursing care.”
- This means that more than half of the time the nurse, aide, or homemaker spends providing care must be nursing hours.

4. Manual Clarification Regarding Ambulance Transport on the Date of Hospice Election

- CR6778 also revises the *Medicare Benefit Policy Manual* to clarify policy regarding payment of ambulance transports on the effective date of hospice election.
 - Hospices do not feel that they are responsible for an ambulance transport, which occurs on the effective date of hospice election, if the hospice has not yet conducted their initial assessment.
 - The deciding factor in determining whether a hospice is financially responsible for an ambulance transport on the effective day of hospice election is when the transport occurred, relative to when all the hospice coverage and eligibility criteria are met.
 - If an ambulance transport occurs on the date of hospice election, but before all the criteria for hospice eligibility and coverage are met (i.e., the initial assessment has been conducted and the plan of care has been developed and includes the ambulance transport), the hospice is not responsible for the transport and the ambulance transport is covered through the ambulance benefit.
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Place of Service for GIP, Respite, and CHC

Background

- Medicare hospice patients are able to receive hospice care in a variety of settings.
 - CMS began collecting additional data on hospice claims in January 2007 with CR5245 (<http://www.cms.hhs.gov/transmittals/Downloads/R1011CP.pdf>), which required reporting of a HCPCS code on the claim to describe the location where services are provided. Coverage and payment regulations at 42 Code of Federal Regulations (CFR) 418.202 and 418.302 define the locations where certain levels of care can be provided.
 - GIP is described in the regulations at 42 CFR 418.202(e) as “short term inpatient care provided in a participating hospice inpatient unit, or a participating hospital or skilled nursing facility (SNF).”
 - Additionally, the regulations at 42 CFR 418.202(e) require that respite care be furnished in an inpatient setting, as described in 418.108, which limits care settings to a participating Medicare or Medicaid hospital, SNF, hospice facility, or nursing facility.
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- Payment regulations at 42 CFR 418.302(a)(2) defines CHC as “a day on which an individual who has elected to receive hospice care is not in an inpatient facility and receives hospice care consisting predominantly of nursing care on a continuous basis at home.”
- CMS has site-of-service data on hospice claims, so they are able to use system edits to ensure more accurate billing of Medicare claims. CMS now edits claims to ensure that the level of care billed for hospice was provided at an appropriate site.

Operational
Impact

N/A

Reference
Materials

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6778.pdf> on the CMS website.

The official instruction (CR6778) regarding this change may be viewed in two transmittals at <http://www.cms.hhs.gov/Transmittals/downloads/R121BP.pdf> and <http://www.cms.hhs.gov/Transmittals/downloads/R1907CP.pdf> on the CMS website.

MLN Matters® article MM5245 (*Instructions for Reporting Hospice Services in Greater Line Item Detail*) is available at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5245.pdf> on the CMS website.

Additional information regarding the Hospice Payment System is available at http://www.cms.hhs.gov/MLNProducts/downloads/hospice_pay_sys_fs.pdf on the CMS website.

Providers may want to review MLN Matters® article MM6905 (New Hospice Site of Service Code) at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6905.pdf> on the CMS website.