



## Identifying Prior Hospice Days When Calculating Hospice Routine Home Care Payments After a Transfer

MLN Matters Number: MM10180

Related Change Request (CR) Number: 10180

Related CR Release Date: January 26, 2018

Effective Date: January 1, 2016

Related CR Transmittal Number: R2014OTN

**Implementation Date: July 2, 2018**

### PROVIDER TYPE AFFECTED

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This MLN Matters Article is intended for Hospices submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

### WHAT YOU NEED TO KNOW

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Change Request (CR) 10180 calls for changes to Medicare's claims processing systems, especially the Common Working File (CWF) to correct the number of days used to determine the 60 days of high Routine Home Care (RHC) payments on hospice claims. It ensures that the count includes the days provided by another hospice when there is a transfer during a benefit period. Previously, Medicare instructed you to account for this by reporting the benefit period start date as the admission date on your claim in the case of transfers. While this workaround resulted in correct payments, it required you to submit misleading information. The requirements in CR 10180 instruct the CWF to identify prior days correctly in transfer situations, so that you no longer need to use this workaround as of the implementation date of CR10180 (July 2, 2018). Be sure your billing staffs are aware of this update.

### BACKGROUND

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Medicare pays a higher rate for hospice services at the RHC level of care for the first 60 days of service. These 60 days are counted on a beneficiary level across any hospice benefit periods that are not separated by a 60-day gap. Because the number of prior service days cannot be identified in all cases by the Fiscal Intermediary Shared System (FISS) from the face of the claim, the CWF must read data from services provided at other hospices and return additional days that apply to the payment calculation to FISS.

To date, Medicare has instructed the CWF to identify prior service days based on prior benefit periods. This overlooks the possibility that service days may have occurred at another provider prior to a transfer within the same benefit period. When a transfer occurs during a benefit

period, the admitting (second) hospice submits a transfer notice (Type of Bill 08xC) which establishes the second hospice's start date (START DATE 2) on the benefit period record in CWF. When the second hospice bills for services, the days between the original start date of the benefit period (START DATE 1) and the second hospice's start date (START DATE 2) should be included in the prior service days used in RHC payment calculations.

CR10180 contains no new policy. It corrects the implementation of existing hospice payment policy.

## ADDITIONAL INFORMATION

The official instruction, CR 10180, issued to your MAC regarding this change, is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2018Downloads/R2014OTN.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/>.

## DOCUMENT HISTORY

Date of Change	Description
January 26, 2018	Initial article released.

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