

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-19 Demonstrations</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 11071</b>	<b>Date: October 20, 2021</b>
	<b>Change Request 12349</b>

**Transmittal 10894, dated August 6, 2021, is being rescinded and replaced by Transmittal 11071, dated, October 20, 2021 to add a note to business requirement 12349.2 that CWF must read the MA contract and package ID to apply the correct processing of the VBID edit. All other information remains the same.**

**SUBJECT: Modifications/Improvements to Value-Based Insurance Design (VBID) Model – Implementation**

**I. SUMMARY OF CHANGES:** This CR is making modifications/improvements to CR 11754 which was an implementation CR for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model (“hospice benefit component”) for Calendar Year (CY) 2022. Unless otherwise stated, all other business requirements in CR 11754 remain the same. The hospice benefit component of the Model will be tested through 2024.

**EFFECTIVE DATE: January 1, 2022**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: January 3, 2022 - Analysis, Design, Coding, Testing and Implementation for all contractors.**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)**

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	N/A

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

#### **IV. ATTACHMENTS:**

##### **Demonstrations**

# Attachment - Demonstrations

Pub. 100-19	Transmittal: 11071	Date: October 20, 2021	Change Request: 12349
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## **I. GENERAL INFORMATION**

**A. Background:** This Change Request (CR) is making modifications/improvements to CR 11754 which was an implementation CR for the Centers for Medicare & Medicaid Services (CMS) Innovation Center to test incorporating the Medicare hospice benefit into Medicare Advantage (MA) through the Value-Based Insurance Design (VBID) Model (“hospice benefit component”) for Calendar Year (CY) 2022. Unless otherwise stated, all other business requirements in CR 11754 remain the same. The hospice benefit component of the Model will be tested through 2024.

Through the hospice benefit component, CMS is testing the impact on payment and service delivery of incorporating the Medicare Part A hospice benefit with the goal of creating a seamless care continuum in the MA program for Part A and Part B services. For Medicare Advantage Organizations (MAOs) that volunteer to be part of the Model, CMS will evaluate the impact on cost and quality of care for MA enrollees, including how the Model improves quality and timely access to the hospice benefit, and the enabling of innovation through fostering partnerships between MAOs and hospice providers.

In participating in this component of the Model, MAOs will incorporate the current Medicare hospice benefit into MAO covered benefits in combination with offering palliative care services outside the hospice benefit for enrollees with serious illness and providing individualized transitional concurrent care services.

**B. Policy:** Currently, when an enrollee in an MA plan elects hospice, Fee-for-Service (FFS) Medicare becomes financially responsible for most services, while the MAO retains responsibility for certain services (e.g., supplemental benefits). Under the Hospice Benefit Component of the VBID Model, participating MAOs retain responsibility for all Original Medicare services, including hospice care. The Hospice Benefit Component of the Model implements a set of changes recommended by the Medicare Payment Advisory Commission (MedPAC), the Health and Human Services (HHS) Office of Inspector General (OIG), and other stakeholders.















Number	Requirement	Responsibility								Other
		A/B MAC			D M E M A C	Shared- System Maintainers				
		A	B	H H H		F I S S	M C S	V M S	C W F	
	apply to Dates of Service in 2022 even if the MA Plan the Beneficiary was in during 2021 was not in VBID model but transfer to MA Plan that was in VBID during 2021 and Hospice started in 2021.									
12349.7	CWF shall approve a claim identified in the VBID model as non-covered, deny, and post to history with the new error code if there's payment on the claim and the VBID-Hospice dates of service is present per Business Requirement (BR) # 12349.4-12349.6  <b><u>Note: This applies the same logic as BR 11754.5 in CR11754.</u></b>								X	
12349.8	With any retroactive MA enrollments (i.e. if or when a plan submits their enrollment information after a Notice of Election (NOE) is submitted and processed) or if the Hospice Notice of Election is received and the MAO is participating in the model, CWF shall ensure they are reading the aux. file for updates to identify if the MAO is participating in the model to ensure no payment is made under Fee-For-Service (FFS).  <b>Note: This shall make changes to BR 11754.7 in CR11754</b>								X	
12349.8.1	When a retroactive MA enrollment is posted or if the Hospice Notice of Election is received and the MAO is participating in the model, CWF shall do a look back in history for six months based on the condition in BR 12349.4, 12349.5, and 12349.6 and modify the existing IUR to identify a claim that should not have paid as FFS.  <b>Note: This shall make changes to BR 11754.7.1 in CR11754.</b>								X	

**III. PROVIDER EDUCATION TABLE**

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
12349.9	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X	X	X	X	

#### IV. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements: N/A**

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: All other recommendations and supporting information: N/A**

#### V. CONTACTS

**Pre-Implementation Contact(s):** Jason Petroski, 410-786-4681 or [jason.petroski@cms.hhs.gov](mailto:jason.petroski@cms.hhs.gov) , Sibel Ozcelik, 732-213-0713 or [sibel.ozcelik@cms.hhs.gov](mailto:sibel.ozcelik@cms.hhs.gov)

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

#### VI. FUNDING

**Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**