

Eli's Hospice Insider

Audits: New RAC Hospice-Related Topics Zero In On Hospice Bundling

Hospitals, DME suppliers may come looking to you for their payments.

Recovery Audit Contractor activity may affect you more than you think, given that hospices don't have any RAC topics approved yet.

Why? The **Centers for Medicare & Medicaid Services** has posted three hospice-related topics for RAC and Medicare Administrative Contractor review since July, including one approved Dec. 11. They dovetail with CMS's recent emphasis on hospice bundling in its annual payment rules.

Topic #1: The newest topic, "0122-Outpatient Hospice-Related Services," targets Part A claims for "services related to a hospice terminal diagnosis provided during a hospice period ... included in the hospice payment and ... not paid separately." When hospital claims like this get denied under the audit, you can expect the facilities to come looking to you for payment, experts warn. The topic applies to RACs in Regions 1-4 and all A/B MACs.

Topic #2: In September, CMS approved the RAC topic "0114-DME while in Hospice." On its RAC topic website, CMS notes that "all DME billed **after** the admit date of a beneficiary to hospice services and **before** the discharge date of a beneficiary from hospice services, will be denied as inclusive to hospice services unless there is a GW modifier present indicating DME is not related to the hospice diagnosis." Again, durable medical equipment suppliers will come looking to hospices for payment for their denied claims. The topic applies to the Home Health & DME RAC **Performant** in Region 5, as well as MACs in all states.

Topic #3: In July, CMS approved "0105-Physician Services during Hospice Period." CMS says that "physician services billed during an active hospice period should be paid by the hospice provider if services are related to the hospice beneficiary's terminal condition or if a physician is employed or paid under arrangement by the beneficiary's hospice provider. Medicare should not be billed for either of the aforementioned scenarios." The topic applies to RACs in Regions 1-4 and MACs in all states.