

Eli's Hospice Insider

Billing: Cut Troublesome Medications From Your Claims -- For Now

Will hospices' drug costs go underreported?

Hospices' drug costs may go underreported, thanks to a claims system glitch.

The problem: In April 2014, CMS required hospices to start reporting drugs on their claims. But "a Common Working File (CWF) edit restricts the allowable types of bill (TOB) for certain anti-cancer and anti-emetic drugs," CMS notes in MLN Matters article 9255. "This edit does not include the hospice TOB. As a result, Medicare systems are returning hospice claims that report these drugs to the hospice in error."

The solution: The drug reporting doesn't actually change the amount the hospice receives for payment, so hospices can "remove the drug codes from their claims when returned in error," CMS says. They also can "omit these codes from original claim submissions until the error is corrected on January 4, 2016," the agency adds.

The catch: For Medicare to determine how much hospices spend on drugs, "hospices may submit the unreported drug services via claims adjustments" after the fix takes effect. "Medicare does not require these adjustments, but encourages hospices to submit them in order to represent all their service costs in the claims data," CMS says.

But hospices may be reluctant to take on the extra work when it won't result in direct reimbursement, experts worry. See the article at

www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9255.pdf.