

Eli's Hospice Insider

Billing: Hospice Reform Gives Rise To More Billing Glitches

The timing of one fix will withhold some SIA payments until this summer.

Medicare has already reported one reimbursement glitch related to new hospice payment rules that took effect Jan. 1, and it appears there are more that have yet to be confirmed.

Problem #1: Back in January and February, HHH Medicare Administrative Contractors reported that the Medicare claims system was paying Service Intensity Add-on payments when they were not warranted (see Eli's Hospice Insider, Vol. 9, No. 4). SIA payments are supposed to be added to Routine Home Care payments when certain skilled visits are made in the last seven days of life.

More details: The errors occurred when RHC revenue code lines (651) appeared on the same date as other levels of care (revenue codes 652, 655 or 656), **Charles Nixon** with the **Centers for Medicare & Medicaid Services** explained in the agency's March 9 Open Door Forum for home care and hospice providers. The system applied the SIA payment to the other levels of care when it should have applied it only to the RHC code, Nixon said. A system fix corrected the problem Feb. 22.

Now CMS is readying an instruction to the MACs to automatically recoup the erroneous overpayments that resulted from the glitch, Nixon revealed. CMS will issue the directive "soon," and the MACs will have 30 days to take back the overpayments, he said.

Problem #2: In the forum, **Jennifer Handel** of the **Hospice of Michigan** reported a problem with RHC rates paying at the high rate (less than 60 days) when they should pay at the low rate (61 days or later) for transfer patients.

CMS's **Wil Gehne** said in the forum that he wasn't aware of the issue. But it may be the same as the less specific RHC overpayment problem that HHH MAC **Palmetto GBA** reported last month (see Eli's HCW, Vol. 9, No. 4).

Problem #3: Handel also reported an SIA problem that Gehne had heard of. The claims system is not paying SIA reimbursements when the SIA period spans two months (and thus two claims), she reported. The fix for this problem won't go in until July, Gehne admitted in the forum. But at that point, the MACs will adjust those payments automatically, he reassured listeners.

Handel pointed out that these are just the problems her hospice has found by reviewing only its first month of claims under the new payment reform methodology. She called for CMS to test its new payment mechanisms more thoroughly before they go live.

Response: "Proportionally the great majority of the claims are being paid correctly" under payment reform, Gehne maintained. However, "there are always some cases that don't quite work out."

Hospices that encounter problems should report them to their MAC, which will in turn report problems to Shared System Maintainer, Gehne instructed.

Clarification: Another caller in the forum asked whether a medical social work visit furnished after the patient's death, but before a nurse arrived to officially pronounce the patient dead, would count for an SIA visit.

SIA payments are supposed to be for direct patient care, CMS's **Randy Thronset** responded to the caller. Even if there's not an official declaration of death, the social worker isn't furnishing direct patient care and thus wouldn't qualify for an SIA payment, Thronset said.