

Eli's Hospice Insider

Compliance: You Can't Afford To Ignore Moratoria Change

Medicare considering relief in moratoria procedures.

With skyrocketing hospice statistics on regulators' minds, a proposed provision in this spring's enrollment proposed rule may be more important to hospices than they think.

Medicare plans to correct a punishing provision in its moratoria procedure, according to the regulation published in the March 1 Federal Register.

Old way: Medicare regs currently say "that a temporary enrollment moratorium does not apply to any enrollment application that has been approved by the enrollment contractor but not yet entered into PECOS at the time the moratorium is imposed," the **Centers for Medicare & Medicaid Services** notes in the proposed rule toughening up enrollment and reenrollment procedures.

New way: "We propose to revise this paragraph to state that a temporary moratorium does not apply to any enrollment application that has been received by the Medicare contractor prior to the date the moratorium is imposed," according to the rule.

"In the moratoria that have been imposed, some providers and suppliers have spent many thousands of dollars preparing for enrollment only to have their Form CMS-855 applications denied near the end of the enrollment process because of the sudden imposition of a moratorium," CMS explains in the rule. "This has been especially problematic for HHAs (1) whose Form CMS-855A applications have been recommended for approval by the contractor; (2) that have successfully completed a state survey; and (3) whose applications and survey results have been forwarded by the state to the CMS regional office for final review.

This entire process can take a substantial amount of time, and the considerable resources the provider or supplier may have expended by this point are effectively lost when CMS imposes a moratorium. We believe this has been an unintended consequence of the moratoria."

Bottom line: "In our view, the overall objective of the moratoria (the need to reduce the potential for fraud, waste or abuse in certain geographic areas) can be equally satisfied by applying a moratorium to applications submitted after the moratorium is imposed," CMS says.

Illinois HomeCare & Hospice Council members "applaud CMS's decision to allow any entity which has filed an application with the applicable Medicare Administrative Contractor (MAC) prior to the imposition of a moratorium to complete the process within the moratorium time frame," the trade group said in its comment letter on the rule. "When the moratorium was imposed in the Chicago metro area, one IHHC member had completed all of the steps in the enrollment process except that the site visit had not been made by the MAC's contractor. The owner of this organization had invested considerable sums of money as well as several years of focused attention on establishing the agency, all to have it lost because one simple step had not yet been completed."

CMS needs to go further on its moratoria revision, though, IHCC suggested in its letter. "The current prohibition against the establishment of new branch offices and against allowing established provider organizations outside the moratorium area to expand into the moratorium area can lock in some of the very providers CMS is trying to address through its fraud and abuse initiatives, and can restrict the opportunity for patients and referral sources to choose a more compliant provider organization," the trade group told CMS in its letter. "While IHHC recognizes the goal of the moratorium options, the fact is that in some ways it simply maintains the status quo."

