

## Eli's Hospice Insider

### Industry Notes: New Intermediary to Serve Hospices in 6 States

#### Beware difficulties due to RHHI transition

The Centers for Medicare & Medicaid Services has named the new regional home health intermediary for six New England states.

National Heritage Insurance Corp. will take over the regional home health intermediary work for Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont, CMS says in a release. NHIC will also assume the Part A/Part B Medicare Administrative Contractor (MAC) duties in the region.

NHIC will take over the business from the current National Government Services RHHI, CMS explains. However, NHIC will subcontract with NGS for RHHI work.

Affected providers should be able to breathe easy thanks to the contracting arrangement. "NHIC subcontracting the [home health and hospice] functions will make it appear for these states like nothing changed," says consultant **Tom Boyd** with Rohnert Park, Calif.-based Boyd & Nicholas.

The region has 313 home health agencies and 147 hospices, CMS says. It also has 2.3 million RHHI beneficiaries and represents 6.4 percent of the national RHHI workload.

The transition will be complete by May 2009, CMS says. This timeline will be tight for contractors taking over new areas, Boyd tells **Eli**.

- **If you use the new hospice discharge for cause code** once it takes effect Jan. 1, you should realize it doesn't indicate a discharge from the hospice benefit altogether. Hospices can use "H2" when they discharge a patient for cause, such as for staff safety, explains RHHI Cahaba GBA in its December newsletter for providers. But you'll need to use occurrence code 42 if you want to discharge the patient from the benefit entirely.

**Tip:** Don't use occurrence code 42 if the patient merely is transferring to another hospice, Cahaba instructs in the Newslite.

- **Hospice patients with the longest lengths of stay are those** with Alzheimer's disease and related disorders, according to the latest non-cancer length of stay (NCLOS) data from regional home health intermediary Palmetto GBA. About 31 percent of hospice patients with Alzheimer's had LOS exceeding 210 days in the first half of 2008. The shortest LOS was for renal disease, where only 5 percent had stays exceeding 210 days, Palmetto says in its December newsletter for providers.

For more NCLOS data, including how to request your own NCLOS rates, go to [www.palmettogba.com/rhhi](http://www.palmettogba.com/rhhi), click on "Hospice" under the "Articles" heading in the left-hand column, and scroll down to the Oct. 24 entry.

- **Clear up any confusion about how CMS sets payment amounts** with a new resource from MedPAC. The Medicare Payment Advisory Commission has released its "Medicare Payment Basics" series, which discusses the specifics of payment rules for oxygen and oxygen equipment, home health, hospice, durable medical equipment, and other providers.

To access the documents that make up the series, visit the MedPAC Web site online at [http://medpac.gov/payment\\_basics.cfm](http://medpac.gov/payment_basics.cfm).

