

Eli's Hospice Insider

Notice of Election: Don't Let Tardy Elections Trip Up Your Billing

Verbal consent doesn't cut it.

Confusion over how election dates work could cost you thousands of dollars per patient, so make sure you know the election statement rules.

In its most recent Ask The Contractor teleconference (ACT), hospices asked regional home health intermediary **Palmetto GBA** about two situations regarding election dates.

Scenario #1: A hospice admits a patient on March 1 after securing verbal authorization from the patient's son, who has the patient's power of attorney. The hospice sends the son the election statement and the son signs it on March 20. The hospice receives the statement on March 30.

Scenario #2: A hospice is furnishing services to a patient whose primary payor is other than Medicare. After the admission date, the **Social Security Administration** retroactively instates the patient's Medicare entitlement.

In both of these situations, the hospices asked Palmetto when they could bill Medicare for their services.

No Billing Until The Election Is Signed

The answer: "The admission date on the claim must be the same date as the effective date of the hospice election," Palmetto tells the hospices. "Care provided before the election statement is signed is not covered by the hospice Medicare benefit."

For the hospice in the first example, that means it cannot bill Medicare until March 20, the date the patient's representative signed the election statement. For the hospice in the second situation, it cannot bill until it secures a signed Medicare election statement from the patient or his rep.

Election defined: "The election date is the date the election statement is signed by the beneficiary or representative, indicating the beneficiary has elected the hospice benefit," Palmetto explains.

This is important in Medicare because by signing the election statement, the patient agrees to forgo curative medical treatment, points out **Judy Adams** with Chapel Hill, N.C.-based **Adams Home Care Consulting**.

"The date the election statement is signed is the effective date for payment purposes," explains reimbursement consultant **M. Aaron Little** with **BKD** in Springfield, Mo. "The regulations are very clear on this point."

Verbal, Retro Elections Don't Exist

The first scenario shows that "some hospice agencies are confusing rules related to a physician verbal statement of the patient's terminal illness and the beneficiary election form," Adams tells says. For the terminal illness certification, Medicare allows a verbal statement from the doc to start care, followed by a written certification before submitting a claim.

But Medicare doesn't allow verbal statements for elections. "The clear answer is no," Little stresses. "Hospice services cannot be initiated based on a patient's verbal consent."

"The beneficiary election form must be actually signed by the beneficiary or their authorized representative before the hospice can actually begin providing services," Adams says.

The same is true for elections after the fact. "The election statement cannot [be] retroactively dated," Palmetto says in the ACT questions and answers.

So in the second scenario, the hospice can bill only once it has a signed Medicare election statement in place, no matter when the patient's Medicare eligibility began. "Any care provided to a beneficiary prior to the date the actual election statement is signed is not billable to Medicare," Palmetto says.

Pitfall: Some hospices may think that to cover themselves against retroactive or other unexpected switches to Medicare, they'll have beneficiaries sign a Medicare eligibility statement at the outset of care, even if Medicare isn't their payor at that time.

That strategy won't fly, Little advises. "A new election statement would need to be signed after Medicare benefit eligibility is effective," he says.

"A patient cannot elect Medicare hospice unless they are eligible for Medicare," Adams agrees.