

Eli's Hospice Insider

Payment: Hospices Lead The Pack In Claims Payment Errors

But Medicare's improper pay rate for hospices has fallen significantly.

Hospices looking for relief from regulatory and medical review burdens may have a good argument, thanks to new payment error figures.

In a new Comprehensive Error Rate Testing report released by the **Department of Health & Human Services**, HHS pegs the Medicare payment error rate for hospices at 11.7 percent for 2018, which covers claims processed between July 1, 2016, and June 30, 2017.

That's down 3 percentage points from last year's rate, notes the **National Association for Home Care & Hospice** in its member newsletter.

The report breaks out the error rate into hospital and nonhospital-based hospice claims, recording a 19.3 percent improper payment rate for hospital-based claims and 11.0 percent for nonhospital-based claims.

Other stats released in the report include:

- The 11.7 percent rate represents 6.4 percent of Medicare's overall improper payments.
- The CERT contractor reviewed 920 hospice claims - 766 nonhospital-based and 154 hospital-based.
- Insufficient documentation was the reason for 62.2 percent of improper hospice payments.
- Medical necessity accounted for 24.7 percent of improper payments; incorrect coding 10.4 percent; no documentation 4.6 percent; and "other" 0.2 percent.
- Hospice claims had the highest upcoding error rates among the provider types listed at 2.7 percent for hospital-based and 1.1 percent for nonhospital-based. The next-closest provider type was Skilled Nursing Facility Inpatient Part B at 0.4 percent.
- Hospice claims had a 0 percent underpayment rate.
- Hospital-based hospices had the highest claims found in error rate of all provider types listed at 27.3 percent. Nonhospital-based hospices had the fifth-highest rate out of 11 provider types at 15.7 percent.
- A hospice claims error ranked in the top 5 root causes of insufficient documentation errors for Medicare claims - "Hospice certification/recertification requirements, in entirety or an element, was not submitted" affected 54 claims.