

Eli's Hospice Insider

Payment Reform: Future Hospice Payment May Depend On Your Coding

Plus: Coding emphasis carries some positives.

Diagnosis coding may not affect your hospice payment level now, but that could change.

The **Centers for Medicare & Medicaid Services** makes clear in its 2014 proposed hospice payment rule that it wants diagnosis coding data for possible payment reform use. Because most hospices use only one code on claims, "analysis of current claims data does not allow us to appropriately determine whether case-mix adjustment, or other considered methods would or would not be a reasonable approach to, or part of, hospice payment reform," the agency says. Coding properly will "provide the data needed for evaluating potential hospice payment reform methodologies."

Remember: You should code as accurately as possible, since CMS is telling providers it's going to use this data to develop a reformed hospice payment model, says **Terri Maxwell** with **Weatherbee Resources** in Hyannis, Mass. "It won't happen overnight," but CMS has made clear it could use this data for a case mix or other model based in part on diagnosis.

Silver lining: Some benefits will come with fuller coding. One "ultimate positive" is that coding additional medical conditions that impact the hospice patient will assist hospices in accurately painting a picture of her, which should help justify eligibility, notes **Judy Adams** with **Adams Home Care Consulting** in Asheville, N.C.

Another plus is that full coding will show the different resource levels required to care for patients with the same primary diagnosis but different coexisting diagnoses, Adams adds.