

Eli's Hospice Insider

Reimbursement: Keep An Eye Out For Hospice Cap Selection Deadline

Don't contact your HHH MAC quite yet.

Give your hospice cap methodology selection careful thought, because doing nothing may be your best bet at the moment.

The Centers for Medicare & Medicaid Services is giving hospices the choice of picking their cap calculation methodology this year. Hospices can choose between the current "streamlined" cap calculation and the new way, under which the hospice's beneficiary count will be prorated between years the bene is on service.

CMS said it would issue its instructions for how to choose methodology in September, but it hadn't done so yet at press time.

Don't jump the gun and contact your Medicare Administrative Contractor yet, one MAC is telling hospices. "Please be aware that there is not a requirement to notify our office by September 30, 2011, of your hospice cap calculation method," **Palmetto GBA** says in a message to providers. "Palmetto GBA is currently awaiting final instructions from CMS regarding the process to submit your choice for the hospice cap calculation method."

If you're wavering about which methodology to pick, the best option may be to do nothing at this time and stick with the current streamlined method for right now, as long as your agency has not historically had cap problems, suggests financial expert **Mark Sharp** with **BKD** in Springfield, Mo. That's because a hospice can always choose to switch methodologies in the future. But once a hospice actively elects a specific cap methodology, it can't switch back to the other cap calculation method, Sharp tells **Eli**. Not making an active election at this time keeps your options open for the future, he explains.