

## Eli's Hospice Insider

### Reimbursement: Learn The Ropes For Hospice Payment Reform Billing

**Catch: New nursing G codes won't be out for a while.**

If you're entering the patient's Social Security or Medicare numbers on claims based on their paper documents, you're not doing what Medicare wants.

The **Centers for Medicare & Medicaid Services** has issued the billing instructions for the new payment system that takes effect Jan. 1. Under that system, routine home care will be paid at two rates — higher for days 1-60 and lower for subsequent days (see Eli's Hospice Insider, Vol. 8, No. 9 for more details and exact rates). And hospices will receive Service Intensity Add-on payments for skilled nursing (by an RN) and social work visits made in the last seven days of life, up to four hours daily.

CMS had hoped to have billing instructions for hospice payment reform issued shortly after the 2016 final rule came out. "We hit a snag and could not issue them," explained CMS's **Wil Gehne** in the Aug. 12 Open Door Forum for home care and hospice providers. The agency did issue the transmittal by Aug. 18, though.

Hospices will need all the time they can get to prepare. As CMS noted in the rule, the new payment methodology doesn't require an all new billing procedure. But that doesn't mean hospices will continue with the status quo. "There is plenty of work to be done by providers to get ready for these changes," warns billing expert **M. Aaron Little** with **BKD** in Springfield, Mo.

**For example:** Hospices will have to start reporting SN visits in 15-minute increments with new G codes, CMS confirms in CR 9201.

**The problem:** Those G codes haven't been issued yet.

**The solution:** "CMS will obtain new codes to distinguish between RN services and LPN services by January 1, 2016," it says in the MLN Matters article accompanying the transmittal.

#### Continue Reporting RHC On 1 Line Even If The Rate Changes

CMS also includes these instructions in the transmittal:

- **Go to HETS.** "To ensure accuracy and prevent a delay in posting the hospice notice of election, hospices should validate Certificate/Social Security Number and Health Insurance Claim/Identification Number using the Health Insurance Portability and Accountability Act (HIPAA) Eligibility Transaction System (HETS)," CMS directs. "Only in the event that the HETS data is not available should the hospice show the number as it appears on the patient's HI Card, Social Security Award Certificate, Utilization Notice, Explanation of Medicare Benefits (EOMB), Temporary Eligibility Notice, and so forth, or as reported by the Social Security Office."
- **Potential confusion.** Hospices may be happy to see that they will continue to report RHC days on one line item for a month. But that means one line item may contain two different payment rates, if the patient's days go from 60 to 61 in that period. When that occurs, the Medicare system will calculate the days at the different rates, then add them together to form the payment, according to the transmittal.
- **Transfer exception.** The admission date you enter on a claim must be the start date of the benefit period, CMS instructs. The exception is transfers. "In transfer situations, the hospice should use their own admission date," the transmittal says.
- **No overlap.** When a new hospice admission occurs after a hospice revocation or discharge that resulted in termination of the hospice benefit, the election date cannot be the same as the revocation or discharge date.
- **Look for SIA.** The SIA daily payment calculated by the Hospice PRICER will be entered on the first applicable visit

line item for each date of service payable, CMS says.

- **Clarification:** The MLN Matters article accompanying the transmittal erroneously stated that Service Intensity Add-on (SIA) payments would apply to the first two days of a hospice stay. CMS has revised the article "to remove an incorrect phrase regarding add-on payments in the first two days of hospice care," CMS says in the new article. "There are no Service Intensity Add-On payments during the first two days of admission," unless those days are also in the patient's last seven days of life.

Note: See the transmittal at [www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3326CP.pdf](http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3326CP.pdf) and MLN Matters article at [www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9201.pdf](http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/MM9201.pdf).