

Eli's Hospice Insider

Strategy: Use These 8 Pointers To Make Your Hospice Cap Deadline

Class action lawsuit waits in the wings.

You've got a few short weeks to comply with new self-reporting of your aggregate per patient cap. Use these expert tips to overcome the challenges:

1. Secure your data. Hopefully you've obtained the reports containing the necessary information for your cap calculation — the PS&R summary report and Hospice Beneficiary Count Summary, the **Centers for Medicare & Medicaid Services** says in its newly issued instructions. If you haven't, download those ASAP; step-by-step directions are in CMS's instruction document available on your Medicare Administrative Contractor's website (see related story, p. 28).

If you are like many hospices caught in limbo due to the IACS-to-EIDM transition, you can request the information from your Medicare Administrative Contractors, says the **National Association for Home Care & Hospice**. CGS and National Government Services have told NAHC they may furnish the information on a case-by-case basis. Or if **Palmetto GBA** is your MAC, check your mail for the reports the contractor automatically sent out to all hospices Feb. 26.

2. Use the new spreadsheets. Access the documents on your MAC's site. CMS offers line-by-line directions for the spreadsheet in its instructions.

3. Run your numbers today. "Hospices should calculate their cap liability using the CMS Excel spreadsheet as soon as possible," urges **Judi Lund Person** with the **National Hospice & Palliative Care Organization**.

"Hopefully, most hospices have already been running the numbers to know where they stand as far as a potential liability and have been planning accordingly," says financial expert **Mark Sharp** with **BKD** in Springfield, Mo.

4. Submit now if you are under your cap. "If the hospice does not have an overpayment, then they should file ASAP," recommends financial expert **Tom Boyd** with **Simione Healthcare Consultants** in Rohnert Park, Calif. Use certified mail, he adds.

Consequences: "Failure to submit your cap calculation (and address any overpayment) by the March 31 due date could result in suspension of hospice payments," NAHC stresses. CGS says it will impose a suspension if it hasn't received your cap information within seven days of the March 31 deadline.

5. Submit later — but by March 31 — if you are over your cap. "If [hospices] owe and plan to submit payment, there is nothing wrong with waiting until the last week of March to submit, just like taxpayers who owe typically file as late as possible," Sharp tells Eli.

Plus: "You may need to wait to file late in March in order to get an extended repayment plan in place with the MAC before you file your report," Sharp adds.

Heads up: Start working on the extended repayment schedule now, before you file your cap. "The ERS requirements are many and complex, and the MAC wants them submitted within 15 days of the overpayment," Boyd cautions.

"Documentation supporting a request for extended repayment ... must be sent at the time of or prior to the submission of your cap computation to avoid withholding of your payments," Palmetto warns. "The required documentation includes, but is not limited to, balance sheets, income statements, cash flow statements, and statements of source and application funds."

6. Be prepared for differences. Your calculation is far from the last word on your potential cap liability for 2014. For reasons ranging from sequestration inclusion to changing patient data, the final cap and overpayment figures your MAC calculates months from now may differ significantly from the ones you turn in this month.

Explanation: "When a patient continues on hospice care, the proportional beneficiary count will tend to decrease with the increase in the total days of hospice care," Palmetto notes. "As a result, the overpayment may increase from the amount self-determined."

As far as exactly how the ultimate sequestration calculation will work out for your liability, "I think it is too early to tell how this will all play out," Lund Person tells **Eli**.

7. Follow up if you're close or over. "For those agencies that are over or within 10 percent of the cap, I recommend those agencies continue to run their PS&Rs monthly after March for the prior cap year," Sharp says. That will help you "to see how calculations might be changing for additional proration in beneficiary counts or additional payments received for services in the prior cap year."

8. Consider litigation. If you want CMS to drop the inclusion of sequestration dollars in the cap calculation, you may consider joining the group appeal in development (see related story, p. 26). Even if the sequestration inclusion doesn't affect you this year, it may in future years.