

Home Health ICD-9/ICD-10 Alert

Hospice Coding: Know Why Hospice Coding Matters

Conditions of participation, claims processing requirements, and coding guidelines agree ☐ your hospice diagnosis reporting needs beefing up.

Up until recently, diagnosis coding for hospice patients has largely flown under the **Centers for Medicare & Medicaid Services'** radar. But recent hints that a case mix system is in the works signal an opportunity for you to beef up your coding practices before it costs your agency.

Why Thorough Coding is Important

Abt Associates is one of the contractors CMS has charged with conducting the research and analysis that will go into formulating a new hospice payment system. And Abt has already uncovered some unflattering statistics.

In a review of hospice claims from 2010, Abt found that 77.2 percent only include a primary or principal diagnosis. That's not good at all, said **Lisa Selman-Holman, JD, BSN, RN, HCS-D, COS-C, HCS-O**, consultant and principal of **Selman-Holman & Associates** and **CoDR ☐ Coding Done Right** in Denton, TX. "That means only 23 percent of you are actually reporting those additional diagnoses," she said.

"... Hospice patients are at the end-of-life; most are elderly and likely have multiple co-morbidities," Abt said. "Therefore, we believe that hospice claims which only report a principal diagnosis are not providing an accurate description of the patients' conditions. Providers should code and report coexisting or additional diagnoses to more fully describe the Medicare patients they are treating."

In other words: "They're warning hospice providers, 'you better start coding to represent the patient's condition'" Selman-Holman said during the **Eli**-sponsored audioconference Coding of Hospice Cases.

Look to the Conditions of Participation

The hospice conditions of participation (CoPs) themselves discuss the importance of documenting a patient's diagnoses, Selman-Holman said.

Under "initial certification of terminal illness," the guidelines advise:

"The medical director or physician designee reviews the clinical information for each hospice patient and provides written certification that it is anticipated that the patient's life expectancy is 6 months or less if the illness runs its normal course. The physician must consider the following criteria when making this determination:

- (1) The primary terminal condition.
- (2) Related diagnosis(es), if any.
- (3) Current subjective and objective medical findings.
- (4) Current medication and treatment orders.
- (5) Information about the medical management of any of the patient's conditions unrelated to the terminal illness.

"The related diagnoses that should be stated on the patient's plan of care and also on the claim form are a part of the

conditions of participation," Selman-Holman said.

Caution: Hospice agencies have received survey deficiencies because they didn't have related diagnoses listed in the documentation, Selman-Holman said.

There's bound to be something that you're doing about some of those related diagnoses, Selman-Holman said. "Make sure that they are coded correctly and on the hospice claim because Medicare has plans for diagnosis information."

Know this Claims Processing Requirement

The Hospice Claims Processing Manual also says something about reporting other diagnoses, Selman-Holman says. "It requires that hospice claims include other diagnoses as required by ICD-9-CM coding guidelines."

The claims manual also says hospice claims must include the full diagnosis code for the principal diagnosis, (the condition established after study to be chiefly responsible for the patient's admission).

Check the Coding Guidelines

As a home health coder, you know how important it is to follow the ICD-9-CM Official Guidelines for Coding and Reporting (ICD-9-CM Coding Guidelines) which require reporting of all additional or co-existing diagnoses. And adhering to these guidelines when assigning ICD-9-CM diagnosis and procedure codes is required under the Health Insurance Portability and Accountability Act (HIPAA), Selman-Holman said

"The guidelines do say following this set of guidelines is required under HIPAA," Selman-Holman said. So why don't the majority of hospice coders list more than the primary diagnosis code? Is hospice exempted from this?

No, Selman-Holman said. "Medicare makes it clear not only in the conditions of participation but also in the Hospice Wage Index that was published in July [of 2012] that adherence to the guidelines is part of HIPAA and hospices are not [complying]," she said.

According to the coding guidelines, "other diagnoses" include additional conditions that affect patient care in terms of requiring:

- Clinical evaluation; or
- Therapeutic treatment; or
- Diagnostic procedures; or
- Extended length of hospital stay; or
- Increased nursing care and/or monitoring.

Information about related and unrelated diagnoses should already be included as part of the plan of care, and determined by the hospice interdisciplinary group (IDG), Selman-Holman said. And the CoPs back this up, Selman-Holman said:

- The comprehensive assessment must include "complications and risk factors that affect care planning" 418.54(c)(2).
- The hospice IDG must "provide for an ongoing sharing of information with other non-hospice healthcare providers furnishing services unrelated to the terminal illness and related conditions" 418.56(e)(4).
- The existing standard practice for hospices is to include the related and unrelated diagnoses on the patient's plan of care in order to assure coordinated, holistic patient care and to monitor the effectiveness of the care that is delivered.

Keep Track of Unrelated Diagnoses

All this may leave you wondering about how documentation requirements differ between related and unrelated diagnoses. "The related diagnoses are ones that are impacting your plan of care for that patient with the terminal illness and those should be on your hospice claim form," Selman-Holman said.

"The unrelated diagnoses don't necessarily need to be on the claim form but are there for coordination with other healthcare providers," Selman-Holman said.

List unrelated diagnoses on the POC for care planning coordination purposes but don't include them in the list of diagnoses that show up on the claim form, Selman-Holman tells Eli. Most hospices use a POC that mimics the CMS-485, she points out. "Place those unrelated diagnoses in field locator 21 and place the terminal illness and related diagnoses in field locators 11 and 13."

Co-morbidities (those conditions other than the primary diagnosis) are considered differently in hospice than they are in home health, Selman-Holman says. For example, if the patient has diabetes, that's a comorbidity that a home health coder would always add. But a hospice coder must work with the IDG to determine the relatedness of comorbidities and may decide that diabetes should not be coded with the terminal illness as a related diagnosis, she says.