

**Bulletin Number:** MSA 15-60

**Distribution:** Hospice Providers, Medicaid Health Plans

**Issued:** December 16, 2015

**Subject:** Medicaid Hospice Reimbursement Changes

**Effective:** As Indicated

**Programs Affected:** Medicaid, Healthy Michigan Plan, Children's Special Health Care Services (CSHCS)

The purpose of this bulletin is to inform Medicaid hospice providers of changes in hospice reimbursement and the claims submission process effective January 1, 2016.

## **Overview of Medicaid Hospice Reimbursement Changes Effective for Dates of Service on or After January 1, 2016**

Fee-for-Service (FFS) and Medicaid Health Plan reimbursement for hospice routine home care will change to a two-tiered rate of reimbursement:

- A higher rate will be paid for the first 60 days of hospice care
- A decreased rate will be paid for hospice days 61 and beyond

A day of hospice is counted when any level of hospice care is provided (i.e. Routine Home Care, Continuous Home Care, General Inpatient Care, and Inpatient Respite Care).

This change is being implemented in accordance with changes in the Centers for Medicare & Medicaid Services (CMS) Fiscal year (FY) 2016 Hospice Wage Index Final Rule published August 6, 2015 in the Federal Register, Vol. 80, No. 151, and also the CMS notice of Annual Change in Medicaid Hospice Payment Rates dated September 1, 2015.

### **FFS Claims Submission for Routine Home Care:**

Effective for dates of services on or after January 1, 2016, FFS claims for routine home care will continue to be submitted to the Michigan Department of Health and Human Services (MDHHS) in the same manner utilizing Revenue Code (RC) 0651, and the Community Health Automated Medicaid Processing System (CHAMPS) will count/calculate the days in hospice and adjust for higher or lower reimbursement based on the start date reported. Providers must do the following:

- The Certification (start) date must be reported on every hospice claim. Use Occurrence Code 27 and the applicable date.
- Hospice claims submitted to MDHHS must be in date sequence order. Please ensure payment is received for the initial hospice month prior to submitting claims for subsequent months.

### **Counting Hospice Days**

If a beneficiary is discharged from hospice but the discharge is not due to death, and the individual returns to hospice within 60 days of the discharge, the hospice day count will resume from the point that the beneficiary left hospice.

If a beneficiary is discharged from hospice but returns after more than 60 days have elapsed, the count will reset to day one and the higher hospice routine home care rate for days one to 60 will be reimbursed.

The count of hospice days does not reset if the beneficiary transfers to a different hospice provider.

Note: Beginning January 1, 2016, CHAMPS will look back to November 2015 and December 2015 claims to determine the hospice day count, and the applicable routine home care rate will be reimbursed.

### **FFS Claims Submission for Service Intensity Add-on (SIA)**

Effective for dates of service on or after January 1, 2016, the SIA rate will be reimbursed for a minimum of 15 minutes but not more than four hours daily during the last seven days of a beneficiary's life for in-person visits made by a Registered Nurse (RN) and/or Social Worker when the beneficiary is receiving routine home care. However, the total of combined time rendered by an RN and Social Worker will not be reimbursed more than four hours. For example, if an RN provides three hours of care and a Social Worker provides two hours during a given day, four hours will be reimbursed.

The following items must be documented on the claim in order for the SIA to be paid:

- Occurrence Code 55 with date of death
- Appropriate discharge status code for death
- Revenue Codes and Healthcare Common Procedure Coding System (HCPCS) combinations representative of the RN or Social Worker visit
  - RN: 0551 and G0299 (as of January 1, 2016; code G0299 [service provided by an RN] replaces G0154, which represented care by either an LPN or RN)
  - Social Worker: 0561 and G0155
- Time of visit(s) recorded in units for the respective RN or Social Worker visit(s); one unit equals 15 minutes

### **Public Comment**

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments in writing to:

Attn: Anne Baker  
MDHHS/MSA  
PO Box 30479  
Lansing, Michigan 48909-7979  
Or  
E-mail: [bakera5@michigan.gov](mailto:bakera5@michigan.gov)

If responding by e-mail, please include "Hospice Reimbursement Changes" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

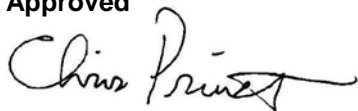
### **Manual Maintenance**

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

## Approved

A handwritten signature in black ink that reads "Chris Priest". The signature is written in a cursive style with a long, sweeping tail on the "t".

Chris Priest, Director  
Medical Services Administration