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Gap Billing Between Hospice Transfers

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Provider Types Affected

This MLN Matters Article is for Home Health & Hospice (HHH) providers and suppliers billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

Provider Action Needed

In this Article, you'll learn about:

- New system edits to prevent gap billing between hospice transfers
- Revision to Pub 100-04, Chapter 11, Section 20.1.3 - Change of Provider/Transfer Notice to include additional instructions about hospice transfers to administer existing hospice benefit policy more efficiently

Make sure your billing staff knows about these changes.

Background

Currently, transfers are being allowed to process through the Common Working File (CWF) where the "from date" from the receiving hospice doesn't match the "to date" from the transferring hospice, resulting in a gap in billing and indicating a gap in care.

The hospice regulations at 42 CFR define the duration of a hospice election to mean an election that continues through the initial election period and through the next election periods without a break in care as long as the individual:

(1) Remains in the care of a hospice
(2) Doesn't revoke the election
(3) Isn't discharged from the hospice under the provisions of 42 CFR 418.26

When one hospice transfers a patient to another hospice with any gap following the date of transfer, this is deemed a gap in care and therefore, wouldn't be considered a continuous hospice election. We consider any gap, even of one day, to be a discharge and readmission rather than a transfer, and the beneficiary would have to re-elect hospice care with the new

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hospice. A discharge without an immediate transfer also triggers restart of Medicare benefits waived under 42 CFR 418.24(d).

The regulations at 42 CFR 418.26(a)(1) state that an individual, upon discharge from the hospice during a particular election period for reasons other than immediate transfer to another hospice:

(1) Is no longer covered under Medicare for hospice care

(2) Resumes Medicare coverage of the benefits waived under 42 CFR 418.24(e)

(3) May at any time elect to get hospice care if he or she is again eligible to get the benefit.

CMS considers the patient as discharged, if the patient enters another hospice after any break in care. The patient would have to re-elect the benefit with the new hospice. In this case, discharge and re-election would trigger the start of a new election period.

In an effort to prevent gap billing from occurring during a hospice transfer, CR 12619 creates a new CWF edit that no longer allows gaps of care to occur during a transfer. The CWF edit will reject the hospice transfer if the transfer doesn't occur immediately and there's a gap in the number of billing days between one hospice and the next. If the receiving hospice's claim "from date" is not the same as the transferring hospice's "through date" with "patient status" indicating a transfer (codes 50 or 51), the transfer will be rejected. CR 12619 also updates Pub 100-04, chapter 11, section 20.1.3 - Change of Provider/Transfer Notice to include additional instructions about hospice transfers.

Key Points

Transfers aren't allowed from the same provider. Hospices must not send an 8XC if the CMS Certification Number (CCN) is the same. In this case, the patient isn't transferred to another hospice, they're transferred to a sub-unit of the same hospice.

A patient can change hospices only once per benefit period (60-day or 90-day). When the patient transfers to a different hospice, he or she continues in the same benefit period. To transfer hospice programs, the individual or representative must file, with the hospice from which care has been given and with the newly designated hospice, a statement that includes the following information:

(1) The name of the hospice from which the individual was given care and the name of the hospice from which he or she plans to get care.
(2) The date the change is to be effective.

Given that hospices bill for the date of discharge or transfer, for claims purposes, the "from date" for the receiving hospice must be the same as the "through date" for the transferring hospice, otherwise this would be a gap in care and a gap in billing and wouldn't be considered a transfer. For example, if a patient chooses that a transfer is to be effective on January 10, the transferring hospice's "through date" must be January 10 and the receiving hospice's "from date" must be January 10 in order to be a continuous hospice election without a gap in care or

billing. The transferring hospice is responsible for the patient up until, and including the transfer date.

If the patient is transferring from outside the service area and the transferring hospice can't arrange care until the patient reaches the new hospice, the hospice may discharge the patient. This way, if the patient requires medical treatment while in the process of transferring, he or she can access it under his or her Original Medicare coverage. This would end the patient's current benefit period and require the patient to re-elect hospice coverage at the new hospice and begin a new benefit period.

The hospice transfer will be rejected if the transfer doesn't occur immediately. If the receiving hospice's claim "from date" isn't the same as the "through date" with "patient status" indicating a transfer (codes 50 or 51), the transfer will be rejected.

More Information

We issued CR 12619 to your MAC as the official instruction for this change.

For more information, find your MAC's website.

Document History

Date of Change	Description
February 10, 2022	Initial article released.