

Blue Cross Blue Shield of Michigan
Medicare Advantage Private Fee-for-Service

Hospice

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HOSPICE

Hospice programs provide medical, psychological, social and spiritual services to terminally ill patients and their families. Hospice care emphasizes pain control and emotional support and typically refrains from taking extraordinary measures to prolong life.

ORIGINAL MEDICARE

Hospice care is a benefit under the hospital insurance program. Medicare beneficiaries entitled to hospital insurance under Part A, who have terminal illnesses and a life expectancy of six months or less, have the option of electing hospice benefits in lieu of standard Medicare coverage for treatment and management of their terminal condition.

An individual is considered to be terminally ill if the medical prognosis is that the individual's life expectancy is six months or less if the illness runs its normal course. An individual (or his authorized representative) must file an election statement with a particular hospice to receive care. Only care provided by a Medicare certified hospice is covered under the hospice benefit provision.

Medicare covers two levels of inpatient care: respite for the patient's caregivers, and general inpatient care which is for pain control and symptom management. Inpatient respite care may be furnished to provide respite for the individual's family or other persons caring for the individual at home.

MEDICARE ADVANTAGE

Coverage for hospice care is provided through Original Medicare to all BCBSM Medicare Advantage private fee-for-service members.

Federal regulations require that Medicare fee-for-service contractors (Medicare Administrative Contractors, Carriers, Fiscal Intermediaries, Regional Home Health Intermediaries, DMERC, etc.) maintain payment responsibility for Medicare Advantage members who elect hospice care.¹

No payment is made to BCBSM on behalf of a Medicare Advantage member who has elected hospice care².

¹ <http://www.cms.hhs.gov/manuals/downloads/clm104c11.pdf>

² Title 42: Public Health, Part 417, §417.585 Special Rules: Hospice care

Payment guidelines for providers are stated in the CMS Medicare Managed Care Manual, Chapter 8 § 70.3.1 - CMS' Payments to Hospice Programs.³

- Medicare hospices should bill the Regional Home Health Intermediaries (RHHI) for Medicare Advantage members who have coverage through managed care just as they do for beneficiaries with fee-for-service coverage.⁴
- Original Medicare, rather than BCBSM, will also process claims for services provided by physicians, providers and suppliers for other Medicare-covered services furnished to Medicare Advantage members who have elected hospice. "Other services" refer to non-hospice Part A and B services that are not related to the terminal illness.

Additional Benefits

Medicare Advantage private fee-for-service plans can customize their benefit plan by providing additional benefits that are not covered by Original Medicare. Information about these additional Medicare Advantage benefits is available at http://www.bcbsm.com/ma/plans_add.shtml

For hospice services that are covered under Original Medicare, the member has the following coinsurance responsibilities⁵:

Drugs and biologicals

- A member is liable for a coinsurance payment for each palliative drug and biological prescription furnished by the hospice while the individual is not an inpatient.
- The amount of coinsurance for each prescription approximates 5 percent of the cost of the drug or biological to the hospice determined in accordance with the drug copayment schedule established by the hospice, except that the amount of coinsurance for each prescription may not exceed \$5.00.

Respite Care

- The member's coinsurance for each respite care day is equal to 5 percent of the payment made by CMS for a respite care day.
- The amount of the individual's coinsurance liability for respite care during a hospice coinsurance period may not exceed the inpatient hospital deductible applicable for the year in which the hospice coinsurance period began.

³ <http://www.cms.hhs.gov/manuals/downloads/mc86c08.pdf>

⁵ Title 42: Public Health, Part 418 - Hospice care, §418.400

Coverage for the member's coinsurance is offered by BCBSM as an additional hospice care benefit for all Medicare Advantage private fee-for-service members. Since payment for hospice claims is provided by Medicare fee-for-service contractors, reimbursement is provided to the member. The chart below identifies members with hospice coinsurance coverage:

Group Name and Number	
Medicare Plus Blue Option A - 53910 Option B - 53921 Option C - 53901 Option D - 53903	BCBSM Retirees 80311, 80312
City of Detroit Option E - 81100, 81101 Option F – 54731, 81097 Option G - 04436	MPSERS 59000
State of MI Retirees 81820, 81821, 81828	

Member Reimbursement

A member must contact BCBSM Medicare Advantage to receive reimbursement for their hospice care coinsurance.

The following information is required:

1. Medicare Summary Notice from Original Medicare (http://www.medicare.gov/basics/SummaryNotice_HowToRead.asp) or receipt that verifies the five percent coinsurance amount.
2. Send all supporting information to:

Medicare Plus Blue Group
 600 E. Lafayette
 Detroit, MI 48226-2998
 Mail Code X519