

## Hospice care Applies to:



**Blue Cross  
Blue Shield**  
of Michigan

A nonprofit corporation and independent licensee  
of the Blue Cross and Blue Shield Association

Medicare Plus Blue<sup>SM</sup> PPO  Medicare Plus Blue<sup>SM</sup> Group PPO  Both

## 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 doesn't include 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 their 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 a reprieve for the individual's family or other persons caring for the individual at home. Payment for hospice respite care may not be provided for more than five consecutive days at a time.

## Medicare Plus Blue<sup>SM</sup> PPO enhanced benefit

Medicare Plus Blue<sup>SM</sup> PPO is a Medicare Advantage plan which provides at least the same level of benefit coverage as Original Medicare (Part A and Part B) and may provide enhanced benefits beyond the scope of Original Medicare within a single health care plan. This flexibility allows Blue Cross to offer enriched plans by using Original Medicare as the base program and adding desired benefit options.

Coverage for the member's coinsurance is offered as an enhanced hospice care benefit for individual and select Medicare Plus Blue<sup>SM</sup> Group PPO members. Reimbursement is provided to the member since Medicare provides payment for hospice claims to fee-for-service contractors.

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 individual and Medicare Plus Blue Group PPO members who elect hospice care.

No payment is made to Blue Cross on behalf of a Medicare Plus Blue member who has elected 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.

- Medicare hospices should bill the Regional Home Health Intermediaries for individual and Medicare Plus Blue Group PPO members who have coverage through managed care just as they do for beneficiaries with fee-for-service coverage.

# Blue Cross Blue Shield of Michigan

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- Original Medicare, rather than Blue Cross' Medicare Plus Blue PPO, will also process claims for services provided by physicians, providers and suppliers for other Medicare covered services furnished to Medicare Plus Blue PPO members who have elected hospice. "Other services" refer to non-hospice Part A and B services that aren't related to the terminal illness.

## Member cost share

For hospice services that are covered under Original Medicare, the member has the following coinsurance responsibilities.

### 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 five 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 five 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.

To verify benefits and cost sharing, providers may utilize web-DENIS or call 1-866-309-1719.

## Member reimbursement

The member or his or her authorized representative must submit the request for reimbursement of the coinsurance responsibilities along with the following information to the address below:

- Member name
- Member Medicare Plus Blue PPO contract and group number
- Member address
- Legible copy of the Medicare Summary Notice from Original Medicare and/or receipts that verify the five percent coinsurance amount.

Blue Cross Blue Shield  
Mail Code X521  
600 E. Lafayette  
Detroit, MI 48226-2927

## Revision history

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03/21/2016: Updated formatting, removed reference to CAREN, added revision history and policy number.