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To: All Indiana Health Coverage Programs-Enrolled Hospice and Nursing Facility Providers

Subject: New Policy for Indiana Health Coverage Programs (IHCP) Hospice Authorization for Nursing Facility Residents Without IHCP Nursing Facility Level of Care (Pending *Form 450B* or *OMPP 450B SA/DE*) and Other IHCP Hospice Benefit Issues

Overview

The Office of Medicaid Policy and Planning (OMPP) has worked with the Health Care Excel, Inc. (HCE) Hospice Authorization Unit to identify hospice authorization return trends and to determine how to facilitate the paperwork for Indiana Health Coverage Program (IHCP)-enrolled hospice providers. (The IHCP was formerly known as the Indiana Medicaid Program.) A significant amount of forms have been returned to hospice providers due to the lack of required physician or hospice staff signatures, IndianaAIM not reflecting nursing facility level of care for the dates of service in question (such as an outstanding *Form 450B* or *OMPP 450B SA/DE* at the nursing facility), and the lack of IHCP hospice discharge forms when the recipient is deceased. The purpose of this bulletin is to inform IHCP-enrolled hospice providers of new OMPP policies that should facilitate the completion of paperwork by IHCP-enrolled hospice providers and minimize returns from the HCE Hospice Authorization Unit.

New Policy for Hospice Authorization for Nursing Facility Residents for Whom the Nursing Facility has Pending OMPP 450B or 450B SA/DE Forms

The election of the Medicare or Medicaid hospice benefit by a nursing facility resident does not exempt the nursing facility from obtaining an approved *Form 450B* or *OMPP 450B SA/DE* for IHCP-covered

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nursing facility room and board services as required under state and federal law. The IHCP cannot provide IHCP hospice authorization or pay hospice claims for nursing facility room and board services for a nursing facility resident that has elected hospice care until nursing facility level of care is on file in IndianaAIM for the dates of service in question. HCE, the IHCP's prior authorization contractor, must return all requests for hospice authorization to the hospice provider when IndianaAIM does not reflect nursing facility level of care.

Effective immediately, hospice providers may hold all IHCP hospice authorization paperwork required for a hospice recipient for which the nursing facility has a pending 450B OR 450B SA/DE form for the dates of service that the hospice provider must bill. Once the nursing facility has an approved Form 450B or an approved OMPP 450B SA/DE, the hospice provider may submit the required paperwork to the HCE Hospice Authorization Unit for IHCP hospice authorization.

The intent of this policy change is to minimize the paperwork for the hospice provider so that the hospice provider need only submit a request for hospice authorization to the HCE Hospice Authorization Unit after the nursing facility has obtained an approved nursing facility level of care for the dates of service.

The implications for IHCP-enrolled hospice and IHCP-enrolled nursing facility providers are as follows:

- The nursing facility provider is still responsible for obtaining an approved *Form 450B* or an approved *OMPP 450B SA/DE* with an IHCP reimbursement effective date from the OMPP for the nursing facility resident who has elected either the Medicare or the IHCP hospice benefit.
- The nursing facility provider is still responsible for completing the *Form 450B* or the *OMPP 450B SA/DE* form within the time-frames that are required by the OMPP Level Of Care (LOC) Unit and the nursing facility provider is still responsible for tracking the pending *Form 450B* or *OMPP 450B SA/DE* form.
- The hospice provider and the nursing facility provider must develop coordination procedures to ensure that the hospice provider is notified when the nursing facility has an approved *Form 450B* or *OMPP 450B SA/DE* so that the hospice provider may submit the necessary paperwork to HCE for hospice authorization.
- Upon receipt of the IHCP hospice authorization from HCE, the hospice provider must then bill the IHCP for nursing facility room and board services.

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- The hospice provider is still responsible for billing the IHCP to preserve the one-year claims filing limit regardless of the pending status of the *Form 450B* or *OMPP 450B SA/DE*.
- The nursing facility provider is still responsible for completing the *Form 450B* or *OMPP 450B SA/DE* form for OMPP review within the timeframes that are required by the OMPP LOC Unit and tracking when the OMPP has returned the approved *Form 450B* or *OMPP 450B SA/DE* form.
- Nursing facility providers are reminded that failure to complete the *Form 450B* or *OMPP 450B SA/DE* form within the timeframes required by the OMPP could result in no nursing facility level of care in IndianaAIM which would impede the hospice provider from successfully billing the IHCP for nursing facility room and board services because the system will appropriately deny the hospice claim for lacking nursing facility level of care on the dates of service billed
- Nursing facility providers are reminded that the following procedures still apply for the completion of the *Form 4B* or *OMPP Form 450B* for a nursing facility resident that elects hospice and should not be delegated to the hospice provider to submit as an attachment to hospice authorization paperwork to HCE since the HCE hospice analyst is not authorized to process the *Forms 4B* and *OMPP Form 450B*
- To expedite processing, it is still the nursing facility provider's responsibility to immediately notify the Indiana Pre-Admission Screening (IPAS) agency when a nursing facility resident is discharged or dies prior to the issuance of the Pre-Admission Screening (PAS) 4B so that the IPAS agency can immediately issue a PAS 4B to terminate the case
- Nursing facility providers are reminded that when IPAS/Pre-Admission Screening and Resident Review (PASRR) is terminated prior to a complete assessment, the nursing facility provider must submit a copy of the *PAS Form 4B* with an attached *Form 450B* directly to the OMPP Level of Care Unit for authorization so that the OMPP may issue the *Form 450B* or *OMPP 450B SA/DE* form directly to the nursing facility.
- Nursing facility providers are reminded that a new *Form 450B* or *OMPP 450B SA/DE* is not required by the OMPP LOC Unit when a nursing facility resident revokes or is discharged from hospice care if the nursing facility has a **current** *Form 450B* or *OMPP 450B SA/DE* form on file

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It has come to the OMPP's attention that some hospice providers have paid nursing facility providers for the nursing facility room and board services **before** the nursing facility had IHCP nursing facility level of care for that nursing facility resident under hospice care. In effect, the hospice had paid the nursing facility and the nursing facility had accepted payment for the nursing facility room and board services when the individual was not yet IHCP-eligible for nursing facility covered services.

IHCP-enrolled hospice and nursing facility providers are encouraged to evaluate current contracts to address this issue, if applicable, since the nursing facility's receipt of payment for nursing facility room and board from the hospice provider **before** the nursing facility had IHCP approved nursing facility level of care raises concerns about fraud and inducement as outlined by the Office of Inspector General (OIG) in OIG's 1998 Fraud Alert. IHCP-enrolled hospice and nursing facility providers are encouraged to discuss this issue and review *Medicaid Update Bulletin E98-30* with their respective attorneys. Any case-specific concerns regarding current contracts should be directed to the regional OIG office as specified in *Medicaid Update Bulletin E98-30*.

Completion of IHCP Medicaid Hospice Forms Requiring Physician Signatures

In an effort to facilitate paperwork for IHCP-enrolled hospice providers, the OMPP will permit the use of a signature stamp when signatures are required by the attending physician or the hospice medical director on the IHCP hospice forms. IHCP-enrolled hospice providers are reminded to follow applicable medical records protocol when delegating the use of the hospice medical director's signature stamp to an appropriate level hospice staff employee as the misuse of the physician signature stamp does not exempt the hospice medical director from oversight responsibilities under the following federal regulations:

- *42 CFR Section 418.22, Certification of Terminal Illness*
- *42 CFR Section 418.54, Condition of Participation – Medical Director*
- *42 CFR Section 418.56, Condition of Participation – Professional Management*
- *42 CFR Section 418.58, Condition of Participation – Plan of Care*

Hospice providers are encouraged to review current procedures to ensure that all applicable medical records standards are in place to

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ensure proper use of the hospice medical director's signature stamp. Attending physicians are also held to these same medical records standards when relinquishing the use of their signature stamps for the completion of IHCP hospice forms.

The following IHCP hospice forms require either the attending physician signature or the signature of the hospice's medical director:

- *IHCP (Medicaid) Hospice Physician Certification form*
- *IHCP (Medicaid) Hospice Plan of Care*
- *IHCP (Medicaid) Hospice Discharge form* (see next section for further explanation)

Patient Care Coordinator Signature for IHCP (Medicaid) Hospice Discharge Form

The Medicare program and the IHCP require hospice providers to notify the respective programs when an individual is discharged from the hospice program. The IHCP (Medicaid) hospice discharge form identified as *State Form 48734 (4-98)/OMPP 0008* requires the signature of the hospice medical director. In an effort to facilitate paperwork for IHCP-enrolled hospice providers, the OMPP has reviewed current federal and state regulations and has determined that these regulations do not preclude the hospice's patient care coordinator to sign the *IHCP (Medicaid) Hospice Discharge form* in place of the hospice medical director.

According to *42 CFR 418.68(d) Standard Coordinator*, "the hospice must designate a registered nurse to coordinate the implementation of the plan of care for each patient." The patient care coordinator and the hospice medical director are members of the hospice interdisciplinary team and are required under *405 IAC 4-34-2(d)* and *42 CFR 418.68* to meet on a regular basis to discuss hospice patient's care. Effective immediately, the hospice medical director's signature stamp or the original signature of the hospice patient care coordinator will be accepted on the *IHCP (Medicaid) Hospice Discharge form* at the HCE Hospice Authorization Unit.

Date of Death Issues

There are three IHCP hospice trends regarding hospice providers notifying the IHCP about a hospice recipient's date of death:

- Some IHCP-enrolled hospice providers have **not** consistently notified the IHCP of a hospice recipient's date of death by sending in the *IHCP (Medicaid) Hospice Discharge form* as required by *405*

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IAC 5-34-2(h)(1). At the OMPP's direction, HCE performed a December 1999 **extensive** review of IndianaAIM of all hospice recipients enrolled in the IHCP hospice benefit since the date of program implementation. At that time, HCE identified approximately 500 recipients for which the hospice providers had not notified the IHCP of the recipient's date of death.

- During the first week of January 2000, the HCE Hospice Authorization Unit notified the OMPP that HCE had received a magnitude of IHCP hospice discharge forms by facsimile for hospice patients who had died, **but who had never been enrolled in the IHCP hospice benefit per a review of IndianaAIM**. The HCE hospice authorization staff spent a significant amount of staff time to return these forms to the appropriate hospice providers since the HCE hospice analyst could not discharge an individual from the IHCP hospice benefit when the individual was not enrolled.
- Finally, IHCP-enrolled hospice providers are incorrectly coding box 22 STAT of the UB-92 claim form. When the recipient is deceased, the hospice provider must use code 20 for *expired*.

New OMPP Directive for HCE Hospice Authorization Unit

The OMPP is concerned about the first two trends outlined in this section since they reflect non-compliance with IHCP hospice benefit program guidelines.

All IHCP-enrolled providers are required to notify the IHCP of a recipient's date of death. In an effort to facilitate paperwork for IHCP-enrolled hospice providers and to ensure that HCE Hospice Authorization Unit staff time is maximized in processing hospice paperwork for new hospice recipients and recertifications, the OMPP has provided directives to HCE, effective the week of January 17, 2000:

- The HCE hospice analyst will process the hospice certification paperwork. If IndianaAIM reflects a date of death on the recipient eligibility screen, the HCE hospice analyst will enter the date of death at the time of the initial hospice certification or the processing of hospice recertifications if the forms have been properly completed to meet IHCP program guidelines. The date of death on the system is provided by the local Division of Family and Children (DFC) caseworker.
- The HCE hospice analyst will return the paperwork with a hospice return letter requesting the hospice provider submit the *IHCP (Medicaid) Hospice Discharge* form retroactively to HCE by United States mail rather than by facsimile.

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To ensure that the facsimile at HCE is available for more urgent hospice authorization paperwork, such as, immediate disenrollment of an IHCP-enrolled recipient from managed care program, the hospice provider will be asked to return these hospice discharge forms to HCE by mail with either a copy of the hospice return letter or a note from the hospice provider indicating that this discharge form has been returned simply for HCE to file in the recipient's records. This will ensure that the HCE hospice analyst's time is maximized in processing all hospice authorization requests.

- If the date of death that was entered by the HCE hospice analyst does not coincide with the date of death recorded by the hospice provider, then it is the responsibility of the hospice provider to coordinate with the local DFC caseworker to correct this discrepancy. Once the discrepancy has been corrected, the hospice provider may follow-up in writing with HCE to request a correction of the hospice level of care. The local DFC caseworker will require the death certificate to correct this matter.

IHCP-enrolled hospice providers are encouraged to review current procedures to ensure that hospice staff do not incorrectly submit IHCP hospice discharge forms for recipients that are not enrolled in the IHCP hospice benefit. The facsimile at the HCE Hospice Authorization Unit is meant to facilitate and to expedite the processing of paperwork for all of the more than 60 IHCP-enrolled hospice providers. When IHCP-enrolled hospice providers misuse the facsimile at HCE, it impacts the workflow at the HCE Hospice Authorization Unit and delays the processing and turnaround of paperwork submitted by other IHCP-enrolled hospice providers.

IHCP Hospice Claims Issue

Some IHCP-enrolled hospice providers are incorrectly coding box 22 STAT of the UB-92 claim form rather than reflecting that the recipient is deceased by using code 20 for *expired*. IHCP-enrolled hospice providers are reminded that it is their responsibility to return any IHCP reimbursement for dates of service past the hospice recipient's date of death to the IHCP by completing the appropriate adjustment form.

Hospice and nursing facility providers are reminded of the following IHCP reimbursement issues regarding the IHCP payment of nursing facility room and board services:

- Any IHCP payment to the hospice provider for services past the date of death are considered an IHCP overpayment and must be returned as an IHCP claims adjustment. Failure to do so will be

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deemed program misuse and will subject the IHCP provider to recoupment of the IHCP overpayment.

- While the IHCP does pay the hospice provider for the date of death and/or the date of hospice discharge, any IHCP payment for nursing facility room and board services to the hospice provider for the date of death of a nursing facility resident who has elected hospice is considered an IHCP overpayment and must be returned as an IHCP claims adjustment.

The IHCP does not pay a nursing facility provider for the date of death or the date of discharge of a nursing facility resident that is eligible for IHCP-nursing facility covered services. Hence, this same policy applies to the reimbursement of nursing facility room and board services for a nursing facility resident that has elected hospice.

Reminder Regarding Hospice Re-certification Forms

The OMPP has determined that some hospice providers continued to submit hospice initial certification and recertification forms months after the hospice election or recertification start date. Regarding the hospice authorization forms referenced in this section, there are no IHCP-pending or outstanding nursing facility level of care issues reflected in IndianaAIM to justify a delay by the hospice provider in submitting the recertifications to HCE. Hospice providers are reminded that the HCE Hospice Authorization Unit will accept recertification paperwork two weeks (14 calendar days) prior to the start date of the recertification date in an effort to expedite the hospice authorization process for IHCP-enrolled hospice providers.

Hospice providers are reminded that the HCE hospice analyst is still required to return hospice recertification paperwork if the required forms or required hospice staff signatures are not reflected per IHCP hospice benefit program guidelines. Therefore, hospice providers are encouraged to review the paperwork to ensure that all required signatures and forms are included in the initial certification or recertification packet so that the early submission of this packet to HCE will result in a completed hospice authorization rather than a return to the hospice provider for corrections as specified in the HCE hospice return letter.

Further inquiries regarding the IHCP hospice benefit may be directed to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.