

U of M - 5th Level Hospice

Applies to:

- BCN Advantage Individual BCN Advantage Group Both

BCN Advantage HMOSM
BCN Advantage HMO-POSSM



Medicare and more

Blue Care Network of Michigan is a nonprofit corporation and independent licensee of the Blue Cross and Blue Shield Association.

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 life expectancy is six months or less if the illness runs its normal course. An individual (or his or her 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.

Original Medicare covers expenses related to hospice care in the home and two levels of inpatient care: respite for the patient's caregivers, and general inpatient care 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.

5th Level hospice for University of Michigan BCN Advantage members

Coverage for 5th level hospice is provided to members under University of Michigan BCN Advantage Group plan. Since Original Medicare doesn't cover 5th level hospice care, the group determines the scope of the benefit, reimbursement methodology, maximum allowable payment amounts and member cost sharing.

- The 5th level hospice care benefit covers inpatient room and board hospice care in a skilled nursing or hospice facility. The benefit will be subject to the member's deductible and coinsurance.
- This coverage doesn't apply when hospice care is received in the home.
- There is a lifetime maximum of 45 days of coverage for hospice care in the 5th level.

5th Level hospice qualification requirements

To participate with BCN Advantage, a hospice program must, at minimum, have and maintain the following:

- Current Medicare certification as a hospice agency
- Licensure as a hospice by the state in which the services are provided
- Participation with the local Blue Care Network plan by which the services are provided
- Membership in at least one of the following:

Blue Care Network of Michigan

bcbsm.com/providers

- The National Hospice and Palliative Care Organization
- The Michigan Hospice and Palliative Care Organization
- A multi-disciplinary staff composed of:
 - A Michigan licensed physician medical director to provide overall direction for the clinical aspect of hospice services
 - Registered nurses who provide or supervise the nursing care requirements of patients
 - A licensed social worker
 - A pastoral or bereavement counselor
 - A volunteer staff sufficient to provide administrative or direct patient care equaling at least five percent of total patient hours of patient care provided by all paid employees and contract staff interested in the welfare and proper functioning of facility as a community agency
 - Facility with an absence of inappropriate utilization or practice patterns, as identified through valid subscriber complaints, audits and peer review
 - Facility with an absence of fraud and illegal activities
 - Facility that maintains adequate patient and financial records

Reimbursement

Reimbursement is payable to a hospice agency participating with the local Blue Care Network plan in which the services are provided. Contracted providers of skilled nursing and hospice facilities must seek payment only from the hospice agency; they must not bill BCN Advantage or the member directly. Only 5th level hospice care is covered; no other inpatient services will be reimbursed.

- Services are only reimbursable during member's hospice election period.
- Hospice agency will bill directly for 5th level hospice care services.
- The Medicare Advantage rate will mirror the commercial rate (accessed through our provider portal.)
- Only revenues code 0658 is reimbursable; all other services will be the responsibility of the provider.
- Reimbursement is on a per diem (per day) basis.
- Claims should be billed monthly at the per diem rate.

Note: For services that crossover between years, separate the claims into two bills — one bill for the remainder of the services in the prior year and one bill for the services incurred in the new year.

- Members are only responsible for cost sharing and can't be balance billed.

Member cost sharing

The University of Michigan BCN Advantage Group members have no cost share for the 5th level hospice care benefit. To verify benefits and cost share, providers may utilize our provider portal or call 1-800-344-8525.

The payment consists of a separate predetermined per diem reimbursement rate for 5th level hospice care. With the exception of direct-care physician service, the rates cover all services provided to treat a member's terminal illness of related conditions, including services performed by staff who are employed or under contract with hospice (which includes administrators and supervisors), all medical equipment, appliances, supplies and drugs. Don't bill these items as separate services.

Billing requirements

If BCN Advantage members require 5th level of hospice care, hospice providers should bill Blue Care Network only for the level of service given to members. All services must be clinically appropriate and required for the member's care. If the member is ordered to a different level of care, the physician's order must be on file at the hospice agency for post-payment audits.

Billing instructions for providers

1. Bill services on the UB 04 claim form.
2. Use the BCN Advantage unique billing requirements.
3. Report revenue codes and diagnosis codes to the highest level of specificity.
4. Report your national provider identifier number on all claims.
5. Submit claims to your local Blue Care Network plan.
6. Use electronic billing:
 - a. Michigan providers must use the online billing process for facility claims.
 - b. Providers outside of Michigan should contact their local Blue Care Network plan.

Revision history

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Reviewed:

Revised: