

# **Medicare Hospice Prior Authorization Resource**

Applies to Members enrolled in the following My Choice Wisconsin Medicare health plan products:

Partnership and Dual Advantage

#### Coverage Rationale:

Hospice is a covered benefit, administered by Original Medicare under Part A for Members who elect to receive hospice care. When a Member signs a Hospice Election Statement (provided by Medicare Hospice Providers), the Member must select and use a Medicare certified hospice provider(s) for care related to the terminal illness. Hospice coverage is effective immediately on the date of election. Members can elect this benefit and continue to be enrolled in My Choice Wisconsin's Partnership or Dual Advantage plan. Medicare Hospice covered services should be documented in the plan of care and may include:

- Nursing Care
- Medical Social Services
- Physician Services
- Counseling Services
- Short-term Inpatient Care
- Medical Appliances and Supplies- Medical appliances and supplies may be provided, including drugs and biologicals. Only drugs as defined in §1861(t) of the Act and which are used primarily for the relief of pain and symptom control related to the individual's terminal illness are covered. This includes both prescription and over-the-counter drugs as defined in §1861(t) of the Act. Appliances may include covered durable medical equipment as described in 42 CFR 410.38 as well as other self-help and personal comfort items related to the palliation or management of the patient's terminal illness. Equipment is provided by the hospice for use in the patient's home while the patient is under hospice care. Medical supplies include those that are part of the written plan of care and that are for palliation and management of the terminal illness or related conditions.
- Hospice Aide and Homemaker Services
- Physical Therapy, Occupational Therapy, and Speech-language Pathology
- Other Items and Services- Any other item or service which is included in the plan of care and for which
  payment may otherwise be made under Medicare, in accordance with title XVIII of the Social Security
  Act, is a covered service under the Medicare hospice benefit. The hospice is responsible for providing
  any and all services indicated in the plan of care as reasonable and necessary for the palliation and
  management of the terminal illness and related conditions.

### **Additional Considerations:**

Once a managed care enrollee has elected hospice, all his or her Medicare benefits revert to fee-for-service, though the enrollee still remains on managed care for any additional supplemental benefits provided by his or her managed care plan. Members enrolled in My Choice Wisconsin's Partnership program continue to receive Medicaid benefits, including acute and primary and long-term care services through My Choice Wisconsin. The Medicare hospice benefit, through fee-for-service Medicare, covers all hospice care from the effective date of election to the date of discharge or revocation. During the election, fee-for-service Medicare also covers attending physician services and all care unrelated to the terminal illness. Upon discharge or revocation, fee-for-service Medicare continues to cover the beneficiary through the end of the month when the beneficiary revokes or is discharged from hospice alive. At the start of the month following revocation or discharge, all billing and coverage revert back to the managed care plan.

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When a Member elects the hospice benefit:

- 1. As of the first of the month after the Member elects hospice, the capitation from CMS to My Choice Wisconsin is reduced.
- 2. Care provided, as it relates to the terminal diagnosis, by the hospice provider is paid directly by Medicare.
- 3. For covered care and services available for conditions that are unrelated to the Member's terminal illness, see the chart below:

Type of Services	Enrollee Coverage Choice	<b>Enrollee Cost-sharing</b>	Payments to Providers
Hospice program	Hospice program	Original Medicare cost- sharing	Original Medicare
Non-hospice care <sup>1</sup> , Parts A & B	MA plan or <i>original</i> Medicare	MA plan cost-sharing, if enrollee follows MA plan rules <sup>3</sup> Original Medicare cost-sharing, if enrollee does not follow MA plan rules <sup>3</sup>	Original Medicare  Original Medicare
Non-hospice care <sup>1</sup> , Part	MA plan (if applicable)	MA plan cost-sharing	MAO
Supplemental	MA plan	MA plan cost-sharing	MAO

<sup>1-</sup>The term 'hospice care' refers to original Medicare items and services related to the terminal illness for which the Member entered the hospice. The term 'non-hospice care' refers either to services not covered by original Medicare or to services not related to the terminal condition for which the Member entered the hospice.

NOTE: When billing Medicare, providers should follow the Centers of Medicare and Medicaid Services (CMS) guidelines, using the appropriate modifiers.

4. Members can revoke hospice elections at any time to resume curative care. If so revoked, My Choice Wisconsin will resume coverage for the Member according to his/her benefit plan, the first of the following month. My Choice Wisconsin will then begin receiving normal capitation payments from CMS. Prior to the first of the month and after revocation of the hospice benefit, the Member reverts to original Medicare coverage.

# **Requesting prior authorization:**

No prior authorization is required for Medicare Hospice services; however, notification is needed to support care management activities and coordination of benefits. Enrollment in hospice can change a member's eligibility for medications related to the terminal diagnosis and palliative care. Authorizations for specific medications may be required through either My Choice Wisconsin or the hospice provider. To notify My Choice Wisconsin that a Member has elected their Hospice benefit, please send a copy of the Hospice Plan of Care.

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<sup>2-</sup> If the Member chooses original Medicare for coverage of covered, non-hospice-care, original Medicare services and also follows MA plan requirements, then, the Member pays plan cost-sharing and original Medicare pays the provider. The MA plan must pay the provider the difference between original Medicare cost-sharing and plan cost-sharing, if applicable.

<sup>3-</sup> An HMO Member who chooses to receive services out of network has not followed plan rules and therefore is responsible to pay FFS cost-sharing; a PPO Member who receives services out of network has followed plan rules and is only responsible for plan cost-sharing. The Member need not communicate to the plan, in advance his/her choice of where services are obtained.

My Choice Wisconsin does not require prior authorization for in-network, outpatient services for secondary coverage, when Medicare or other commercial insurance is providing primary coverage

#### **Exclusions:**

For Members electing their Medicaid Hospice benefit, please see the Prior Authorization Guide: Medicaid Hospice Services.

# **Definitions:**

None

References: Medicare Benefit Policy Manual, Chapter 9 Coverage of Hospice Services Under Hospital Insurance

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