Kindred at Home

Physician to Physician:
The Medicare Hospice Benefit

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Did you know that the Medicare Hospice Benefit (MHB) was the first federally-covered managed care plan in the United States?

The MHB essentially replaces most other Medicare coverage when a beneficiary elects to pursue hospice care after two physicians, including the attending if there is one, certify the patient as having a prognosis for a life expectancy of six months or less if the illness runs its normal course. By electing the MHB, the patient acknowledges an understanding of the palliative nature of hospice and that outside of hospice, Medicare does not cover treatments that are related to the terminal illness/prognosis. Other coverage (Medicare A, B, D, and Medicare Advantage) remains in effect for conditions unrelated to the terminal illness. Additionally, the patient has the option, at any time and for any reason, to revoke the MHB, in which case all standard Medicare coverages are fully reinstated.

The MHB payment to hospice provides 100% coverage, meaning no deductible, for all related physician, nursing, social work, and spiritual care services. Hospice aide or homemaker services are also covered, as are dietary counseling, physical therapy, occupational therapy, and speech therapy. Medications, medical equipment, and medical supplies are also included. The caveat for such coverage is that care should generally be palliative in nature and must be authorized by the hospice's interdisciplinary team. For example: restorative physical therapy (PT) would not normally be covered since restorative goals are not palliative, while PT intended to improve comfort would be covered.

Most hospice care is provided in the patient's residence, whether that is their private home or an extended care facility. Routine home care is not intended by the MHB to be an around-the-clock bedside service, though hospice must ensure that nursing, physician, and the medication services are available 24/7 to respond to a patient's changing needs. If the medical condition warrants skilled care at the bedside, the MHB mandates the hospice be able to provide continuous home care for the time of the crisis. If the condition requires care that cannot be managed at home, the hospice may move the patient to an appropriate facility for short-term pain control and symptom management to provide general inpatient services. Finally, if family members become exhausted from caregiving, the MHB also includes a respite inpatient level of care to give families up to a five day break from caregiving.

The MHB has specific provisions to maintain and encourage the ongoing involvement of the attending physician, as identified by the patient. The non-hospice attending physician may continue to bill Medicare B, over and above the hospice payment, for care provided to the beneficiary, even if such care is related to the terminal illness. Ensuring that such claims include the "GV" modifier code helps proper processing. The attending also may bill Care Plan Oversight (CPO) for non-face-to-face management of the hospice patient.

Questions about how MHB works or how it can further benefit your patient? Please contact us. We are here 24/7/365.