



State of New Mexico  
Medical Assistance Program Manual  
**Supplement**



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**TO:** HOSPICE CARE PROVIDERS

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**THROUGH:** DEVI GAJAPATHI, BUREAU CHIEF, BENEFITS AND REIMBURSEMENT BUREAU

**SUBJECT:** CHANGES TO BILLING PROCEDURE AND REIMBURSEMENT FOR HOSPICE SERVICES

The New Mexico Human Services Department, Medical Assistance Division (MAD) is issuing this Supplement to inform hospice service providers of the changes to hospice billing procedure and reimbursement methodology. These changes are being implemented to meet the changes implemented by the Center's for Medicare and Medicaid Services (CMS). MAD is not changing the current billing process for hospice services; MAD is only updating billing procedures and reimbursement requirements to comply with the changes implemented by CMS.

1. CMS has published the annual hospice provider rates, effective 10/01/2020 to 09/30/2021 for federal fiscal year (FFY) 2021. MAD will generate system changes to ensure hospice providers are reimbursed at the current FFY provider rates.

CMS implemented changes related to how routine home care (RHC) services should be billed. Each provider has been assigned two RHC daily rates.

- A daily hospice service billed in the first 60 days of a hospice election will be paid at the provider's high RHC rate.
- A hospice service billed on day 61 or later of the hospice election will be paid at the provider's low RHC rate.

The election date will be used to determine where the days fall, effective with dates of service October 1, 2020 a provider may be reimbursed at the low RHC rate.

Providers currently use revenue code 0651 (Hospice Services – Routine Home Care) to bill the daily service. CMS is requiring providers to use this revenue code to bill both levels of service. This will also be required when billing the Medicaid program.

2. **End of Life (EOL) Service Intensity Add-on (SIA):** In addition to routine home care, a hospice provider can bill for social worker visits and nursing visits provided by a registered nurse (RN), when the service is provided during routine home care in the last seven days of life.

Providers will use revenue code 0551 – Skilled Nursing-Visit Charge, to bill this service. CMS expects that at end of life the needs of the patient and family would need to be frequently assessed and thus the skills of a RN are required. Therefore, SIA policy was finalized to recognize additional payment at end of life for services provided by RNs and not LPNs [42 CFR 418.56(a)]. The same requirement applies to claims submitted to Medicaid.

Billing a SIA service is supported by entering a Patient Status Code 40 (expired at home) on the UB claim form in Form Locator 17. Providers will identify the rendering provider for this service by entering one of the following HCPCS procedure codes on the claim line reflecting revenue code 0551. If the claim line does not reflect an associated HCPCS procedure code the claim line will be denied. The type of rendering provider does not change the rate of reimbursement. The patient status code, the revenue code and the HCPCS code must be on the claim to support payment for this service.

The HCPCS codes for hospice dates of service on or after October 1, 2020 are:

- G0299: Direct skilled nursing services of a registered nurse (RN) for services provided by a RN;
- G0155: Services of clinical social worker in home health or hospice setting, each 15 minutes.

3. **Units of Service for Revenue Code 0551:** A unit of service is calculated as 1 unit for each 15 minutes of visit time. This service is limited to up to 4 hours (16 fifteen-minute increments) combined for both nursing visit time and/or social worker visit time per day.
4. **Billable Hospice Service Revenue Codes:** Effective with these changes, the following is a complete list of billable hospice service revenue codes:
  - 0651 Routine Home Care (Days 1-60)
  - 0651 Routine Home Care (Days 61+)
  - 0551 Service Intensity Add-On
  - 0652 Continuous Home Care
  - 0655 Inpatient Respite Care
  - 0656 General Inpatient Care
5. **Adjustment of claims:** MAD will use the hospice election date when applying the 60+ day criteria for claims beginning with October 1, 2020 dates of service, and providers will be reimbursed at the low RHC rate.

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We appreciate your participation in the New Mexico Medicaid Program.