

Medicare Minute Teaching Materials – November 2015 Understanding the Medicare Hospice Benefit

1. What is hospice?

Hospice is a type of health care intended to provide compassionate, comprehensive, quality care for individuals with a terminal illness who are facing the end of life. Hospice care focuses on providing comfort and pain management (palliative care), rather than curative treatments for an illness. It usually involves a team approach to care, with doctors, nurses, social workers, and other professionals coordinating care that focuses on physical, emotional, and spiritual needs.

2. When does the hospice benefit begin?

Medicare will provide coverage for your hospice care if you have Part A and meet all of the following:

- Your hospice doctor and your primary care physician (if you have one) certify that you're terminally ill (with a life expectancy of six months or less if the illness runs its normal course)
- You accept palliative care – pain and symptom relief -- instead of care to cure your illness
- You sign a statement choosing hospice care instead of other Medicare-covered treatments for your terminal illness and related conditions
- You receive care from a Medicare-certified hospice agency

When you elect the hospice benefit, Original Medicare pays for all care related to your terminal condition, even if you have a Medicare Advantage Plan. Your hospice services will be outlined on a Medicare Summary Notice (MSN), not on your plan's Explanation of Benefits (EOB).

If you think you are eligible for hospice services, you should speak with your doctor (if you have one) about this care, and request that your doctor contact a Medicare-certified hospice on your behalf. There may be several Medicare-certified hospice facilities in your area. If the first one that you contact is unable to help, try contacting others. Know that hospice services are always covered under Original Medicare, even if you had a Medicare Advantage Plan before electing the hospice benefit. You will retain your Medicare Advantage Plan coverage for non-palliative care services (for example, if you break a bone while in hospice, your Medicare Advantage Plan will pay for that treatment), but Original Medicare will pay for your hospice care.

The hospice benefit includes two 90-day hospice benefit periods followed by an unlimited number of 60-day benefit periods. You must have a face-to-face meeting with a hospice doctor or nurse practitioner if you reach your third benefit period. The third benefit period begins on day 180 of hospice. After that, you must have face-to-face meetings with a hospice doctor or nurse practitioner before the start of each subsequent 60-day benefit period. The meeting must take place no earlier than 30 days before the new benefit period to confirm you still qualify for hospice care.

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3. What does it mean to refuse curative treatments under hospice?

When you elect the hospice benefit, you are foregoing any curative treatments for your terminal illness. For example, an individual with cancer refuses any treatments meant to cure that cancer. However, you still can receive medications and treatments for any chronic illnesses. For example, if you have high blood pressure that is unrelated to your cancer, you still can continue to take medication

for high blood pressure and it will be covered by your stand-alone Part D or Medicare Advantage Plan with prescription drug coverage. Similarly, if you fall and break a bone while in hospice, you can receive treatments for your broken bone. You are only refusing curative treatments related to your terminal illness. You do not have to give up treatments that control and treat symptoms and pain related to your terminal condition.

4. What services will Medicare cover when I'm receiving hospice?

When you first begin receiving hospice services, your hospice care providers must create a plan of care with you and—if you wish—your family members and primary care doctor. This plan of care is very important as it documents how you wish to receive hospice services. Reviewing this document is an important way to protect yourself from fraud and ensure that you are receiving the most appropriate care. Medicare covers services intended to ease pain and discomfort associated with a terminal illness. It is important to note that the amount and type of care that you or your loved one will receive depends on the condition, the doctor's plan of care, and the hospice agency's resources. See the chart that follows question 5 (next page) for details about the services Medicare's hospice benefit covers and your out-of-pocket costs.

5. What are my out-of-pocket costs for hospice services?

Medicines: When you elect the hospice benefit, Original Medicare pays for all of your care, even if you have a Medicare Advantage Plan. You will be responsible for paying up to \$5 for outpatient prescription drugs covered through the hospice benefit (prescription drugs related the terminal illness and related conditions). Drugs for pain relief and symptom control received as an inpatient of a hospice, hospital, or nursing facility are covered in full. Drugs not covered by the hospice benefit because they are for unrelated conditions may be covered by the Medicare Part D drug benefit if you are enrolled in a Part D or Medicare Advantage Plan with prescription drug coverage. The costs of these drugs vary by plan. Read your Medicare Summary Notices (MSNs) carefully to check whether you receive the appropriate pain medications that are documented in your plan of care. This is an important step in protecting yourself from Medicare fraud.

Respite Care: You will be responsible for a coinsurance of no more than 5 percent of the Medicare-approved amount for each day of inpatient respite care you receive. Respite care is the part of the hospice benefit that provides relief to caregivers. Your total coinsurance should be no more than the inpatient hospital deductible amount for the year you first elected hospice care. As a reminder, Medigap policies sold after 2010 cover the hospice coinsurance amounts.

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Hospice Benefit Services and Costs

Type of Service	Does Medicare Pay in Full?	Helpful Information
Skilled nursing	Yes	Includes services and care that can only be safely and effectively performed by a licensed nurse. Examples are tube feedings, medication administration, and evaluation of a patient's care plan.
Skilled therapy	Yes	Physical, speech, and occupational therapy to manage symptoms or to help maintain your ability to function or carry out activities of daily living.
Aide and homemaker	Yes	Provides homemaker services and unskilled custodial services, including bathing and dressing (for part-time care).
Durable medical equipment (DME)	Yes	Medicare pays in full for equipment and supplies needed to relieve pain or manage your medical condition.
Medical social services	Yes	Includes counseling and help finding community-based resources.
Inpatient prescription drugs	Yes	The hospice benefit covers prescription drugs for pain relief and symptom control related to your terminal illness. When you are an inpatient, these prescription drugs are covered in full.
Outpatient prescription drugs	No	As an outpatient, your copayment for these drugs can be no more than \$5 for each prescription filled.
Medical supplies	Yes	For example, wound dressings and catheters.
Pastoral care	Yes	For example, spiritual counseling.
Short-term inpatient care	Yes	Medicare will cover short-term inpatient care in a hospice, hospital, or nursing facility if your pain and symptoms cannot be managed in any other place.
Inpatient respite care	No	You pay 5 percent of the Medicare-approved amount for respite care. Respite care is given to you by another caregiver so that your usual caregiver can rest. You can stay in a Medicare-approved hospital or nursing home for up to five days each time you receive respite care.
Nutrition and dietary counseling	Yes	Medicare pays in full for dietary counseling such as nutritional needs assessments, nutrition recommendations, and dietary and hydration education services.
Curative treatment for terminal condition	No	Under the hospice benefit, Medicare will only cover pain and symptom relief. Medicare covers curative treatment for non-terminal conditions under other aspects of Medicare, not the hospice benefit.

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6. Can I end the hospice benefit and receive curative treatments for my illness?

Yes, you can choose to end the hospice benefit at any time and receive Medicare-covered curative treatments for the terminal illness. This process is called “revoking the hospice election” and must be done in writing. You also can elect to receive the hospice benefit again, later, if you continue to meet the qualifications discussed in Question 2.

Your State Health Insurance Assistance Program (SHIP) can provide more details about all aspects of Medicare’s hospice benefit, including how to qualify, hospice coverage, services provided, costs, and revoking the hospice election. Your SHIP contact information is on the last page.

7. How can I better understand fraud and abuse against the hospice benefit?

Beneficiaries who need hospice care are particularly vulnerable and are considered an easy target by individuals seeking to defraud Medicare. Beneficiaries with a terminal condition and their caregivers may be too overwhelmed to review statements for accuracy. The often higher provider reimbursement rates can make Medicare’s hospice benefit a target for fraud. Medicare reimburses for different levels of hospice care. In the context of Medicare fraud detection, it is particularly important to understand the continuous home care level of care, which is also called “crisis care.” It is available only for a patient who is experiencing acute medical symptoms resulting in a brief period of crisis who requires the immediate, short-term provision of skilled nursing services in order to remain at home. The reimbursement rate for crisis care services is the highest daily rate a hospice can bill Medicare. Hospices are paid several hundred dollars more daily for each patient they certify as having received crisis care services rather than routine home hospice services. Some fraudulent providers have also been known to offer gifts to beneficiaries to entice them to agree to a hospice level of care. Others have falsely certified that a patient is terminally ill. Check your Medicare Summary Notices (MSNs) to ensure the services listed were necessary, were part of your plan of care, and were received. Also, never accept gifts in return for services! Report anything suspicious to your Senior Medicare Patrol (SMP). Your SMP contact information is on the last page.

SHIP Case Study

Tamara recently found out that her father, who is 89 years old and has Medicare Advantage, has terminal cancer. After much discussion with her father and his physician, Tamara’s father has decided to elect hospice care. The doctor has signed a certification for hospice care, but Tamara is not entirely sure what the hospice benefit entails or how much it will cost. A friend told her Medicare Advantage doesn’t cover hospice.

What should Tamara do?

- Tamara should contact her SHIP for information about Medicare’s hospice benefit.
- A SHIP counselor will address her concerns, reassuring her that Original Medicare will cover hospice for her father and providing an explanation of the types of services that can be covered, as well as any out-of-pocket costs that might be incurred.
- If Tamara doesn’t know how to find her SHIP, she can go to www.shiptacenter.org or call 877-839-2675 for assistance.

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SMP Case Study

Martin, an 86 year-old, who has Original Medicare, was approached by a home health agency who offered to mow his lawn and provide him groceries for free, if he was willing to sign some papers. Martin agreed to their offer because he was having a hard time getting around after a recent hip surgery. When his daughter visited from out of state, she heard about the nice people who were mowing his lawn and bringing him groceries. While helping him sort out his medical paperwork, she was surprised to find charges on his MSN for services she didn't think he needed, such as skilled nursing.

What should Martin and his daughter do?

- They should contact the Senior Medicare to determine if fraud should be suspected.
 - If Martin and his daughter don't know how to find the local SMP, they should contact the SMP National Resource Center at 877-808-2468, or use the online SMP locator at www.smpresource.org.
 - The Senior Medicare Patrol will report the suspicious activity to the proper authorities and will follow-up with Martin and his daughter later on the status of their report.
- The Senior Medicare Patrol will provide them with tips for avoiding further instances of suspected fraud.
- The proper authorities, such as the Office of Inspector General and investigators under Medicare will determine if fraud has occurred based on the information Martin and his daughter provided.

Local SHIP Contact Information	Local SMP Contact Information
SHIP toll-free: SHIP email: SHIP website: To find a SHIP in another state: Call 877-839-2675 or visit www.shiptacenter.org .	SMP toll-free: SMP email: SMP website: To find an SMP in another state: Call 877-808-2468 or visit www.smpresource.org .
<p><i>The production of this document was supported by Grant Numbers 90ST1001 and 90NP0003 from the Administration for Community Living (ACL). Its contents are solely the responsibility of the SHIP National Technical Assistance Center (SHIP TA Center) and Senior Medicare Patrol National Resource Center and do not necessarily represent the official views of ACL</i></p>	

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