

Eli's Hospice Insider

Diagnosis Coding: Medicare System To Kick Back Failure To Thrive, Debility Claims Beginning In Fall 2014

Code all coexisting conditions, CMS also urges in final rule.

You've got about a year to figure out how to avoid using Adult Failure to Thrive and Debility as the primary diagnosis on hospice claims.

Why? In its hospice 2014 payment final rule published in the Aug. 7 Federal Register, the **Centers for Medicare & Medicaid Services** sets Oct. 1, 2014 as the date that the Medicare claims system will start returning claims that have 799.3 (debility) and 783.7 (adult failure to thrive) as the principal diagnosis.

The start date is a reprieve over what CMS proposed in May. Since CMS made very few changes to its proposed rule, the **National Hospice & Palliative Care Organization** "is pleased that CMS did grant a one year delay in the implementation date for returning claims to the provider (RTP) for use of 'debility' and 'adult failure to thrive' as primary diagnoses," the trade group says in a rule summary.

Clarification, Not Change, CMS Maintains

Hospices should never have been using these diagnoses as primary, CMS contends in the rule. "Debility and 'adult failure to thrive' could be reported on the hospice claim as other, additional, or coexisting diagnoses," CMS allows in the rule. "The principal diagnosis reported should be the condition determined by the certifying hospice physician(s) as the diagnosis most contributory to the terminal decline."

Rationale: "According to ICD-9 Coding Guidelines, codes that fall under the classification 'Symptoms, Signs, and other Ill-defined Conditions,' such as 'debility' and 'adult failure to thrive,' can only be used as a principal diagnosis when a related definitive diagnosis has not been established or confirmed by the provider," CMS explains in the rule. "The individual diagnosed with 'debility' or 'adult failure to thrive' may have multiple comorbid conditions that individually, may not deem the individual to be terminally ill. However, the collective presence of these multiple comorbid conditions will contribute to the terminal prognosis of the individual."

Many commenters argued that those codes sometimes are valid terminal diagnoses.

"As 'debility' and 'adult failure to thrive' are nonspecific, ill-defined, symptom diagnoses, they should not be reported as principal diagnosis," CMS responds. "Rather, the condition that the hospice medical director determines is most contributory to the terminal prognosis should be reported as the principal diagnosis on the hospice claim and all other related conditions to the terminal prognosis should be reported."

Some commenters agreed with CMS that using these codes represents "sloppy diagnosing" and "a failure to diagnose," the agency reports.

You can expect to see Local Coverage Determinations (LCDs) from Medicare Administrative Contractors (MACs) change in response to CMS's guidance in the final rule. "We will continue to work with our Home Health and Hospice contractors

to ensure that all LCDs will reflect these principal hospice diagnostic coding clarifications and that those eligible Medicare hospice beneficiaries will continue to have access to the benefits of hospice care," the agency says.

Take action: Hospices should "instruct their physicians to examine current and admitting cases of AFTT and Debility to establish alternative principal diagnoses that, based on CMS' concerns, better reflect the underlying cause of condition(s) that are the principal (or part of the principal) cause for treatment under hospice and lead to the expectation that the patient has six months or less to live if the illness runs its normal course," advises the **National Association for Home Care & Hospice**.

One Diagnosis Not Acceptable, CMS Insists

The percentage of hospice claims with one diagnosis continues to decrease, but still is at 69 percent for the second quarter of 2013, CMS points out in the final rule.

And while it won't officially return claims for containing one diagnosis, CMS makes clear that it wants to see all coexisting conditions listed on the hospice claim. "The claim should include not only a principal diagnosis, but all other related diagnoses as well, to more fully describe the clinical picture of the terminally ill individual," CMS exhorts in the rule.

Bonus: "In fact, reporting all of the related conditions that are contributing to the terminal prognosis on the hospice claim may also further support the eligibility for hospice services," CMS adds.

CMS also chides hospices for trying to shirk their financial responsibilities under the hospice benefit. "There has been some concern, as noted by the **Office of the Inspector General**, that some hospices are not providing the full range of required hospice services, most notably drugs, through their per diem reimbursement to Medicare hospice beneficiaries," CMS points out in the rule.

For example: In 2010, 15 percent of hospice beneficiaries enrolled in Part D racked up \$13 million in analgesic meds, most notably fentanyl at 39 percent.

Watch out: "While CMS has not indicated its intention to take specific action related to failure to supply more than a single diagnosis on claims at this time, it is clear that CMS will continue to monitor hospice practice related to diagnosis reporting on claims, and future action is possible," NAHC warns its members.

Expect increased scrutiny of single diagnosis claims in the future, experts warn.

CMS does clarify that hospices have some leeway with choosing patients' accurate codes. "While hospice physicians use their clinical judgment to determine the principal diagnosis and related conditions, we do not require them to determine the actual codes associated with those diagnoses for inclusion on the hospice claim," the agency explains. "Hospices have the flexibility to determine how to take the physicians' information about diagnoses and translate it into the appropriate codes on the claim."

Non-Specific Dementia Codes Remain Under Fire

As in the proposed rule, CMS warns hospices against using vague dementia codes. "Dementia codes classified under 'Mental, Behavioral and Neurodevelopmental Disorders' are among the top twenty hospice claims reported diagnoses," CMS points out in the final rule. "Many of these codes are not appropriate as principal diagnoses because of manifestation/etiology guidelines or sequencing conventions under the ICD-9-CM Coding Guidelines."

But not all dementia codes are off limits as principal diagnoses, CMS clarifies — only those that are manifestation or etiology codes under ICD-9 coding guidelines. "There are dementia diagnoses, including Alzheimer's Disease, Lewy-Body

Dementia, fronto-temporal dementia, and senile degeneration of the brain, to name a few, that are allowable as principal diagnoses per ICD-9-CM Coding Guidelines," the agency allows.