

**Bulletin Number:** MSA 09-39

**Distribution:** Hospice

**Issued:** July 23, 2009

**Subject:** Rate Restoration for Hospice Services

**Effective:** Upon Receipt

**Programs Affected:** Medicaid

The purpose of this bulletin is to inform Medicaid participating hospice providers that the Michigan Department of Community Health (MDCH) has received notification from the Centers for Medicare and Medicaid Services (CMS) to immediately restore the rate reduction previously imposed by CMS on services provided on and after October 1, 2008. On or before September 1, 2009, MDCH will adjust claims for payment of the increased reimbursement according to the criteria outlined in this bulletin.

MDCH will adjust claims for service dates on or after October 1, 2008, that were paid to providers between October 1, 2008 and April 30, 2009. However, there are some claims that MDCH will not be able to adjust and providers are responsible for adjusting those claims prior to September 30, 2009, or the provider may forego eligibility for the increased reimbursement for those services if the claim exceeds the 12-month billing limitation.

MDCH will not adjust claims originally billed at a rate lower than the increased/restored rate. MDCH will not adjust claims billed for Respite Care. Providers will need to adjust those claims.

MDCH will adjust claims where the amount charged on the paid claim equals or exceeds the new rate. MDCH will adjust claims for the following services affected by the restoration of the imposed rate reduction:

- Routine Services (Revenue Code 0651)
- Continuous Care Services (Revenue Code 0652)
- Inpatient Care (Revenue Code 0656)

For claims that are not adjusted by MDCH and for all other fiscal year 2009 claims, providers are to bill using the updated rates listed on the MDCH website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing and Reimbursement >> Provider Specific Information >> Hospice (under Hospice Reimbursement Rates).

## Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the changes noted in this bulletin. Any interested party wishing to comment on the changes may do so by submitting comments in writing to:

Denise Morrow  
Michigan Department of Community Health  
Medical Services Administration  
P.O. Box 30479  
Lansing, Michigan 48909-7979  
Or  
E-mail: [morrowd@michigan.gov](mailto:morrowd@michigan.gov)

If responding by e-mail, please include "Hospice Rate Restoration" in the subject line.

## Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

## Approved



Stephen Fitton, Acting Director  
Medical Services Administration