STATE OF CALIFORNIA HEALTH AND WELFARE AGENCY GEORGE DEUKMEJIAN Governor

DEPARTMENT OF HEALTH SERVICES
714/744 P STREET
P.O. Box 942732
SACRAMENTO, CA 94234-7320

June 28, 1988

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS

LETTER NO.: 88-42

SUBJECT: HOSPICE CARE AS A NEW BENEFIT OF THE MEDI-CAL PROGRAM

NOTE: THIS LETTER IS INTENDED FOR COUNTY INFORMATION ONLY AND DOES NOT REQUIRE ANY ACTION ON THE PART OF COUNTY STAFF.

This letter is to provide information regarding a new category of service within the Medi-Cal scope of benefits entitled, "Hospice Care". As a benefit, hospice care became effective January 1, 1988.

The information in this letter should be shared with all staff (i.e., social workers and eligibility workers) and any other county social service agencies working with Medi-Cal beneficiaries.

Additional information resources and telephone numbers are provided at the end of this letter.

BACKGROUND:

Public Law 99-272, The Consolidated Omnibus Budget Reconciliation Act (COBRA), signed by President Reagan April 7, 1986, contained a provision for states, by option, to provide hospice care as a Medicaid (Medi-Cal) benefit.

In 1986, California Assembly Bill No. 4249 amended Welfare and Institutions Code, Section 14132 to add hospice care as a Medi-Cal benefit.

HOSPICE CARE -- DESCRIPTION

Hospice care is defined as medical care focused on treating the symptoms of, as opposed to curing, terminal illness and is oriented toward meeting the special needs of patients and their families/significant others who are coping with the later stages of terminal illness. Expensive life-extending technologies and treatments are not utilized. An individual is considered terminally ill only if his or her life expectancy is six months or less. Please see Attachment I for a more detailed description of hospice care.

WHO MAY RECEIVE HOSPICE SERVICES

Any Medi-Cal eligible individual who has been certified by a physician as having a life expectancy of six months or less may voluntarily elect to receive hospice care in lieu of normal Medi-Cal coverage for services related to his/her terminal condition. Election of hospice care occurs when the patient or his/her lawfully designated representative voluntarily files an election

statement with the hospice provider acknowledging that he or she has full understanding that the hospice care provided, as it relates to that individual's illness, will be palliative rather than curative in nature and that certain Medi-Cal benefits as specified in regulation are waived by the election.

Medi-Cal beneficiaries with a life expectancy of six months or less may, during the month of eligibility, be referred to a Medi-Cal enrolled hospice provider. Should the hospice provider admit the patient, the provider will notify the state Medi-Cal staff, as indicated below of the patient's admission to the hospice program.

Dually eligible Medicare/Medi-Cal beneficiaries seeking hospice care are entitled to the same hospice benefits as any other Medi-Cal beneficiary.

HOSPICE -- RESTRICTED MEDS/MEDI-CAL CARD ISSUANCE PROCEDURES

When a Medi-Cal beneficiary voluntarily elects hospice care in lieu of other curative or life-extending care, and after the service is approved by the Medi-Cal field office the designated hospice provider will send directly to the Department of Health Services (DHS), Medi-Cal Eligibility Branch, Systems Unit, a beneficiary hospice election statement. Upon receipt, DHS will code the Medi-Cal Eligibility Data System (MEDS) record -- restricted services field with a 900 indicating the individual has elected the hospice benefit. The following month, the beneficiary will receive a red restricted Medi-Cal card with the message "PRIMARY DIAGNOSIS CARE LIMITED TO HOSPICE SERVICES". Please see Attachment II for a sample Medi-Cal card with the hospice message.

HOSPICE REVOCATION AND DELETION OF RESTRICTED CODE

Hospice beneficiaries have the option of revoking their election for hospice services. If at any time during the month of eligibility the beneficiary decides to withdraw from hospice coverage, the hospice provider must submit a form to the DHS, Medi-Cal Eligibility Branch, Systems Unit, signed by the beneficiary revoking his/her hospice participation. Upon receipt of the revocation form, Department staff will remove the restricted code from MEDS. Once the 900 code has been deleted from the MEDS record, a regular Medi-Cal card will be issued during the next mailing cycle or the beneficiary may request that county staff generate a fee-for-service Medi-Cal card via MEDS. NOTE: Counties may ascertain beneficiary hospice status via the MEDS System; however, no separate notification will be sent from the State for individuals who have elected or revoked their hospice benefit.

HOSPICE PROVIDERS

Hospitals, skilled nursing facilities, intermediate care facilities, home health agencies, or any other licensed health providers that have been

certified by Medicare to provide hospice care and are authorized to participate in the Medi-Cal program are eligible to provide and bill for hospice care. There are 32 Medicare certified hospices in California currently eligible for enrollment as Medi-Cal hospice providers.

Please note that with only 32 eligible hospice providers statewide, there may be some counties without access to a local Medi-Cal hospice provider. It is anticipated that several more hospice providers will become enrolled during the coming year.

OTHER NONHOSPICE MEDICAL COVERAGE

For Medi-Cal beneficiaries who have elected hospice care, normal medical coverage is available for all nonterminal diagnosis related health care. For example, a hospice patient receiving care for a chronic health problem unrelated to the primary diagnosis may continue to receive the needed care. Therefore, the hospice Medi-Cal card may be used dually for normal health care coverage and hospice care.

ADDITIONAL HOSPICE INFORMATION RESOURCES

For questions related to coverage and scope of hospice care benefits, please call Mr. Bill Meeker, Medi-Cal Benefits Branch, at (916) 445-1995.

For questions related to prior authorization requirements and patient records requirements, please refer to Attachment I under the heading "Prior Authorization", which lists the telephone numbers of the Medi-Cal field offices nearest your location.

For questions related to provider reimbursement or provider enrollment, please call the Provider Services Section in the State Department of Health Services at (916) 323-1945.

Sincerely,

Original signed by

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Attachments

cc: Medi-Cal Liaisons
Medi-Cal Program Consultants

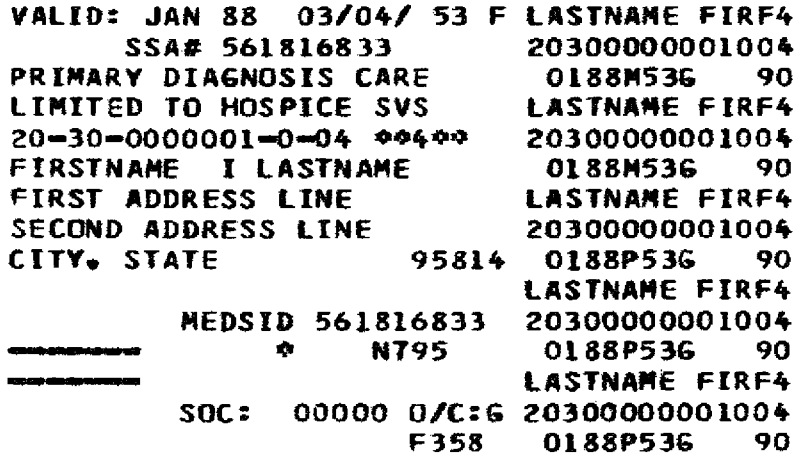
Expiration Date: June 30, 1989

PRIOR AUTHORIZATION REQUIREMENTS

Except for Capitated Health Systems contracting with the Department, prior authorization from the nearest Medi-Cal field office is required before hospice services may be provided. Following is a listing of the Medi-Cal field offices and their telephone numbers.

1.	Los Angeles	(213) 620-4995
2.	Modesto	(209) 576-6460
3.	Redding	(916) 225-2620
4.	Sacramento	(916) 920-6865
5.	Santa Barbara	(805) 963-7761
6.	San Bernardino	(714) 383-4192
7.	San Diego	(619) 237-7431
8.	San Francisco	(415) 557-2770
9.	Oakland	(415) 464-1000
10	San Jose Toll Free	(408) 277-1751 1-800-662-0774
11.	Santa Rosa	(707) 576-2150
12.	Fresno	(209) 445-5614

Note: Capitated Health Systems include Prepaid Health Plans, County Health Systems (Santa Barbara, San Mateo) and contractors under the Primary Care Case Management program. These plans are responsible for their own utilization control, and will authorize hospice care when appropriate.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HOSPICE CARE DESCRIBED

Hospice care is medical multidisciplinary care designed to meet the unique needs of terminally ill individuals.

Hospice care consists of the provision of palliative and supportive items and services directed toward the physical, psychological, social, and spiritual needs of the patient/family unit. Medical and nursing services are designed to maximize the patient's comfort, alertness, and independence in order to allow the patient to reside in his/her home as long as possible.

Each day of hospice care is classified into one of four levels of care. The four levels are described below. Core services within each level of care include nursing services; physical and occupational therapy; speech-language pathology; medical social services; home health aide and homemaker/attendant services; medical supplies and appliances; drugs and biologicals; physician services; short-term inpatient care; and counseling.

Routine Home Care -- is a day when a patient is at home and is not receiving continuous care.

Continuous Home Care -- is any day when the patient, during a brief crisis, is at home receiving predominately skilled nursing care.

Respite Care Day -- is a day when the patient receives care in an approved facility on a short-term basis in order to provide relief for the family or caregivers. Respite care is limited to no more than five days on an occasional basis.

General Inpatient Care -- is a day when the patient receives inpatient care in an inpatient facility for pain control or acute or chronic symptom management which cannot be managed in other settings.

LONG-TERM-CARE BENEFICIARIES

Beneficiaries residing in a skilled nursing facility (SNF) or intermediate care facility (ICF) may also elect hospice care. SNF/ICF patient or family requests for referral to hospice services should be made to the hospice provider who will then obtain prior authorization from the local Medi-Cal field office.

HOSPICE CARE ELECTION PERIODS

Hospice election may be made for up to 2 periods of 90 days and 1 subsequent period of 30 days. When an election for hospice care has been revoked, an individual may, at any time, execute a new election for any remaining entitled election period. Upon revocation of hospice care, the beneficiary is entitled to full Medi-Cal coverage of benefits previously waived when electing the benefit.