



---

7500 Security Boulevard  
Baltimore, MD 21244-1860

**OCT 28 2002**

Pat Lehotsky, CEO  
Hospice of the Lake and Sumter  
12300 Lane Part Road  
Tavares, FL 32778

Dear Ms. Lehotsky:

Thank you for your e-mail letter, dated September 30, 2002, asking if it is permissible for a Medicare beneficiary who is in a hospital inpatient (Part A acute) stay to elect the Medicare hospice benefit during the course of their hospital stay (assuming they are hospice eligible and all election requirements are met) and be admitted directly to a hospice at the inpatient level of care. As I explain below, there is nothing in the law or regulation that would prohibit a Medicare beneficiary in this circumstance from electing the Medicare hospice benefit.

As you know, 42 CFR 418.24 (b) requires a beneficiary to sign and file an election statement with a hospice provider indicating: his/her desire to receive Medicare hospice services from a designated hospice provider, an acknowledgement of the palliative nature of hospice care; an acknowledgement that certain Medicare services are waived by the hospice election; and the effective date of the election. 42 CFR 418.24(d) goes on to say that a Medicare beneficiary electing hospice waives his/her rights to Medicare payment for Medicare services that are related to the treatment of the terminal condition for which hospice care was elected, or a relaxed condition, or which are equivalent to hospice services and which are not provided either directly by the hospice or arranged for by the hospice. This waiver becomes effective once the patient elects the hospice benefit. Therefore, a beneficiary can be discharged from the hospital and elect to receive hospice on the same day.

Once Medicare hospice is elected, the hospital should discharge the patient, indicating on the bill the date of discharge as the date of hospice election. The patient can remain in the hospital and receive general inpatient care under the hospice benefit if that level of care is necessary due to acute or chronic symptom pain management. The hospice would only bill for those days the patient is under the hospice election. Medicare would pay for the hospital stay, assuming the hospital stay is medically necessary and otherwise meets the requirements under Medicare Part A, up until Medicare hospice is elected. Only services furnished prior to the hospitalization will be taken into account in determining DRG assignment. Hospital claims should be submitted with the date of the hospital inpatient admission being before the date of the hospice election.

Page 2 - Ms. Lehotsky

I hope that this provides the clarification you needed. Please feel free to contact Carol Blackford at (410) 786-5909, of my staff with any additional questions.

Sincerely,

A handwritten signature in black ink that reads "Thomas Hoyer". The signature is written in a cursive style with a large initial "T".

Thomas Hoyer, Director  
Chronic Care Policy Group  
Center for Medicare  
Management

cc: Brooke Bumpers, Hogan & Hartson