

## **Coverage of Supplies in a Nursing Facility Clarified for Hospice Providers** **Compiled by MNHPC Standards of Practice Committee with input from** **Care Providers of Minnesota and LeadingAge Minnesota** **September 2017**

After considerable research and recent discussions with the Minnesota Department of Human Services (MNDHS) it has been confirmed the responsibility of the coverage of many items (including incontinent products, personal care items, wound care dressings, and medical supplies) as noted in the [DHS Medical Supply Coverage Guide](#) is the responsibility of the SNF/NF provider as part of the per 'diem' for the nursing facility resident.

In Minnesota, a nursing home/certified board care facility (nursing facility) is reimbursed on a daily rate for each resident based on initial and subsequent MDS (Minimum Data Set) assessments. The more care that is needed, the more the nursing facility is paid for the care of the resident. The amount residents on Medical Assistance (MA) are charged is also the amount the private pay resident is charged. Minnesota Chapter 256R.06, commonly referred to as the "Private Pay: Required Practices" prohibits nursing facilities, from charging private pay residents rates for similar services that exceed the rate approved by the DHS for Medical Assistance, which is also the amount the private pay resident is charged. <https://www.revisor.mn.gov/statutes/?id=256R&view=chapter> Again, simply stated, nursing facilities in Minnesota must charge the same rate to residents with MA and those who pay for their board and care privately.

Furthermore, the board, care, services and supplies the individual was receiving prior to hospice enrollment will continue to be reimbursed by either the MN DHS or privately billed to the resident even after hospice enrollment. (Please refer to the extensive 124-page document that lists all the supplies and durable medical supplies that is routinely or often covered by the room and board (per diem) rate.) The items listed indicate if they are covered in a NF-Nursing Facility or ICFMR/DD facility and the quantity of supplies per week/ month, etc. Detailed information can be found at [DHS Medical Supply Coverage Guide](#).

**However, some of the same supplies and durable medical equipment noted in the DHS Medical Supply Coverage Guide could be the responsibility of the hospice care if they are being provided because the individual resident is now on hospice care.** In other words, if the nursing facility would not be providing particular medical supplies and/or durable medical equipment for a resident except for the fact this resident was receiving hospice services, these additional supplies and/or medical equipment would be the responsibility of the hospice provider. The additional supplies and equipment should ideally be identified in the hospice plan of care for each individual resident.

When an individual elects the hospice benefit, the contracted nursing facility is then required to submit the charges that reflect the board and care rate for the resident to the hospice agency if the resident is on Medical Assistance. The hospice agency subsequently is required to submit (pass through) the invoice(s) to MNDHS. Ninety-five percent of the total invoice is reimbursed for which the hospice agency 'passes back' to the skilled nursing facility. More information can be found at: [Hospice Services for Residents of Long-Term Care Facilities \(LTCF\)](#).

A question to ask in discussing the coverage of supplies with the SNF staff is; If hospice was not involved, who would be covering the cost of the medical supplies and equipment? If it had been covered as part of the board and care/per diem charges as described on the [DHS Medical Supply Coverage Guide](#) the NF would be expected to continue the provision for both MA and private pay residents.

**Scenario #1:** A SNF resident has a colostomy for a diagnosis of colon cancer. Most supplies related to the ostomy including the bag, skin barriers, faceplate, deodorant, belt are covered as part of the board and care/per diem by the SNF without prior authorization for specified quantities per month. (A4361-A4456)

**Scenario #2:** A SNF resident requires a urinary catheter for the purposes of renal cancer. The supplies related to the bag changes, replacement of the catheter, irrigation supplies are covered as part of the per diem by the SNF/NF without prior authorization for specified quantities per month. (A4310-A4358)

**Scenario #3**

A hospice resident has a heavily draining infected wound that requires daily plus PRN dressing changes requiring Alginate or other fiber gelling dressing, wound cover, sterile pad size more than 16 sq in but less than or equal to 48 sq in, each dressing. *The DHS Medical Supply Coverage Guide indicates most recipients can be served with 1 alginate dressing change every day for each wound. Additional dressing changes may be required if infection is present. (A6197).* Through the NF/Hospice collaboration and individualized care plan, it is determined Hospice would be responsible for the additional dressings and supplies that are not covered in the per diem.

Additionally, the Office of the Inspector General (OIG) has provided guidance to SNFs and hospices addressing practices that could be suspect regarding a SNF/NF and hospice relationships.

[https://oig.hhs.gov/fraud/docs/complianceguidance/nhg\\_fr.pdf](https://oig.hhs.gov/fraud/docs/complianceguidance/nhg_fr.pdf)

This is the link to the 2008 Federal Register noting page 56844-56845

*If the purpose of the additional payment to the nursing facility is to induce the referral of patients, the hospice and nursing facility are potentially in violation of 42 U.S.C. section 1320a-7b(b). This statute makes it illegal to offer or solicit anything of value to induce the referral of a patient to a person for furnishing or arranging a service for which payment may be made under Federal health care programs (including Medicare or Medicaid). This statutory prohibition is generally referred to as the Medicare antikickback law. However, if the nursing facility provides legitimate DME/supplies for hospice patients beyond those routine services normally provided to nursing facility patients and covered by the daily rate, it would be appropriate for the hospice to provide the DME/supplies as related to palliation of pain and symptoms associated with the terminal prognosis.*

To summarize, hospices should not be providing general supplies and equipment, such as wound care, incontinence supplies or specialty mattress that are included in the NF room and board (per diem). Likewise, the NF should not accept payments for these products that are already being reimbursed for by the Medicaid per diem.

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References:

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