



General Overview of Billing Arrangements Between CareFirst and Contracted Facilities

The following is a general guide for facilities which have contracted with CareFirst to provide hospice services for their residents. This will give an overview of the billing procedures involved with different coverage situations. This is a general overview only. Specific details are outlined in your contracts with CareFirst. Please contact our Finance Office at 607.962.3100 with any questions. Very basically, the facility will continue to provide all services that would be provided if CareFirst was not involved. At the same time, CareFirst will provide the same care that would be provided for a similar patient in his or her own home.

For Medicare: There will be no changes in billing procedures for the facility. CareFirst will bill Medicare and be paid directly by them. One complication is if Medicare is covering rehabilitation services for the resident, in which case Medicare will not also cover hospice services. If this is the case, the resident has two choices: wait until the rehabilitation services are over and Medicare coverage for hospice is available; or waive the Medicare rehabilitation coverage, utilize the hospice benefit and arrange for coverage – possibly private pay – for the facility. Also, if the facility is seeking a medical service related to the diagnosis for which the resident was admitted to CareFirst, they need to go through CareFirst to have it authorized or Medicare will not cover it. If it is for another diagnosis, the billing process with Medicare is unchanged, though the CareFirst admitting diagnosis cannot be listed on the claim.

For Private Insurance: Our Finance Office will contact each private insurance carrier to confirm the details of each resident's coverage. We will then communicate these details to you. Most likely, the insurance coverage will offer some type of hospice benefit, even if they do not offer any long-term care coverage. The facility will continue to bill as they have been, including collecting any co-payments or deductibles.

For Private Pay: CareFirst will bill our daily rate for our services directly to the resident or their responsible party. If this is paid as they go, they will receive a 10% reduction in charges. If a resident's ability to pay is limited, CareFirst offers a sliding fee scale. A CareFirst Social Worker will work with the resident or their representatives to complete this sliding fee scale application as well as begin the process for applying for public assistance.

For Medicaid: When a resident is receiving long-term care coverage from Medicaid and would like to access their Medicaid hospice benefit, Medicaid requires that CareFirst be the sole billing source to Medicaid. What this means is that CareFirst has to bill both for the facility's Room and Board as well as hospice services. For the facility, this means that the facility has to start billing CareFirst for what

they used to bill to Medicaid. CareFirst is restricted by law to only bill Medicaid for 95% of Room and Board, which we then pass on in full to the facility. Then, CareFirst also reimburses each facility the missing 5% for additional market value services offered both to CareFirst and to the resident as outlined in the contract. Therefore, the facility still gets a full 100% of their original Medicaid reimbursement. The facility just has to bill CareFirst, not Medicaid. We strongly encourage that this billing occurs as timely as possible each month so the reimbursement process can be facilitated. The facility is still responsible for collecting NAMI if applicable.

Drug Coverage: CareFirst provides full coverage for drugs that are needed for the management of the diagnosis for which the resident was admitted to CareFirst. The CareFirst Nurse will notify you which drugs these are for each resident. Due to our contractual arrangements, this may require going through certain pharmacies. For drugs not related to a resident's hospice diagnosis, drug coverage will continue as it did before their admission to CareFirst.

Again, this is just a brief explanation of the billing process. Many other factors, such as CareFirst paying the facility for additional non-core services or coverage for services not related to the resident's admitting diagnosis, have to be considered. Our Finance Office is ready to work with you and answer your questions at 607.962.3100. Together we will insure that your residents get the services that they need.