

# Traditional Fee For Service Fiscal Intermediary (FI) Billing vs. Medicare Advantage (MA) Plan Billing

## Inpatient Hospital Services

If the provider is an inpatient acute care hospital, Inpatient Rehabilitation Facility (IRF) or a Long Term Care Hospital (LTCH), and the patient changes to a Medicare Advantage (MA) status during an inpatient stay for an inpatient institution, the patient's status at admission or start of care determines who pays the claim. If the hospital inpatient was not an MA enrollee upon admission but enrolls before discharge, the MA organization is not responsible for payment.

For hospitals exempt from the Prospective Payment System (PPS) which includes children's hospitals, cancer hospitals, and psychiatric hospitals/units and Maryland waiver hospitals, if the MA organization has processing jurisdiction for the MA involved portion of the bill, it will direct the provider to split the bill and send the appropriate portions to the appropriate traditional fee for service Fiscal Intermediary (FI) or MA organization. When forwarding a bill to an MA organization, the provider must also submit the necessary supporting documents. If the provider is not a PPS provider, the MA organization is responsible for payment for services on and after the day of enrollment up through the day that disenrollment is effective.

## Home Health

If the patient was enrolled in the MA organization before start of care, the MA organization is liable until disenrollment. Upon disenrollment, an episode must be opened under home health PPS for billing to the FI. If the beneficiary was not an MA enrollee upon admission but enrolls before discharge, the home health PPS episode will end as of the day before the MA enrollment. The episode will be proportionately paid according to its shortened length (i.e., paid a partial episode payment [PEP] adjustment). The MA organization is responsible for payment as of the MA enrollment date.

## Reference:

You may refer to: [www.cms.hhs.gov/manuals/downloads/clm104c01.pdf](http://www.cms.hhs.gov/manuals/downloads/clm104c01.pdf), Section 90 - Patient Is a Member of a Medicare Advantage (MA) Organization for Only a Portion of the Billing Period.

## Skilled Nursing Facility (SNF) Services

For billing to MA plans, SNFs follow the requirements of the agreement they have with the MA plans. In cases where the patient may have enrolled or disenrolled from the MA plan during the billing period, the SNF will split the bill and send the MA plan's portion to it and the remaining portion to the FI.

## Reference

You may refer to: [www.cms.hhs.gov/manuals/downloads/clm104c06.pdf](http://www.cms.hhs.gov/manuals/downloads/clm104c06.pdf), Section 90 - Medicare Advantage (MA) Beneficiaries.

## Hospice Services

An MA enrollee may elect the hospice benefit. After the hospice election, the FI pays the hospice for hospice services and pays the MA plan for services of the attending physician, who may be a nurse practitioner, and services not related to the patient's terminal illness. Once a beneficiary enrolls in hospice, all claims are submitted to the FI for the duration of the hospice enrollment, unless the MA plan has a hospice benefit.

## Reference

You may refer to: <http://www.cms.hhs.gov/manuals/Downloads/bp102c09.pdf>, Section 20.4 - Election by HMO Enrollees and the CMS Internet Only Manual (IOM) Publication 100-4, Chapter 11, Section 40.2.2.

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