

REASON CODE C7010

Understanding reason codes is essential to preventing and knowing how to resolve claim submission errors. This knowledge will help speed up the processing of your claims and may save you time and money!

Reason code C7010 is generated when records show that the beneficiary has elected the Medicare hospice benefit and services billed as being related to the terminal diagnosis by a non-hospice provider.

Verify with the beneficiary, or their representative, what health care services they are currently receiving at the time you admit them. Review the beneficiary's Medicare eligibility information posted to the Common Working File (CWF) prior to admission and billing final claims to Medicare. This is vital to determine whether the beneficiary has elected the hospice benefit and if this election impacts your dates of service.



HOW DO YOU RESOLVE THIS ISSUE?

If services are unrelated to the terminal diagnosis, ensure condition code "07" is entered in FLs 18-28 of the CMS-1450 claim form. This would be found in the first available COND CODES field on FISS Page 01. Condition code "07" can only be used when the services are unrelated to the terminal diagnosis. Any other use of the code may be considered abusive.

The [Medicare Claims Processing Manual](#) (Chapter 11, Section 30.4) states Medicare Fee-for-Service (FFS) contractors maintain payment responsibility for managed care enrollees who elect hospice.

If a beneficiary is enrolled in a Medicare Advantage (MA) plan and elects the Medicare hospice benefit, all services that are not related to the beneficiary's terminal diagnosis are billed to Palmetto GBA – not the MA plan. Services provided after the beneficiary revokes or is discharged from hospice care will continue to be paid by Palmetto GBA until the first day of the month after the hospice election ends. The MA plan resumes payment responsibility for the beneficiary at that time.

In addition to reviewing eligibility systems for a beneficiary's enrollment in an MA plan, providers must also review hospice benefit period information to determine if the patient has elected the Medicare hospice benefit for the same time period.

Since a beneficiary can continue to receive medical care from other health care providers for illnesses unrelated to the terminal diagnosis, the provider may need to contact the hospice to ensure the services, that your facility anticipates providing, are unrelated to the terminal illness.