**Executive Summary**

**Purpose:** MO HealthNet currently reimburses Hospice Centers a per diem that includes coverage of pharmaceutical services used for the palliation and management of a participant’s terminal illness and related conditions. Drug therapy used in the treatment of non-terminal medical conditions must be billed separately by the pharmacy provider.

**Why Issue Selected:** Significant program savings can be achieved when editing prescription drug claims for participants residing in Hospice care centers. Drugs used to treat a participant’s terminal medical condition are included in the per diem rate paid to the facility by MO HealthNet and should not be billed separately by the pharmacy provider. Editing and denying drug claims for treatment of a terminal condition will reduce program costs. Upon prior approval, MO HealthNet will reimburse pharmacy providers for pharmacy claims which are not related to the hospice participant’s terminal diagnosis.

**Program-Specific Information:** Prescription drug claims used to treat the terminal medical condition of MO HealthNet participants enrolled in hospice care centers. Drug classes include in this edit are: antibiotics, analgesics, anti-anemics, anti-emetics, anti-fungals, ammonia inhibitors, antineoplastics/hormonal neoplastics, antispasmodics/motility agents, antivirals, anxiolytics, digestants, expectorants and cough products, glucocorticoids, lactulose, laxatives/cathartics, palliative medications (mucositis/stomatitis), sedatives/hypnotics, and thickening agents.

**Type of Criteria:** ☒ Appropriate Indications ☐ Increased risk of ADE ☐ Preferred Drug List

**Data Sources:** ☒ Databases + Prescriber-Supplied ☐ Only Administrative Databases ☒ Fiscal Edit

**Setting & Population**

- Drug class for review: Prescription drug products used for the palliation and management of a participant’s terminal illness and related conditions
- Age range: Fee-for-service MO HealthNet participants with a lock-in indicator in their eligibility file for a Hospice Care Center (provider type 82)
Approval Criteria

- Approval may be given based on documentation that verifies that a specific medication is not related to the participant’s terminal diagnosis.

Denial Criteria

- Participant is locked into a hospice provider (provider type 82) AND
- Claim is for a product used for the palliation and management of a terminal illness:
  - Antibiotics
  - Analgesics
  - Anti-anemics
  - Anti-emetics
  - Anti-fungals
  - Ammonia inhibitors
  - Antineoplastics/Hormonal neoplastics
  - Antispasmodics/Motility
  - Antivirals
  - Anxiolytics
  - Digestants
  - Expectorants and cough products
  - Glucocorticoids
  - Lactulose
  - Laxatives/Cathartics
  - Palliative medications (mucositis/stomatitis)
  - Sedatives/Hypnotics
  - Thickening agents

Required Documentation

- Laboratory Results:
- Progress Notes:
- MedWatch Form:
- Other:

Disposition of Edit

Denial: Exception code “0713” (Hospice Fiscal Edit)
Rule Type: PD

Default Approval Period

7 days

References