

Medicare Coverage of Advance Care Planning

Beginning in 2016, Medicare Part B will cover advance care planning—i.e., discussions of beneficiary preferences for end-of-life care. This coverage arises out of recommendations from a wide range of stakeholders and bipartisan members of Congress, and was outlined in a final rule published by the Centers for Medicare & Medicaid Services (CMS) in November 2015.

What is advance care planning?

Advance care planning is a service that supports conversations between patients and their doctors and non-physician practitioners (NPP) to decide on what type of care may be right for them in the event of life-limiting conditions or incapacitating illness.

During these conversations, doctors/NPPs may talk through and help the person plan for a time when she cannot make her own medical decisions. If the beneficiary has a life-threatening condition, the practitioner may discuss creating a disease-specific plan, help the beneficiary explore her understanding of the illness progression, and discuss her own and her family's hopes, fears, and concerns. They may also talk about care choices during a critical event, and how aggressive patients would like their treatment to be (e.g., resuscitation status, antibiotics, and feeding tubes).

Is advance care planning the same as an advance directive?

Advance care planning is not the same as an advance directive, which is a legal document that specifies what should happen if a person is no longer able to make her own medical decisions. Advance directives take many forms, such as living wills and durable powers of attorney for health care. Beneficiaries looking to prepare an advance directive should download their [state forms](#) and complete these according to their state's rules to make the documents legally binding. The doctor/NPP can assist with the completion of these forms.

Does a person have to have a terminal illness to take advantage of this benefit?

No. The advance care planning benefit is open to anyone with Medicare. Indeed, often the best time to begin to discuss end-of-life care may be before a person is diagnosed with a life-threatening condition, when there is plenty of time to consider one's preferences.

Having these discussions early also may be useful in guiding future care and treatment decisions by family members and caregivers should the person become incapacitated and unable to make his choices known.

Advance care planning is not meant to be a one-time conversation, but a series of discussions over the course of a person's life.

Can the beneficiary change his mind about end-of-life plans later on?

Absolutely. Advance care planning is a continuous discussion. Should the beneficiary complete any forms, such as an advance directive, this can be revoked at his discretion at any time, so long as he still has the capacity to do so/complete new forms.

What's the difference between advance care planning and hospice care?

Advance care planning may include a discussion about hospice care, how it works, and how it fits in to choices about end-of-life care.

Hospice care is a care choice that a person may make if he is diagnosed with a terminal illness with a life expectancy of six months or less. When a beneficiary chooses hospice, he signs a statement saying that he accepts palliative care instead of other Medicare-covered treatments for his illness. [Learn more about how hospice works.](#)

What do my clients need to know about Medicare costs for this service?

The advance care planning benefit is not one of the free preventive services under Part B. Your clients will have to pay the 20% cost-sharing (after the [Part B deductible](#)) associated with using this service, as they would with other Medicare-covered services. However, if a client chooses to have this service in conjunction with her Annual Wellness Visit, she will not have any cost-sharing liability (though the physician can bill Medicare for both the AWV and advance care discussion separately).

Beginning January 1, 2016, two billing codes will be available for health providers to use for payment by Medicare when providing advance care planning services. Previously, physicians could only seek reimbursement from Medicare for this service under very limited circumstances.

References

Federal Register, Vol. 80, No. 220, 70885. Nov. 16, 2015. [Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2016.](#)

Kaiser Family Foundation. Nov. 5, 2015. [10 FAQs: Medicare's Role in End-of-Life Care.](#)