

FY2020 Hospice Wage Index Final Rule

August 2019

CMS Publishes FY2020 Hospice Wage Index Final Rule

- July 31, 2019: Posted on Federal Register public inspection page
- August 6, 2019: Official publication in the Federal Register
- Effective dates:
 - October 1, **2019**: Rates and wage index changes
 - October 1, **2020**: Election statement additions and addendum

Summary of FY2020 Final Rule Changes

- 2.6% rate increase – applied to
 - Rebasing rate for Continuous Home Care (CHC)
 - Rebasing rate for Inpatient Respite Care (IRC)
 - Rebasing rate for General Inpatient Care (GIP)
- -2.72% rate reduction in routine home care (RHC) rates to allow for rebasing for other levels of care
 - RHC 1-60 days: Rate reduction of \$1.75 per patient care day
 - RHC 61+ days: Rate reduction of \$0.49 per patient care day
- Changes to the hospice election statement
- New requirement for an election statement addendum detailing the items, services or drugs the hospice will not cover
- Changes to the hospice quality reporting program

FY2020 Hospice Rates

FY2020 Rebased Rates for CHC, IRC and GIP

Code	Description	FY2019 Original Payment Rates	FY2019 Rebased Payment Rates	Wage Index Standardization Factor	FY2020 Hospice Payment Update	FY2020 Payment Rates
652	Continuous Home Care Full rate = 24 hours of care	\$997.38	\$1,363.26	X 0.9978	X 1.026	\$1,395.63
652	Continuous Home Care and SIA Hourly rate	\$41.56	\$56.80	X 0.9978	X 1.026	\$58.15
655	Inpatient Respite Care	\$176.01	\$437.86	X 0.9978	X 1.026	\$450.10
656	General Inpatient Care	\$758.07	\$992.99	X 1.0019	X 1.026	\$1,021.25

RHC Rates – FY2020

Code	Description	FY2019 Original Payment Rates	FY2019 Rebased Payment Rates	SIA Budget Neutrality Factor	Wage Index Standardization Factor	FY2020 Hospice Payment Update	FY2020 Payment Rates
651	RHC 1-60 days	\$196.25	\$190.91	X 0.9924	X 1.0006	X 1.026	\$194.50
651	RHC 61+ days	\$154.21	\$150.02	X 0.9982	X 1.0005	X 1.026	\$153.72

Description No Quality Reporting	FY2019 Original Payment Rates	FY2019 Rebased Payment Rates	SIA Budget Neutrality Factor	Wage Index Standardization Factor	FY2020 Payment Update of 2.6% minus 2 % = +0.6%	FINAL FY2020 Payment Rates
RHC 1-60	\$192.39	\$190.91	X 0.9924	X 1.0006	X 1.006	\$190.71
RHC 61+	\$151.18	\$150.02	X 0.9982	X 1.0005	X 1.0006	\$150.72
Service Intensity Add-on	\$40.74	\$56.80		X 0.9978	X 1.0006	\$57.02
Continuous Care – 24 hours	\$977.78	\$1,363.26		X 0.9978	X 1.0006	\$1,368.42
Inpatient Respite	\$172.56	\$437.86		X 1.0019	X 1.0006	\$441.32
General Inpatient	\$743.18	\$992.99		X 1.0024	X 1.0006	\$1,001.35

Hospice Cap

- For FY2020 = **\$29,964.78**

Calculation:

$$\text{FY 2019 cap amount} = \$29,205.44 \times 102.6\% = \$29,964.78$$

Hospital Wage Index Year

- Current fiscal year pre-reclassified hospital (IPPS) wage index as the basis for the hospice wage index
- Same wage index is in place as a wage index methodology for:
 - Skilled nursing facility (SNF)
 - Home health
 - Inpatient hospital prospective payment system
- The wage index values published by CMS reflect the elimination of the 1-year lag in wage index data.

Hospice Election Statement

Election Statement and Addendum

- Reasons for change:
 - More transparency for patients and representatives
 - Anecdotal reports of hospices not covering items, services or drugs
 - The amount and nature of the non-hospice services being billed to Medicare outside of the hospice benefit suggests that **hospice beneficiaries may not be fully informed**, at the time of admission or throughout the hospice election, of the items, services, and drugs the hospice has determined to be unrelated to their terminal illness and related conditions
 - CMS believes this is necessary information for patients and their families to make informed care decisions

Changes to the Hospice Election Statement

- Effective October 1, 2020 (FY 2021)
- Hospice election statement will be amended to include:
 - Information about the **holistic, comprehensive** nature of the Medicare hospice benefit
 - A statement that, although it would be rare, there **could be some necessary items, drugs, or services that will not be covered by the hospice** because the hospice has determined that these items, drugs, or services are to treat a condition that is unrelated to the terminal illness and related conditions
 - Information about **beneficiary cost-sharing** for hospice services

Changes to the Hospice Election Statement

- Notification of the beneficiary's (or representative's) **right to request an election statement addendum** that includes a written list and a rationale for the conditions, items, drugs, or services that the hospice has determined to be unrelated to the terminal illness and related conditions
- Statement that **immediate advocacy is available through the Beneficiary-Family Care Centered Quality Improvement Organization (BFCC-QIO)** if the beneficiary (or representative) disagrees with the hospice's determination

CMS Comment on Relatedness

- CMS reiterated their “long-standing position that services unrelated to the terminal illness and related conditions should be exceptional, unusual and rare given the comprehensive nature of the services covered under the Medicare hospice benefit as articulated upon the implementation of the benefit.”
- 48 FR 56008, 56010, December 16, 1983
- CMS cited the NHPCO’s “Determining Relatedness to the Terminal Prognosis Process Flow” in the final rule as an example of clinical decision-making process workflows. Go to the NHPCO website/Regulatory/Determining Terminal Prognosis

Hospice Election Statement Addendum

CMS adds new requirement for election statement addendum

- New requirement
- To be provided to patients and representatives upon request
- Title: **“Patient Notification of Hospice Non-Covered Items, Services, and Drugs.”**
- Effective October 1, 2020 (FY 2021), hospices will be required to issue the addendum detailing non-covered items, services and drugs when the patient or representative requests it, either at admission or during the course of hospice care. This new signed addendum will also serve as a **new condition for payment.**

Addendum Details

	Details
Effective Date	October 1, 2020 (FY2021)
Addendum requirement	Required to issue the addendum detailing non-covered items, services upon request
If requested at admission	Within 5 days after admission
If requested after the start of care	Within 72 hours
Acknowledgement	Signature required – but not required to agree with hospice determination

Items to be covered on addendum

- **Required components:**

- Name of the hospice;
- Beneficiary's name and hospice medical record identifier;
- Identification of the beneficiary's terminal illness and related conditions;
- A list of the beneficiary's current diagnoses/conditions present on hospice admission (or upon plan of care update, as applicable) and the associated items, services, and drugs, not covered by the hospice because they have been determined by the hospice to be unrelated to the terminal illness and related conditions;

Items to be covered on addendum (cont.)

- **Required components:**

- A written clinical explanation, in language the beneficiary and his or her representative can understand, as to why the identified conditions, items, services, and drugs are considered unrelated to the terminal illness and related conditions and not needed for pain or symptom management.
- Accompanied by a general statement that the decision as to whether or not conditions, items, services, and drugs is related is made for each patient and
- The beneficiary should share this clinical explanation with other health care providers from which they seek services unrelated to their terminal illness and related conditions;
- References to any relevant clinical practice, policy, or coverage guidelines.

Items to be covered on addendum (cont.)

- **Required components:**

- Information on the following domains:
 - *Purpose of Addendum*
 - *Right to Immediate Advocacy*
- Name and signature of Medicare hospice beneficiary (or representative)
- Date signed
- Statement that signing this addendum (or its updates) is only acknowledgement of receipt of the addendum (or its updates) and not necessarily the beneficiary's agreement with the hospice's determinations.

What will the addendum be used for?

CMS states that the addendum is used to:

- communicate items, services, and drugs that would not be on the initial (or subsequent) hospice plan of care
- to ensure coverage transparency where the hospice has determined that certain items, services, or drugs would not be covered (that is, furnished and paid for by the hospice) because they are unrelated to the terminal illness and related conditions.”

Is the addendum required for all beneficiaries?

CMS states that the addendum would be **provided only upon request**

- CMS believes this would best achieve coverage transparency without imposing undue burden on hospices
- CMS believes that hospices should already have processes in place to make determinations of unrelatedness
- No additional payment should be made for completion of the addendum

What if a hospice provides all items, services and drugs for hospice patients already?

For those providers who do furnish all items, services and drugs for hospice patients:

- there would likely no request for an addendum as the hospice would be furnishing all of the patient's care needs

How would a hospice update the addendum?

Hospices have the option to make updates to the addendum, if necessary, to include:

- conditions, items, services and drugs they determine to be unrelated throughout the course of a hospice election
- The ability to update the addendum would mitigate hospices' concerns regarding any items, services, or drugs that may have been inadvertently excluded when completing the addendum

What is the requirement for a signature on the addendum?

The addendum would include a statement that signing the addendum (and any updates) is:

- only an acknowledgement of receipt of the addendum
- **not necessarily the beneficiary's agreement** with the hospice's determinations (84 FR 17595)

Will an addendum form be developed by CMS?

- Each individual hospice develop and incorporate the addendum into their current admissions process in a way that best meets the hospices' needs
- Hospices should provide this information as quickly as possible considering the potential for beneficiary cost-sharing
- Non-hospice providers should have timely access to this information in order to promote continuity of care and communication amongst all patient providers and to ensure appropriate claims submission

Is there a specific format for documentation of the addendum?

- CMS will not propose a specific format in which to document such conversations and hospices can develop their own processes to incorporate into their workflow.
- Careful documentation that the addendum was discussed and whether or not it was requested would be an essential step a hospice could take to protect themselves from claims denials related to any absence of an addendum (or addendum update) in the medical record.

When would we use an ABN?

If there is a situation in which the patient wants to continue with related items, services, and drugs that:

- the hospice has previously been providing, but that the hospice determines are no longer reasonable and necessary, or
 - the patient decides to switch to a brand name drug rather than the generic equivalent on the hospice formulary, and
 - the **hospice provides the item, service, or drug**
- the hospice would provide the beneficiary with an ABN to notify the beneficiary that he or she would be financially liable
 - If the hospice **does not continue to provide** the item, service, or drug, no ABN is required to be given to the beneficiary

Addendum as a condition of payment

- The election statement addendum, as a condition for payment, would achieve the goal of increasing comprehensive patient education, awareness, empowerment, and coverage transparency.
- CMS will collaborate with the MACs to establish clear guidelines on the use of the addendum as a condition for payment and we will propose any requirements in future rulemaking, as necessary.
- The addendum as a condition of payment is not punitive – rather it is to keep patients at the forefront of their decision-making, with adequate information to make care choices.

Using the addendum to communicate with non-hospice providers or suppliers

- Ongoing sharing of information with other non-hospice healthcare providers and suppliers furnishing services unrelated to the terminal illness and related conditions is necessary to ensure coordination of services and to meet the patient, family, and caregiver needs. [§ 418.56(e)(5)]
- The coordination requirements include that the hospice must develop and maintain a system of communication and integration amongst all providers furnishing care to the terminally ill patient.

Using the addendum to communicate with non-hospice providers or suppliers

- For non-hospice providers or suppliers billing Medicare for services received by hospice beneficiaries unrelated to their terminal illness and related conditions, **this includes being able to provide documentation from the hospice listing the conditions (and thus items, drugs, and services) the hospice determined to be unrelated and documented as such on the hospice plan of care.”**

Hospice Quality Reporting Updates

Future Quality Measures

Meaningful Measure Development

- CMS's Meaningful Measures initiative will point to high priority areas where there may be gaps in available quality measures while helping guide our efforts to develop and implement quality measures to fill those gaps.
- CMS's goal is to identify measures that provide a window into hospice care throughout the dying process, fit well with the hospice business model, and meet the objectives of the Meaningful Measures initiative.

Hospice Specific Meaningful Measures Areas

CMS identified the following domains as high-priority for HQRP future measure consideration:

Domain	
Effective Prevention and Treatment	Symptom management outcome measures are a high priority for the HQRP.
Communication/Care Coordination and/or Patient and Family Engagement	A central tenet of hospice care is responsiveness to patient and family care preferences; as much as possible, patient preferences should be incorporated into new measure development.
Making Care Safer	Responsiveness of the hospice during time of patient or family need is an important indicator about hospice services for consumers in particular.
Communication/Care Coordination	Measurement of care coordination is integral to the provision of quality care and should be aligned across care settings.

<https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/QualityMeasures/Downloads/2018-CMS-Measurement-Priorities-and-Needs.pdf>

Claims Based Measures

- CMS plans to explore the development of other claims-based and outcome measures for the HQRP.
- Claims-based measures would be only one type of quality measure in the HQRP.
- CMS will take comments received by providers and other stakeholders into consideration as they explore the development of other claims-based and outcome measures for the HQRP.

High Priority Concepts for Measure Development

- Identified by the OIG in its 2018 report, entitled “[Vulnerabilities in the Medicare Hospice Program Affect Quality Care and Program Integrity](#)” (OEI-02-16-00570)
 - Transitions from Hospice Care, Followed by Death or Acute Care
 - Access To Levels Of Hospice Care

Update - Transitions from Hospice Care, Followed by Death or Acute Care

- The goal of this measure is to identify hospices that have notably higher rates of live discharges followed shortly by death or acute care utilization, when compared to their peers.
- CMS is considering stakeholder and MAP feedback and is looking at multiple ways to measure this construct, including separating out the components to reduce the measure's complexity.

Update - Access to levels of hospice care measure

- After further analyses, it was determined that this measure concept as currently specified could result in hospices providing higher levels of care when it is not required by the plan of care or expected by CMS.

Hospice Assessment Tool

Hospice Assessment Tool Goals

- To be more comprehensive than the Hospice Item Set (HIS) by capturing care needs in real-time and throughout the end of life; not just at admission and discharge.
- A comprehensive assessment tool will provide standardized data as all Medicare-certified hospices will be collecting the same data in standardized manner.
- A new hospice assessment tool is intended to support quality measure development and care planning.

New Name for the Tool

- After considering the comments received in response to the proposed rule CMS will call the hospice assessment tool the...

Hospice Outcomes & Patient Evaluation (HOPE)

Hospice Assessment Tool Status

- CMS continues the process of developing a new hospice assessment that meets the objectives of patient-centered care.
- Includes additional information gathering, including review of feedback on the HEART tool, and stakeholder engagement to develop a draft instrument for alpha testing that will ultimately support a national beta test.

Hospice Assessment Tool Status

- CMS intends to offer training and other supports as the new tool is prepared for implementation.
 - Next Special Open Door Forum (SODF) will be in **September 2019**.
- The timeline and process for implementation of the final tested tool will be established through rulemaking.

Focus Groups for Hospice Patient Assessment Tool

- CMS is currently recruiting experienced hospice providers and clinicians to participate in focus groups to discuss and provide input as we develop a hospice patient assessment tool.
- All interested participants will be considered based on their hospice role, knowledge, and experience with the Hospice Quality Reporting Program or completing patient assessments.
- Selection will take into account **hospice type and location** to ensure a nationally balanced representation of diverse hospices.

Focus Group Timing and How to Apply

- Planned Focus Group dates are August 8, 12, 13, 14, 27, 29; September 5 or 10, 2019.
- If you are selected, please commit to actively participating in a 90 minute, one-time, virtual/online focus group (via webinar).
- Complete the [Focus Group Application](#) for consideration.
- Applications must be received by **August 26, 2019**.



Tell Them What You Think...

- Contact Abt directly
 - hospicegrp@abtassoc.com

HQRP Updates

Update to CMS QIES ASAP System

- CMS will be migrating to the iQIES system **as soon as FY 2020** and will provide further information regarding the migration and any future system of record changes via sub-regulatory mechanisms to make this transition as smooth as possible.

CAHPS® Participation Requirements for the FY 2023 APU and Subsequent Years

- CMS previously finalized the participation requirements for the FY 2020, FY 2021, and FY 2022 APUs.
- Hospice providers who do not submit CAHPS data will be subject to a 2-percentage point reduction to the market basket percentage increase for the corresponding fiscal year.
- CMS proposes to extend the same participation requirements for the HQRP for FY 2023 and all future years.

CAHPS Survey Tool

- CMS solicited comments in the proposed rule regarding suggested changes, additions or deletions to the instrument that would improve value to hospices for quality improvement, and for consumers to select a hospice provider.
- CMS will take comments into consideration as they consider changes and any potential changes will be proposed through future rulemaking

Highlighted Comments Received by CMS

- **Length and availability of survey:**
 - CMS is currently exploring ways to simplify and shorten the survey and we are examining the feasibility of using web-based data collection in conjunction with traditional survey methods.
- **Health literacy:**
 - CMS had a literacy-level review of the questionnaire and are reviewing what changes may be feasible to make.
- **Sending the survey sooner to caregivers:**
 - CMS will think about sending the survey sooner as they consider potential changes to the survey.

Highlighted Comments Received by CMS

- **Hospice staff v. facility staff for patient residing in a facility:**
 - To help the respondent make these distinctions, CMS includes specific references to the hospice involved as part of the mail questionnaire and the telephone questionnaire script.
- **Wording changes to the questionnaire and hospice provider logos:**
 - During survey development extensive cognitive interviews were conducted with potential respondents to see if they could understand the response scales.
 - CMS does not allow hospice logos to be placed on the questionnaire for mail surveys.

Highlighted Comments Received by CMS

- **Hospice staff v. facility staff for patient residing in a facility:**
 - To help the respondent make these distinctions, CMS includes specific references to the hospice involved as part of the mail questionnaire and the telephone questionnaire script.
- **Wording changes to the questionnaire and hospice provider logos:**
 - During survey development extensive cognitive interviews were conducted with potential respondents to see if they could understand the response scales.
 - CMS does not allow hospice logos to be placed on the questionnaire for mail surveys.

Updates to Public Reporting

Visits when Death is Imminent Measure Pair

- This measure is a measure pair assessing hospice staff visits to patients at the end of life.
 - Measure 1: Percentage of patients receiving at least one visit from registered nurses, physicians, nurse practitioners, or physician assistants in the **last 3 days of life**.
 - Measure 2: Percentage of patients receiving at least two visits from medical social workers, chaplains or spiritual counselors, licensed practical nurses or hospice aides in the **last 7 days of life**.

Measure Pair Reporting on Hospice Compare

- CMS will publicly report Measure #1 (*Hospice Visits when Death is Imminent*) measure on Hospice Compare **in 2019**.
- Hospice Compare Refreshes for 2019:
 - May 2019
 - August 2019
 - November 2019

Measure Pair Reporting on Hospice Compare

- Measure #2 (two visits in last 7 days) will not be publicly reported at this time because it did not currently meet readiness standards for public reporting.
- CMS is finalizing their proposal to:
 - continue collection of Measure #2
 - to complete additional testing
 - to make a determination about the public reporting of Measure 2 of the “Hospice Visits when Death is Imminent” measure pair.

Measure Pair Reporting on Hospice Compare

- CMS expects to complete analysis by the end of FY 2020 and determine next steps for public reporting based on meeting established standards for reliability, validity, and reportability.
- CMS will continue to use a variety of sub-regulatory channels and regular HQRP communication strategies to provide ongoing updates of testing results and plans for modifying and reporting this measure.

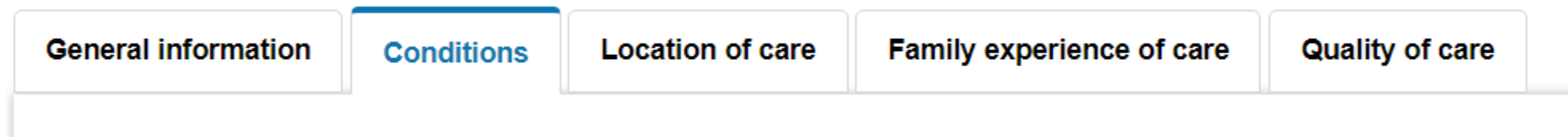
Information from Government Data Sources

- CMS will provide ‘mock-ups’ of data from government data sources for stakeholder feedback and show the relationship between the data from other U.S. government websites and hospice related data.
- The goal is for the information to help consumers in comparing providers.
- CMS is finalizing the proposal to post information from other publicly available U.S. government sources to publicly report in the future and as soon as FY 2020 on Hospice Compare or another CMS website.

Additional HQRP Information

Display of Public Use File (PUF) Data

- Public Use File (PUF) data is posted on Hospice Compare along with clear text explaining the purpose and uses of this information and suggesting consumers discuss this information with their healthcare provider
- Information displayed in tabs on Hospice Compare
- **Included in May 2019 refresh.**



General Information

Level of care provided

Levels of care provided in calendar years 2014, 2015, and 2016	Hospice Name	National average
	Average daily census: 625.1 Date certified: 02/02/1994	Average daily census: 74.8
Provided routine home care <u>only</u> .		3.1%
Provided routine home care <u>and</u> at least one other level of care	✓	96.9%

It is likely that, in a three-year period, a hospice would have at least one patient in crisis (with uncontrolled symptoms) or one caregiver in need of relief. However, remember that other factors like patient and caregiver needs impact which level of care a hospice provides. Additionally, hospices that see a small number of patients might not have patients that need a level of care besides routine home care. Level of care provided by a hospice is one factor of many to consider when choosing a hospice. If you're considering choosing a hospice that hasn't provided a level of care beyond Routine Home Care in these 3 years, consider discussing this information with your doctor and/or hospice representative. For help having this discussion, see our [Suggested Questions to Ask When Choosing a Hospice](#).

Conditions

Percent of patients with this condition

Hospice Name

Average daily census: 625.1

Date certified: 02/02/1994

National average

Average daily census: 74.8

Medical conditions

Medical conditions	Hospice Name	National average
Cancer	33.9%	27.3%
Dementia	21.3%	21.2%
Stroke	9.2%	9.4%
Circulatory/heart disease	13.2%	20.8%
Respiratory disease	7.8%	11.9%
All other conditions	14.6%	16.1%

Location of Care

Care provided in listed location

Location of care	Hospice Name	National average
	Average daily census: 625.1 Date certified: 02/02/1994	Average daily census: 74.8
Home	✓	99.8%
Assisted living facility	✓	76.1%
Nursing facility	✓	60.8%
Skilled nursing facility	✓	52.5%
Inpatient hospital facility	✓	31.5%
Inpatient hospice facility	✓	17.0%
All other locations	✓	17.6%

Key HQRP and Hospice Compare Dates in the Pipeline

Hospice Compare refresh	August 2019
HIS Data Freeze Date	August 15, 2019
HIS and CAHPS Provider Preview Reports Available in CASPER Folder	September 2, 2019
30-Day HIS and CAHPS Provider Preview Period	September 2, 2019 – October 2, 2019 (09/02/2019- 10/02/2019)
CAHPS Hospice Survey Data Submission Deadline	August 14, 2019

NHPCO Resources

- **Full Analysis of Rule** - in NHPCO's Regulatory Alert
- **State/County Charts and Calculator** - makes finding your rates for every level of care for every county easier
- **Changes to Hospice Regulations** - as pertains to 42 CFR 418. Find these resources on the [Reimbursement-Medicare](#) page of the website.
- **Podcast** - A special two-part series looking at the rule from a regulatory and quality perspective
 - Part 1 will be posted on August 6
 - Part 2 will be posted mid August



Contact us at:

Regulatory@nhpco.org

Quality@nhpco.org