

# National Hospice and Palliative Care Organization Policy Alert

## Coalition Letter to Congress: Don't Cut the Hospice Aggregate Cap

To: NHPCO Provider and State Members

From: NHPCO Policy Team

Date: November 22, 2022

NHPCO, in collaboration with the National Association for Home Care and Hospice (NAHC) and LeadingAge, sent a letter today to congressional leadership, cautioning against using a cut to hospice funding in order to pay for other provisions in any upcoming end-of-year package.

One specific policy change we urge Congressional leaders to avoid is a reduction of the hospice aggregate payment cap. Cutting the cap directly impacts access to care for medically vulnerable populations and damages the integrity of the Medicare Hospice Benefit (MHB).

While over 50 percent of beneficiaries have hospice stays that are a total of 18 days or less, the number of patients with much longer lengths of stay has increased in recent years. This is in part a result of the changing nature of the population choosing hospice, many more people with non-cancer diagnoses are choosing to utilize the MHB. To this end, MedPAC in 2020 first put forward their recommendation to wage-adjust and reduce the hospice aggregate payment cap by 20 percent across-the-board. However, enacting this change now will have the impact of pushing patients with long length of stay, especially patients with Alzheimer's Disease and related dementias, out of the hospice care they need.

On top of this most recent threat to the hospice benefit, Congress has also taken action in recent years to reduce hospice spending through policy that lowers the aggregate cap. In the Improving Medicare Post-Acute Care Transformation Act of 2014 (IMPACT Act), Congress changed the methodology for how the aggregate cap is calculated each year. That methodology change has been extended twice now and accrued savings. Should this change be extended, we would ask that the savings it generates be used to fund additional targeted hospice program integrity efforts that will hone in on truly abusive behavior while not punishing the vast majority of high-quality providers.

We object to the prospect of any savings from the implementation of the IMPACT Act being used to pay for activities that would not be focused on improving care for patients on hospice. At a time when the population is aging rapidly and the demand for high-quality end-of-life care is increasing,

the MHB should not be used as a “piggybank” to stave off payment cuts for other Medicare providers or for other unrelated policies.

NHPCO remains engaged with congressional leaders, and ready to propose alternative routes to reduce spending while protecting the hospice benefit and the Medicare trust fund. We will keep our members updated as Congress considers changes to payment policy.

[Read the full letter here](#)

Join the Hospice Action Network, NHPCO’s advocacy affiliate, in calling on Congress to protect access to hospice, not cut the hospice aggregate cap.