FY 2025 Hospice Wage Index Proposed Rule

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Learning Objectives

- Understand the key areas outlined in the FY 2025 Hospice Wage Index Proposed Rule
- Identify the implications and impact for the hospice organization and care delivery
- List and describe the request for information under the Proposed Rule for Health Equity and high intensity services

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FY 2025 Hospice Wage Index Proposed Rule

- **The Centers for Medicare & Medicaid Services (CMS) released the** FY 2025 Hospice Wage Index and Payment Rate Update **proposed rule** on March 28, 2024
- **Most provisions of the rule are effective October 1, 2024**
  - Hospice Outcomes and Patient Evaluation (HOPE): On or after October 1, 2025
  - Quality Measures: No earlier than FY 2027
  - CAHPS® Hospice Survey Changes: Beginning with January 2025 decedents
- **CMS Fact Sheet:** Fiscal Year (FY) 2025 Hospice Payment Rate Update Proposed Rule (CMS-1810-P)
- **Comments on the rule are due by May 28, 2024**

Major Provisions in the FY 2025 Hospice Proposed Rule

- Payment Updates and Statistical Area Changes
- Conditions of Participation (CoP) Technical Updates
- HOPE Data Collection Instrument
- Proposed Quality Measures
- CAHPS Hospice Survey Changes
- Requests for Information

Regulatory and Payment Overview

FY 2025 Payment Rate Update

CMS proposes a 2.6 increase in payments for FY 2025

FY 2024 Final Cap Amount	FY 2025 *Proposed* Cap Amount
$33,494.01	$34,364.85

FY 2025 Proposed Routine Home Care Rates

Payment Rates for Hospices Who Submit Quality Data

Code	Description	SIA Budget Neutrality Factor	Wage Index Standardization Factor	FY 2025 Hospice Payment Update	Proposed FY 2025 Payment Rates	FY 2024 Payment Rates
651	Routine Home Care (days 1-60)	1.0009	0.9983	1.026	**$223.83**	$218.33
651	Routine Home Care (days 61+)	1.0000	0.9975	1.026	**$176.39**	$172.35

FY 2025 Proposed CHC, IRC, GIP Rates

Payment Rates for Hospices Who Submit Quality Data

Code	Description	Wage Index Standardization Factor	FY 2025 Hospice Payment Update	Proposed FY 2025 Payment Rates	FY 2024 Payment Rates
652	Continuous Home Care Full Rate = 24 hours of care	1.0026	1.026	**$1,610.34** ($67.10/hour)	$1,565.46
655	Inpatient Respite Care	0.9947	1.026	**$518.15**	$507.71
656	General Inpatient Care	0.9931	1.026	**$1,166.98**	$1,145.31

Payment Rates for Hospices Who Do **NOT** Submit Required Quality Data

Hospices receive a 4% reduction in the hospice payment update for failing to meet Hospice Quality Reporting Requirements

FY 2025 annual payment update (APU) reduction based on calendar year (CY) 2023 quality data

Hospices who do not submit required quality data would receive a -1.4 percent payment update for FY 2025

FY 2025 Proposed Routine Home Care Rates

Payment Rates for Hospices Who Do NOT Submit Quality Data

Code	Description	SIA Budget Neutrality Factor	Wage Index Standardization Factor	FY 2025 Hospice Payment Update	Proposed FY 2025 Payment Rates	FY 2024 Payment Rates
651	Routine Home Care (days 1-60)	1.0009	0.9983	0.9860	**$215.10**	$218.33
651	Routine Home Care (days 61+)	1.0000	0.9975	0.9860	**$169.51**	$172.35

FY 2025 Proposed CHC, IRC, GIP Rates

Payment Rates for Hospices Who Do NOT Submit Quality Data

Code	Description	Wage Index Standardization Factor	FY 2025 Hospice Payment Update	Proposed FY 2025 Payment Rates	FY 2024 Payment Rates
652	Continuous Home Care Full Rate = 24 hours of care	1.0026	0.9860	**$1,547.56** ($64.48/hour)	$1,565.46
655	Inpatient Respite Care	0.9947	0.9860	**$497.95**	$507.71
656	General Inpatient Care	0.9931	0.9860	**$1,121.48**	$1,145.31

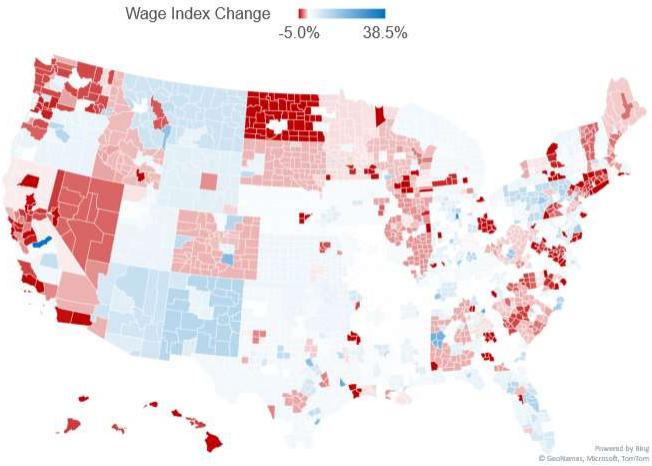
Statistical Area Changes

CMS Proposes Statistical Area Changes

- The hospice wage index is calculated based on hospital wage information in a geographic area, or core-based statistical area (CBSA)
- For FY 2025, CMS proposes to update CBSAs to calculate hospice wage index information
  - Based on the Office of Management and Budget (OMB) issued Bulletin No. 23-01
- **This will result in CBSA and wage index changes for some hospices**
  - Hospices would not see more than a 5% decrease in their wage index in the given year
- CMS has published a crosswalk of the changes with the FY 2025 proposed rule

Wage Index Changes by County

FY 2025 Hospice Wage Index Proposed Rule



Source: CMS, FY 2025 Proposed Hospice Wage Index

Technical Updates to the Medicare Hospice Conditions of Participation

Discrepancies in CoPs and Payment Regulations

§ 418.102 Condition of participation: Medical director	§ 418.22 Certification of terminal illness	§ 418.25 Admission to hospice care
(b) Standard: Initial certification of terminal illness. **The medical director or physician designee** reviews the clinical information for each hospice patient and provides written certification that it is anticipated that the patient's life expectancy is 6 months or less if the illness runs its normal course. . . . (c) Standard: Recertification of the terminal terminal illness. Before the recertification period for each patient, as described in § 418.21(a), the **medical director or physician designee** must review the patient's clinical information.	(c) Sources of certification. (1) For the initial 90-day period, the hospice must obtain written certification statements (and oral certification statements if required under paragraph (a)(3) of this section) from— (i) The **medical director of the hospice or the physician member of the hospice interdisciplinary group**; . . . . (2) For subsequent periods, the only requirement is certification by one of the physicians listed in paragraph (c)(1)(i) of this section.	(b) In reaching a decision to certify that the patient is terminally ill, the **hospice medical director** must consider at least the following information: (1) Diagnosis of the terminal condition of the patient. (2) Other health conditions, whether related or unrelated to the terminal condition. (3) Current clinically relevant information supporting all diagnoses.

Aligning Medical Director CoP and Payment Regulations

CMS proposes to align Medicare hospice payment and CoP requirements:

- Update CoPs to clarify that physician member of hospice interdisciplinary group may review patient clinical information and certify a patient's terminal illness
- Update CoPs to clarify that a physician designee may review patient clinical information and certify their terminal illness if the medical director is unavailable

Does not reflect a change in policy, but is intended to promote clarity and consistency

Clarifying the Election Statement and Notice of Election

Reorganizing Notice of Election and Election Statement Regulations

- CMS proposes to reorganize regulations to clearly distinguish between the Hospice Election Statement and the Notice of Election (NOE)
- Does not reflect a change in policy, but is intended to promote clarity

Election Statement	Notice of Election
An individual who meets the eligibility requirements in §418.20 may file an election statement with a particular hospice.	Within five days after the hospice election date, a hospice must submit a NOE, which must be accepted by the Medicare Administrative Contractor

CMS Addresses Election Statement Requirements

- *". . . Finally, the MACs have informed us of ongoing instances of hospices omitting certain elements of the hospice election statement. A complete election statement containing all required elements as set forth at § 418.24(b) is a condition for payment. Additionally, we emphasize the importance of each element in informing the beneficiary of their coverage when choosing to elect the Medicare hospice benefit. We continue to encourage hospice agencies to utilize the "Model Example of Hospice Election Statement" on the hospice web page at https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice to limit potential claims denials."*

  - FY 2025 Hospice Wage Index Proposed Rule, 89 Fed. Reg. at 23804

Quality Overview

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HOPE

NHPCO

HOPE (Hospice Outcomes and Patient Evaluation)

- Hospice patient-level item set to be used by all hospices to collect and submit standardized data on each patient admitted to hospice
- Will collect data related to:
  - Demographics
  - Pain and symptom management
  - Symptom impact
  - Skin conditions
  - Medications
  - Imminence of death
- Replaces Hospice Item Set (HIS)
  - Contains many items from HIS, including CPR Preferences, Spiritual/Existential Concerns, Other Life-Sustaining Treatment Preferences, and Hospitalization Preferences

HOPE (Hospice Outcomes and Patient Evaluation)

- Required for all patients, regardless of payer or age
- Requires up to 4 visits per patient, depending on length of stay
  - HOPE Admission (day 0-5)
  - HOPE Update Visit (HUV) 1 (day 6-15)
  - HOPE Update Visit (HUV) 2 (day 16-30)
  - HOPE Discharge
- Proposed timeline
  - Data collection to begin on or after Oct 1, 2025
  - Public reporting FY2027 or FY2028
- Same compliance thresholds as HIS
  - Submit 90 percent of all required HOPE records within 30 days of the event or completion date (patient's admission, discharge, and up to two HUV time points based on the patient's length of stay)
- Hospices that fail to submit required HOPE assessments for at least 90 percent of their patients will be subject to a four percent reduction in APU.

HOPE (Hospice Outcomes and Patient Evaluation)

HOPE	Both	HIS
• Data collected during patient assessments • Data collected at admission, discharge, and during patient stay • Real-time	• Standardized data collection mechanism • Data used to calculate HQRP measures • Same compliance thresholds	• Data extracted from clinical record • Data collected at admission and discharge • Retrospective

HOPE (Hospice Outcomes and Patient Evaluation)

Of note:
- Unclear guidance regarding which disciplines can complete HOPE assessments
- New clinical assessment areas:
  - J0050 Death is Imminent
  - J0915 Neuropathic pain
  - Section M Skin conditions
- Addition of comorbid/co-existing conditions
- Must submit via vendor software (i.e., EMR)
  - CMS is sunsetting HART data paper extraction tool
  - Technical specifications will be provided on CMS webpage
- HOPE draft and Guidance Manual available on HQRP HOPE webpage (see References)

HOPE-based Process Measures

- Timely Reassessment of Pain Impact and Timely Reassessment of Non-Pain Impact
  - Measures how many patients who were assessed with moderate/severe pain or non-pain symptom impact were reassessed within two calendar days
  - Severity and impact based on HOPE assessments
  - Non-pain symptoms include shortness of breath, anxiety, nausea, vomiting, diarrhea, constipation, and agitation
- Exclusions
  - Died or discharged within 2 days
  - Reassessment visit refused
  - Unable to contact/locate patient
  - Patient in ER/hospital
  - Patient travelling outside of service area

HOPE-based Process Measures

Of note:

- As proposed, these assessments must be made during in-person visits only – no telehealth or phone reassessments
  - CMS soliciting feedback on this point
- Reassessment can not be completed during same visit
  - Can be completed during new visit on same day
- Timeline for implementation
  - No sooner than CY2027

The CAHPS Survey

CAHPS Hospice Survey

- Addition of web-mail mode option as an alternate to current survey modes
  - Would include email invitation to a web-based survey, with mail follow-up to non-responders
  - CMS mode experiments suggest that web-mail option should increase response rates
- Addition of pre-notification letter
  - Sent by survey vendor one week prior to survey instruments
- Extension of response time from 42-49 days
  - Beginning with January 2025 decedents

CAHPS Hospice Survey

- Removal of *Care Received in a Nursing Home* items
- Replacement of multi-item *Getting Hospice Care Training* measure with one item:
  - *Hospice teams may teach you how to care for family members who need pain medicine, have trouble breathing, are restless or agitated, or have other care needs. Did the hospice team teach you how to care for your family member?*
- Addition of new *Care Preferences* measure:
  - *Did the hospice team make an effort to listen to the things that mattered most to you or your family member?*
  - *Did the hospice team provide care that respected your family member's wishes?*
- Additional items removed and simplified wording in multiple measures

CAHPS Hospice Survey

- Public reporting implications:
  - Transition time (proposed CY2025-2026)
    - No public reporting of *Care Preferences* or *Getting Hospice Care Training*
    - During the transition time, Star Ratings will be based on 7 measures instead of 8
  - After transition time
    - Star Rating will be based on 9 measures
    - *Training* added back in, plus *Care Preferences*

As in relation to Special Focus Program (SFP)

- The Special Focus Program is NOT mentioned in the Proposed Rule
- However, there is brief mention in CMS fact sheet related to the Proposed Rule
- Which means
  - CMS will continue with the CAHPS Hospice Survey Index as previously finalized
  - Bottom box scores still apply towards the 4 measures in the CAHPS Hospice Survey Index
    - Help for Pain and Symptoms
    - Getting Timely Help
    - Willingness to Recommend this Hospice
    - Overall Rating of this Hospice
  - Issues related to survey responses remain (number of surveys and response rate)

Additional Quality Impact

Hospice Quality Reporting Program (HQRP)

- Future Quality Measures - consider developing hybrid quality measures
- Public Reporting Requirements – Amendment of HQRP Data Completeness Thresholds

TABLE 15: HQRP Reporting Requirements and Corresponding Annual Payment Updates

Reporting Year for HIS/HOPE and Data Collection Year for CAHPS data (Calendar year)	Annual Payment Update Impacts Payments for the FY	Reference Year for CAHPS Size Exemption (CAHPS only)
CY 2023	FY 2025 APU	CY 2022
CY 2024	FY 2026 APU	CY 2023
CY 2025	FY 2027 APU	CY 2024
CY 2026	FY 2028 APU	CY 2025

Future Quality Measures

- Considering development of hybrid quality measures that could be calculated from multiple data sources
- All data collected by the HOPE instrument are expected to be used *only* for quality measures, as authorized under section1814(i)(5)(C) of the Social Security Act
- As a result, CoP § 418.312(a)(b)(1) is proposed to be updated to require hospices to complete and submit a standardized set of items for each patient to capture patient-level data, regardless of payer or patient age -> for all Medicare and non-Medicare beneficiaries -> as of October 01, 2025
- The focus of new and upcoming quality measures (2 quality measures in the HOPE tool and beyond) is to reflect quality of care during the patient's journey across multiple care settings (think EMR, care plans, interoperability, health equity data collection)

Request for Information

Requests For Information

Potential implementation of a separate payment mechanism for high-intensity palliative care services

Potential Hospice Quality Reporting Program social determinants of health (SDoH) changes

RFI #1 – High-Intensity Palliative Care Services

- What could eliminate the **financial risk** when providing complex palliative treatments and higher intensity levels of hospice care?
- What specific **financial risks or costs** would prevent the provision of higher-cost palliative treatments when appropriate?
- Are there **individual cost barriers** which may prevent a hospice from providing higher-cost palliative care services?
- Should there be any **parameters** around when palliative treatments should qualify for a different type of payment?
- Should CMS consider defining **palliative services with regard to high-cost treatments**?
- Should there be **documentation that all other palliative measures have been exhausted** prior to billing for a payment for a higher-cost treatment?
- Should there be **separate payments** for different types of higher-cost palliative treatments **or one standard payment** for any higher-cost treatment that would exceed the per-diem rate?

RFI #2 – Future HQRP SDoH Items

- Consideration – Include social determinants of health (SDoH) into hospice quality measures and data stratification.
- Certain Health Related Social Needs (HRSNs) can lead to unmet social needs that directly influence an individual's physical, psychosocial, and functional status

HSRN Domains (details in Key Take ways slide)	Request for Information (RFI)
Housing Instability	1. For each of these domains, are there items relevant for patients and/ or caregivers? 2. Which of the items are most suitable for hospice? 3. How might the items need to be adapted to improve relevance? e.g. timeframes, response options, etc? 4. Are there additional domains useful in identifying and addressing health equity issues in hospice?
Food Insecurity	
Utility Challenges	
Transportation Barriers	

Key Takeaways

Action Items

- Determine whether counties served by your hospice will experience a rural/urban designation change
- Download and review the HOPE draft and HOPE Manual draft
  - Review the proposed new assessment and demographic items
  - Consider how to address staff training needs
- Review the proposed new process measures, *Timely Reassessment of Pain Impact* and *Timely Reassessment of Non-Pain Impact*
  - Consider how your organization may be able to implement
- CAHPS
  - Educate staff and stakeholders on measure and public reporting changes
  - Review Top Box versus Bottom Box scores
- Continue to engage with NHPCO to inform comment response to the rule

Request for Information

What is Actionable?

- ✓ How are you currently delivering high intensity (specifically palliative –type) services? Examples – chemotherapy
- ✓ How is pharmacy involved? Focus on reimbursement, scope (volume of high intensity needs), other related expenses.
- ✓ How are equity related data being collected? What does the organization need for better / accurate data collection?
- ✓ Who are you serving? Do your programs, staff and processes reflect the population and unique needs of who you are serving?

RFI - Health Related Social Needs

Screening for Housing Instability

Tool	Item	Response Options	Source
Accountable Health Communities Health Related Social Needs (AHC HRSN)	Think about the place you live. Do you have problems with any of the following?	a. Pests such as bugs, ants, or mice b. Mold c. Lead paint or pipes d. Lack of heat e. Oven or stove not working f. Smoke detectors missing or not working g. Water leaks h. None of the above	https://www.cms.gov/priorities/innovation/files/worksheets/ahcm-screeningtool.pdf
Protocol for Responding to & Assessing Patients' Assets, Risks & Experience	Are you worried about losing your housing?	a. Yes b. No c. I choose not to answer this question	https://prapare.org/wp-content/uploads/2021/01/PRAPARE-English.pdf

Food Insecurity Screening

Tool	Item	Response Options	Source
Health Begins - Upstream Risk Screening Tool	Which of the following describes the amount of food your household has to eat: (Check one.)	a. Enough to eat b. Sometimes not enough to eat c. Often not enough to eat	https://www.aamc.org/media/25736/download
Hunger Vital Sign	1. Within the past 12 months we worried whether our food would run out before we got money to buy more.	a. Often true b. Sometimes true c. Never true	https://childrenshealthwatch.org/public-policy/hunger-vital-sign/
	2. Within the past 12 months the food we bought just didn't last and we didn't have money to get more.	a. Often true b. Sometimes true c. Never	
Children's HealthWatch	In the past year, have you ever used a Food Pantry/Soup Kitchen or received a food donation?	Yes No	

Screening for Transportation Barriers

Tool	Item	Response Options	Source
AHC HRSN	In the past 12 months, has lack of reliable transportation kept you from medical appointments, meetings, work or from getting things needed for daily living?	Yes No	https://www.cms.gov/priorities/innovation/files/worksheets/ahcm-screeningtool.pdf
Borders	Are you regularly able to get a friend or relative to take you to doctor's appointments?	Yes No	https://oaktrust.library.tamu.edu/bitstream/handle/1969.1/6016/etd-tamu-2006A-URSC-Borders.pdf

Screening for Utility Challenges

Tool	Item	Response Options	Source
North Carolina Medicaid Screening Tool	Within the past 12 months, have you been unable to get utilities (heat, electricity) when it was really needed?	Yes No	https://www.ncdhhs.gov/about/department-initiatives/healthy-opportunities/screening-questions
WELL RX Toolkit	Do you have trouble paying for your utilities (gas, electricity, phone)?	Yes No	https://sirenetwork.ucsf.edu/tools-resources/resources/wellrx-toolkit
Health Leads - Social Needs Screening Toolkit	In the last 12 months, has the electric, gas, oil, or water company threatened to shut off your services in your home?	Yes No	https://healthleadsusa.org/wp-content/uploads/2023/05/Screening_Toolkit_2018.pdf

Team Discussion Questions

How will the proposed payment updates impact our budgetary planning and financial management for the next fiscal year?

How should I make changes to my QAPI programs based on this information?

Where is CMS headed with Health Equity? Are there opportunities to integrate CMS health equity strategies into our existing quality improvement plans?

What training, information, or resources will our staff need to prepare for HOPE?

Resources

Resources

- CMS Hospice Quality Reporting Program webpage https://www.cms.gov/medicare/quality/hospice
- HOPE Tool Draft https://www.cms.gov/files/document/drafthopev100allitemmockup.pdf
- HOPE Guidance Manual Draft https://www.cms.gov/files/document/draft-hope-guidance-manualv100.pdf
- FY 2025 Hospice Wage Index and Payment Rate Update https://public-inspection.federalregister.gov/2024-06921.pdf
- NHPCO Analysis of the Fiscal Year (FY) 2025 Hospice Wage Index and Payment Rate Update Quality Reporting Proposed Rule https://www.nhpco.org/wp-content/uploads/FY2025_Hospice_Wage_Index_Proposed_Rule_Analysis_Alert.pdf
- NHPCO FY 2025 Proposed Medicare Hospice Wage Index State County Rate Chart

Contact us at NHPCO for Quality and Regulatory Assistance

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