The Proposed FY2019 Hospice Payment Rule and Other Key Issues in Hospice

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*NOTE: A link to Transmittal 3 (cost report edits) has been included on slide 11

Today's Agenda

- FY2019 Proposed Hospice Payment Rule
  - Payment Updates
  - Regulatory Relief
  - PAs as Hospice Attending Physicians
  - "New" Cost Report Data
  - Proposed HQRP Changes
  - RFI on Interoperability of Clinical Info
- Application of Hospital Post-Acute Transfer Policy to Hospice Discharges
- Congressional Action on Opioids

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Hospice Rule – Payment Updates

- APU
  - Hospital Market Basket Update 2.9%
  - Productivity Adjustment 0.8
  - Addl ACA Adjustment 0.3
    (Through FY2019)
  - TOTAL 1.8%
- Wage Index – FY2018 Hospital Wage Index
  https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Hospice-Regulations-and-Notices-Items/CMS-1692-P.html

Hospice Rule – Payment Updates

Code	Description	FY2019 Proposed Payment Rates
651	RHC (Routine Home Care) Tier 1 (days 1 – 60)	$196.25
651	RHC Tier 2 (days 61+)	$154.21
652	CHC (full rate=24 hours of care) ($41.62 hourly rate)	$998.77
655	IRC (Inpatient Respite)	$176.01
656	GIP (General Inpatient)	$758.07

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Hospice Rule – Aggregate Cap

- Projected FY2019 Cap: FY2018 Cap ($28,689.04) + APU (1.8%) = $29,205.44
- CMS proposing technical change to "formalize" shift of Cap year to federal fiscal
- CMS soliciting input on this change

Hospice Rule – Regulatory Relief

- Response to FY2018 Regulatory Relief RFI
  - Sequential Billing
    - Can't eliminate – Tiered RHC, benefit periods
  - Reporting of Drug Detail on Claims
    - Not needed/quality, program integrity, payment
    - Oct. 1, 2018, no mandate to report drug detail
    - In lieu of detail, report aggregate monthly charges for
      - Drugs
      - Infusion Pumps/infusion drugs
    - Transmittal 4035/April 27, 2018

Transmittal 4035

- Beginning Oct. 1, 2018,FISS will provide on the stored claim record info on days paid at:
  - High RHC Rate
  - Low RHC Rate
- NAHC/HHFMA requested inclusion of this info in the PS&R
- Accuracy in financial monitoring

Hospice Rule – PAs as Attendings

- Effective January 1, 2019, BBA 2018 authorizes PAs to serve as hospice attending physicians
- Services by PAs designated as hospice attending physicians will be paid at 85% of fee schedule:
  - If “reasonable and necessary”
  - normally performed by physician
  - Whether or not PA is employed by hospice
  - NOT related to certification of terminal illness

Hospice Rule – PAs as Attendings

- PAs must:
  - Have graduated from accredited PA program, operate within state scope of practice
- PAs may NOT:
  - Certify terminal illness
  - Conduct hospice face-to-face
  - Serve as physician head of IDT

Hospice Rule – Cost Report Data

- Continuing analysis of "new" cost report data with an eye toward recalibration:
  - Costs by level of care
  - Labor/Non-labor portions

Hospice Rule – Cost Report Data

- Application of industry-recommended Level I edits:
  - 66% of hospices fail at least 1 Level I recommended edit
  - SIGNIFICANT implications for future payment decisions

*Transmittal 3/Edit 1050A outlines the new Level I edits for freestanding hospices (https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2018Downloads/R3P243.pdf) – see page 83 of the document

Hospice Rule -- HQRP

- "High Level" work on Meaningful Measures Framework, Social Risk Factors, other areas
- Propose additional "measure removal factor" – when costs outweigh benefit

Hospice Rule -- HQRP

- Proposed revisions for HIS data review and correction time frames (1/1/2019)
  - Limit correction time frames to 4.5 months after close of CY quarter
  - Subsequent changes will NOT be reflected on Compare
  - Comments sought

Hospice Rule -- HQRP

- Hospice CAHPS
  - Propose extension of Hospice CAHPS requirements to all future years, continuation of public reporting practices
  - Propose to extend CAHPS “newness” exemption to all future years

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Hospice Rule – Public Reporting

- Proposal to streamline process to bring measures to Compare
- Use subregulatory means to alert stakeholders of timing for public release
- Comment sought

Hospice Rule – Public Reporting

- CMS analysis: Despite SIA, only small improvement in RN/SW visits at end of life
- Hospice Visits when Death is Imminent Measure Pair:
  - Part of hospice reporting requirements April 2017
  - Need 4 quarters of data, validation process
  - Will submit to NQF
  - Public reporting during FY2019
- Subregulatory notice on timing for display

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Hospice Rule – Public Reporting

- HIS Composite Measure:
  - minimum denominator of 20 patient stays
  - Public reporting Fall 2019
  - Remove direct display of 7 HIS component measures
  - Subregulatory notice on timing for display
- CMS also proposes public display of PUF-based measures/other information
  - seeks comment

HQRP – Additional Measure

- Under development: Claims-based "transitions" measure
- Hospice Live Discharge followed by:
  - Hospital care within 7 days
  - Death within 30 days
- Comment period closed April 25

RFI on Transfer of Health Info

- Obstacles to electronic exchange of patient clinical info persist
- How can CMS use existing CoP and CfC to advance electronic exchange of info that supports safe transitions of care?

Hospital Rule – Transfer to Hospice Care

- Effective October 1, 2018, post-acute transfer policy applies to hospice discharges
- Set list of "post-acute" DRGs
- FY2019 Hospital payment rule/Transmittal 2055 (April 27, 2018):
  - Immediate discharge to hospice (hospitals use patient status code 50 or 51)
  - HOSPITAL payment affected if final hospital/initial hospice day overlap and stay is 1 day or more LESS than geometric mean for DRG

Hospice Disposal of Opioids

- Current status: unless authorized by state law, hospice personnel may not dispose of unused controlled substances
- Since 2014 final rules on disposal, DEA has held town meetings where hospice disposal has been raised
- Interest in House/Senate

Hospice Disposal of Opioids

H.R. 5041

- Licensed physician, nurse, other (medical or nursing svcs)
- In home at death
- P&P drug management
- Training on disposal
- Documentation of disposal

S. 2680

- Licensed physician, RN, NP, PA (AG may authorize others)
- In home at death, expiration
- Δ PoC – physician
- P&P drug management
- Documentation of disposal
- GAO study challenges/disposal requirements

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Next Steps

- NAHC input for comments on:
  - Hospice payment rule items
    - Quality reporting changes
    - IRF on interoperability
  - Hospital “transfer” to hospice policy
- Continued work on opioid legislation
  - Disposal by multiple disciplines at PoC change

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