



The FINAL Fiscal Year 2023 Hospice Payment Rule and Quality Updates

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Today's Program

- Wage Index
 - FY2023 Hospice Wage Index
 - Permanent Cap on Wage Index Decreases
- Hospice Payment Update/Payment Rates/Aggregate Cap
- Hospice Quality Reporting Program Update
- Request for Information – Health Equity
- Hospice Survey Reforms – Special Focus Program Update

HOSPICE PAYMENT & WAGE INDEX ISSUES

FY2023 Hospice Wage Index

- Wage index modifies a portion of the base rates to reflect local differences in area wage levels
- Hospice Wage Index based on hospital wage data
- RHC/CHC – use wage index for patient residence
- GIP/IRC – use wage index for facility

FY2023 Hospice Wage Index

- Wage index values subject to periodic revision
 - Every 10 years in response to the Census
 - Other times if appropriate
- Most recent -- applicable for FY2021
 - Given impact of change, CMS applied 5% cap on losses during first year

FY2023 Hospice Wage Index

- FY2022 – CMS extended 5% cap on wage index losses for inpatient hospital payments
- Did NOT extend cap protection to hospices, home health agencies, others for 2022

FY2023 Hospice Wage Index

- In FY2023 rule, CMS sought to:
 - Address wage index changes with significant negative impact that create financial instability
 - Support greater predictability relative to payments
- Proposal: On a permanent basis, for FY2023 and subsequent years, apply a 5% cap on to all wage index decreases

FY2023 Hospice Wage Index

- NAHC comments:
 - Consider lower cap for reductions in wage index values
 - Apply the 5% cap on wage index losses that was extended for hospital payments to hospice and other providers retroactive to the 2022 payment year

FY2023 Hospice Wage Index

- **FINAL ACTION:** CMS will apply 5% limit to reductions in wage index values on permanent basis
 - No hospice provider's wage index will be less than 95% of its value in the previous FY
 - Applicable to capped values
 - Applied after calculation of hospice wage index floor
 - Implemented in budget-neutral manner

FY2023 Payments

- Proposed FY2023 update was 2.7%
- In response to FY2023 proposed updates for various providers -- near universal concerns about the level Medicare payments
- Numerous stakeholders urged CMS to take action to increase payment rates

FY2023 Payments

- NAHC expressed deep concerns about adequacy of 2.7% update:
 - Ongoing COVID-19 PHE resulting in
 - later patient admissions
 - shorter lengths of stay
 - higher overall costs
 - Inflationary pressures, many of which will not recede (including wages)

FY2023 Payments

- Inability of hospice to shift costs to other payors
- Workforce issues, including:
 - Caregiver burnout
 - Increased costs related to management fees, outsourcing, recruitment, and staff retention
 - Reduced productivity/lost revenue related to staff turnover
- Resumption of the 2% sequester
- Resumption of/increase in regulatory oversight

FY2023 Payments

	Proposed for FY2023	FINAL for FY2023
Hospital Market Basket Update	3.1	4.1
Productivity Adjustment	0.4	0.3
Annual Payment Update	2.7	3.8

FY2023 Payments

	FY2022 Payment Rates	Proposed FY 2023 Update	Proposed FY2023 Hospice Payments	FINAL FY2023 Update	FINAL FY2023 Hospice Payments
Routine Home Care (days 1-60)	\$203.40	X 1.027	\$209.14	X 1.038	\$211.34
Routine Home Care (days 61+)	\$160.74	X 1.027	\$165.25	X 1.038	\$167.00

FY2023 Payments

	FY2022 Payment Rates	Proposed FY2023 Update	Proposed FY2023 Payment Rates	FINAL FY2023 Update	FINAL FY2023 Payment Rates
Continuous Home Care = 24 hours	\$1,462.52 (\$60.94 per hour)	X 1.027	\$1,505.61 (\$62.73 per hour)	X 1.038	\$1,522.04 (\$63.42 per hour)
Inpatient Respite Care	\$473.75	X 1.027	\$486.88	X 1.038	\$492.10
General Inpatient Care	\$1,068.28	X 1.027	\$1,098.88	X 1.038	\$1,110.76

FY2023 Payments

- FY2023 – 2% reduction for failure to meet HQRP requirements during CY2021
- Aggregate Cap

	Proposed	Final
Aggregate Cap	\$32,142.65	\$32,486.92

HOSPICE QUALITY UPDATE

Quality Update

- No new quality measures
- Annual payment update penalty increases to 4% for FY 2024
- CY 2022
 - Composite process measure (HIS)
 - Hospice Visits in Last Days of Life (HVLDDL) - August
 - Hospice Care Index (HCI) - August
 - CAHPS Hospice Survey
 - CAHPS Hospice Survey Star Rating (August)

Quality Update

- HOPE – Hospice Outcomes & Patient Evaluation
 - provide quality data for the HQRP requirements through standardized data collection;
 - support survey and certification processes; and
 - provide additional clinical data that could inform future payment refinements

2021 Technical Expert Panel Meetings: Hospice Quality Reporting Program Summary Report

<https://www.cms.gov/files/document/2021-hqrp-tep-summary-reportfinal.pdf>

HOPE Beta Testing

- Ongoing recruitment
- Hospices with sufficient staffing to conduct 1-2 joint visits per week
 - RN
 - SW
 - Chaplain

Those interested in participating should email HOPETesting@abtassoc.com

Future Quality Measure Development

- Other hospice services/disciplines
 - Spiritual care/chaplain
- Telehealth
 - Modifiers/codes on claims
 - MedPAC recommendation

Quality Update

- CAHPS hospice survey mode experiment
 - impact of a web-based mode on survey response rates and scores
 - examination of the effects of a shortened survey on response rate and scores;
 - assessment of the measure properties of a limited number of supplemental survey items suggested by stakeholders; and
 - calculation of item-level mode adjustments for the shortened survey in the currently-approved modes of CAHPS Hospice Survey administration, as well as the proposed new web-based mode.

REQUEST FOR INFORMATION

Health Equity RFI

The attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes

Executive Order 13985, on the Advancement of Racial Equity and Support for the Underserved Communities

Health Equity RFI

Supporting providers in

- quality improvement activities to reduce health inequities,
- enabling beneficiaries to make more informed decisions, and
- promoting provider accountability for health care disparities.

Health Equity RFI

Soliciting comment on four questions:

1. What efforts does your hospice employ to recruit staff, volunteers, and board members from diverse populations to represent and serve underserved populations? How does your hospice attempt to bridge any cultural gaps between your personnel and beneficiaries/clients? How does your hospice measure whether this has an impact on health equity?
2. How does your hospice currently identify barriers to access in your community or service area? What are barriers to collecting data related to disparities, social determinants of health, and equity? What steps does your hospice take to address these barriers?

Health Equity RFI

Soliciting comment on four questions:

3. How does your hospice collect self reported data such as race/ethnicity, veteran status, socioeconomic status, housing, food security, access to interpreter services, caregiving status, and marital status used to inform its health equity initiatives?
4. How is your hospice using qualitative data collection and analysis methods to measure the impact of its health equity initiatives?

Structural Composite Measure RFI

Considering a measure that could include:

- organizational activities to address access to and quality of hospice care for underserved populations
- hospice reported data on hospice activities to address underserved populations' access to hospice care

Structural Composite Measure RFI

- Hospices could submit data on their activities in the following domains and receive points
- Sought input on the domains and scoring
- Technical Expert Panel (TEP)
 - Home Health QRP and Hospice QRP Health Equity Quality Measure Development
 - **Nominations/applications due August 12, 2022**
 - <https://mmshub.cms.gov/get-involved/technical-expert-panel/current>

Structural Measure RFI

Domain 1: Hospice commitment to reducing disparities is strengthened when equity is a key organizational priority.

Candidate domain 1 could be satisfied when a hospice submits data on their actions regarding the role of health equity and community engagement in their strategic plan.

Hospices could self-report data in the reporting year about their actions in each of the following areas, and submission of data for all elements could be required to qualify for the measure numerator.

Structural Measure RFI

Domain 2: Training board members, leaders, staff and volunteers in culturally and linguistically appropriate services (CLAS),²⁷ health equity, and implicit bias is an important step hospices take to provide quality care to diverse populations.

Candidate domain 2 could focus on hospices' diversity, equity, inclusion and CLAS training for board members, employed staff, and volunteers by capturing the following self-reported actions in the reporting year. Submission of relevant data for all elements could be required to qualify for the measure numerator.

Structural Measure RFI

Domain 3: Leaders and staff could improve their capacity to address disparities by demonstrating routine and thorough attention to equity and setting an organizational culture of equity.

This candidate domain could capture activities related to organizational inclusion initiatives and capacity to promote health equity. Examples of equity-focused factors include proficiency in languages other than English, experience working with populations in the service area, experience working on health equity issues, and experience working with individuals with disabilities.

HOSPICE SURVEY REFORMS

Special Focus Program

- CMS will initiate a Technical Expert Panel (TEP)
 - CY 2022
 - **Nominations/applications due August 12, 2022**
 - <https://www.cms.gov/files/document/tep-nomination-form.pdf-0>
- Proposal implementing a SFP in FY2024 hospice proposed rule

Revised Survey Process

- Revised Appendix M, State Operations Manual
- Updated interpretive guidance
 - § 418.52: Patient's rights
 - § 418.54: Initial and comprehensive assessment of the patient
 - § 418.56: IDG, care planning and coordination of care
 - § 418.58: QAPI



Resources

- Proposed FY2023 Hospice Wage Index, Payment Rate Update, and Quality Reporting Requirements:
<https://www.govinfo.gov/content/pkg/FR-2022-04-04/pdf/2022-07030.pdf>
- FINAL FY 2023 Hospice Wage Index, Payment Rate Update, and Hospice Quality Reporting Requirements:
<https://www.govinfo.gov/content/pkg/FR-2022-07-29/pdf/2022-16214.pdf>

Resources

- 2021 Technical Expert Panel Meetings: Hospice Quality Reporting Program Summary Report:
<https://www.cms.gov/files/document/2021-hqrp-tep-summary-reportfinal.pdf>
- Hospice Care Index Technical Report:
<https://www.cms.gov/files/document/hospice-care-index-hci-technical-reportjuly-2022.pdf>

Upcoming Events

2022 Home Care and Hospice Conference and Expo
October 23-25 St. Louis, Missouri

Join NAHC

NAHC is the leading trade association for home care and hospice professionals and we serve as the unified voice for the industry.

Whether you're a home care provider, a hospice administrator, or a technology company that provides services for the industry, there's a place for you at NAHC.

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