

Hospice FY 2012 Payment Changes

Hospice cap determination for cap years ending on or before October 31, 2011

Hospices that filed a timely qualified appeal, received relief from a court, or are waiting for CMS to make a cap determination may request Medicare contractors recalculate their cap determination using the patient-by-patient proportional methodology. Hospice's cap determination for any subsequent cap year will also be calculated using the patient-by-patient proportional methodology.

Hospices that choose to continue using the streamline methodology to determine the number of beneficiaries in a given cap year would not need to take any action

Hospice cap determination for cap years ending on or after October 31, 2012

The patient-by-patient proportional methodology will be used to calculate the cap for all hospices. Those hospices that were using the streamline method will be "grandfathered" in. That is they can elect to continue using the streamline methodology to determine the number of beneficiaries in a given cap year. They must make this election within 60 days following receipt of their 2012 cap determination.

Hospice Face-to-Face Requirement

Beginning January 1, 2011, a hospice physician or nurse practitioner (NP) must have a face-to-face encounter with every hospice patient prior to the 180-day recertification of the patient's terminal illness to determine continued eligibility.

The encounter must occur no more than 30 calendar days prior to the start of the third benefit period and no more than 30 calendar days prior to every subsequent benefit period thereafter.

Hospice Quality Reporting

Beginning with FY 2014 and each subsequent FY, hospice will have their market basket update reduced by 2 percent if they do not comply with quality data submission requirements.

CMS has finalized two quality measures that hospices must report to receive the full 2014 market basket increase. One measure (the QAPI measure) must be reported no later than January 2013 and the other measure (the pain measure) must be reported by April 2013.

No later than beginning in FY 2015, hospices will be required to report an expanded and comprehensive set of quality measures for which CMS can select for pilot testing a value-based-purchasing program which would be designed to improve the quality of care while reducing spending.