CMS Hospice Final Wage Index and Payment Rule 2022 +

Presenter
Annette Lee RN, MS, HCS-D, COS-C

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Subscriber Webinar

Learning Goals:

- Learners will be able to verbalize the changes in payment for FY 2022
- Learners will be able to discuss the changes to the election and addendum and processes defined by CMS in the final rule
- Learners will identify the changes in the Hospice Quality Reporting Program
- Learners will be able to discuss the upcoming survey changes from the CAA and proposed in the Home Health Proposed Rule (not a typo) ☺

CMS Proposal

- The Administrative Procedures Act requires the opportunity for the public comment on regulatory text
- Every year in the Proposed Payment Rule, CMS reviews the payments to hospice and changes seen in the industry
- This year included CMS feedback on the continued increases in payments and the increased risks identified of misuse of Medicare dollars

CMS Review of Hospice Utilization and Spending

In-depth focus:

- Length of stay
- Levels of care
- Live discharge rates
- SIA payments
- Spending outside of hospice during election
- Part A, Part B and Part D
- Sound like PEPPER?

CMS Wants the Hospice Industry to Explain

- Solicitation of comments on all aspects of data analysis – particular emphasis:
- How has change in patient mix influenced change in hospice care?
- What factors determine how/when visits are made as end-of-life approaches?

More Explaining!

- How do hospices make determinations on relatedness vs. unrelatedness?
- Has election statement addendum changed how hospices make care decisions?
- Is addendum used to engage patients/other providers in conversations to ensure care needs are met?

2022 Final Rule: Hospice Payment Issues

FY2022

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The Final Rule

- The Hospice FY 2022 Final Rule can be accessed via the CMS Hospice Center webpage at:https://www.cms.gov/Center/Provider-Type/Hospice-Center

Final Rule Table of Contents

- A: Summary of Comments
- B/C: Payment changes
- D: Election changes
- E: PHE waivers re: aide trainings become permanent
- F: HQRP claims based measures finalized
- G: Public reporting on Hospice Compare

Summary of Comments

- Utilization and payments
- Service Intensity Add-on
- Relatedness
- Notice of non-covered medications/services and impact to operations

2022 Final Payment Increase

- Final FY2022 Payment Update Percentage: 2.0%
- Impact: $480 million dollars increased hospice spending by Medicare
- Wage index: *https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Hospice-Wage-Index*

	FY2021 Payment Rates	Adjustments	Proposed FY2022 Hospice Payment Update	Proposed FY2022 payment rates
Routine Home Care (days 1-60)	$199.25	*SIA budget neutrality factor *Wage index standardization factor	X 1.023	$203.81
Routine Home Care (days 61+)	$157.49	*Labor share	X 1.023	$161.02

Final Outcome for Routine Care

(based on additional data since proposal)

TABLE 2: FY 2022 Hospice HHC Payment Rates

Code	Description	FY 2021 payment rates	SIA budget neutrality factor	Wage index standardization factor	Labor share standardization factor	FY 2022 hospice payment update	FY 2022 payment rates
651	Routine Home Care (days 1-60)	$199.25	1.0003	1.004	0.9995	1.02	$203.40
652	Routine Home Care (days 61+)	$157.49	1.0005	1.0009	0.9992	1.02	$160.74

	FY2021 Payment Rates	Adjustments	Proposed FY2022 Hospice Payment Update	Proposed FY2022 Payment Rates
Continuous Home Care = 24 hours	$1,432.41 ($59.68 per hour)	*Wage Index Standardization Factor *Labor Share Standardization Factor	X 1.023	$1,465.79 ($61.07 per hour)
Inpatient Respite Care	$461.09		X 1.023	$474.43
General Inpatient Care	$1,045.66		X 1.023	$1,070.35

Final Outcome for Non-Routine Care

TABLE 3: FY 2022 Hospice CHC, IRC, and GIP Payment Rates

Code	Description	FY 2021 payment rates	Wage index standardization factor	Labor share standardization factor	FY 2022 hospice payment update	FY 2022 payment rates
652	Continuous Home Care Full Rate = 24 hours of care.	$1,432.41	1.0004	1.0006	1.02	$1,465.79 ($61.07 per hour)
653	Inpatient Respite Care	$461.09	1.0014	1.0039	1.02	$474.43
655	General Inpatient Care	$1,045.66	1.0019	0.9997	1.02	$1,068.35

FY2022 Final Rule HQRP Impact on APU

- Revised regulation §418.306(b)(2) adds conforming language regarding the 4% payment penalty for failure to meet the HQRP requirements, starting FY 2024 Annual Payment Update (APU).
- Failure to meet HQRP requirements during CY2020 results in 2% payment reduction of final rates in FY2022
- Consolidated Appropriations Act of 2021 bumps HQRP reporting penalty to 4% beginning FY2024- finalized in regulation in Final Rule
- – REMEMBER: CY2022 reporting impacts FY2024 payments- So this truly begins NEXT MONTH!

APU Impact

Report Year	HIS	CAHPS	APU Year	APU%
• CY 2021	90%	Ongoing Monthly Participation	FY 2023	2%
• **CY 2022**	90%	Ongoing Monthly Participation	**FY 2024**	**4%**
• **CY 2023**	90%	Ongoing Monthly Participation	**FY 2025**	**4%**

Proposed to Final 2022 Aggregate Cap

- Proposed hospice Aggregate Cap amount: $31,389.66
- Final 2022 Aggregate CAP amount: $31,297.61
  - – 2% increase from 2021
  - – Increase in rates and CAP despite MedPAC recommendation for no increase

Election Statement & Election Addendum Final Changes

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Evolution of Election and Addendum

- FY2021 rule left unanswered questions
- FY2022 Final rule contains clarifications on and modifications to addendum requirements, with clarifying regulatory text changes
  - One modification was not included in the proposal re: notation on the form if unable to acquire signature

Addendum Timing Changes Finalized

- Time Frame for Provision of Addendum
- Current: 5 days from date of election if requested at time of election; 72 hours if requested during course of care
- FY2022: if requested within 5 days of election, hospice has 5 days from date of request to furnish

Time Frame for Provision of Addendum

- Current: If requested during the course of care, (after five day window) Addendum musts be supplied within 72 hours of the time that it was requested
- FY2022: If requested during the course of care, Addendum must be supplied within 3 days of request (not hours)

Requirement for Patient/Representative Signature

- Current: CMS expected patient/representative would receive addendum and sign on same day
- FY2022: Added to regulation that hospices include "date furnished" in the medical record and on addendum (See sample from CMS)

And, if the Patient/Family Refuse to Sign

- Refusal of patient/representative to sign addendum
- – Clarification: Hospice must document clearly on addendum reason addendum is not signed, and date furnished

Clarification if Patient is Deceased

- Death/other discharge prior to addendum being furnished
- Current: CMS indicated if death occurs before time frame for furnishing addendum has elapsed, addendum requirement is deemed "met" but was not codified
- Final regulatory changes:
- If patient dies, revokes, or is discharged within time frame for furnishing addendum and addendum has not been furnished, requirement is considered "met" and the agency does NOT have to provide
- If addendum supplied but patient dies or is otherwise discharged within time frame for furnishing addendum, but addendum is not signed, signature is NOT required

Hospice COP 1135 Waivers Made Permanent

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Proposed to Permanent

- Permit use of pseudo-patient for aide training and evaluation
- – Define "Pseudo-patient": a person trained to participate in a role-play situation or a computer-based mannequin device. A pseudo-patient must be capable of responding to and interacting with the hospice aide trainee, and must demonstrate the general characteristics of the primary patient population served by the hospice in key areas such as age, frailty, functional status, cognitive status and care goals.

Proposed to Permanent

- Hospice Aide Training and Evaluation – Targeting Correction of Deficiencies
- – If area of concern verified during on-site RN supervisory visit, the required competency evaluation may focus on specific deficiencies of aide rather than requiring a full competency evaluation

HQRP (Hospice Quality Reporting Program) Updates

QIES to iQIES

- Curent: QIES ASAP - Quality Improvement and Evaluation System – Assessment and the Submission Processing System
- FY2022: iQIES – internet Quality Improvement and Evaluation System
- Expected in 2022- time not yet defined
- HHAs migrated in 2020

HIS Measures

- Proposed and finalized to remove the INDIVIDUAL measures from Care Compare "no earlier than May 2022" (Still there as of 9/9/21)
- Patients Treated With An Opioid Who Are Given a Bowel Regimen
- Pain Screening
- Pain Assessment
- Dyspnea Screening
- Dyspnea Treatment
- Treatment Preferences
- Beliefs/Values Addressed (if desired by the patient)
- Maintaining Comprehensive Assessment at Admission

CAHPS Five Star Rating

- No sooner than FY2022 (Projecting February)
- Ratings across 8 measures
- Minimum of 75 completed surveys
- Methodology
- Bell curve
- Future posting www.hospicecahpssurvey.org

Claims-Based Measures

- Hospice Visits Last Days of Life
- Hospice Care Index
- See FYI

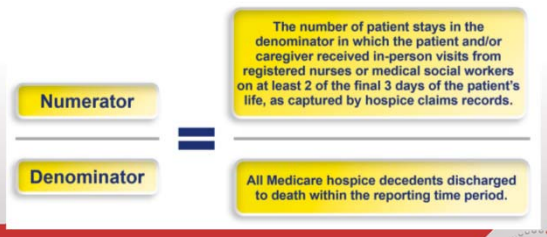
Hospice Visits Last Days of Life

- "HVLDL" Measure finalized
- Proportion of patients who received visits from a **RN** or a **medical social worker** (non-telephonically) on **at least two of the last three days of life**
- Re-specified Hospice Visits When Death is Imminent (HVWDII)
- Claims-based (Only will include Medicare)

HVLDL

- Will publicly report no earlier than May 2022
- Utilizing 8 quarters of data, excluding Q1/Q2 2020 claims

Calculation of HVLDL

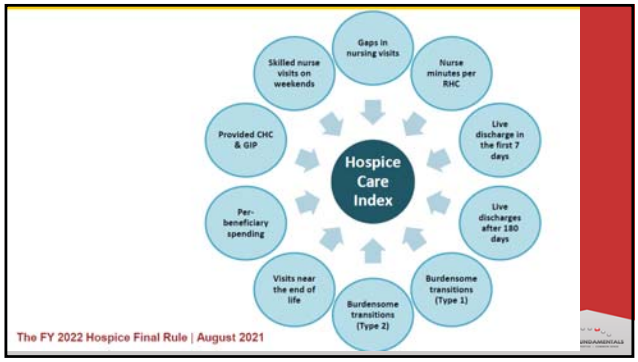


Exclusions to HVLDL

- Same exclusions as HVWDII: Patient did not die under hospice care as indicated by reason for discharge.
- Patient received any continuous home care, respite care, or general inpatient care in the final three days of life.
- Patient was enrolled in hospice less than three days. HVLDL looks at visits in the last three days of life; patients must receive hospice services for **at least three days** to be included in the measure

Finalized: Hospice Care Index Measure

- Capture multiple aspects of hospice care with a broad, holistic set of claims-based quality measures
- Multiple indicators
- Threshold for each indicator will be developed using industry percentiles
- Overall score is calculated on the number of instances when the hospice met a set threshold (one point out of 10 possible)
- Public reporting no earlier than May 2022
- Utilizing up to 8 quarters of claims- but excluding Q1/Q2 2020
- Final HCI score only



HCI Indicators

- **CHC or GIP Provided**

Identifies hospices that provided at least one day of hospice care under the CHC or the GIP levels of care during the period examined

- **Gaps in Nursing Visits**

Identifies whether a hospice is below the 90th percentile in terms of how often hospice stays of at least 30 days contain at least one gap of eight or more days without a nursing visit. (RN or LPN/LVN)

- **Early Live Discharges**

Identifies whether a hospice is below the 90th percentile in terms of the percentage of live discharges that occur within 7 days of hospice admission during the fiscal year examined.

HCI Indicators

- **Late Live Discharges**

Identifies whether a hospice is below the 90th percentile in terms of the percentage of live discharges that occur on or after the 180th day of hospice.

- **Live Discharges from Hospice Followed by Hospitalization and Subsequent Hospice Readmission (Burdensome Transitions Type I)**

Identifies whether a hospice is below the 90th percentile in terms of the percentage of live discharges that are followed by a hospitalization (within 2 days of hospice discharge) and then followed by a hospice readmission (within 2 days of hospitalization) during the FY examined

- **Live Discharges from Hospice Followed by Hospitalization with the Patient Dying in the Hospital (Burdensome Transitions Type II)**

Identifies whether a hospice is below the 90th percentile in terms of the percentage of live discharges that are followed by a hospitalization (within two days of hospice discharge) and then the patient dies in the hospital

HCI Indicators

- **Per-beneficiary Medicare Spending**

Identifies whether a hospice is below the 90th percentile in terms of the average Medicare hospice payments per beneficiary

- **Nurse Care Minutes per Routine Home Care (RHC) Day**

Identifies whether a hospice is above the 10th percentile in terms of the average number of nursing minutes provided on RHC days during the reporting period examined

HCI Indicators

- **Skilled Nursing Minutes on Weekends**

Identifies whether a hospice is at or above the 10th percentile in terms of the percentage of skilled nursing minutes performed on weekends compared to all days during the reporting period examined

- **Visits Near Death**

Identifies whether a hospice is at or above the 10th percentile in terms of the percentage of beneficiaries with a nurse and/or medical social services visit in the last 3 days of life

HCI calculations

- A hospice is awarded a point for meeting each criterion for each of the ten claims - based indicators.
- A hospice's given indicator score determines whether the hospice earns a point for that individual indicator. Each point earned contributes towards the full index score.
- HCI scores can range from 0 to a perfect 10.

- HCI Indicator = Earned Criterion Point The **SUM** of all ten HCI indicators = HCI Score

Example of HCI Scoring from CMS

Hospice Care Index Indicator Scoring

Indicators (Hospice Score Units)	Index Earned Point Criteria	Points Earned?	Points Awarded
Provided CHC/GIP (% days)	Hospice Score Above 0%	Yes	+1
Gaps in skilled nursing visits (% elections)	Below 90 Percentile Rank	No	0
Early live discharges (% live discharges)	Below 90 Percentile Rank	Yes	+1
Late live discharges (% live discharges)	Below 90 Percentile Rank	Yes	+1
Burdensome transitions, Type 1 (% live discharges)	Below 90 Percentile Rank	Yes	+1
Burdensome transitions, Type 2 (% live discharges)	Below 90 Percentile Rank	Yes	+1
Per-beneficiary Medicare spending (U.S. dollars, $)	Below 90 Percentile Rank	Yes	+1
Skilled nursing care minutes per RHC day (minutes)	Above 10 Percentile Rank	No	0
Skilled nursing minutes on weekends (% minutes)	Above 10 Percentile Rank	Yes	+1
Visits near death (% decedents)	Above 10 Percentile Rank	Yes	+1
		HCI Total Score =	8

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CMS Use of Data for Claims Based Measures

- Use claims data at least 90 days after the last discharge date in the applicable period
- Update the claims-based measures used for the HQRP at least annually
- Calculate claims-based scores based on one or more years of data
- Two years of data utilized to report HCI and HVLDL

Public Reporting Resumes

- PHE exemption
  - 4Q 2019 was originally exempt- but found to be appropriate for public reporting
  - 1Q 2020
  - 2Q 2020
- November 2020 Care Compare refresh
- Utilized 4Q 2019 data
- Data frozen until 2022

PHE: Reporting of HIS Measures – Three Quarters of Data

PHE: Reporting of CAHPS® Hospice Survey Data*

Quarter Refresh	2018				2019				2020				2021				2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Freeze: November 2020–November 2021																		
February 2022																		
May 2022																		
August 2022																		
November 2022																		
February 2023																		
May 2023																		

* Footnote: Per CMS direction, Q1 & Q2 2020 data cannot be publicly reported

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HOSPICE

Hospice QM on Care Compare

NQF #3235
The Hospice and Palliative Care Composite Process Measure – Comprehensive Assessment at Admission based on the HIS-Admission data.

CAHPS®
The eight CAHPS® measures created from the caregiver survey results. These can be found under the "Family Caregiver Experience."

HVLDL
A claims-based measure indicating visits in the last 3 days of life.

HCI
A single score measure that combines the results of 10 claims-based indicators.

Survey Changes are on Their Way!

Consolidated Appropriation Act to Home Health Proposed Rule??

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Ch-ch-changes!

- The Hospice Act, passed as a part of the CAA on December 27th, 2020
- Pushed forward multiple recommendations from the OIG and CMS to ensure better quality of care
- CMS codifying through Proposed Home Health Payment Rule
- The Hospice operational COPs will not be updated, but rather CMS is updating the Interpretive Guidelines – to be released still in 2021 to focus more on the core areas that impact patient care
- – **§ 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

Regulatory Changes

- **488.5/488.7**
- Accrediting Organizations (Joint Commission, ACHC and CHAP) must adopt the Federal CMS-2567 to report survey deficiencies by 10/1/21.
- Eventually survey findings on Care Compare
- **488.1110**
- Codified permanently the survey frequency of every three years and established the regulation that a state hospice "hotline" must be initiated for concerns by 12/27/21 *(one year anniversary of the law being passed).*

- **488.1105**
- All surveyors must complete hospice "QSEP" training prior to 10/1/21. This will include the AO surveyors after the rule has finalized. (expected in October). Providers may view these trainings for compliance training as well as survey preparation at: https://qsep.cms.gov/ProvidersAndOthers/publictraining.aspx
- **488.1115**
- Survey conflict of interest protections, stating that surveyors can not survey a hospice that they have worked for in the last two years, or who has a financial or family financial interest in.

Regulatory Changes

- **488.1120** Survey IDT:

If the survey team is made up of multiple people, CMS is encouraging survey organizations to consider sending another discipline besides an RN.

- **488.1125** Survey Consistency: CMS is building a process in which surveys, both from state agencies and AOs will be monitored for consistency of findings and citations.
- **New Subpart N**
- (488.1230-488.1265)

Enforcement Remedies

- When substantial non-compliance is found, CMS is empowering surveyors with additional tools, including: Civil monetary penalties, Temporary management, Payment suspension, Directed inservice trainings or Termination

- **488.1130**
- Special Focus Program (SFP):
- CMS is seeking to build a process in which specific hospices will be more closely monitored when at high risk for poor care. This may result in the hospice being surveyed every six months.
- *The triggers for SFP were proposed as any of the following:*
- -- History of condition-level deficiencies on two consecutive standard surveys
- -- Two consecutive substantiated complaint surveys
- -- Two or more condition-level deficiencies on a single validation survey

Actions of the Prudent Hospice™

- Know your current scores for HIS and CAHPS surveys
- Ensure your agency is able to track the new claims-based measures
- Update the forms and policies, as well as staff education for the Addendum clarifications

Questions????

To Contact Us

Hospice Fundamentals
561-454-8121
heretohelp@hospicefundamentals.com