

**TEXAS HEALTH AND HUMAN SERVICES COMMISSION
RATE ANALYSIS DEPARTMENT**

September 29, 2017

**Proposed Payment Rates
For
Medicaid Hospice**

Payment rates are proposed to be effective October 1, 2017

SUMMARY OF PROPOSED PAYMENT RATES **Effective October 1, 2017**

The Texas Health and Human Services Commission (HHSC) will conduct a public hearing on October 9, 2017, at 9:00 a.m., to receive public comment on proposed Medicaid payment rates to be effective October 1, 2017, for hospice dual routine home care, service intensity add-on, continuous home care, inpatient respite care and general inpatient care services.

The public hearing will be held in Room 5155 of the Brown-Heatly Building located at 4900 N. Lamar Boulevard, Austin, Texas. Entry is through Security at the main entrance of the building facing Lamar Boulevard.

HHSC will consider concerns expressed at the hearing prior to final rate approval. The hearing will be held in compliance with Texas Human Resources Code §32.0282, Government Code §531.021 and the Texas Administrative Code (TAC) Title 1, §355.105(g), which requires public notice of and hearings on proposed Medicaid reimbursements.

PROPOSED RATES

The proposed rates are outlined in the attachments to this packet. The attachments consists of two payment rates schedules. One payment rate schedule applies to hospice providers that have submitted required quality data and the other payment rate schedule applies to hospice providers that have not submitted the required quality data.

Hospice providers are required to comply with section 3004 of the Affordable Care Act and the implementing regulation at 78 *Federal Register* 48234 (August 7, 2013-CMS-1449-F). Section 3004 of the Affordable Care Act amended the Social Security Act to authorize a quality reporting program for hospices. Section 1814(i)(5)(A)(i) of the Social Security Act requires that beginning with federal fiscal year (FFY) 2015 and each subsequent FFY, the Secretary shall reduce the market basket update by 2 percentage points for any hospice provider that does not comply with the quality data submission requirements.

METHODOLOGY AND JUSTIFICATION

The proposed payment rates were determined in accordance with hospice reimbursement methodology, located at the Code of Federal Regulations, Title 42, Part 418, Subpart G.

The “Hospice Wage Index for Fiscal Year 2018” which specifies the adjusted hospice rates for federal fiscal year 2018 was published through the internet on August 1, 2017, at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Hospice-Wage-Index/FY-2018-Final-Hospice-Wage-Index.html?DLPage=1&DLEntries=10&DLSort=0&DLSortDir=descending>.

The Medicaid Hospice payment rates were published August 8, 2017, at <https://www.medicaid.gov/medicaid/benefits/downloads/medicaid-hospice-rates-ffy-2018.pdf>.

Should you have any questions regarding the information in this document, please contact Guerin

Heckman, Rate Analyst at 512/707-6067 or guerin.heckman@hhsc.state.tx.us.