

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

November 20, 2015

**Notice of Proposed Payment Rates
For
Medicaid Hospice**

Payment rates are proposed to be effective:
October 1, 2015
And
January 1, 2016

SUMMARY OF PROPOSED PAYMENT RATES Effective October 1, 2015 and January 1, 2016

The Health and Human Services Commission (HHSC) will conduct a public hearing at 1:30 p.m. on November 20, 2015, in the Public Hearing Room in the John H. Winters Building at 701 W. 51st Street, Austin, Texas 78751, with entrance through Security at the front of the building facing 51st Street. Public comments will be received on proposed payment rates to be effective October 1, 2015, for hospice routine home, continuous home, inpatient respite, general inpatient, physician directed care (under 21), and physician directed care (21 and older). Additionally, public comments will be received on newly proposed rates issued by the Centers for Medicare and Medicaid Services (CMS) to be effective January 1, 2016, for routine home care (days 1-60), routine home care (days 61+), and service intensity add-on rates.

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

PROPOSED RATES

The proposed rates are outlined in the attachments to this packet. The attachments consist of two payment rate 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.

Payment rates for physician directed care (under 21), and physician directed care (21 and older) are not included in this proposed rate packet as these rates are published on the Texas Medicaid and Healthcare Partnership (TMHP) website at <http://www.tmhp.com> in the Texas Medicaid fee schedules. The fees schedules are available in static files or online lookup at: <http://public.tmhp.com/FeeSchedules>.

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.

METHODOLGY AND JUSTIFICATION

The Code of Federal Regulations at 42 CFR 418.306(c) requires hospice rates to be adjusted annually by a wage index that is available only through the internet on the CMS Web site. CMS determines the hospice rate amounts.

The “Hospice Wage Index for Fiscal Year 2016” which specifies the adjusted hospice rates for federal fiscal year 2016 was published through the internet on August 6, 2015, at <https://www.cms.gov/Center/Provider-Type/Hospice-Center.html>.

The Medicaid Hospice payment rates were published September 1, 2015, at <http://www.medicaid.gov/medicaid-chip-program-information/by-topics/benefits/downloads/medicaid-hospice-rates-ffy-2016.pdf>.

The federal fiscal year 2016 hospice rate adjustments for hospice continuous home, inpatient respite, general inpatient, physician directed care (under 21), and physician directed care (21 and older) are effective October 1, 2015. The federal fiscal year 2016 hospice rate adjustments for hospice routine home care are effective from October 1, 2015, through December 31, 2015. The federal fiscal year 2016 hospice rate adjustments for routine home care (days 1-60), routine home care (days 61+), and service intensity add-on rates are effective January 1, 2016.

Should you have any questions regarding the information in this document, please contact Guerin Heckman, Senior Rate Analyst at (512) 707-6067 or guerin.heckman@hhsc.state.tx.us.

Attachment 1 - Hospice Rates for Providers that Have Submitted the Required Quality Data

Attachment 2 - Hospice Rates for Providers that Have Not Submitted the Required Quality Data