Pursuant to 42 C.F.R. §447.205, the Department of Human Services (DHS), Med-QUEST Division (MQD) hereby notifies the public that the MQD intends to submit a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS).

We are transmitting SPA TN No. 21-0015 “Hospice Services”. The proposed amendment to the Medicaid State Plan removes verbiage regarding Hospice payment rate and methodology on Attachment 4.19-B pg. 8.3 and creates a new page to Attachment 4.19-B (pg. 8.4). The new page clarifies in further detail the Hospice payment methodology to also minimize administrative burden.

Under Provisions of federal law, the state is required to issue public notice of proposed changes in statewide methods and standards for setting Medicaid payment rates.

SPA 21-0015 is expected to have minimal effect on the annual aggregate expenditures. The proposed change will be submitted for review to the federal government as a Medicaid SPA.

For a copy of the proposed changes, please contact:

By email:  PPDO@dhs.hawaii.gov  (Please identify in the subject line: State Plan Amendment 21-0015)

By mail:

Department of Human Services
Med-QUEST Division
Attention:  Policy and Program Development Office
P.O. Box 700190
Kapolei, Hawaii 96709

A printed copy of the proposed changes and special accommodations (i.e., interpreter, large print or taped materials) can be arranged if requested by contacting the Policy and Program Development Office at (808) 692-8058 no later than seven (7) working days before the comment period ends.

Comments should be received within 30 days from the time this notice is posted. Individuals may submit written comments using the following methods:

By email:  PPDO@dhs.hawaii.gov  (Please identify in the subject line: State Plan Amendment 21-0015)

By mail:
7. Lodging and meals for Medicaid patients or attendants authorized by the attending physician, in an emergency situation, or the Department’s medical consultant shall be paid through purchase orders to the providers issued by the branch unit.

8. Payments for non-emergency transportation (e.g., Handicabs, but no taxis), are limited to rates established by the Department.

c. Payment for smoking cessation services shall be at the lower of the billed charge, the rate established by the department of the current Medicare fee schedule.
Hospice Care Services Payment

Payment for hospice services is made to a designated hospice provider based on the Medicaid hospice rates published annually in a memorandum issued by the Centers for Medicare & Medicaid Services (CMS), Center for Medicaid and CHIP Services. Additionally, the rates are adjusted for regional differences in wages using the hospice wage index published by CMS.

This rate schedule provides rates for each of the four levels of hospice care, with the exception of payment for physician services.

The reimbursement amounts are determined within each of the following categories:

1. Routine home care where most hospice care is provided Days 1-60.
2. Routine home care where most hospice care is provided Days over 60.
3. Continuous home care which is furnished during a period of crisis and primarily consists of nursing care to achieve palliation and management of acute medical symptoms.
4. Inpatient respite care which is short-term care and intended to relieve family members or others caring for the individual.
5. General inpatient hospice care which is short term and intended for pain control or acute or chronic symptom management which cannot be provided in other settings.
6. Service Intensity Add-on (SIA) will be made for a visit by a social worker or a registered nurse (RN), when provided during routine home care provided in the last 7 days of a Medicaid member’s life. The SIA payment is in addition to the routine home care rate. The SIA Medicaid reimbursement will be equal to the Continuous Home Care hourly payment rate (as calculated annually by CMS), multiplied by the amount of direct patient care hours provided by an RN or social worker for up to four (4) hours total that occurred on the day of service, and adjusted by the appropriate hospice wage index published by CMS.

Section 3004 of the Affordable Care Act amended the Social Security Act to authorize a Medicare quality reporting program for hospices. In accordance with Sections 1814(i)(5)(A)(i) of the Social Security Act, the market basket update will be reduced by 2 percentage points for any hospice that does not comply with the quality data submission requirements.

Hospice nursing facility room and board per diem rates are reimbursed to the hospice provider at a rate equal to 95% of the skilled nursing facility rate, less any Post Eligibility Treatment of Income (PETI) amount, for Medicaid clients who are receiving hospice services. The hospice provider is responsible for passing the room and board payment through to the nursing facility.

For each hospice, the total number of inpatient days (both for general inpatient care and inpatient respite care) must not exceed 20 percent of the aggregate total number of days of hospice care provided to all Medicaid members enrolled in the hospice during the same period, beginning with services rendered November 1 of each year and ending October 31 of the next year.
7. Lodging and meals for Medicaid patients or attendants authorized by the attending physician, in an emergency situation, or the Department’s medical consultant shall be paid through purchase orders to the providers issued by the branch unit.

8. Payments for non-emergency transportation (e.g., Handicabs, but no taxis), are limited to rates established by the Department.

Reimbursement for hospice services shall be based on the rates established under Medicare, adjusted to disregard cost offsets attributable to Medicare coinsurance amounts. The rates, which went into effect on October 1, 1990, will continue through December 31, 1990.

c. Payment for smoking cessation services shall be at the lower of the billed charge, the rate established by the department of the current Medicare fee schedule.
Hospice Care Services Payment

Payment for hospice services is made to a designated hospice provider based on the Medicaid hospice rates published annually in a memorandum issued by the Centers for Medicare & Medicaid Services (CMS), Center for Medicaid and CHIP Services. Additionally, the rates are adjusted for regional differences in wages using the hospice wage index published by CMS.

This rate schedule provides rates for each of the four levels of hospice care, with the exception of payment for physician services.

The reimbursement amounts are determined within each of the following categories:

1. Routine home care where most hospice care is provided Days 1-60.
2. Routine home care where most hospice care is provided Days over 60.
3. Continuous home care which is furnished during a period of crisis and primarily consists of nursing care to achieve palliation and management of acute medical symptoms.
4. Inpatient respite care which is short-term care and intended to relieve family members or others caring for the individual.
5. General inpatient hospice care which is short term and intended for pain control or acute or chronic symptom management which cannot be provided in other settings.
6. Service Intensity Add-on (SIA) will be made for a visit by a social worker or a registered nurse (RN), when provided during routine home care provided in the last 7 days of a Medicaid member’s life. The SIA payment is in addition to the routine home care rate. The SIA Medicaid reimbursement will be equal to the Continuous Home Care hourly payment rate (as calculated annually by CMS), multiplied by the amount of direct patient care hours provided by an RN or social worker for up to four (4) hours total that occurred on the day of service, and adjusted by the appropriate hospice wage index published by CMS.

Section 3004 of the Affordable Care Act amended the Social Security Act to authorize a Medicare quality reporting program for hospices. In accordance with Sections 1814(i)(5)(A)(i) of the Social Security Act, the market basket update will be reduced by 2 percentage points for any hospice that does not comply with the quality data submission requirements.

Hospice nursing facility room and board per diem rates are reimbursed to the hospice provider at a rate equal to 95% of the skilled nursing facility rate, less any Post Eligibility Treatment of Income (PETI) amount, for Medicaid clients who are receiving hospice services. The hospice provider is responsible for passing the room and board payment through to the nursing facility.

For each hospice, the total number of inpatient days (both for general inpatient care and inpatient respite care) must not exceed 20 percent of the aggregate total number of days of hospice care provided to all Medicaid members enrolled in the hospice during the same period, beginning with services rendered November 1 of each year and ending October 31 of the next year.