DAVID Y. IGE
GOVERNOR

RACHAEL WONG, DrPH
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Med-QUEST Division
Finance Office
P.O. Box 700190
Kapolei, Hawaii 96709-0190

November 6, 2015

MEMORANDUM

MEMO NOs.
QI-1520
FFS-1514

TO: QUEST Integration (QI) Health Plans
Medicaid Fee-For-Service (FFS) Hospice Providers
Attention: Hospice Administrators

FROM: Judy Mohr Peterson, PhD
Med-QUEST Division Administrator

SUBJECT: MEDICAID HOSPICE RATES - EFFECTIVE OCTOBER 1, 2015 THROUGH DECEMBER 31, 2015 AND JANUARY 1, 2016 THROUGH SEPTEMBER 30, 2016

Please find attached the Medicaid hospice reimbursement rates for hospice services for all participating providers. Please note that all of the hospice services identified on the attached Memo to Hospice Providers dated 9/29/15 are Medicaid covered service in both the fee-for-service (FFS) and QUEST Integration programs.

The rates are based on the Centers for Medicare & Medicaid Services (CMS) memorandum related to Annual Change in Medicaid Hospice Payment Rates dated September 1, 2015 and the FY 2016 Hospice Wage Index downloaded from CMS website.

The rates attached are based on the assumption that all Hospice providers in the State of Hawaii have complied with the Quality Assurance regulations as stated in the CMS memorandum dated September 1, 2015.

The CMS memorandum contains the Medicaid Hospice Payment Rates for Federal Fiscal Year (FFY) 2016. Accordingly, the rates reflect changes made under the final **Medicare Hospice Rule** published on August 6, 2015. That rule changes the payment methodology for the following:

Rate Changes for this Notice:
Attachment A: Hospice Rates for the period October 1, 2015 through December 31, 2015.

Attachment B: Hospice Rates for the period January 1, 2016 through September 30, 2016.

Routine Home Care Rate: Starting January 1, 2016, the federal rule implements two routine home care rates that will result in a higher base rate for the first 60 days of hospice care and a reduced base payment rate for days thereafter - see Attachment B for the two Routine Home Care rates.

Service Intensity Add-On Rate: Starting January 1, 2016, the federal rule also establishes a new payment rate called Service Intensity Add-on (SIA). This payment will be made for a visit by a social worker or a registered nurse (RN) when provided during routine home care in the last seven days of life. The SIA payment is in addition to the routine home care rate. The SIA payment will be equal to the Continuous Home Care, hourly rate multiplied by the hours of nursing or social work provided (up to 4 hours total) that occurred on the day of service - see Attachment B for SIA rate.

Please inform your staff of the new payment rates and effective dates.

Should you have any questions, please contact Mr. Reuben Shimazu at (808) 692-7983 or by email rshimazu@medicaid.dhs.state.hi.us.

Attachments

c: Hospice Providers Administrators

Attachment A

State of Hawaii
Department of Human Services
Med-QUEST Division - Finance Office

FY 2016 Medicaid Fee-for-Service Hospice Rates
Rate Period: October 1, 2015 through December 31, 2015

Oahu (Urban) Hospice Providers

Hospice Service	Daily/Hourly Rates
Routine Home Care	$189.59/day
Continuous Home Care	$1,105.44/day $46.06/hour
Inpatient Respite Care	$199.81/day
General Inpatient Care	$833.87/day

Neighbor Island (Rural) Hospice Providers

Hospice Service	Daily/Hourly Rates
Routine Home Care	$171.09/day
Continuous Home Care	$997.57/day $41.57/hour
Inpatient Respite Care	$183.96/day
General Inpatient Care	$757.31/day

Attachment B

State of Hawaii
Department of Human Services
Med-QUEST Division- Finance Office

FY 2016 Medicaid Fee for Service Hospice Rates
Rate Period: January 1, 2016 through September 30, 2016

Oahu (Urban) Hospice Providers

Hospice Service	Daily/Hourly Rates
Routine Home Care *Days 1-60	$218.80/day
Routine Home Care *Day +61	$171.95/day
**Service Intensity Add-on	$46.06/hour
Continuous Home Care	$1,105.44/day $46.06/hour
Inpatient Respite Care	$199.81/day
General Inpatient Care	$833.87/day

Neighbor Island (Rural) Hospice Providers

Hospice Service	Daily/Hourly Rates
Routine Home Care *Days 1-60	$197.45/day
Routine Home Care *Day +61	$155.17/day
**Service Intensity Add-on	$41.57/hour
Continuous Home Care	$997.57/day $41.57/hour
Inpatient Respite Care	$183.96/day
General Inpatient Care	$757.31/day

***Routine Home Care – New payment methodology (See cover letter)**

****Service Intensity Add-on – New Rate (See cover letter)**