

FY 2019 Medicare Hospice Final Rule

OVERVIEW

On August 1st, the Centers for Medicare and Medicaid Services (CMS) issued a final rule to update the Medicare hospice payment rate for federal fiscal year (FY) 2019. The rule also finalizes changes to the scope of practice for physician assistants, Hospice Compare website, and Hospice Quality Reporting Program (QRP).

Unless otherwise specified, the provisions of the rule will go into effect on October 1, 2018. The rule is available [here](#).

Payment Updates

The rule finalizes a 1.8% payment increase based on a 2.9% inpatient hospital market basket update, reduced by a 0.8% multifactor productivity adjustment, and a 0.3% reduction mandated by the Affordable Care Act.

The hospice payment system also includes an aggregate cap that limits annual per-beneficiary payments to hospices. The Improving Medicare Post-Acute Care Transformation (IMPACT) Act requires that between September 30, 2016 and October 1, 2025, the cap amount must be updated by the hospice payment rate percentage rather than the Consumer Price Index. As such, the cap will increase by 1.8% to \$29,205.44 in FY 2019.

Scope of Practice Expansion

Currently, only physicians and nurse practitioners are considered attending physicians for purposes of Medicare's hospice benefit. As mandated by the Bipartisan Budget Act of 2018, physician assistants will also be recognized as hospice attending physicians effective January 1, 2019.

Hospice Compare

CMS finalized several changes for the Hospice Compare website:

- *Composite Score* – CMS will reconfigure the Hospice Compare website so that the composite measure is more predominantly featured than the seven component measures. Users will only see the composite measure, unless they click to view the component measures in an expandable/collapsible format.
- *Public Use Files (PUFs)* – CMS will display data from PUFs and other publicly available CMS data on Hospice Compare. The Hospice PUF contains information on utilization, payment, submitted charges, primary diagnoses, sites of service, and beneficiary demographics. CMS will develop a new section of the website to display this information.

- *Public Review Period* – Currently, hospices have 36 months to modify Hospice Item Set (HIS) data, but only data that is altered before the public reporting “freeze date” are reflected in the corresponding Hospice Compare site update. The final rule will provide hospices with a distinct period of time to review and correct data that is about to be publicly reported. Beginning January 1, 2019, hospices will have approximately 4.5 months at the end of each CY quarter to review and correct the HIS data that will be publicly reported on Hospice Compare.
- *New Measures* – CMS will publicly display two new measures in FY 2019: HIS-based Hospice Comprehensive Assessment Measure and Hospice Visits when Death is Imminent Measure Pair.

Hospice QRP

CMS currently considers seven factors for Hospice QRP measure removal:

- Measure performance among hospices is so high and unvarying that meaningful distinctions in improvements in performance can no longer be made;
- Performance or improvement on a measure does not result in better patient outcomes;
- A measure does not align with current clinical guidelines or practice;
- A more broadly applicable measure (across settings, populations, or conditions) for the particular topic is available;
- A measure that is more proximal in time to desired patient outcomes for the particular topic is available;
- A measure that is more strongly associated with desired patient outcomes for the particular topic is available; or
- Collection or public reporting of a measure leads to negative unintended consequences.

The final rule adopts an eighth factor that considers whether the costs associated with a measure outweigh the benefits of reporting this measure.