



Hospice Action Network Hill Day, June 2023

Talking Points

Summary of Policy Asks

- 1) **Hospice Payment Policy:** Urge the Centers for Medicare and Medicaid Services (CMS) to increase Medicare payment rates for hospice providers.
- 2) **Program Integrity:** Sign on to the Blumenauer-Van Dyne letter to CMS on program integrity. Urge CMS to implement appropriate federal oversight to protect patients, caregivers, providers, and the core values of hospice care.
- 3) **Community-Based Palliative Care:** Cosponsor the Expanding Access to Palliative Care Act upon re-introduction.
- 4) **Hospice and Palliative Care Workforce:** Support the re-introduction of the Palliative Care and Hospice Education and Training Act (PCHETA) and support any other legislation that would follow recommendations for expanding the hospice workforce.

Hospice Payment Policy

- About 90% of hospice patient care revenue comes from Medicare payments.
- Medicare covers up to 100% of the costs for hospice care and services related to a patient's terminal illness. Medicare pays hospice providers a "per diem" or daily rate based on the level of care for each day a patient is enrolled. Hospice providers are also subject to a Medicare hospice cap, which limits the annual payments made to hospice providers.
- CMS has recently proposed raising payment to hospice providers by just 2.8% for Fiscal Year 2024.
- **Payment rate increase of 2.8% is not fiscally sustainable.**
 - **Workforce issues:** Hospices, like other healthcare providers, are facing significant staffing shortages. Hospice providers compete with hospitals and other healthcare providers in the community for staffing. As a consequence, salaries have increased significantly. Providers reported that for 2022, nursing wages alone increased by as much as 23%.
 - **Inflation:** The rate of inflation continues to increase and creates pressure on hospice providers through increased costs of gas and mileage reimbursement, medical supplies, drugs, and purchases for operations. Medical supplies costs have increased by 18% and the cost of some medications have increased as much as 73%.
 - **Sequestration:** Since July 2022, sequestration has been fully implemented after a moratorium implemented between 2020 - 2022. Sequestration reduces Medicare payments to providers by 2%. Thus, a payment increase of 2.8% is in reality a .8% increase.
- **Ask:** Urge CMS to raise the hospice payment rate by more than 2.8%.

Ensuring Program Integrity in Hospice Care

- **I have read a lot about hospice integrity issues in the media lately. What can you tell me about that?**
 - There has been a recent increase in newly-created hospices in several states. This growth has escalated concerns in the hospice community about the adequacy of Medicare processes to prevent fraud and enforce regulations.
 - Hospice leaders and providers are highly concerned about these developments. We are fully invested in the patient-centered core values of hospice and want bad actors weeded out.
- **What has NHPCO done to address hospice program integrity?**
 - For more than 40 years, NHPCO has worked closely with our members, Congressional leaders, the OIG, and the CMS to support improved hospice oversight.
 - Most recently, NHPCO joined with partner organizations to provide CMS and key Congressional stakeholders with 34 recommended legislative and regulatory changes to strengthen hospice program integrity.
- For hospices to continue to deliver on the promise of the care model, we need policies and regulations that ensure:
 - Hospices across the country are empowered to deliver excellent care
 - Local, state, and federal agencies have the capacity to set and enforce licensure and certification requirements for hospices
 - Patients and their families understand the hospice benefit and have access to the quality care they deserve
 - Hospices strive to deliver above and beyond the requirements of the Medicare hospice benefit
- The 34 recommendations submitted by NHPCO and partner organizations to CMS and key Congressional stakeholders include:
 - Limit enrollment of new providers with a targeted moratorium on new hospices.
 - Enforce against non-operational hospices by revoking Medicare enrollment and increasing site visits.
 - Develop hospice “red flag” criteria to trigger investigations of applicants prior to approving certification.
 - Require surveyors to confirm ability of hospices to provide all four levels of hospice care.
 - Add education and/or qualifications to Medicare hospice Conditions of Participation for hospice administrators and patient care managers.
- **Ask:**
 - Urge CMS to implement appropriate federal oversight to protect patients, caregivers, providers, and the core values of hospice care according to the recommendations of the hospice care community, including NHPCO and partner organizations.
 - Sign on to the Blumenauer-Van Dyne letter to CMS on program integrity.

Community-Based Palliative Care Demonstration

- The U.S. healthcare system is broken, especially when it comes to taking care of Americans suffering from serious illness. This vulnerable population should have access to community-based palliative care in their homes or wherever they call home.
- Palliative care seeks to address not only physical pain, but also extends emotional, social, and spiritual support to achieve the best possible quality of life.
- Although palliative care has been shown to be effective and cost-saving, many have little or no choice when it comes to accessing this type of care. Currently, hospice providers offer palliative care to their patients — but this is a small fraction compared to the number of patients who could benefit.
- The time is **now** to offer this person-centered, interdisciplinary care to patients with serious illness who are still seeking curative treatment.

What is a CMMI Demonstration?

- The Centers for Medicare and Medicaid (CMS) can, through its Innovation Center, implement a demonstration to test a Community-Based Palliative Care model.
- A demonstration is a way the Innovation Center implements potential new Medicare benefits on a small scale, to test their impact on patients, and their cost to Medicare.

Has CMMI tested this before?

- CMMI tested the Medicare Care Choices Model (MCCM) which is a more limited model of a Community Based Palliative Care Demonstration. The demonstration ended at the end of 2021 showing 14% savings to Medicare with fewer inpatient stays, emergency department visits, and days in the ICU. It also showed earlier admission to hospice and greater patient satisfaction.

How much will this cost?

- Based on preliminary analysis that NHPCO conducted with NORC at the University of Chicago (a non-partisan research institution), this model can produce approximately \$600 million dollars in savings to the Medicare program.

How do hospice providers fit in this proposal?

- Hospice and palliative care providers are uniquely positioned to deliver this model of care, which leverages their longstanding expertise in advance care planning, pain and symptom management, interdisciplinary care, mental health, social, and spiritual support, care coordination, and co-management with other medical providers in the home setting to support people with serious illness and their families.
- **Ask:**
 - Please consider reaching out to CMS in support of a Community-Based Palliative Care Demonstration. Strong Congressional support of this legislation will help make it more of a priority.
 - Cosponsor the Expanding Access to Palliative Care Act upon reintroduction.

The Hospice Workforce Crisis

- There is a shortage of hospice and palliative care providers across much of the country, which was escalated by COVID-19 and rising inflation.
- Hospices are particularly vulnerable to staff shortages, as they rely on an interdisciplinary team including nurses, social workers, aides, and more.
- We need improved hospice and palliative training for health professionals and to enhance public awareness for patients and professionals about hospice and palliative care.
- This issue could be addressed by several approaches, including supporting a number of bills, including the Palliative Care and Hospice Education and Training Act (PCHETA), which was introduced in the previous Congress, and some others.

Palliative Care and Hospice Education and Training Act (PCHETA)

- **Why hasn't this bill passed previously?**
 - Any piece of legislation will have its challenges getting passed. With PCHETA, we've got a tremendous amount of support and cosponsors. It has even passed the House twice. We're hopeful that this will be the year we will see passage.
- **Why is it more likely to pass this session?**
 - Congress is seriously looking to address workforce issues, and we believe there is an opportunity to include it in a larger package.
- **How much will this cost?**
 - During the 115th Congress CBO estimated that implementing PCHETA would cost \$86 million from 2018-2023.
- **Ask:** Support the reintroduction of PCHETA as an original cosponsor.