

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201761 SEPTEMBER 26, 2017

FSSA announces FFY 2018 hospice rates

The Centers for Medicare & Medicaid Services (CMS) released new federal hospice rates for federal fiscal year 2018 (FFY 2018), effective for dates of service October 1, 2017, through September 30, 2018, inclusive. These rates are the basis for payments to Medicaid-enrolled hospice providers. Accordingly, the Indiana Family and Social Services Administration (FSSA) is providing information regarding Indiana Health Coverage Programs (IHCP) hospice rates for the same time period.

IHCP hospice rate calculation

Reimbursement for IHCP hospice benefits is based on the methodology established by the CMS for the administration of the federal Medicare program. Additionally, IHCP rates include payment for any Medicare coinsurance amounts and are further adjusted for regional wage differences.

- The total *per diem* amounts reimbursed to IHCP-enrolled providers are calculated according to the IHCP hospice member's level of care (LOC) as follows:
 - Routine home hospice LOC in the private home – IHCP hospice *per diem* only
 - Routine home hospice LOC in the nursing home – IHCP hospice *per diem* plus room and board *per diem*
 - Continuous home hospice LOC in the private home – IHCP hospice *per diem* only
 - Continuous home hospice LOC in the nursing home – IHCP hospice *per diem* plus room and board *per diem*
 - Inpatient respite care for the private home members or nursing facility members – IHCP hospice *per diem* only (There is no additional room and board *per diem* for this service.)
 - General inpatient care for the private home members or nursing facility members – IHCP hospice *per diem* only (There is no additional room and board *per diem* for this service.)
- The service intensity add-on (SIA) payment is in addition to the routine home care *per diem* rate in both the private home and in the nursing facility. The SIA payment is equal to the continuous home care hourly rate multiplied by the hours of nursing or social work provided on the date of service (up to four hours total). The SIA payment is also adjusted for regional wage differences.



The hospice *per diem* rates for both routine and continuous home hospice LOC in the private home, as well as the SIA in the private home, are adjusted using the wage index for the city or county where the member resides. The hospice *per diem* rates for both routine and continuous hospice LOC in the nursing facility, as well as the payment for SIA services in the nursing facility, are adjusted using the wage index of the city or county where the hospice facility is located.

Section 3004 of the *Affordable Care Act (ACA)* amended the *Social Security Act (the Act)* to authorize a quality reporting program for hospice providers. Section 1814(i)(5)(A)(i) of the Act requires that the market basket update be reduced by 2 percentage points for any hospice provider that does not comply with the quality data reporting requirements, and that Medicare minimum rates be reduced by the amount of any penalty assessed for nonreporting. Medicaid agencies have the flexibility to pay more than the minimum rates reduced by the penalty. At its discretion, the FSSA does not intend to implement the reduced minimum rates imposed by the ACA during FFY 2018.

Federal *per diem* rates for hospice claims

The federal Medicaid hospice payment rates for care and services provided from October 1, 2017, through September 30, 2018, inclusive, are reflected on the following tables:

- Table 1 – Federal *per diem* rates for routine home care, continuous home care, inpatient respite care, and general inpatient care effective October 1, 2017, through September 30, 2018
- Table 2 – Federal rates for SIA payments made in conjunction with routine home care effective October 1, 2017, through September 30, 2018
- Table 3 – IHCP wage-adjusted rates for hospice benefits effective for dates of service October 1, 2017, through September 30, 2018, inclusive



Note that the daily or hourly rate on each table is the sum of the amount subject to wage index (the labor portion of the rate) plus the unweighted amount (the nonlabor portion of the rate). States must adjust the federal daily or hourly rate to reflect local geographical differences in wage levels. The wage-adjusted rates shown on Table 3 are computed by multiplying the federal “component subject to wage index” amount by the hospice wage index for the applicable geographic area, and adding the result to the federal “unweighted component” amount.

The IHCP will update the *CoreMMIS* claim-processing system with the new hospice rates by November 1, 2017, when providers begin billing for October service dates. It is anticipated that no mass adjustment of claims will be needed.

Table 1 – Federal per diem rates for routine home care, continuous home care, inpatient respite care, and general inpatient care effective October 1, 2017, through September 30, 2018

Level of care	Daily rate	Component subject to wage index	Unweighted component
Routine home care (days 1-60)	\$193.03	\$132.63	\$60.40
Routine home care (days 61+)	\$151.61	\$104.17	\$47.44
Continuous home care	\$976.80	\$671.16	\$305.64
Inpatient respite care	\$181.87	\$98.45	\$83.42
General inpatient care	\$743.55	\$475.95	\$267.60

Table 2 – Federal rates for service intensity add-on payments made in conjunction with routine home care effective October 1, 2017, through September 30, 2018

Level of care	Daily rate	Component subject to wage index	Unweighted component
Service intensity add-on	\$40.70	\$27.97	\$12.73

Table 3 – IHCP wage-adjusted rates for hospice benefits effective for dates of service October 1, 2017, through September 30, 2018, inclusive

County name	County code	Wage index ¹	Routine home care (days 1-60)	Routine home care (days 61+)	Routine home care service intensity add-on	Continuous home care full rate 24 hours	Continuous home care hourly rate ²	Inpatient respite care	General inpatient care
Urban Areas									
Bloomington:									
Monroe	53	0.8881	178.19	139.95	37.57	901.70	37.57	170.85	690.29
Owen	60	0.8881	178.19	139.95	37.57	901.70	37.57	170.85	690.29
Cincinnati:									
Dearborn	15	0.9387	184.90	145.22	38.99	935.66	38.99	175.84	714.37
Ohio	58	0.9387	184.90	145.22	38.99	935.66	38.99	175.84	714.37
Union	81	0.9387	184.90	145.22	38.99	935.66	38.99	175.84	714.37
Columbus:									
Bartholomew	3	0.9799	190.36	149.52	40.14	963.31	40.14	179.89	733.98
Elkhart/									
Goshen:									
Elkhart	20	0.9301	183.76	144.33	38.74	929.89	38.75	174.99	710.28
Evansville:									
Posey	65	0.8967	179.33	140.85	37.81	907.47	37.81	171.70	694.38
Vanderburgh	82	0.8967	179.33	140.85	37.81	907.47	37.81	171.70	694.38
Warrick	87	0.8967	179.33	140.85	37.81	907.47	37.81	171.70	694.38
Fort Wayne:									
Allen	2	0.8813	177.29	139.25	37.38	897.13	37.38	170.18	687.05
Wells	90	0.8813	177.29	139.25	37.38	897.13	37.38	170.18	687.05
Whitley	92	0.8813	177.29	139.25	37.38	897.13	37.38	170.18	687.05
Gary:									
Jasper	37	0.9357	184.50	144.91	38.90	933.64	38.90	175.54	712.95
Lake	45	0.9357	184.50	144.91	38.90	933.64	38.90	175.54	712.95
Newton	56	0.9357	184.50	144.91	38.90	933.64	38.90	175.54	712.95
Porter	64	0.9357	184.50	144.91	38.90	933.64	38.90	175.54	712.95
Indianapolis/									
Carmel/									
Anderson:									
Boone	6	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Brown	7	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Hamilton	29	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Hancock	30	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Hendricks	32	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Johnson	41	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Madison	48	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Marion	49	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Morgan	55	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Putnam	67	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69
Shelby	73	1.0234	196.13	154.05	41.35	992.51	41.35	184.17	754.69

Table 3 – IHCP wage-adjusted rates or hospice benefits effective for dates of service October 1, 2017, through September 30, 2018, inclusive (continued)

County name	County code	Wage index ¹	Routine home care (days 1-60)	Routine home care (days 61+)	Routine home care service intensity add-on	Continuous home care full rate 24 hours	Continuous home care hourly rate ²	Inpatient respite care	General inpatient care
Kokomo:									
Howard	34	0.9048	180.40	141.69	38.04	912.91	38.04	172.50	698.24
Lafayette/West Lafayette:									
Benton	4	0.9765	189.91	149.16	40.04	961.03	40.04	179.56	732.37
Carroll	8	0.9765	189.91	149.16	40.04	961.03	40.04	179.56	732.37
Tippecanoe	79	0.9765	189.91	149.16	40.04	961.03	40.04	179.56	732.37
Louisville/Jefferson County:									
Clark	10	0.8859	177.90	139.72	37.51	900.22	37.51	170.64	689.24
Floyd	22	0.8859	177.90	139.72	37.51	900.22	37.51	170.64	689.24
Harrison	31	0.8859	177.90	139.72	37.51	900.22	37.51	170.64	689.24
Scott	72	0.8859	177.90	139.72	37.51	900.22	37.51	170.64	689.24
Washington	88	0.8859	177.90	139.72	37.51	900.22	37.51	170.64	689.24
Michigan City/La Porte:									
La Porte	46	0.9693	188.96	148.41	39.84	956.20	39.84	178.85	728.94
Muncie:									
Delaware	18	1.0056	193.77	152.19	40.86	980.56	40.86	182.42	746.22
South Bend/Mishawaka:									
St. Joseph	71	0.9565	187.26	147.08	39.48	947.60	39.48	177.59	722.85
Terre Haute:									
Clay	11	0.9277	183.44	144.08	38.68	928.28	38.68	174.75	709.14
Sullivan	77	0.9277	183.44	144.08	38.68	928.28	38.68	174.75	709.14
Vermillion	83	0.9277	183.44	144.08	38.68	928.28	38.68	174.75	709.14
Vigo	84	0.9277	183.44	144.08	38.68	928.28	38.68	174.75	709.14
Nonurban Areas:									
Adams	1	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Blackford	5	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Cass	9	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Clinton	12	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Crawford	13	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Daviess	14	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
De Kalb	17	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Decatur	16	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Dubois	19	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Fayette	21	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Fountain	23	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Franklin	24	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Fulton	25	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Gibson	26	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Grant	27	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Greene	28	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Henry	33	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Huntington	35	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Jackson	36	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Jay	38	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Jefferson	39	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31

Table 3 – IHCP wage-adjusted rates for hospice benefits effective for dates of service October 1, 2017, through September 30, 2018, inclusive (continued)

County name	County code	Wage index ¹	Routine home care (days 1-60)	Routine home care (days 61+)	Routine home care service intensity add-on	Continuous home care full rate 24 hours	Continuous home care hourly rate ²	Inpatient respite care	General inpatient care
Nonurban Areas (Continued):									
Jennings	40	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Knox	42	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Kosciusko	43	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
LaGrange	44	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Lawrence	47	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Marshall	50	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Martin	51	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Miami	52	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Montgomery	54	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Noble	57	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Orange	59	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Parke	61	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Perry	62	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Pike	63	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Pulaski	66	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Randolph	68	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Ripley	69	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Rush	70	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Spencer	74	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Starke	75	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Steuben	76	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Switzerland	78	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Tipton	80	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Wabash	85	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Warren	86	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
Wayne	89	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31
White	91	0.8167	168.72	132.52	35.57	853.78	35.57	163.82	656.31

¹The Hospice Wage Index was published in the Federal Register on August 4, 2017. States adjust the wage component of the daily hospice payment rates to reflect geographical differences in the wage levels.

²The continuous home care hourly rate, as adjusted, is used to calculate the SIA payment amount.

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