



**P R O V I D E R   B U L L E T I N**

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**To:           All Hospice Providers**

**Subject:    Annual Updates to Hospice Rates**

## Overview

Each year on October 1, the Centers for Medicare and Medicaid Services (CMS) releases new hospice rates to state Medicaid agencies for Medicaid-enrolled hospice providers. This bulletin provides the following information for the Indiana Health Coverage Programs (IHCP) hospice rates effective October 1, 2005, through September 30, 2006:

- A brief explanation of the method Myers and Stauffer, LC, the IHCP long-term care reimbursement rate contractor, used to calculate the new IHCP hospice rates.
- A table listing the new IHCP hospice rates effective October 1, 2005, as prepared by Myers and Stauffer, LC.
- A table listing a comparison of the Medicaid Hospice county classifications for October 1, 2004, and October 1, 2005. Some cities that were listed as non-urban in October 1, 2004, are listed as urban in 2005.

## Method of Calculation

Reimbursement for the IHCP hospice benefit follows the methodology and level established by the CMS for the administration of the federal Medicare program. Therefore, the IHCP hospice rates, based on Medicare reimbursement rates and methodology, are adjusted to disregard offsets resulting from Medicare premium amounts. The rates are adjusted in wages using listings from CMS.

IHCP-enrolled providers are reimbursed a total per diem amount based on the IHCP hospice member's location of care. The IHCP reimburses hospice providers at one of the hospice levels of care (LOC). A member's hospice LOC is covered in one of the following situations:

- 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

Hospice providers are reminded that the Balanced Budget Act (BBA) of 1997 changed the reimbursement methodology so that the hospice per diem for routine and continuous home hospice LOC is paid using the wage index listing for the city or county where the member resides. The BBA of 1997 specifies that when a hospice bills for inpatient hospice care, the hospice rate continues to be paid using the wage index listing of the city or county where the hospice is located. The IHCP pays hospice claims consistent with the BBA of 1997.

## Payment of Hospice Claims

EDS loaded the new hospice rates into IndianaAIM in October 2005, and the rates are listed on Table 1. A mass claims adjustment is not needed because the system was updated with the new hospice rates prior to November 1, 2005, when a hospice would start billing for October 2005 hospice service dates.

Table 1 – Hospice Wage Adjusted Rates Effective October 1, 2005

County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24HRs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
<b>Anderson:</b>							
Madison	48	0.9945	126.17	735.76	30.66	137.33	560.71
<b>Bloomington:</b>							
Greene	28	0.9187	119.58	697.29	29.05	131.68	533.41
Monroe	53	0.9108	118.89	693.28	28.89	131.09	530.56
Owen	60	0.9187	119.58	697.29	29.05	131.68	533.41
<b>Cincinnati:</b>							
Dearborn	15	1.0135	127.82	745.40	31.06	138.75	567.55
Ohio	58	1.0135	127.82	745.40	31.06	138.75	567.55
Franklin	24	0.9680	123.87	722.31	30.10	135.35	551.16
<b>Columbus:</b>							
Bartholomew	3	0.9612	123.27	718.86	29.95	134.85	548.72
<b>Elkhart-Goshen:</b>							
Elkhart	20	0.9841	125.27	730.48	30.44	136.55	556.96
<b>Evansville:</b>							
Gibson	26	0.9073	118.58	691.51	28.81	130.83	529.30
Posey	65	0.8892	117.01	682.32	28.43	129.48	522.78
Vanderburgh	82	0.8892	117.01	682.32	28.43	129.48	522.78
Warrick	87	0.8892	117.01	682.32	28.43	129.48	522.78

(Continued)

Table 1 – Hospice Wage Adjusted Rates Effective October 1, 2005

County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24HRs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
<b>Fort Wayne:</b>							
Allen	2	1.0365	129.83	757.07	31.54	140.46	575.84
Wells	90	1.0365	129.83	757.07	31.54	140.46	575.84
Whitley	92	1.0365	129.83	757.07	31.54	140.46	575.84
<b>Gary:</b>							
Lake	45	0.9892	125.71	733.07	30.54	136.93	558.80
Jasper	37	0.9570	122.91	716.73	29.86	134.53	547.20
Newton	56	0.9570	122.91	716.73	29.86	134.53	547.20
Porter	64	0.9892	125.71	733.07	30.54	136.93	558.80
<b>Indianapolis:</b>							
Boone	6	1.0687	132.63	773.41	32.23	142.86	587.43
Brown	7	0.9996	126.62	738.35	30.76	137.71	562.55
Hamilton	29	1.0687	132.63	773.41	32.23	142.86	587.43
Hancock	30	1.0687	132.63	773.41	32.23	142.86	587.43
Hendricks	32	1.0687	132.63	773.41	32.23	142.86	587.43
Johnson	41	1.0687	132.63	773.41	32.23	142.86	587.43
Marion	49	1.0687	132.63	773.41	32.23	142.86	587.43
Morgan	55	1.0687	132.63	773.41	32.23	142.86	587.43
Putnam	67	0.9996	126.62	738.35	30.76	137.71	562.55
Shelby	73	1.0687	132.63	773.41	32.23	142.86	587.43
<b>Kokomo:</b>							
Howard	34	0.9531	122.57	714.75	29.78	134.24	545.80
Tipton	80	0.9531	122.57	714.75	29.78	134.24	545.80
<b>Lafayette:</b>							
Benton	4	0.9442	121.79	710.23	29.59	133.58	542.59
Carroll	8	0.9442	121.79	710.23	29.59	133.58	542.59
Tippecanoe	79	0.9617	123.32	719.11	29.96	134.88	548.90
<b>Louisville:</b>							
Clark	10	0.9697	124.01	723.17	30.13	135.48	551.78
Floyd	22	0.9697	124.01	723.17	30.13	135.48	551.78
Harrison	31	0.9697	124.01	723.17	30.13	135.48	551.78
Washington	88	0.9471	122.05	711.71	29.65	133.80	543.64

(Continued)

Table 1 – Hospice Wage Adjusted Rates Effective October 1, 2005

County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24HRs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
<b>Michigan City/LaPorte:</b>							
La Porte	46	0.9582	123.01	717.34	29.89	134.62	547.63
Muncie:							
Delaware	18	0.9100	118.82	692.88	28.87	131.03	530.27
<b>South Bend:</b>							
St. Joseph	71	1.0020	126.82	739.56	30.82	137.89	563.41
<b>Terre Haute:</b>							
Clay	11	0.9068	118.54	691.25	28.80	130.79	529.12
Sullivan	77	0.9150	119.25	695.42	28.98	131.40	532.07
Vermillion	83	0.9068	118.54	691.25	28.80	130.79	529.12
Vigo	84	0.9068	118.54	691.25	28.80	130.79	529.12
<b>Nonurban Areas:</b>							
Adams	1	0.9753	124.50	726.02	30.25	135.90	553.79
Blackford	5	0.9222	119.88	699.07	29.13	131.94	534.67
Cass	9	0.9222	119.88	699.07	29.13	131.94	534.67
Clinton	12	0.9397	121.40	707.95	29.50	133.24	540.97
Crawford	13	0.9222	119.88	699.07	29.13	131.94	534.67
Daviess	14	0.9222	119.88	699.07	29.13	131.94	534.67
De Kalb	17	0.9753	124.50	726.02	30.25	135.90	553.79
Decatur	16	0.9222	119.88	699.07	29.13	131.94	534.67
Dubois	19	0.9222	119.88	699.07	29.13	131.94	534.67
Fayette	21	0.9222	119.88	699.07	29.13	131.94	534.67
Fountain	23	0.9222	119.88	699.07	29.13	131.94	534.67
Fulton	25	0.9222	119.88	699.07	29.13	131.94	534.67
Grant	27	0.9222	119.88	699.07	29.13	131.94	534.67
Henry	33	0.9222	119.88	699.07	29.13	131.94	534.67
Huntington	35	0.9753	124.50	726.02	30.25	135.90	553.79
Jackson	36	0.9222	119.88	699.07	29.13	131.94	534.67
Jay	38	0.9222	119.88	699.07	29.13	131.94	534.67
Jefferson	39	0.9222	119.88	699.07	29.13	131.94	534.67
Jennings	40	0.9222	119.88	699.07	29.13	131.94	534.67
Knox	42	0.9222	119.88	699.07	29.13	131.94	534.67

(Continued)

Table 1 – Hospice Wage Adjusted Rates Effective October 1, 2005

County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24HRs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Kosciusko	43	0.9222	119.88	699.07	29.13	131.94	534.67
Lagrange	44	0.9222	119.88	699.07	29.13	131.94	534.67
Lawrence	47	0.9222	119.88	699.07	29.13	131.94	534.67
Marshall	50	0.9222	119.88	699.07	29.13	131.94	534.67
Martin	51	0.9222	119.88	699.07	29.13	131.94	534.67
Miami	52	0.9222	119.88	699.07	29.13	131.94	534.67
Montgomery	54	0.9222	119.88	699.07	29.13	131.94	534.67
Noble	57	0.9222	119.88	699.07	29.13	131.94	534.67
Orange	59	0.9222	119.88	699.07	29.13	131.94	534.67
Parke	61	0.9222	119.88	699.07	29.13	131.94	534.67
Perry	62	0.9222	119.88	699.07	29.13	131.94	534.67
Pike	63	0.9222	119.88	699.07	29.13	131.94	534.67
Pulaski	66	0.9222	119.88	699.07	29.13	131.94	534.67
Randolph	68	0.9222	119.88	699.07	29.13	131.94	534.67
Ripley	69	0.9222	119.88	699.07	29.13	131.94	534.67
Rush	70	0.9222	119.88	699.07	29.13	131.94	534.67
Scott	72	0.9448	121.85	710.54	29.61	133.62	542.81
Spencer	74	0.9222	119.88	699.07	29.13	131.94	534.67
Starke	75	0.9222	119.88	699.07	29.13	131.94	534.67
Steuben	76	0.9222	119.88	699.07	29.13	131.94	534.67
Switzerland	78	0.9222	119.88	699.07	29.13	131.94	534.67
Union	81	0.9222	119.88	699.07	29.13	131.94	534.67
Wabash	85	0.9222	119.88	699.07	29.13	131.94	534.67
Warren	86	0.9222	119.88	699.07	29.13	131.94	534.67
Wayne	89	0.9222	119.88	699.07	29.13	131.94	534.67
White	91	0.9222	119.88	699.07	29.13	131.94	534.67

Table 2 – Comparison of the Medicaid Hospice County Classifications  
 for October 1, 2004, versus October 1, 2005

<b>Hospice Wage Adjusted Rates Effective October 1, 2005</b>					
<b>BEFORE CHANGE</b>			<b>AFTER CHANGE</b>		
<b>County Name</b>	<b>County Code</b>	<b>2004/2005 Wage Index</b>	<b>County Name</b>	<b>County Code</b>	<b>2005/2006 Wage Index</b>
<b>Anderson:</b>					
			Madison	48	0.9945
<b>Bloomington:</b>					
			Greene	28	0.9187
Monroe	53	0.9232	Monroe	53	0.9108
			Owen	60	0.9187
<b>Cincinnati:</b>					
Dearborn	15	1.0033	Dearborn	15	1.0135
Ohio	58	1.0033	Ohio	58	1.0135
			Franklin	24	0.9680
<b>Columbus:</b>					
			Bartholomew	3	0.9612
<b>Elkhart-Goshen:</b>					
Elkhart	20	0.8984	Elkhart	20	0.9841
<b>Evansville:</b>					
			Gibson	26	0.9073
Posey	65	0.9405	Posey	65	0.8892
Vanderburgh	82	1.0216	Vanderburgh	82	0.8892
Warrick	87	1.0216	Warrick	87	0.8892
<b>Fort Wayne:</b>					
Adams	1	1.0216			
Allen	2	1.0216	Allen	2	1.0365
De Kalb	17	1.0216			
Huntington	35				
Wells	90	1.0029	Wells	90	1.0365
Whitley	92	1.0029	Whitley	92	1.0365
<b>Gary:</b>					
Lake	45	1.0569	Lake	45	0.9892
			Jasper	37	0.9570
			Newton	56	0.9570

(Continued)

Table 2 – Comparison of the Medicaid Hospice County Classifications  
 for October 1, 2004, versus October 1, 2005

<b>Hospice Wage Adjusted Rates Effective October 1, 2005</b>					
<b>BEFORE CHANGE</b>			<b>AFTER CHANGE</b>		
<b>County Name</b>	<b>County Code</b>	<b>2004/2005 Wage Index</b>	<b>County Name</b>	<b>County Code</b>	<b>2005/2006 Wage Index</b>
Porter	64	1.0569	Porter	64	0.9892
<b>Indianapolis:</b>					
Boone	6	1.0569	Boone	6	1.0687
			Brown	7	0.9996
Hamilton	29	1.0569	Hamilton	29	1.0687
Hancock	30	1.0569	Hancock	30	1.0687
Hendricks	32	1.0569	Hendricks	32	1.0687
Johnson	41	1.0569	Johnson	41	1.0687
Madison	48	1.0569			
Marion	49		Marion	49	1.0687
Morgan	55	0.9640	Morgan	55	1.0687
			Putnam	67	0.9996
Shelby	73	0.9640	Shelby	73	1.0687
<b>Kokomo:</b>					
Howard	34	0.9631	Howard	34	0.9531
Tipton	80	0.9631	Tipton	80	0.9531
<b>Lafayette:</b>					
Clinton	12	0.9850			
			Benton	4	0.9442
			Carroll	8	0.9442
Tippecanoe	79	0.9850	Tippecanoe	79	0.9617
<b>Louisville:</b>					
Clark	10	0.9850	Clark	10	0.9697
Floyd	22	0.9405	Floyd	22	0.9697
Harrison	31	0.9353	Harrison	31	0.9697
Scott	72	0.9405			
			Washington	88	0.9471
<b>Michigan City/LaPorte:</b>					
			La Porte	46	0.9582

(Continued)

Table 2 – Comparison of the Medicaid Hospice County Classifications  
 for October 1, 2004, versus October 1, 2005

<b>Hospice Wage Adjusted Rates Effective October 1, 2005</b>					
<b>BEFORE CHANGE</b>			<b>AFTER CHANGE</b>		
<b>County Name</b>	<b>County Code</b>	<b>2004/2005 Wage Index</b>	<b>County Name</b>	<b>County Code</b>	<b>2005/2006 Wage Index</b>
<b>Muncie:</b>					
Delaware	18	1.0467	Delaware	18	0.9100
<b>South Bend:</b>					
St. Joseph	71	0.8873	St. Joseph	71	1.0020
<b>Terre Haute:</b>					
Clay	11	0.8873	Clay	11	0.9068
			Sullivan	77	0.9150
Vermillion	83	0.9405	Vermillion	83	0.9068
Vigo	84	0.9405	Vigo	84	0.9068
<b>Nonurban Areas:</b>					
			Adams	1	0.9753
Bartholomew	3	0.9405			
Benton	4	0.9405			
Blackford	5	0.9405	Blackford	5	0.9222
Brown	7	0.9405			
Carroll	8	0.9405			
Cass	9	0.9405	Cass	9	0.9222
			Clinton	12	0.9397
Crawford	13	0.9405	Crawford	13	0.9222
Daviess	14	0.9405	Daviess	14	0.9222
			De Kalb	17	0.9753
Decatur	16	0.9405	Decatur	16	0.9222
Dubois	19	0.9405	Dubois	19	0.9222
Fayette	21	0.9405	Fayette	21	0.9222
Fountain	23	0.9405	Fountain	23	0.9222
Franklin	24	0.9405			
Fulton	25	0.9405	Fulton	25	0.9222
Gibson	26	0.9405			
Grant	27	0.9405	Grant	27	0.9222
Greene	28	0.9405			

(Continued)



Table 2 – Comparison of the Medicaid Hospice County Classifications  
 for October 1, 2004, versus October 1, 2005

<b>Hospice Wage Adjusted Rates Effective October 1, 2005</b>					
<b>BEFORE CHANGE</b>			<b>AFTER CHANGE</b>		
<b>County Name</b>	<b>County Code</b>	<b>2004/2005 Wage Index</b>	<b>County Name</b>	<b>County Code</b>	<b>2005/2006 Wage Index</b>
Henry	33	0.9405	Henry	33	0.9222
			Huntington	35	0.9753
Jackson	36	0.9405	Jackson	36	0.9222
Jasper	37	0.9405			
Jay	38	0.9405	Jay	38	0.9222
Jefferson	39	0.9405	Jefferson	39	0.9222
Jennings	40	0.9405	Jennings	40	0.9222
Knox	42	0.9405	Knox	42	0.9222
Kosciusko	43	0.9405	Kosciusko	43	0.9222
Lagrange	44	0.9405	Lagrange	44	0.9222
La Porte	46	0.9405			
Lawrence	47	0.9405	Lawrence	47	0.9222
Marshall	50	0.9405	Marshall	50	0.9222
Martin	51	0.9405	Martin	51	0.9222
Miami	52	0.9405	Miami	52	0.9222
Montgomery	54	0.9405	Montgomery	54	0.9222
Newton	56	0.9405			
Noble	57	0.9405	Noble	57	0.9222
Orange	59	0.9405	Orange	59	0.9222
Owen	60	0.9405			
Parke	61	0.9405	Parke	61	0.9222
Perry	62	0.9405	Perry	62	0.9222
Pike	63	0.9405	Pike	63	0.9222
Pulaski	66	0.9405	Pulaski	66	0.9222
Putnam	67	0.9405			
Randolph	68	0.9405	Randolph	68	0.9222
Ripley	69	0.9405	Ripley	69	0.9222
Rush	70	0.9405	Rush	70	0.9222
			Scott	72	0.9448
Spencer	74	0.9405	Spencer	74	0.9222

(Continued)

Table 2 – Comparison of the Medicaid Hospice County Classifications  
 for October 1, 2004, versus October 1, 2005

<b>Hospice Wage Adjusted Rates Effective October 1, 2005</b>					
<b>BEFORE CHANGE</b>			<b>AFTER CHANGE</b>		
<b>County Name</b>	<b>County Code</b>	<b>2004/2005 Wage Index</b>	<b>County Name</b>	<b>County Code</b>	<b>2005/2006 Wage Index</b>
Starke	75	0.9405	Starke	75	0.9222
Steuben	76	0.9405	Steuben	76	0.9222
Sullivan	77	0.9405			
Switzerland	78	0.9405	Switzerland	78	0.9222
Union	81	0.9405	Union	81	0.9222
Wabash	85	0.9405	Wabash	85	0.9222
Warren	86	0.9405	Warren	86	0.9222
Washington	88				
Wayne	89		Wayne	89	0.9222
White	91		White	91	0.9222

### **Additional Information**

Providers should direct questions about this information to Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1276.