

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201201 JANUARY 10, 2012



CMS announces 2012 hospice rates, effective October 1, 2011

The [Centers for Medicare & Medicaid Services \(CMS\)](#) released new federal hospice rates to state Medicaid agencies for Medicaid-enrolled hospice providers. These rates are effective for dates of service October 1, 2011, through September 30, 2012, inclusive. Accordingly, the Indiana Health Coverage Programs (IHCP) provides the following information regarding IHCP hospice rates for this same time period:

- A brief explanation of how Myers and Stauffer, LC, the IHCP long-term care contractor, calculated the new IHCP hospice rates
- A [table on page 2](#) that lists the new IHCP hospice rates, effective for dates of service October 1, 2011, through September 30, 2012, inclusive, as prepared by Myers and Stauffer
- An [attachment beginning on page 4](#) that lists the hospice wage-adjustment rates for all geographical regions in Indiana

Method of calculation

Reimbursement for the IHCP hospice benefits is based on the methodology established by the CMS for the administration of the federal Medicare program. Additionally, the Medicaid rates include payment for any Medicare coinsurance

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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 (Note: 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 (Note: 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 both routine and continuous home hospice LOC are paid using the wage index for the city or county where the member resides. Under the BBA of 1997, hospice reimbursement for inpatient hospice care continues to be paid using the wage index of the city or county where the hospice facility is located. Indiana *AIM* pays IHCP hospice claims consistent with the BBA of 1997.

Payment of hospice claims

The federal Medicaid hospice payment rates for care and services provided from October 1, 2011, through September 30, 2012, inclusive, are as follows:

Payment of hospice claims

Level of Care	Daily Rate	Wage Component Subject to Index	Unweighted Amount
Routine home care	\$151.23	\$103.91	\$47.32
Continuous home care	\$881.80	\$605.89	\$275.92
Inpatient respite care	\$164.44	\$89.01	\$75.43
General inpatient care	\$671.84	\$430.04	\$241.80

The Daily Rate is the sum of the Wage Component Subject to Index (the labor portion of the rate) plus the Unweighted Amount (the nonlabor portion of the rate). States must adjust the federal daily rate to reflect local geographical differences in wage levels. The Hospice Wage-Adjusted Rates shown on the table beginning on the following page are computed by multiplying the federal Wage Component Subject to Index (shown previously) by the Hospice Wage Index for the applicable geographic area and adding the result to the federal Unweighted Amount.

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The Hospice Wage-Adjusted Rates apply to hospice claims with revenue codes 651, 652, 655, and 656 going forward through September 30, 2012. Hospice claims previously submitted with dates of service going back to and including October 1, 2011, that are affected by the revised rates will be systematically mass adjusted. Watch upcoming IHCP publications for information about when the mass adjustment will take place.

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QUESTIONS?

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Hospice Wage-Adjusted Rates
Effective for dates of service October 1, 2011, through September 30, 2012, inclusive

County Name	County Code	Wage ¹ Index	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Urban areas							
Anderson							
Madison	48	0.9515	146.19	852.42	35.52	160.12	650.98
Bloomington							
Greene	28	0.9305	144.01	839.70	34.99	158.25	641.95
Monroe	53	0.9305	144.01	839.70	34.99	158.25	641.95
Owen	60	0.9305	144.01	839.70	34.99	158.25	641.95
Cincinnati							
Dearborn	15	1.0040	151.65	884.23	36.84	164.80	673.56
Ohio	58	1.0040	151.65	884.23	36.84	164.80	673.56
Franklin	24	1.0040	151.65	884.23	36.84	164.80	673.56
Columbus							
Bartholomew	3	0.9766	148.80	867.63	36.15	162.36	661.78
Elkhart-Goshen							
Elkhart	20	0.9798	149.13	869.57	36.23	162.64	663.15
Evansville							
Gibson	26	0.8729	138.02	804.80	33.53	153.13	617.18
Posey	65	0.8729	138.02	804.80	33.53	153.13	617.18
Vanderburgh	82	0.8729	138.02	804.80	33.53	153.13	617.18
Warrick	87	0.8729	138.02	804.80	33.53	153.13	617.18
Fort Wayne							
Allen	2	0.9691	148.02	863.09	35.96	161.69	658.55
Wells	90	0.9691	148.02	863.09	35.96	161.69	658.55
Whitley	92	0.9691	148.02	863.09	35.96	161.69	658.55
Gary							
Lake	45	0.9403	145.03	845.64	35.23	159.13	646.17
Jasper	37	0.9403	145.03	845.64	35.23	159.13	646.17
Newton	56	0.9403	145.03	845.64	35.23	159.13	646.17
Porter	64	0.9403	145.03	845.64	35.23	159.13	646.17
Indianapolis							
Boone	6	1.0012	151.35	882.54	36.77	164.55	672.36
Brown	7	1.0012	151.35	882.54	36.77	164.55	672.36
Hamilton	29	1.0012	151.35	882.54	36.77	164.55	672.36
Hancock	30	1.0012	151.35	882.54	36.77	164.55	672.36
Hendricks	32	1.0012	151.35	882.54	36.77	164.55	672.36
Johnson	41	1.0012	151.35	882.54	36.77	164.55	672.36
Marion	49	1.0012	151.35	882.54	36.77	164.55	672.36

¹The Hospice Wage Index for all geographical areas was published in the *Federal Register* August 4, 2011.

Hospice Wage-Adjusted Rates
Effective for dates of service October 1, 2011, through September 30, 2012, inclusive

County Name	County Code	Wage ¹ Index	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Morgan	55	1.0012	151.35	882.54	36.77	164.55	672.36
Putnam	67	1.0012	151.35	882.54	36.77	164.55	672.36
Shelby	73	1.0012	151.35	882.54	36.77	164.55	672.36
Kokomo							
Howard	34	0.9451	145.53	848.55	35.36	159.55	648.23
Tipton	80	0.9451	145.53	848.55	35.36	159.55	648.23
Lafayette							
Benton	4	0.9616	147.24	858.54	35.77	161.02	655.33
Carroll	8	0.9616	147.24	858.54	35.77	161.02	655.33
Tippecanoe	79	0.9616	147.24	858.54	35.77	161.02	655.33
Louisville							
Clark	10	0.9209	143.01	833.88	34.75	157.40	637.82
Floyd	22	0.9209	143.01	833.88	34.75	157.40	637.82
Harrison	31	0.9209	143.01	833.88	34.75	157.40	637.82
Washington	88	0.9209	143.01	833.88	34.75	157.40	637.82
Michigan City/ LaPorte							
La Porte	46	0.9803	149.18	869.87	36.24	162.69	663.37
Muncie							
Delaware	18	0.8494	135.58	790.56	32.94	151.04	607.08
South Bend							
St. Joseph	71	1.0298	154.33	899.87	37.49	167.09	684.66
Terre Haute							
Clay	11	0.9529	146.34	853.27	35.55	160.25	651.59
Sullivan	77	0.9529	146.34	853.27	35.55	160.25	651.59
Vermillion	83	0.9529	146.34	853.27	35.55	160.25	651.59
Vigo	84	0.9529	146.34	853.27	35.55	160.25	651.59
Nonurban Areas							
Adams	1	0.8686	137.58	802.20	33.42	152.74	615.33
Blackford	5	0.8686	137.58	802.20	33.42	152.74	615.33
Cass	9	0.8686	137.58	802.20	33.42	152.74	615.33
Clinton	12	0.8686	137.58	802.20	33.42	152.74	615.33
Crawford	13	0.8686	137.58	802.20	33.42	152.74	615.33
Daviess	14	0.8686	137.58	802.20	33.42	152.74	615.33
De Kalb	17	0.8686	137.58	802.20	33.42	152.74	615.33
Decatur	16	0.8686	137.58	802.20	33.42	152.74	615.33
Dubois	19	0.8686	137.58	802.20	33.42	152.74	615.33
Fayette	21	0.8686	137.58	802.20	33.42	152.74	615.33
Fountain	23	0.8686	137.58	802.20	33.42	152.74	615.33

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Fulton	25	0.8686	137.58	802.20	33.42	152.74	615.33
Grant	27	0.8686	137.58	802.20	33.42	152.74	615.33
Henry	33	0.8686	137.58	802.20	33.42	152.74	615.33
Huntington	35	0.8686	137.58	802.20	33.42	152.74	615.33
Jackson	36	0.8686	137.58	802.20	33.42	152.74	615.33
Jay	38	0.8686	137.58	802.20	33.42	152.74	615.33
Jefferson	39	0.8686	137.58	802.20	33.42	152.74	615.33
Jennings	40	0.8686	137.58	802.20	33.42	152.74	615.33
Knox	42	0.8686	137.58	802.20	33.42	152.74	615.33
Kosciusko	43	0.8686	137.58	802.20	33.42	152.74	615.33
Lagrange	44	0.8686	137.58	802.20	33.42	152.74	615.33
Lawrence	47	0.8686	137.58	802.20	33.42	152.74	615.33
Marshall	50	0.8686	137.58	802.20	33.42	152.74	615.33
Martin	51	0.8686	137.58	802.20	33.42	152.74	615.33
Miami	52	0.8686	137.58	802.20	33.42	152.74	615.33
Montgomery	54	0.8686	137.58	802.20	33.42	152.74	615.33
Noble	57	0.8686	137.58	802.20	33.42	152.74	615.33
Orange	59	0.8686	137.58	802.20	33.42	152.74	615.33
Parke	61	0.8686	137.58	802.20	33.42	152.74	615.33
Perry	62	0.8686	137.58	802.20	33.42	152.74	615.33
Pike	63	0.8686	137.58	802.20	33.42	152.74	615.33
Pulaski	66	0.8686	137.58	802.20	33.42	152.74	615.33
Randolph	68	0.8686	137.58	802.20	33.42	152.74	615.33
Ripley	69	0.8686	137.58	802.20	33.42	152.74	615.33
Rush	70	0.8686	137.58	802.20	33.42	152.74	615.33
Scott	72	0.8686	137.58	802.20	33.42	152.74	615.33
Spencer	74	0.8686	137.58	802.20	33.42	152.74	615.33
Starke	75	0.8686	137.58	802.20	33.42	152.74	615.33
Steuben	76	0.8686	137.58	802.20	33.42	152.74	615.33
Switzerland	78	0.8686	137.58	802.20	33.42	152.74	615.33
Union	81	0.8686	137.58	802.20	33.42	152.74	615.33
Wabash	85	0.8686	137.58	802.20	33.42	152.74	615.33
Warren	86	0.8686	137.58	802.20	33.42	152.74	615.33
Wayne	89	0.8686	137.58	802.20	33.42	152.74	615.33
White	91	0.8686	137.58	802.20	33.42	152.74	615.33

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