

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201448 OCTOBER 7, 2014

The FSSA announces FFY 2015 hospice rates

The Centers for Medicare & Medicaid Services (CMS) released new federal hospice rates for federal fiscal year 2015 (FFY 2015), effective for dates of service October 1, 2014, through September 30, 2015, inclusive. These rates are the basis for payments to Medicaid-enrolled hospice providers. Accordingly, the Indiana Family and Social Services Administration (FSSA) provides the following information regarding Indiana Health Coverage Programs (IHCP) hospice rates for this same time period:



- A brief explanation of how Myers and Stauffer, LC, the IHCP long-term care rate-setting contractor, calculates the new IHCP hospice rates
- A list of the new IHCP hospice rates, as prepared by Myers and Stauffer, LC ([Table 1](#))
- A list of the new hospice wage-adjusted rates for all geographical regions in Indiana ([Table 2](#))

IndianaAIM, the IHCP claims processing system, will be updated with the new hospice rates by November 1, 2014, when providers begin billing for October service dates. It is anticipated no mass adjustments to claims will be needed.

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, 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 facility – 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 facility – IHCP hospice *per diem* plus room and board *per diem*
- Inpatient respite care for a member in the private home or nursing facility – IHCP hospice *per diem* only (Note: There is no additional room and board *per diem* for this service.)
- General inpatient care for a member in the private home or in the nursing facility – IHCP hospice *per diem* only (Note: There is no additional room and board *per diem* for this service.)

The hospice *per diem* for both routine and continuous home hospice LOC in the **private home** is adjusted using the wage index for the city or county where the member resides. The hospice *per diem* for both routine and continuous hospice LOC in the **nursing facility** is adjusted using the wage index of the city or county where the hospice facility is located.

Beginning in FFY 2014, hospice providers were required to comply with section 3004 of the *Affordable Care Act (ACA)* that amends the *Social Security Act* (the Act) to authorize a quality reporting program for hospice providers. *Section 1814(j)(5)(A)(i)* of the Act requires that beginning with FFY 2014 and in each subsequent fiscal year, the market basket update will 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 will 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 will not implement the reduced minimum rates imposed by the ACA during FFY 2015.

Federal *per diem* rates for hospice claims

The federal hospice payment rates for care and services provided from October 1, 2014, through September 30, 2015, inclusive, are as follows:

Table 1 – Federal per diem rates for hospice claims for FFY 2015

Level of Care	Daily Rate	Component Subject to Wage Index	Unweighted Component
Routine home hospice care	\$159.55	\$109.63	\$49.92
Continuous home hospice care	\$930.27	\$639.19	\$291.08
Inpatient respite care	\$173.48	\$93.91	\$79.57
General inpatient care	\$708.77	\$453.68	\$255.09

The daily rate 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 rate to reflect local geographical differences in wage levels. The wage-adjusted rates shown on Table 2 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.

Table 2 – IHCP wage-adjusted rates for hospice benefits
effective for dates of service October 1, 2014, through September 30, 2015, inclusive

County name	County code	Hospice Wage Index ¹	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	0.9744	156.74	913.91	38.08	171.08	697.16
Bloomington:							
Greene	28	0.9391	152.87	891.34	37.14	167.76	681.14
Monroe	53	0.9391	152.87	891.34	37.14	167.76	681.14
Owen	60	0.9391	152.87	891.34	37.14	167.76	681.14
Cincinnati:							
Dearborn	15	0.9558	154.70	902.02	37.58	169.33	688.72
Ohio	58	0.9558	154.70	902.02	37.58	169.33	688.72
Franklin	24	0.9558	154.70	902.02	37.58	169.33	688.72
Columbus:							
Bartholomew	3	0.9909	158.55	924.45	38.52	172.63	704.64
Elkhart-Goshen:							
Elkhart	20	0.9424	153.24	893.45	37.23	168.07	682.64
Evansville:							
Gibson	26	0.8459	142.66	831.77	34.66	159.01	638.86
Posey	65	0.8459	142.66	831.77	34.66	159.01	638.86
Vanderburgh	82	0.8459	142.66	831.77	34.66	159.01	638.86
Warrick	87	0.8459	142.66	831.77	34.66	159.01	638.86
Fort Wayne:							
Allen	2	0.9094	149.62	872.36	36.35	164.97	667.67
Wells	90	0.9094	149.62	872.36	36.35	164.97	667.67
Whitley	92	0.9094	149.62	872.36	36.35	164.97	667.67
Gary:							
Lake	45	0.9506	154.13	898.69	37.45	168.84	686.36
Jasper	37	0.9506	154.13	898.69	37.45	168.84	686.36
Newton	56	0.9506	154.13	898.69	37.45	168.84	686.36
Porter	64	0.9506	154.13	898.69	37.45	168.84	686.36
Indianapolis-							
Carmel:							
Boone	6	1.0202	161.76	943.18	39.30	175.38	717.93
Brown	7	1.0202	161.76	943.18	39.30	175.38	717.93
Hamilton	29	1.0202	161.76	943.18	39.30	175.38	717.93
Hancock	30	1.0202	161.76	943.18	39.30	175.38	717.93
Hendricks	32	1.0202	161.76	943.18	39.30	175.38	717.93
Johnson	41	1.0202	161.76	943.18	39.30	175.38	717.93
Marion	49	1.0202	161.76	943.18	39.30	175.38	717.93
Morgan	55	1.0202	161.76	943.18	39.30	175.38	717.93
Putnam	67	1.0202	161.76	943.18	39.30	175.38	717.93
Shelby	73	1.0202	161.76	943.18	39.30	175.38	717.93

¹ The Hospice Wage Index was published in the *Federal Register* on August 4, 2014. States adjust the wage component of the daily hospice payment rates to reflect geographical differences in the wage levels.

Table 2 – IHCP wage-adjusted rates for hospice benefits
effective for dates of service October 1, 2014, through September 30, 2015, inclusive (continued)

County name	County code	Hospice Wage Index ¹	Routine home care	Continuous home care full rate 24 hours	Continuous home care hourly rate	Inpatient respite care	General inpatient care
Kokomo:							
Howard	34	0.9145	150.18	875.62	36.48	165.45	669.98
Tipton	80	0.9145	150.18	875.62	36.48	165.45	669.98
Lafayette:							
Benton	4	1.0047	160.07	933.27	38.89	173.92	710.90
Carroll	8	1.0047	160.07	933.27	38.89	173.92	710.90
Tippecanoe	79	1.0047	160.07	933.27	38.89	173.92	710.90
Louisville:							
Clark	10	0.8934	147.86	862.13	35.92	163.47	660.41
Floyd	22	0.8934	147.86	862.13	35.92	163.47	660.41
Harrison	31	0.8934	147.86	862.13	35.92	163.47	660.41
Washington	88	0.8934	147.86	862.13	35.92	163.47	660.41
Michigan City/ LaPorte:							
La Porte	46	0.9302	151.90	885.65	36.90	166.93	677.10
Muncie:							
Delaware	18	0.8824	146.66	855.10	35.63	162.44	655.42
South Bend:							
St. Joseph	71	0.9513	154.21	899.14	37.46	168.91	686.68
Terre Haute:							
Clay	11	0.9796	157.31	917.23	38.22	171.56	699.51
Sullivan	77	0.9796	157.31	917.23	38.22	171.56	699.51
Vermillion	83	0.9796	157.31	917.23	38.22	171.56	699.51
Vigo	84	0.9796	157.31	917.23	38.22	171.56	699.51
Nonurban Areas:							
Adams	1	0.8592	144.11	840.27	35.01	160.26	644.89
Blackford	5	0.8592	144.11	840.27	35.01	160.26	644.89
Cass	9	0.8592	144.11	840.27	35.01	160.26	644.89
Clinton	12	0.8592	144.11	840.27	35.01	160.26	644.89
Crawford	13	0.8592	144.11	840.27	35.01	160.26	644.89
Daviess	14	0.8592	144.11	840.27	35.01	160.26	644.89
De Kalb	17	0.8592	144.11	840.27	35.01	160.26	644.89
Decatur	16	0.8592	144.11	840.27	35.01	160.26	644.89
Dubois	19	0.8592	144.11	840.27	35.01	160.26	644.89
Fayette	21	0.8592	144.11	840.27	35.01	160.26	644.89
Fountain	23	0.8592	144.11	840.27	35.01	160.26	644.89
Fulton	25	0.8592	144.11	840.27	35.01	160.26	644.89
Grant	27	0.8592	144.11	840.27	35.01	160.26	644.89
Henry	33	0.8592	144.11	840.27	35.01	160.26	644.89
Huntington	35	0.8592	144.11	840.27	35.01	160.26	644.89
Jackson	36	0.8592	144.11	840.27	35.01	160.26	644.89

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County name	County code	Hospice Wage Index ¹	Routine home care	Continuous home care full rate 24 hours	Continuous home care hourly rate	Inpatient respite care	General inpatient care
Jay	38	0.8592	144.11	840.27	35.01	160.26	644.89
Jefferson	39	0.8592	144.11	840.27	35.01	160.26	644.89
Jennings	40	0.8592	144.11	840.27	35.01	160.26	644.89
Knox	42	0.8592	144.11	840.27	35.01	160.26	644.89
Kosciusko	43	0.8592	144.11	840.27	35.01	160.26	644.89
Lagrange	44	0.8592	144.11	840.27	35.01	160.26	644.89
Lawrence	47	0.8592	144.11	840.27	35.01	160.26	644.89
Marshall	50	0.8592	144.11	840.27	35.01	160.26	644.89
Martin	51	0.8592	144.11	840.27	35.01	160.26	644.89
Miami	52	0.8592	144.11	840.27	35.01	160.26	644.89
Montgomery	54	0.8592	144.11	840.27	35.01	160.26	644.89
Noble	57	0.8592	144.11	840.27	35.01	160.26	644.89
Orange	59	0.8592	144.11	840.27	35.01	160.26	644.89
Parke	61	0.8592	144.11	840.27	35.01	160.26	644.89
Perry	62	0.8592	144.11	840.27	35.01	160.26	644.89
Pike	63	0.8592	144.11	840.27	35.01	160.26	644.89
Pulaski	66	0.8592	144.11	840.27	35.01	160.26	644.89
Randolph	68	0.8592	144.11	840.27	35.01	160.26	644.89
Ripley	69	0.8592	144.11	840.27	35.01	160.26	644.89
Rush	70	0.8592	144.11	840.27	35.01	160.26	644.89
Scott	72	0.8592	144.11	840.27	35.01	160.26	644.89
Spencer	74	0.8592	144.11	840.27	35.01	160.26	644.89
Starke	75	0.8592	144.11	840.27	35.01	160.26	644.89
Steuben	76	0.8592	144.11	840.27	35.01	160.26	644.89
Switzerland	78	0.8592	144.11	840.27	35.01	160.26	644.89
Union	81	0.8592	144.11	840.27	35.01	160.26	644.89
Wabash	85	0.8592	144.11	840.27	35.01	160.26	644.89
Warren	86	0.8592	144.11	840.27	35.01	160.26	644.89
Wayne	89	0.8592	144.11	840.27	35.01	160.26	644.89
White	91	0.8592	144.11	840.27	35.01	160.26	644.89

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