Reimbursement Methodology: Hospice Care

1. The Program will pay a hospice care provider at one of four rates for each day that a participant is under the provider's care. The daily payment rates for a provider for routine home care, continuous home care, general inpatient care, and inpatient respite care will be in accordance with the Medicaid payment rates and the Medicare Wage Index established by the Centers Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services for hospice care under a Medical Assistance Program. The rates and wage index are effective for services provided on or after the CMS publication date. Except as otherwise noted in the plan, state developed fee schedules and rates are the same for both governmental and private providers. Rates and fees can be found by accessing:

   http://mmcp.dhmh.maryland.gov/longtermcare/SitePages/Hospice%20Services.aspx .

2. The four daily rates are prospective rates, and there will be no retroactive adjustment other than a limitation on payments for inpatient care.

   a. During the 12-month cap period beginning November 1 of each year and ending October 31 of the following year, the aggregate number of inpatient days (both for general inpatient care and inpatient respite care) may not exceed 20 percent of the aggregate total number of days of hospice care the provider furnished to Medical Assistance hospice participants during the same period.

   b. If the aggregate number of inpatient care days exceeds the maximum allowable number, the limitation on reimbursement for inpatient care will be determined in accordance with the methodology established by CMS, and any excess reimbursement will be refunded to the Program by the provider.

   c. Any days of care furnished to participants diagnosed with Acquired Immune Deficiency Syndrome (AIDS) will be excluded in calculating the limitation on payment for inpatient care.

3. In addition to the daily rates for hospice care, the Program will make separate payment to the hospice care provider for physician services subject to the following requirements:

   (a) The services must be direct patient care services furnished to a participant under the care of the provider;

(b) The services must be furnished by an employee of the provider or under arrangements made by the provider;

(c) The provider must have a liability to reimburse the physician for the services rendered;

(d) No payment shall be made for physician services furnished on a volunteer basis; and

(e) Payment to the provider for physician services shall be made in accordance with the usual Program reimbursement policy and Maryland State fee schedule for physician services.

4. When a participant resides in a nursing facility, the Program will pay an additional per diem amount for room and board to the hospice care provider on those days that the provider is reimbursed at the routine home care rate or continuous home care rate for hospice care furnished to the participant.

    a. The amount will be 95% of the allowed nursing facility charges;

    b. The amount will be paid only when the provider and the facility have a written agreement under which the provider is responsible for the professional management of the participant's hospice care and the nursing facility agrees to provide room and board to the participant.

5. For participants residing in a nursing facility, the Department of Human Resources shall determine the application of a recipient's resource to the cost of hospice care.

6. Requests for payment for hospice care rendered will be submitted according to procedures established by the Department. Payment requests which are not properly prepared or submitted may not be processed, but returned unpaid to the provider.

7. Requests for payment will be submitted on the invoice form specified by the Department.