



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

MEMORANDUM

To: Maryland Medicaid Hospice Providers

From: Leslie Jackson/Hospice Coordinator
Division of Community Long Term Care

Subject: Maryland Medicaid FY 2015 Hospice Rates

Date: October 1, 2014

The Centers for Medicare and Medicaid Services (CMS) annually issues the hospice wage index and the yearly aggregate cap each year. Medicaid FY 2015 reimbursement for hospice services are based on the wage index issued in the August 22, 2014 *Federal Register* (volume 79, number 163). Attached are 2 Tables detailing Maryland Medicaid's hospice rates effective October 1, 2014 through September 30, 2015 for routine home, continuous home, respite inpatient, and general inpatient care.

The Medicaid hospice payment rates are calculated based on the annual hospice rates established under Medicare. These rates are authorized by section 1814(i)(1)(C)(ii) of the Social Security Act (the Act) which also provides for an annual increase in payment rates for hospice care services. There are some changes for FY 2015. Section 3004 of the Affordable Care Act amended the Act to authorize a quality reporting program for hospices. Section 1814(i)(5)(A)(i) of the Act requires that beginning with FY 2014 and each subsequent FY, the Secretary shall reduce the market basket update by 2 percentage points for any hospice provider that does not comply with the quality data submission requirements. We note that the Medicaid minimum rates would be reduced by the amount of any penalty due to non-reporting. Accordingly, there are two rate tables: **Table1: Actual Market Basket Update, Table 2: Reduced Market Basket Update.**

Please note the hospice cap runs from November 1st of each year ending October 31st of the following year. The latest hospice cap amount for the year ending October 31, 2014, is \$26,725.79. Information regarding the FY 2015 hospice wage index and the cap amount may be found on the CMS website at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-payment/Hospice/index.html>.

If you have questions concerning Maryland Medicaid hospice rates, please call Ms. Leslie Jackson at (410) 767-1444 or 1-877- 4MD-DHMH extension 1444.

Attachments (2)

cc: Susan Tucker

Toll Free 1-877-4MD-DHMH – TTY/Maryland Relay Service 1-800-735-2258

Web Site: www.dhmh.state.md.us

Effective October 1, 2014 to September 30, 2015

The Medicaid hospice payment rates and wage index figures for October 1, 2014 through September 30, 2015 obtained from the Centers for Medicare and Medicaid Services (CMS), has been calculated based on the annual hospice rates established under Medicare. These rates are authorized by Section 1814 (i)(1)(C)(ii) of the Social Security Act; which provides an annual increase in payment rates for hospice care services. Rates for hospice physician services are not increased under this provision. The final rule for hospice wage index regulations for the Urban Areas for Core-Based Statistical Area (CBSA) can be found in the Federal Register. The latest hospice cap amount for the cap year ending October 31, 2014, is \$26,725.79.

Table 2: Maryland Medical Assistance Hospice Program Rates Based on Reduced Market Basket Update

Effective October 1, 2014 to September 30, 2015

CBSA	Area/ Region	Counties	Wage Index	Routine Home Care-(0651)	Continuous Home Care-(0652)	Respite In-Patient Care-(0655)	General In-Patient Care-(0656)
12580	Baltimore-Towson Area [01]	Anne Arundel, Baltimore, Baltimore City, Carroll, Harford, Howard, Queen Anne's	0.9965	\$207.72	909.86 (\$37.91hr)	\$169.76	\$693.32
47894	Washington, DC Area [02]	Calvert, Charles, Prince George's, Washington DC	1.0631	\$163.20	\$951.59 (\$39.65hr)	\$175.89	\$722.95
41540	Salisbury Area [03]	Somerset, Wicomico	0.9031	\$146.01	\$851.33 (\$35.47hr)	\$161.16	\$651.78
48864	Wilmington Area [04]	Cecil	1.0692	\$163.86	\$955.42 (\$39.81hr)	\$176.45	\$725.66
25180	Hagerstown Area [05]	Washington	0.932	\$149.11	\$869.44 (\$36.23hr)	\$163.82	\$664.63
19060	Cumberland Area [06]	Allegany	0.8129	\$136.31	\$794.80 (\$33.12hr)	\$152.85	\$611.66
13644	Bethesda-Frederick-Rockville Area [07]	Frederick, Montgomery	1.0415	\$160.88	\$938.06 (\$39.09hr)	\$173.90	\$713.34
99921	MD Rural Area [08]	Caroline, Kent, Talbot, Dorchester, Garrett, St.Mary's, Worcester	0.8777	\$143.28	\$835.41 (\$34.81hr)	\$158.82	\$640.48
Wage Component Subject to Index:							
				Routine Home Care- (0651)	Continuous Home Care-(0652)	Respite In-Patient Care - (0655)	General In-Patient Care (0656)
				\$107.48	\$626.67	\$92.07	\$444.79
Non-Weighted Amount:							
				Routine Home Care- (0651)	Continuous Home Care-(0652)	Respite In-Patient Care - (0655)	General In-Patient Care (0656)
				\$48.94	\$285.38	\$78.01	\$250.09

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