TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Final Rule
LSA Document #15-449(F)

DIGEST

Amends 405 IAC 1-16-2 to modify Medicaid reimbursement for covered hospice services by adding a service intensity add-on to routine home care for the last seven days of a member's life and establish two payment levels for routine home care. Effective 30 days after filing with the Publisher.

405 IAC 1-16-2

SECTION 1. 405 IAC 1-16-2 IS AMENDED TO READ AS FOLLOWS:

405 IAC 1-16-2 Levels of care

Authority: IC 12-15-1-10; IC 12-15-21-2; IC 12-15-40
Affected: IC 12-15

Sec. 2. (a) Reimbursement for hospice care shall be made according to the methodology and amounts calculated by CMS. Medicaid hospice reimbursement rates are based on Medicare reimbursement rates and methodologies, adjusted to disregard offsets attributable to Medicare coinsurance amounts. The rates will be adjusted for regional differences in wages using the ~~geographical areas defined by CMS and~~ hospice wage index published by CMS.

(b) Medicaid reimbursement for hospice services will be made at one (1) of ~~four (4)~~ **five (5)** all-inclusive per diem rates for each day in which a Medicaid member is under the care of the hospice provider. The reimbursement amounts are determined within each of the following categories:

(1) Routine home care: **Days one (1) - sixty (60).**
(2) Routine home care: Days over sixty (60).
~~(2)~~ **(3)** Continuous home care.
~~(3)~~ **(4)** Inpatient respite care.
~~(4)~~ **(5)** General inpatient hospice care.

(c) The routine home care daily rate is eligible for a service intensity add-on (SIA) payment for services provided during the last seven (7) days of a Medicaid member's life. The SIA Medicaid reimbursement will be equal to the continuous home care hourly payment rate (as calculated annually by CMS), multiplied by the amount of direct patient care hours provided by a registered nurse or social worker for up to four (4) hours total, per day, and adjusted by the hospice wage index published by CMS. The following conditions must be met to qualify for the SIA payment:

(1) The day is a routine home care level of care day.
(2) The day occurs during the last seven (7) days of life and the Medicaid member is discharged deceased.
(3) Direct patient care is provided by a registered nurse or a social worker that day.

~~(c)~~ **(d)** The hospice will be paid at **one (1) of** the routine home care ~~rate~~ **rates** for each day the member is at home, under the care of the hospice provider, and not receiving continuous home care. ~~This rate is paid without regard to the volume or intensity of routine home care services provided on any given day.~~ **Medicaid reimbursement for routine home care will be made at one (1) of two (2) all-inclusive per diem rates as follows:**

(1) Higher base payment for the first sixty (60) days of hospice care.
(2) Reduced base payment for days sixty-one (61) and over of hospice care.

~~(d)~~ **(e)** Continuous home care is to be provided only during a period of crisis. A period of crisis is defined as a period in which a patient requires continuous care that is primarily nursing care to achieve palliation and management of acute medical symptoms. Care must be provided by either a registered nurse or a licensed practical nurse, and a nurse must provide care for over half the total period of care. A minimum of eight (8) hours of care must be provided during a twenty-four (24) hour day that begins and ends at midnight. This care need not

be continuous and uninterrupted. The continuous home care rate is divided by twenty-four (24) hours in order to arrive at an hourly rate. For every hour or part of an hour of continuous care furnished, the hourly rate will be reimbursed to the hospice provider for up to twenty-four (24) hours a day.

~~(e)~~ **(f)** The hospice provider will be paid at the inpatient respite care rate for each day that the member is in an approved inpatient facility and is receiving respite care. Respite care is short term inpatient care provided to the member only when necessary to relieve the family members or other persons caring for the member. Respite care may be provided only on an occasional basis. Payment for respite care may be made for a maximum of five (5) consecutive days at a time, including the date of admission, but not counting the date of discharge. Payment for the sixth and any subsequent days is to be made at the routine home care rate.

~~(f)~~ **(g)** Subject to the limitations in section 3 of this rule, the hospice provider will be paid at the general inpatient hospice rate for each day the member is in an approved inpatient hospice facility and is receiving services related to the terminal illness. The member must require general inpatient care for pain control or acute or chronic symptom management that cannot be managed in other settings. Documentation in the member's record must clearly explain the reason for admission and the member's condition during the stay in the facility at this level of care. No other fixed payment rate (i.e., routine home care) will be made for a day on which the patient receives general hospice inpatient care. Services provided in the inpatient setting must conform to the hospice patient's plan of care. The hospice provider is the professional manager of the patient's care, regardless of the physical setting of that care or the level of care. If the inpatient facility is not also the hospice provider, the hospice provider must have a contract with the inpatient facility delineating the roles of each provider in the plan of care.

~~(g)~~ **(h)** When routine home care or continuous home care is furnished to a member who resides in a nursing facility, the nursing facility is considered the member's home.

~~(h)~~ **(i)** Reimbursement for inpatient respite care is available only for a member who resides in a private home. Reimbursement for inpatient respite care is not available for a member who resides in a nursing facility.

(j) Reimbursement for the SIA is available only for routine home care provided in a member's home or in a nursing facility.

~~(i)~~ **(k)** When a member is receiving general inpatient or inpatient respite care, the applicable inpatient rate (general or respite) is paid for the date of admission and all subsequent inpatient days, except the day on which the patient is discharged. For the day of discharge, the appropriate home care rate is paid unless the patient dies as an inpatient. In the case where the member is discharged deceased, the applicable inpatient rate (general or respite) is paid for the date of discharge.

(Office of the Secretary of Family and Social Services; 405 IAC 1-16-2; filed Mar 9, 1998, 9:30 a.m.: 21 IR 2377; readopted filed Jun 27, 2001, 9:40 a.m.: 24 IR 3822; filed Jun 5, 2003, 8:30 a.m.: 26 IR 3634; readopted filed Sep 19, 2007, 12:16 p.m.: 20071010-IR-405070311RFA; readopted filed Oct 28, 2013, 3:18 p.m.: 20131127-IR-405130241RFA; filed Aug 1, 2016, 3:44 p.m.: 20160831-IR-405150418FRA; filed Sep 14, 2016, 9:51 a.m.: 20161012-IR-405150449FRA)

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