

**8B: Medicaid Managed Care:  
The Latest Trends and Challenges  
for Hospice**

Friday, March 28, 2014, 3:15 PM - 4:15 PM

Steven Gardner, MPA, PAHM, *NHPCO*  
Judi Lund Person, MPH, *NHPCO*  
Cherry Meier, RN, MSN, LNHA, *VITAS*

**Session Objectives**

- Discuss the latest growth trends in Medicaid Managed Care (MMC)
- Define carved-in and carved-out hospice benefits under MMC
- Identify effective collaborative approaches with MMC Organizations (MMCOs) to promote hospice and care coordination

**How Does the Medicaid Hospice Benefit  
Compare to Medicare?**

- Definition of Hospice Care
- Definition of a Hospice Program
- Revocation and Change of Hospice Programs
- Payment Rates

**How Does the Medicaid Hospice Benefit  
Compare to Medicare?**

- Waiver of Other Benefits
- Hospice Statutory Requirements - Less guidance in Medicaid; there are no Medicaid hospice regulations, and the existing Manual provisions are old, and in some respects obsolete

**Why Medicare and Medicaid Benefits  
Sometimes Differ**

- Some of the statutory provisions themselves are different
- The Medicaid statute incorporates by reference some, but not all, Medicare provisions
- Medicaid is silent on some issues

**Medicare and Medicaid Hospice  
Requirements May or Must Differ**

- Eligibility for Hospice
- Election of Hospice
- Certification of Terminal Illness

### Medicare and Medicaid Hospice Requirements May or Must Differ

- Benefit Periods
- Annual Cap on Payments
- Hospice for Nursing Facility Residents

### Hospice Care Provided to Nursing Facility Patients

- Whether dually-eligible or Medicaid-only, the Medicaid room and board payment must be made to the hospice (the “pass through”)
- Payment must be “equal to at least 95% of the rate that would have been paid by the State under the plan for facility services in that facility for that individual.” \*

\* Social Security Act section 1902(a)(13)(B); 42 U.S.C. sec. 1396a(a)(13)(B) (see also, Social Security Act section 1905(o)(3) requiring the same room and board payment for dual eligibles).

### Audience Question

Has your hospice program already had experience with Medicaid managed care in your state?

### Medicaid Managed Care Overview

- Almost 50 million Medicaid Recipients receive benefits through some form of managed care
- Beneficiaries usually have a choice of at least two plans
- Focused on person-centered, integrated care
- Some benefits are commonly carved out: behavioral health and substance abuse; dental; hospice

### Medicaid Managed Care Growth

- ACA: States Implementing Expansion in 2014 (26 States including DC); Open Debate (6 States); Not Moving Forward at this Time (19 States)\*
- The CMS Innovations Center

\* <http://kaiserfamilyfoundation.files.wordpress.com/2014/01/current-status-of-the-medicaid-expansion-decisions-healthreform.png>

### Medicaid Managed Care Growth

- Affordable Care Act Expansion Opportunities
  - Premium Assistance for private health plans
  - Medicaid Long-term Services and Supports (LTSS)
  - Dually Eligible

### Dually Eligible Demos

- Current Status
- CMS Medicare-Medicaid Coordination Office
- Financial Alignment Demonstration
- For now, the hospice benefit is carved-out

### Medicaid Managed Care

- States have a great deal of flexibility regarding the structure of their Medicaid plan.
- To require Medicaid recipients to obtain services through a MMC plan, the State usually has to obtain a “waiver” from CMS to allow them to waive certain provisions of Medicaid that would otherwise apply
- Several types of waivers, with different rules

### Medicaid Waivers and Hospice

- States have less flexibility with hospice because so much is specified in statute
- Haven’t yet seen waivers aimed at hospice but waivers can be broad and may include hospice
- Since hospice is optional, states can eliminate the benefit and try to “fill in” with services provided through waivers
- Very few things can’t be waived, but it’s CMS’s decision whether or not to grant a waiver

### Medicaid Waivers & Hospice (cont.)

- Be careful what you wish for:
  - provisions requiring Medicaid to pay the Medicare hospice rate, the 95% rate for room and board, and the nursing home “pass through” are all in the same section of the Medicaid statute
- Make sure you know what your state is applying to waive

### Medicaid Waivers & Hospice (cont.)

- State plan authority [Section 1932(a)]
- Waiver authority [Section 1915 (a) and (b)]
- Waiver authority [Section 1115]

### Medicaid Waivers & Hospice (cont.)

- Medicaid programs vary tremendously from state to state – if you’ve seen one you’ve seen one
- Details of waivers and of managed care programs are state-specific
- You really must monitor what’s being planned and implemented in your state!

### **The Hospice Carve-out**

- The difference between having a carved-out vs. carved-in hospice benefit

### **Is Hospice In, Out, or Forgotten?**

- Hospice is big to you, but small to Medicaid
- Hospice model is unique and may not mesh well with the state's plan
- This is complicated, so it's important to be involved early and push Medicaid to think about hospice
  - Don't assume they know or understand anything about hospice

### **Audience Question**

For Medicaid recipients in your state who are enrolled in MMCOs, is hospice a carved-out benefit or is it carved-in to the MMCOs benefit package?

### **How to Prepare for a Carved-in Benefit**

- Obtain a copy of the waiver application; State Plan Amendment; Contract between the MMCO and Dept. of Medicaid Services
- Strategize on how your hospice can contract with MMCOs
- Outreach to MMCOs to educate them about hospice

### **How to Prepare for a Carved-in Benefit**

- Gather as much information about the MMCO as possible
- Initiate contract discussions for hospice services
- Establish eligibility/authorization criteria

### **How to Prepare for a Carved-in Benefit**

- Determine which service are included/excluded
- Clarify billing requirements/reimbursement rates
- Address room and board issues

### **How to Prepare for a Carved-in Benefit**

- Understand the MMCO's appeals process
- What data reporting will be required?
- Find out if there are utilization management or preauthorization requirements

### **How to Prepare for a Carved-in Benefit**

- What quality reporting will be required?
- Clarify the use of forms in Medicaid hospice

### **Call to Action**

- Engage with state decision-makers with authority over MMCOs
- Outreach and relationship building with MMCOs and Nursing Home Associations

### **Additional Resources**

- NHPCO Medicaid Managed Care Issue Brief
- State Hospice Organizations and Providers

### **Open Forum & Questions**

#### **Faculty Contact Information**

Steven Gardner – [sgardner@nhpco.org](mailto:sgardner@nhpco.org)  
Judi Lund Person - [jlundperson@nhpco.org](mailto:jlundperson@nhpco.org)  
Cherry Meier – [Cherry.Meier@vitas.com](mailto:Cherry.Meier@vitas.com)