



HPCAI Update

Bi-weekly News for Hospice Professionals in Iowa

January 9, 2009

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Happy New Year!

The staff and board of the Hospice and Palliative Care Association of Iowa wish you and your staff the very best in 2009.

Registration Still Available for January 27 Diversity Conference

As Iowa becomes more diverse, so does its workforce. To assist health care professionals in addressing the cultural, generational and sexual diversity issues that arise while treating patients and interacting with co-workers, the Iowa Hospital Association is sponsoring “Diversity in Health Care: Understanding Cultural, Generational and Sexual Differences,” to be held at the IHA Education Center on Tuesday, January 27, 2009. *HPCAI members are welcome to attend this conference at the IHA member price.*

The conference will begin with a session on cultural diversity that will:

- Identify how to break down barriers that can lead to stereotyping, discrimination and unequal treatment.
- Discuss how cultural differences and similarities impact interactions with co-workers, patients and families.
- Recognize skills needed to communicate and provide care within a diverse cultural environment.

The morning will continue with the session focusing on sexual diversity and will:

- Identify terminology and concepts used to describe those who are lesbian, gay, bisexual and transgender (LGBT).
- Discuss the barriers to health care faced by LGBT patients.
- Describe how to create a welcoming atmosphere for the LGBT community.

Following lunch, the afternoon will be devoted to generational diversity and specifically the four generations in the current workforce. This session will:

- Identify differences and similarities between the generations.

- Recognize the unique outlooks and attitudes of each generation and how this impacts the work environment.
- Discuss solutions to the challenges faced in recruiting, developing and retaining multi-generational staff.

This conference will be held at the IHA Education Center, 100 E Grand Avenue on January 27, 2009. [Click here to register online or to review the full brochure.](#)

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State Budget Woes Impact Progress Made in 2008

As a result of declining revenues, Governor Chet Culver announced an across the board budget cut of 1.5 percent in mid-December. All state agencies and departments had until the end of the year to submit a plan for the reduction. HPCAI learned this week that the Iowa Department of Elder Affairs (IDEA) will return the \$75,000 in funding appropriated for end-of-life care education during the 2008 legislative session as part of the 1.5 percent reduction in their budget. HPCAI supported the additional funding and was scheduled to consult with IDEA in January on how best to spend those dollars. In light of the decision to cut the funding, the meeting has been cancelled.

The Governor's office has not yet released how the 1.5 percent cut will impact the Department of Human Services and the Iowa Medicaid program. A 1.5 percent cut to the Medicaid program equals \$10.5 million. Hospice Medicaid payments are tied directly to the Medicare program and thus cannot be cut, but the Iowa Medicaid program has the option of cutting optional services, like the Medicaid hospice benefit. The Governor's office has stated that they hope to keep the Medicaid program in tact but the ability to do so will depend entirely on Congress and the economic stimulus package.

Congress plans to pass another economic stimulus package by the end of February which is likely include some additional aid to states for Medicaid programs by increasing the Federal Medical Assistance Percentage (FMAP).

Some early estimates project that the stimulus package may contain a three to five percent increase in the FMAP for 18 months to 2 years. Every percentage increase provides an additional \$26 million in federal funding for Iowa.

The Iowa Medicaid program currently projects a supplemental need (midpoint) of \$47 million for the current fiscal year and \$86 million for next fiscal year. In addition the state, projects a \$28 million decline in state revenue for the current fiscal year, FY2009, in comparison with last fiscal year, and another \$21 million decline in revenues for FY2010 over FY2009. This is especially problematic when the state has \$550 million of built-in expenditures for the FY2010 budget. Needless to say, the state will need to prioritize, cut and delay many of its spending initiatives in order to achieve a balanced budget for FY2010.

The Iowa General Assembly convenes Monday, January 12. Legislative leaders have already announced that their two priorities for the 2009 session will be balancing the budget and disaster relief.

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MedPAC Finalizes Hospice Benefit Reform Recommendations

The Medicare Payment Advisory Commission (MedPAC) met today to review and vote upon recommended changes to the Medicare hospice benefit. These recommendations ask Congress, and/or other governmental bodies, to undertake actions that would lead to payment system reforms, actions that can be taken to improve accountability in the hospice benefit, and additional data needs. The

commissioners voted to finalize the recommendations (listed below) and are expected to forward them to Congress in the MedPAC's March Report.

The MedPAC recommendations are just the starting point in the process that Congress will undertake to review and modernize the Medicare hospice benefit. Other considerations that could be important to federal representatives include outside research, issues impacting the hospice community beyond what was addressed in the MedPAC recommendations, and grassroots advocacy from the hospice community. It is important to note that MedPAC does not have the authority to unilaterally act on their recommendations. They can only advise federal agencies such as CMS and work with Congress toward revision and enactment.

NHPCO and other key stakeholders in the hospice community have joined together to release a consensus statement responding to MedPAC's recommendations. The [press release and consensus statement](#) document released January 8, 2009, is available on the NHPCO Web site.

MedPAC's Medicare Hospice Benefit Reform Recommendations*

1. The Congress should direct the Secretary to change the Medicare payment system for hospice to:

- relatively higher payments per day at the beginning of the episode, and relatively lower payments per day as the length of stay increases,
- include a relatively higher payment for the costs associated with patient death at the end of the episode, and
- implement the payment system changes in 2013, with a brief transition period.

These payment system changes should be implemented in a budget neutral manner in the first year.

2a. The Congress should direct the Secretary to:

- require that a hospice physician or advanced practice nurse visit the patient to determine continued eligibility at 180 days and at each subsequent recertification, and attest that such visit took place,
- require that certifications and recertifications include a brief narrative describing the clinical basis for the patient's prognosis, and
- require that all stays in excess of 180 days be reviewed by the applicable medical director of the Medicare claims processing contractor for hospices for which stays exceeding 180 days make up 40 percent or more of their total cases.

2b. The Secretary should direct the OIG to investigate:

- the prevalence of financial relations between hospices and long-term care facilities such as nursing facilities and assisted living facilities that may represent a conflict of interest and influence admissions to hospice,
- differences in patterns of nursing home referrals to hospice,
- the appropriateness of enrollment practices for hospices with unusual utilization patterns (e.g., high frequency of very long stays, very short stays, or enrolment of patients discharged from other hospices), and
- the appropriateness of hospice marketing materials and other admissions practices.

3. The Secretary should collect additional data on hospice care, and improve the quality of all data collected, to facilitate the management of the hospice benefit. Additional data could be collected from claims as a condition of payment, and from cost reports.

* Please note that the above recommendations are based on the initial draft voted upon by the Commissions and could slightly, but not substantively, change by the time the final version is released next week on the [MedPAC Web site](#). Interested parties should check the MedPAC Web site for the meeting transcript in 3-5 days.

Any questions should be directed to Angie Truesdale, Director, Public Policy, at atruesda@nhpco.org.

New Iowa Hospice MAC Announced

The Centers for Medicare & Medicaid Services (CMS) has announced five new awardees for the Medicare Administrative Contractors (MACs), including the MAC that will process Iowa hospice and home health claims. Highmark Medicare Services was awarded the hospice and home health contract for Iowa, Colorado, Delaware, District of Columbia, Kansas, Maryland, Montana, Missouri, Nebraska, North Dakota, Pennsylvania, South Dakota, Utah, West Virginia and Wyoming. The new contracts provide a base period of one year, and four one-year options. Contractors are eligible to earn award fees based on their ability to meet or exceed the performance requirements set by CMS.

An implementation date is not yet available. Click [here](#) to read the CMS Press Release. To learn more about HMS, visit their [Web site](#). HPCAI will continue to keep members abreast of developing information related to the implementation of the new home health and hospice MAC.

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Interim Final Hospice Program Interpretive Guidelines: An Important Update

The Centers for Medicare and Medicaid Services' Survey and Certification Group released a memorandum on January 2, 2009 to state survey directors announcing the release of an advance copy of the interim final Hospice Program Interpretive Guidelines. This new version replaces all previously-released versions of the guidance related to the 42 CFR Part 418 Conditions of Participation for Hospice and will also be published in an updated Appendix M of the State Operations Manual (SOM). Appendix M in the SOM may differ slightly from this advance copy as the document is still in the internal clearance process. These interim final Hospice Program Interpretive Guidelines are effective immediately.

NHPCO's Regulatory Committee has analyzed this version of the interim final Hospice Program Interpretive Guidelines. This [complete analysis of the Interpretive Guidelines](#) (PDF) includes important points from both the November 2008 and January 2009 versions. If you have already reviewed the Interpretive Guidelines and are familiar with the November 18, 2008 version of the guidelines, you may be interested in the big changes between the [November 2008 version and the January 2009 version](#) (PDF). This document reflects changes that were made after the November surveyor training hosted by CMS and has relevant changes noted in red text.

Interpretive Guidelines Audio Web Seminars

NHPCO is offering an audio web seminar specifically focused on the [The Interpretive Guidelines for Hospice Managers & Leaders](#), to be held Tuesday, January 27 from 2:00 – 3:30 p.m. ET.

To learn more about this audio web seminar or register online, visit the [2009 AWS page of the Web site](#) or contact Member Services at 1-800-646-6460.

Be sure to visit the [NHPCO Regulatory and Compliance Center](#) for new resources that include information on the Interpretive Guidelines, the regulatory text for the Medicare Hospice Conditions of Participation and preamble language for the regulatory text. Check the "CoPs-Planning for Success" webpage often to see new resources.

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Job Opening

Hospice Team Director, Care Initiatives

Care Initiatives is now hiring Team Directors for our new Hospice division. If you are an Iowa licensed RN and want to be a leader in Iowa's hospice care as a member of a growing not-for-profit

organization, we want to hear from you! We are hiring Team Directors for each of our new hospice offices: Cedar Rapids and Greenfield.

The Team Director leads office operations to assure patients and families receive the highest quality care. This position manages an interdisciplinary team, implements operational plans, and builds relationships to expand hospice care to more patients. Qualified candidates have an active RN license, management experience, strong leadership and interpersonal skills, and an intense desire to bring quality care to Iowans and their families living with serious illness and loss. Bachelor's Degree is preferred but not required. Excellent salary and health benefits package. To join the largest nursing home chain in Iowa and be a part of our hospice division, apply on-line or contact: Kelly Banning or Bill Havekost, Phone: 515-224-4442, kbanning@careinitiatives.org, www.careinitiatives.org.

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