

Eli's Hospice Insider

Budget: 2 Percent Payment Cut To Hit Hospices In April

Reduction takes effect based on claim's 'through' date.

Tighten your budget belt another notch ☐ so-called sequestration cuts will affect your payments soon.

The **Centers for Medicare & Medicaid Services** has confirmed that "Medicare FFS claims with dates-of-service or dates-of-discharge on or after April 1, 2013, will incur a 2 percent reduction in Medicare payment." That's thanks to the Budget Control Act of 2011, which required 2 percent sequestration cuts, and **President Obama's** subsequent March 1 sequestration order.

CMS has told the **National Association for Home Care & Hospice** that the cuts will apply to claims based on the "through" date, NAHC relates. Thanks to Medicare's requirement for hospices to bill monthly, the cuts will impact most hospices' April claims.

Providers continue to wait and see whether lawmakers will avert the 2 percent cuts before they take effect. But that's looking less likely as legislators fail to compromise on a budget agreement.