

Eli's Hospice Insider

Budget: Advisory Agency Wants Hospice Rates To Stay Flat, Cap To Go Down

Will lawmakers listen to MedPAC?

Taking the spotlight as Medicare's newest fraud-prone industry means Congress might be willing to listen to forthcoming recommendations from MedPAC to reduce hospice spending.

Hospices' relatively high average profit margin of 12.6 percent in 2017 means Medicare should freeze its hospice rates for 2021 - as well as possibly reduce the cap amount. So suggested the **Medicare Payment Advisory Commission** in its

Dec. 5 meeting.

MedPAC commissioners will formally vote on the recommendations in January for inclusion in the advisory body's March report to Congress, but commissioners seemed to generally agree on the elements in their discussion.

"We strongly disagree with an overall reduction to the cap of any amount ... for the specific purpose of targeting certain groups of providers," counters consulting firm **The Health Group** in Morgantown, West Virginia. "An arbitrary reduction to the cap ... will impact providers outside of the target group, and reduce access to hospice care for individuals who would otherwise qualify."