

## Eli's Hospice Insider

### Hospice News: Hospices Launch Class Action Lawsuit Against Cap Calculations With Sequester

A group lawsuit is now underway against cap calculations for 2013. After much confusion, the **Centers for Medicare & Medicaid Services** finally indicated that it will include sequester funds in hospices' per patient caps, even though they never received the sequester payments (see Eli's Hospice Insider, Vol. 8, No. 4). Now Medicare Administrative Contractor **Palmetto GBA** has sent FY 2013 cap demands that include sequestration in the calculation, reports law firm **Sheppard Mullin**. Other MACs are expected to follow suit shortly, the firm says on its website.

CMS' new policy to include sequestration appears to be "unlawful and contrary to statute," attorneys **Brian Daucher** and **Doug Luther** say in the post. Including sequestration funds overstates your revenue and your repayment obligation.

**Beware this deadline:** "Hospices must be alert," the attorneys urge. "Each hospice that receives an FY 2013 or FY 2014 cap overpayment demand from its MAC must file an appeal within 180 days of receipt of the demands from the MAC."

Sheppard Mullin is representing hospices in a class action appeal. More information is at [www.hospicelaw.com/2015/03/macs-issue-fy-2013-hospice-cap-demands-with-sequestration-group-appeal-now-open](http://www.hospicelaw.com/2015/03/macs-issue-fy-2013-hospice-cap-demands-with-sequestration-group-appeal-now-open).