

Eli's Hospice Insider

Hospice News: OIG Urges Congress To Require Proration Of DRGs When Patients Go To Hospice

Watchdog agency's suggestion could curb hospital referrals.

Referrals to hospice from the hospital may become more scarce, if legislators listen to a suggestion from the **HHS Office of Inspector General**.

Medicare should implement a hospital transfer payment policy for early discharges to hospice care, OIG Deputy of Inspector General for Audit Services, **Gloria Jarmon**, told the House Committee on Ways and Means Subcommittee on Health in its April 30 hearing, "Ideas to Improve Medicare Oversight to Reduce Waste, Fraud, and Abuse."

"Medicare could save about \$600 million over a 2-year period by applying a hospital transfer payment policy for early discharges to hospice care," Jarmon said in prepared testimony. "Many of the hospital discharges to hospice care that we reviewed were early discharges that would have received per diem payments, rather than full payments, if there had been a hospital transfer payment policy."

CMS could make the change via regulation, but might want to pursue legislative change, the OIG says.

Hospices fear such a transfer policy will discourage timely referrals to hospice, especially for patients who will have very short stays anyway.