



Date: January 12, 2022

To: Medicaid Community Hospice Providers

Subject: Information Letter No. 2022-03
Payment Rates for Medicaid Community Hospice
Effective retroactive to October 1, 2021

The Texas Health and Human Services Commission (HHSC) approved Medicaid Community Hospice payment rates, effective retroactively to October 1, 2021.

Payment rates for Medicaid Community Hospice are calculated based on annual hospice rates established by the Centers for Medicare & Medicaid Services (CMS). 42 Code of Federal Regulations 418.306(c) requires Medicaid hospice payment rates to be adjusted every federal fiscal year by the wage index data published in the Federal Register.

Section 1814(i)(1)(C)(ii) of the Social Security Act (the Act) authorizes payment rates for hospice care and details the requirements for annual increases in payment rates for hospice care services. Rates for hospice physician services are not increased under this provision. Hospice providers must comply with section 3004 of the Affordable Care Act and regulation at 78 Federal Register 48234 (August 7, 2013-CMS-1449-F). Section 3004 of the Affordable Care Act amended the Act to authorize a quality reporting program for hospice providers. Section 1814(i)(5)(A)(i) of the Act requires that beginning with federal fiscal year 2014 and each subsequent federal fiscal year, the Health and Human Services Secretary shall reduce the market basket update by two percentage points for any hospice provider that does not comply with the quality data submission requirements.

HHSC approved the Medicaid Community Hospice rates through our regular rate hearing process on November 12, 2021. The approved hospice payment rates, effective retroactive to October 1, 2021, can be accessed at:

<https://pfd.hhs.texas.gov/long-term-services-supports/hospice>.

Claims Submission

Providers should continue to bill using their normal billing process. Individual providers require no additional action.

Resources

Please contact the HHSC Provider Finance, Long-term Services and Supports Customer Information Team at PFD-LTSS@hhs.texas.gov or (512) 424-6637 if you have questions regarding the rates or this letter.

Sincerely,

[signature on file]

Samuel West
Director of Provider Finance
for Long-term Services and Supports