

Helping states develop integrated programs for individuals who are dually eligible for Medicare and Medicaid

August 31, 2021

Integrated Care Updates

CMS Issues FY2022 Hospice Payment Final Rule

On July 29, 2021, the Centers for Medicare & Medicaid Services (CMS) issued a final rule (CMS-1754-F) that updates Medicare hospice payments and the aggregate cap amount for FY 2022 in accordance with existing statutory and regulatory requirements (the rule was published in the <u>August 4, 2021 Federal Register</u>). This rule rebases the hospice labor shares and clarifies certain aspects of the hospice election statement addendum requirements. In addition, the rule finalizes changes to the Hospice Conditions of Participation (CoPs) and Hospice Quality Reporting Program (HQRP). The final rule also finalizes a Home Health Quality Reporting Program (HH QRP) policy that becomes effective on October 1, 2021, to prepare for public reporting beginning in January 2022. The provisions in the final rule are summarized in a CMS fact sheet at: <u>Fiscal Year (FY) 2022 Hospice Payment Rate Update Final Rule (CMS-1754-F) | CMS</u>

Under the final rule, hospices will see a 2.0 percent increase for FY 2022 Medicare hospice services starting October 1, 2021, compared to the FY 2021 rates. Since Medicaid hospice payment rates are tied to the Medicare payment rates, this will require modifications to Medicaid hospice payment rates and methodologies. (State Medicaid payments for hospice care are required by federal law to be "in amounts no lower than the amounts, using the same methodology" as in Medicare (Section 1902(a)(13)(B) of the Social Security Act)). CMS will provide states with information regarding the specific impacts on Medicaid hospice rates for FY 2022 in a separate memo.

August 2021 Enrollment in Medicare-Medicaid Plans

Between July and August 2021, total Medicare-Medicaid Plans (MMP) enrollment in the nine states (CA, IL, MA, MI, NY, OH, RI, SC, and TX) currently implementing capitated model demonstrations under the Financial Alignment Initiative increased from 406,798 to 407,539 as shown in ICRC's table <u>Monthly Enrollment in Medicare-Medicaid Plans by Plan and</u> by State, August 2020 to August 2021.

August 2021 Enrollment in PACE Organizations

PACE organizations provide comprehensive medical and social services to frail, community-dwelling individuals age 55 and older, most of whom are dually eligible. As shown in ICRC's table, <u>Program of All Inclusive Care for the Elderly (PACE)</u> <u>Total Enrollment by State and by Organization</u>, PACE organizations were operating in 31 states in August 2021. Between July and August 2021, the total number of Medicare beneficiaries enrolled in PACE increased from 51,096 to 51,457.

New Resources on the ICRC Website

- Key 2021 Medicare Advantage Dates: This calendar of key Medicare Advantage (MA) dates was developed to assist states and health plans in the implementation of integrated care programs for people dually eligible for Medicare and Medicaid. (ICRC/July 2021)
- <u>Medicare and Medicaid Nursing Facility Benefits: The Basics and Options for Improved Coordination and Quality</u>: This webinar provides an overview of Medicare and Medicaid nursing facility benefits and payment methods, as well as options to improve coordination and quality of nursing facility benefits for dually eligible individuals in both fee-for-service and managed care systems. (ICRC/July 2021)

Key Upcoming Dates

- September 30 Deadline for all MA, Medicare Advantage-Prescription Drug (MA-PD), MMP, Prescription Drug Plan (PDP), and cost-based plans (including those not offering Part D and those that do offer Part D) to send the standardized Annual Notice of Change (ANOC) and Low-Income Subsidy (LIS) rider to current enrollees.
- October 1 MA and Medicare Part D plan marketing begins for CY 2022.
- October 1 Deadline by which enrollees of non-renewing PDPs, MA plans, MA-PD plans, MMPs, and cost-based plans must receive final personalized beneficiary non-renewal notification letters.

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The Integrated Care Resource Center is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica and the Center for Health Care Strategies. For more information, visit www.integratedcareresourcecenter.com.

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