

July 24, 2012

Notification

Medicare payments to hospices to increase by 0.9 percent in FY 2013

The Centers for Medicare & Medicaid Services (CMS) today issued a notice to update the Medicare Hospice Wage Index for fiscal year (FY) 2013. This notice also provides clarification on additional diagnoses reporting on hospice claims and updates on hospice payment reform and hospice quality reporting. Hospices serving Medicare beneficiaries will see an estimated 0.9 percent increase in their payments for FY 2013. The hospice payment increase is the net result of a 1.6 percent increase in the “hospital market basket” update, which is offset by a 0.7 percent decrease in payments to hospices due to updated wage index data and the fourth year of CMS’ 7-year phase-out of its wage index budget neutrality adjustment factor (BNAF).

The new Hospice Wage Index will be effective for services furnished on or after October 1, 2012.

A link to the notice, which will be published in the Federal Register on July 27, 2012, is available at: <http://www.ofr.gov/inspection.aspx> or click here: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2012-18336.pdf>.

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