

Elimination of the Medicaid Hospice Program

Effective Feb. 1, 2013, Louisiana Medicaid will no longer reimburse hospice services as a bundled benefit. The hospice reduction does not impact anyone currently receiving services from the program, and does not affect Medicare's hospice benefit. Medicaid recipients who also receive Medicare will be able to access hospice care as offered through that program.

Hospice care has only been covered as a bundled benefit by Medicaid since 2002. It's important to note that hospice recipients, both in nursing homes and in the community, will still receive many of the same services they receive today. Nursing homes provide around-the-clock care, with medical support staff on site to help patients remain comfortable. Most nursing homes also have established relationships with clergy or nonprofit groups that provide emotional and spiritual support to residents.

Medicaid recipients who need hospice services outside of a nursing home will still have access to medications to relieve pain through the Medicaid Pharmacy Program, and can access palliative care through home health and personal care services in Medicaid. The emotional support services previously offered as hospice care in community settings through Medicaid are available through numerous nonprofit and faith-based groups that provide these services at no cost throughout the state.

Frequently Asked Questions

1. When does the termination of the hospice program take effect?

This termination is effective for any new requests received by DHH (through its fiscal intermediary, Molina) on or after February 1, 2013.

2. Who does the hospice termination affect?

Again, no one currently receiving hospice services is affected. These recipients will still continue receiving hospice services as called for in their existing plans of care. This termination applies to people with Medicaid who are older than 21 and who are not currently receiving hospice through Medicaid and who do not have Medicare.

3. Is anyone exempt from the elimination of hospice services?

People currently receiving hospice services are exempt, as explained above, and will continue receiving services according to their plans of care. Children, defined in Medicaid as under age 21, will continue receiving hospice services (see question 11). This elimination applies from Feb. 1, 2013, forward for people not currently receiving hospice care.

4. What happens to people currently in Medicaid Hospice care?

People currently receiving hospice care paid for by Medicaid will continue to receive hospice services paid for by Medicaid until they revoke these services, are discharged, die or no longer qualify for the service.

5. Who is deemed to be currently receiving hospice?

In order to be deemed currently in Medicaid hospice, a person's initial request for hospice services must be received by Molina, the Medicaid fiscal intermediary, on or before Jan. 31, 2013, and subsequently be approved for the hospice benefit by Molina. (Molina has five days to approve or deny a request for hospice services).

6. How many people typically got hospice through Medicaid?

In the previous fiscal year, there were 5,819 recipients of hospice services through Louisiana Medicaid. Of those, 4,456 (76.6%), of those received the services while residing in a nursing home, of which 4,077 were Medicare/Medicaid dual eligibles and 379 were Medicaid only. Only 1,363 (23.4%) received the services in their homes, and this population is comprised of persons with Medicaid only.

7. Do we still send requests for subsequent elections periods to Molina for prior authorization?

Yes, but only for those people currently receiving hospice who need approval for subsequent elections periods.

8. How will the Nursing Facility Room And Board Pass Through be affected?

For people currently receiving hospice through Medicaid and Medicare dual eligibles who are already in Molina's system as being in hospice, the room and board pass through will continue till they revoke these services, are discharged, die, or no longer qualify for the service. No new people will be approved for hospice services if the request is received after Jan. 31, 2013, so the room and board pass through will no longer be the responsibility of hospice. The room and board will be paid directly to the nursing facility by DHH.

9. What effect does this have on Medicare dual eligibles?

This should have no effect on the services received by people who have both Medicare and Medicaid (dual eligibles). Dual eligibles will still be able to receive hospice services paid for by Medicare. Hospice providers will no longer be required to send proof that dual eligibles are receiving hospice through Medicare to Molina.

10. What other services are available for Medicaid eligibles who have a terminal condition?

People who would otherwise have been eligible for hospice can access all other available Medicaid services. Specifically, people who would have used hospice in the community will be able access services such as prescription drugs, home health and long term care personal care services. People can access home health by contacting a Medicaid-enrolled home health provider, or if they are in Bayou Health, their Bayou Health Plan, Long-Term Personal Care Services can be requested by calling 1-877-456-1146. For the medical social support services previously offered through hospice, recipients can access these at no cost through community nonprofit and faith-based organizations. DHH is currently engaging these organizations to connect them with recipients who might need services after the Feb. 1, 2013 hospice elimination.

11. What if the Medicaid recipient in need of hospice services is a child?

Hospice care is still available through Medicaid for children (people under 21). There is no change in the prior authorization process or the manner in which Medicaid hospice is delivered to those under 21.

12. Why would DHH eliminate the Medicaid hospice program?

Within the Medicaid Program, the federal government (which provides most of the funding for Medicaid) requires that certain services be provided. DHH does not have the option to eliminate those “mandatory” services. Other services are considered “optional.” When budget restraints occur, DHH can only eliminate optional benefits, of which we have very few in our state. Hospice is an optional service that Louisiana Medicaid only began paying for during the past 10 years, and the growth of our Medicaid hospice program is an outlier compared to other states. When looking at optional Medicaid programs for elimination and setting priorities, the Department determined it was more critical to continue pharmacy benefits for adults, hemodialysis and group homes for people with development disabilities, all of which are also optional services.

13. Without hospice, won't a lot of these patients just go into hospitals for more expensive care?

No one currently receiving hospice services is affected. Those individuals will still receive hospice care as called for under their existing plans of care.

Going forward, people who would have sought hospice care, either in a nursing home or community setting, will still be able to access most of the same services they receive today. For recipients in nursing homes, these facilities provide around-the-clock care to residents to help them stay comfortable, and many of these homes have established relationship with clergy members or nonprofit organizations who can provide emotional and spiritual support to residents. For those outside of nursing homes, they can still access services such as prescription drugs, home health and long term care personal care services for comfort and palliative care. The emotional support services previously offered through hospice can be accessed through community nonprofit and faith-based organizations.

14. How much money does the State save by eliminating hospice?

The elimination of hospice will be a \$3,295,729 savings in total dollars (SGF portion \$1,101,433) for SFY 13, and an \$8,342,802 savings in total dollars (SGF portion \$3,090,174) anticipated for SFY14.