

Hospice Payments and the Medicaid Rate Recalculations

What the corrected rates mean for hospice days

Ohio nursing facilities are asking how the Medicaid rate recalculations from our mandamus litigation affect residents who elected hospice. The short answer: for hospice days, the facility's claim is against the hospice, not ODM.

THE KEY CONCEPTS

- 1 The mandamus addressed nursing facility rates only.** The decision and the resulting funding corrected Medicaid nursing facility rates. They did not address hospice payments.
- 2 For hospice residents, the hospice pays the facility.** When a Medicaid resident elects hospice, ODM pays the hospice, and the hospice pays the nursing facility under the parties' contract.
- 3 Many contracts require payment of 100% of the Medicaid rate.** Many facilities have negotiated hospice agreements requiring the hospice to pay the full Medicaid rate. If that rate has been recalculated upward, the facility may be owed the difference.
- 4 The practical result.** A facility may have a claim against the hospice for the differential on each affected hospice day.

CORRECTED RATE

\$310

PAID BY HOSPICE

\$300

POTENTIAL CLAIM

\$10 per hospice day

- 5 This is a private contract matter.** The facility looks to the hospice for any amount owed. ODM is not part of it. If a hospice believes ODM underpaid it, that is for the hospice to resolve with ODM.

WHAT TO DO NOW

Review your hospice agreements and identify the affected hospice days. Contract terms vary, so each agreement should be reviewed before deciding how to proceed.

QUESTIONS

If you would like help evaluating or pursuing hospice-related claims arising from the rate recalculations, please contact any ROLF attorney with whom you work.

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