

# THE HOSPICE CARE ACCOUNTABILITY, REFORM, AND ENFORCEMENT (HOSPICE CARE) ACT

The Hospice Care Accountability, Reform, and Enforcement (Hospice CARE) Act modernizes the Medicare hospice benefit, which has remained largely unchanged since its creation in 1982. Since then, the hospice industry has evolved significantly in both the types of providers delivering care and the patients receiving end-of-life services. When individuals elect hospice care, they should be confident that their provider will deliver compassionate, individualized services focused on quality of life. However, increased fraud and abuse have raised concerns about ensuring patient access to needed services while protecting the Medicare Trust Fund. This legislation implements program integrity safeguards and payment reforms to better meet the needs of terminally ill beneficiaries and their families, while improving care delivery, and providing greater support for patients and caregivers.

The Hospice CARE Act is a response to rampant fraud within the industry that builds on recommendations from hospice professionals and federal oversight bodies—including the Department of Health and Human Services Office of Inspector General, the Government Accountability Office, and the Medicare Payment Advisory Commission—to strengthen program integrity and modernize hospice payment policy.

**Program Integrity.** The legislation establishes safeguards to prevent fraudulent providers from entering the program and increases oversight of hospice providers, particularly newly enrolled hospices. Specifically, it:

- Temporarily prevents new hospices from enrolling in Medicare, while allowing exceptions when additional access to care is needed.
- Requires greater transparency in hospice ownership and managing control information to ensure enrollment records remain accurate and up to date.
- Increases survey frequency for new hospices to ensure compliance with health and safety standards and requires submission of quality data as a condition of payment, with appropriate exceptions.
- Reduces the potential for financial conflicts of interest when certifying hospice eligibility while allowing nurse practitioners and physician assistants to certify eligibility.
- Requires the Centers for Medicare & Medicaid Services (CMS) to conduct

additional oversight to ensure hospices are delivering comprehensive and holistic care.

- Requires patients to receive an explanation of benefits within 15 days of electing hospice care to improve beneficiary awareness and prevent extended periods of fraudulent billing.

**Payment Reform.** The legislation also modernizes the hospice payment structure to better incentivize high-quality care and ensure access to necessary services. Specifically, it:

- Revises the payment structure for routine home care to reward hospices for providing in-person services.
- Increases payments for hospices furnishing costly palliative treatments—including radiation therapy, chemotherapy, blood transfusions, and dialysis—to address access barriers for patients who require these services under a hospice election, while establishing an outlier payment policy for unusually high-cost cases.
- Adds home respite care to the Medicare hospice benefit, allowing individuals to receive respite services at home rather than in a facility, providing important support for families and caregivers.
- Creates a new transitional inpatient respite benefit to support patients and families as they move from hospital care into hospice in the setting of their choice, helping prevent unnecessary discharges to skilled nursing facilities when adequate support for home care is unavailable.

