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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R.

To amend title XVIII of the Social Security Act to ensure the integrity of hospice care furnished under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. SÁNCHEZ introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title XVIII of the Social Security Act to ensure the integrity of hospice care furnished under the Medicare program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hospice Care Account-
5 ability, Reform, and Enforcement Act of 2026” or the
6 “Hospice CARE Act of 2026”.

1 **SEC. 2. ENSURING THE INTEGRITY OF HOSPICE CARE FUR-**
2 **NISHED UNDER THE MEDICARE PROGRAM.**

3 (a) MANDATORY TEMPORARY MORATORIUM ON EN-
4 ROLLMENT.—

5 (1) IN GENERAL.—Section 1866(j) of the Social
6 Security Act (42 U.S.C. 1395cc(j)) is amended by
7 adding at the end the following new paragraph:

8 “(10) MANDATORY TEMPORARY MORATORIUM
9 ON ENROLLMENT OF HOSPICE PROGRAMS.—

10 “(A) IN GENERAL.—Except as provided in
11 subparagraphs (B) and (C), the Secretary shall
12 impose a nationwide temporary moratorium on
13 the enrollment of new hospice programs under
14 this title for the 5-year period beginning on the
15 date of the enactment of this paragraph.

16 “(B) EXEMPTION FOR CERTAIN HOS-
17 PICES.—

18 “(i) IN GENERAL.—The Secretary
19 may exempt a hospice program seeking to
20 enroll under this title from the moratorium
21 described in subparagraph (A) if the Sec-
22 retary determines that such program will
23 furnish hospice care to individuals entitled
24 to benefits under part A in an area with
25 insufficient access to such care (as speci-

1 fied by the Secretary, taking into account
2 the considerations described in clause (ii)).

3 “(ii) CONSIDERATIONS DESCRIBED.—
4 For purposes of clause (i), the consider-
5 ations described in this clause are, with re-
6 spect to a hospice program seeking to en-
7 roll under this title, the following:

8 “(I) The specific geographic area
9 that such program intends to serve.

10 “(II) The current availability of
11 hospice care in such area.

12 “(III) Any evidence of unmet
13 need for hospice care in such area
14 (such as wait times for such care, the
15 extent to which such area (or a popu-
16 lation in such area) is considered un-
17 derserved, and evidence that existing
18 hospice programs are provided a sub-
19 standard quality of care in such area).

20 “(IV) The program’s plan to ad-
21 dress any identified gaps in the provi-
22 sion of hospice care in such area.

23 “(C) AUTHORITY TO LIFT MORATORIUM.—
24 The Secretary may lift the moratorium imposed
25 under subparagraph (A) within a State (or geo-

1 graphic region of a State) specified by the Sec-
2 retary in the same manner as the Secretary
3 may lift a temporary moratorium (as described
4 in paragraph (7)) under section 424.570(d) of
5 title 42, Code of Federal Regulations (or a suc-
6 cessor regulation).

7 “(D) APPLICATION OF PREPAYMENT MED-
8 ICAL REVIEW DURING THE TEMPORARY MORA-
9 TORIUM IN CERTAIN CIRCUMSTANCES.—

10 “(i) IN GENERAL.—Subject to clause
11 (ii), the Secretary shall apply prepayment
12 medical review to hospice care consisting of
13 routine home care furnished during the 5-
14 year period beginning on the date of the
15 enactment of this paragraph by an applica-
16 ble hospice program to a covered indi-
17 vidual.

18 “(ii) TERMINATION OF APPLICATION
19 OF PREPAYMENT MEDICAL REVIEW.—

20 “(I) IN GENERAL.—The Sec-
21 retary shall terminate the application
22 of prepayment medical review under
23 clause (i) with respect to hospice care
24 furnished by an applicable hospice
25 program to a covered individual if the

1 Secretary determines that, during the
2 period in which such care so furnished
3 by such program was subject to such
4 review, such care was subject to a low
5 rate of denial (as specified by the Sec-
6 retary) under such review.

7 “(II) REVOCATION OF TERMI-
8 NATION.—The Secretary may revoke
9 any termination of prepayment med-
10 ical review under subclause (I) if de-
11 termined appropriate by the Sec-
12 retary.

13 “(iii) DEFINITIONS.—For purposes of
14 this subparagraph:

15 “(I) APPLICABLE HOSPICE PRO-
16 GRAM.—The term ‘applicable hospice
17 program’ means a hospice program
18 with a history of claim submissions
19 with respect to hospice care furnished
20 under this title that is aberrant (such
21 as by demonstrating that such pro-
22 gram is an outlier with respect to live
23 discharges) compared to such history
24 of claim submissions of similarly situ-

1 ated hospice programs, as determined
2 by the Secretary.

3 “(II) COVERED INDIVIDUAL.—

4 The term ‘covered individual’ means
5 an individual receiving hospice care
6 under this title during the second 90-
7 day period described in section
8 1812(d)(1) (or during any subsequent
9 period) applicable to such individual.

10 “(E) REVALIDATION OF ENROLLMENT IN-
11 FORMATION.—

12 “(i) IN GENERAL.—During the 6-
13 month period beginning on the date of the
14 enactment of this paragraph and notwith-
15 standing any applicable revalidation cycle
16 under section 424.515 of title 42, Code of
17 Federal Regulations (or a successor regula-
18 tion), the Secretary shall revalidate the en-
19 rollment information of each hospice pro-
20 gram enrolled under this title in accord-
21 ance with the requirements applicable to
22 revalidations of such information under
23 such section.

24 “(ii) PUBLICATION OF OWNERSHIP IN-
25 FORMATION.—Not later than 1 year after

1 the date of the enactment of this para-
2 graph, the Secretary shall publish on a
3 public website of the Centers for Medicare
4 & Medicaid Services ownership interest and
5 managing control information collected
6 pursuant to revalidations described in
7 clause (i) for each hospice program en-
8 rolled under this title.

9 “(iii) REPORT.—Not later than Janu-
10 ary 1, 2028, the Secretary, acting through
11 the Assistant Secretary for Planning and
12 Evaluation, shall submit to Congress a re-
13 port on hospice ownership and control
14 trends and the role of private equity in
15 ownership and control of hospice programs.
16 Such report shall include—

17 “(I) validation, to the extent fea-
18 sible, of the ownership and control in-
19 formation reported on form CMS-
20 855A (or any successor form);

21 “(II) an analysis of hospice cost
22 report data by ownership type;

23 “(III) recommendations on ways
24 to improve the integrity of the owner-
25 ship and control information reported

1 by hospices during the enrollment
2 process under this title; and

3 “(IV) to the extent practicable,
4 recommendations on policies to pro-
5 mote health care competition.

6 “(F) IMPLEMENTATION.—The Secretary
7 shall implement this paragraph through pro-
8 gram instruction or other forms of subregu-
9 latory guidance.”.

10 (2) AUTHORITY TO PROVIDE EXEMPTIONS TO
11 TEMPORARY MORATORIA.—Section 1866(j)(7) of the
12 Social Security Act (42 U.S.C. 1395cc(j)(7)) is
13 amended—

14 (A) in subparagraph (A), by adding at the
15 end the following new sentence: “The Secretary
16 may exempt a provider of services or supplier
17 that would otherwise be subject to a morato-
18 rium imposed under the preceding sentence
19 from such moratorium if determined appro-
20 priate by the Secretary.”; and

21 (B) in subparagraph (C)(iii)—

22 (i) in subclause (I), by striking “and”
23 at the end;

24 (ii) in subclause (II), by striking the
25 period and inserting “; and”; and

1 (iii) by adding at the end the fol-
2 lowing new subclause:

3 “(III) is not subject to an exemp-
4 tion described in such subpara-
5 graph.”.

6 (b) EXTENSION OF OVERSIGHT OF NEWLY-EN-
7 ROLLED HOSPICE PROGRAMS.—

8 (1) IN GENERAL.—Section 1866(j)(3)(A) of the
9 Social Security Act (42 U.S.C. 1395cc(j)(3)(A)) is
10 amended by inserting “(or, in the case of a hospice
11 program, not more than 2 years)” after “1 year”.

12 (2) MANDATORY APPLICATION OF ENHANCED
13 OVERSIGHT FOR CERTAIN HOSPICE PROGRAMS.—
14 Section 1866(j)(3) of the Social Security Act (42
15 U.S.C. 1395cc(j)(3)) is amended—

16 (A) by redesignating subparagraph (B) as
17 subparagraph (C); and

18 (B) by inserting after subparagraph (A)
19 the following new subparagraph:

20 “(B) MANDATORY APPLICATION TO CER-
21 TAIN HOSPICE PROGRAMS.—The procedures es-
22 tablished by the Secretary under subparagraph
23 (A) shall provide that any hospice program en-
24 rolling under this title that would, but for appli-
25 cation of subparagraph (B) or (C) of paragraph

1 (10), have been prohibited from so enrolling be
2 subject to the enhanced oversight described in
3 such subparagraph for a period of not less than
4 30 days.”.

5 (c) INCREASE IN SURVEY FREQUENCY FOR CERTAIN
6 HOSPICE PROGRAMS.—Section 1822(a) of the Social Se-
7 curity Act (42 U.S.C. 1395i–6(a)) is amended—

8 (1) in paragraph (1)—

9 (A) by inserting “, with respect to such a
10 survey conducted with respect to a hospice pro-
11 gram that is not included on the list established
12 under paragraph (5),” after “local survey agen-
13 cy, or”; and

14 (B) by inserting “(or, in the case of a hos-
15 pice program that is included on the list estab-
16 lished under paragraph (5), not less frequently
17 than once every 18 months)” after “36
18 months”;

19 (2) by redesignating paragraph (5) as para-
20 graph (6);

21 (3) by inserting after paragraph (4) the fol-
22 lowing new paragraph:

23 “(5) HOSPICE PROGRAMS SUBJECT TO IN-
24 CREASED SURVEY FREQUENCY.—

1 “(A) IN GENERAL.—The Secretary shall
2 establish a list of hospice programs subject to
3 increased survey frequency under paragraph (1)
4 in accordance with the provisions of this para-
5 graph.

6 “(B) INCLUSION ON LIST.—

7 “(i) IN GENERAL.—The Secretary
8 shall include a hospice program on the list
9 established under subparagraph (A) if such
10 program is not participating in the special
11 focus program under subsection (b) and
12 such hospice program meets either of the
13 following criteria:

14 “(I) The program first submitted
15 a claim for an item or service under
16 this title during the 5-year period end-
17 ing on the date of the enactment of
18 this paragraph.

19 “(II) The program first submits
20 a claim for an item or service under
21 this title on or after such date of en-
22 actment.

23 “(ii) DISCRETIONARY INCLUSION.—
24 The Secretary may include a hospice pro-

1 gram on the list established under sub-
2 paragraph (A)—

3 “(I) if claims data submitted by
4 such program indicates that such pro-
5 gram is not providing the full scope of
6 hospice care services payable under
7 this title;

8 “(II) if the Secretary determines
9 that such program is an outlier with
10 respect to live discharges; or

11 “(III) for any other reason deter-
12 mined appropriate by the Secretary.

13 “(C) REMOVAL FROM LIST.—The Sec-
14 retary shall remove a hospice program included
15 in the list established under subparagraph
16 (A)—

17 “(i) if—

18 “(I) such program has been sub-
19 ject to 2 surveys under this subsection
20 while included on such list; and

21 “(II) neither such survey resulted
22 in such program being cited for a de-
23 ficiency for failure to comply with a
24 condition of participation relating to
25 quality of care; or

1 “(ii) if such program is placed in the
2 special focus program established under
3 subsection (b).”; and

4 (4) in paragraph (6), as so redesignated, by
5 striking “each fiscal year (beginning with fiscal year
6 2022)” and inserting “each of fiscal years 2022
7 through 2026, and of \$15,000,000 for fiscal year
8 2027 and for each subsequent fiscal year,”.

9 (d) PROHIBITION ON PAYMENT FOR FAILURE TO
10 MEET QUALITY DATA REPORTING REQUIREMENTS.—
11 Section 1814(i)(5) of the Social Security Act (42 U.S.C.
12 1395f(i)(5)) is amended—

13 (1) in subparagraph (A)—

14 (A) in the header, by striking “REDUCTION
15 IN UPDATE FOR”;

16 (B) in clause (i)—

17 (i) in the header, by striking “IN
18 GENERAL” and inserting “FISCAL YEARS
19 2014 THROUGH 2027”;

20 (ii) by inserting “through fiscal year
21 2027” after “each subsequent fiscal year”;
22 and

23 (iii) by adding at the end the fol-
24 lowing new sentence: “The application of
25 the preceding sentence may result in the

1 market basket percentage increase under
2 paragraph (1)(C)(ii)(VII) or paragraph
3 (1)(C)(iii), as applicable, being less than
4 0.0 for a fiscal year, and may result in
5 payment rates under this subsection for a
6 fiscal year being less than such payment
7 rates for the preceding fiscal year.”; and
8 (C) by amending clause (ii) to read as fol-
9 lows:

10 “(ii) SUBSEQUENT FISCAL YEARS.—
11 For purposes of fiscal year 2028 and each
12 subsequent fiscal year, no payment may be
13 made under this title to a hospice program
14 that does not submit data to the Secretary
15 in accordance with subparagraph (C) with
16 respect to such fiscal year.”; and

17 (2) in subparagraph (B), by striking “subpara-
18 graph (A)” and inserting “subparagraph (A)(i)”.

19 (e) ENSURING INDEPENDENCE OF PHYSICIAN CER-
20 TIFICATIONS OF TERMINAL ILLNESS.—Section
21 1814(a)(7)(A)(i) of the Social Security Act (42 U.S.C.
22 1395f(a)(7)(A)(i)) is amended—

23 (1) in subclause (I), by inserting “or, with re-
24 spect to certifications under this clause occurring on
25 or after October 1, 2027, in the case such individual

1 fails to designate such an attending physician (or in
2 the case such attending physician is employed by the
3 hospice program at which such individual will receive
4 such care or otherwise has a significant ownership
5 interest in, or a significant financial relationship
6 with, such program (as determined by the Sec-
7 retary)), by a physician, physician assistant, or
8 nurse practitioner that does not have such a signifi-
9 cant ownership interest in, or such a significant fi-
10 nancial relationship with, such program (as deter-
11 mined by the Secretary)” before “, and”; and

12 (2) in the matter following subclause (II), by
13 striking “physician’s” and inserting “physician’s,
14 physician assistant’s, nurse practitioner’s”.

15 (f) ALLOWING ADDITIONAL PROVIDERS TO CERTIFY
16 TERMINAL ILLNESS.—

17 (1) IN GENERAL.—Section 1814(a)(7)(A)(i)(I)
18 of the Social Security Act (42 U.S.C.
19 1395f(a)(7)(A)(i)(I)) is amended by striking “(which
20 for purposes of this subparagraph does not include
21 a nurse practitioner or a physician assistant)”.

22 (2) EFFECTIVE DATE.—The amendment made
23 by paragraph (1) shall apply with respect to certifi-
24 cations of terminal illnesses made on or after Octo-
25 ber 1, 2027.

1 (g) ALLOWABLE USE OF SUPPORTING MATERIAL IN
2 MEDICAL REVIEW OF HOSPICE CARE.—Section 1814(a)
3 of the Social Security Act (42 U.S.C. 1395f(a)) is amend-
4 ed by adding at the end the following new sentence: “For
5 purposes of conducting medical review of hospice care fur-
6 nished to an individual, in addition to using documenta-
7 tion in the medical record of such individual’s attending
8 physician (as defined in section 1861(dd)) or of the physi-
9 cian, physician assistant, or nurse practitioner otherwise
10 making the certification described in paragraph
11 (7)(A)(i)(I) with respect to such individual, the Secretary
12 may use documentation in the medical record of the hos-
13 pice program furnishing such care as supporting material,
14 as determined appropriate by the Secretary.”.

15 (h) PROHIBITION ON CERTAIN CHANGES IN MAJOR-
16 ITY OWNERSHIP.—With respect to any change in the ma-
17 jority ownership of a hospice program occurring during
18 the 5-year period beginning on the date of the enactment
19 of this Act, the Secretary of Health and Human Services
20 shall apply section 424.550(b) of title 42, Code of Federal
21 Regulations (or a successor regulation) as if the references
22 to “36 months” in paragraph (1) of such section were ref-
23 erences to “60 months”.

24 (i) ADVANCED NOTICE OF CHANGES IN OWNERSHIP
25 OR CONTROL.—Section 1822 of the Social Security Act

1 (42 U.S.C. 1395i-6) is amended by adding at the end the
2 following new subsection:

3 “(d) ADVANCED NOTICE OF CHANGES IN OWNER-
4 SHIP OR CONTROL.—

5 “(1) IN GENERAL.—Beginning January 1,
6 2028, in the case a change occurs in—

7 “(A) the persons with an ownership or
8 control interest (as defined in section
9 1124(a)(3)) in the hospice program;

10 “(B) the persons who are officers, direc-
11 tors, agents, or managing employees (as defined
12 in section 1126(b)) of the hospice program;

13 “(C) the corporation, association, or other
14 company responsible for the management of the
15 hospice program;

16 “(D) the individual who is the adminis-
17 trator of the hospice program; or

18 “(E) the individual who is the medical di-
19 rector of the hospice program;

20 such program shall provide notice at the time of the
21 change (or, in the case such change is with respect
22 to a person described in subparagraph (A), at least
23 90 days before the effective date of the change) to
24 the Secretary, the appropriate State or local survey
25 agency, or appropriate approved accreditation agen-

1 cy of the change and of the identity of each new per-
2 son, company, or individual described in the respec-
3 tive subparagraph.

4 “(2) ENFORCEMENT.—

5 “(A) IN GENERAL.—In the case that the
6 Secretary determines that a hospice program
7 has violated paragraph (1), the Secretary
8 may—

9 “(i) impose a civil monetary penalty
10 in an amount not to exceed \$1,000,000 per
11 violation; and

12 “(ii) if determined appropriate by the
13 Secretary, terminate such program’s en-
14 rollment under this title.

15 “(B) PROCEDURES.—The provisions of
16 section 1128A (other than subsections (a) and
17 (b) of such section) shall apply to a civil mone-
18 tary penalty imposed under subparagraph (A)
19 in the same manner as such provisions apply to
20 a penalty or proceeding under such section.”.

21 (j) REQUIRED PROVISION OF ADDENDUM OF NON-
22 COVERED SERVICES.—Section 1812(d)(1) of the Social
23 Security Act (42 U.S.C. 1395d(d)(1)) is amended by add-
24 ing at the end the following new sentence: “With respect
25 to such an election made on or after October 1, 2027, in

1 the case such program determines that there are items
2 and services being furnished to such individual that are
3 not related to the treatment of the individual's condition
4 with respect to which a diagnosis of terminal illness has
5 been made, such election shall include an addendum that
6 specifies such items and services and includes such addi-
7 tional information as may be specified by the Secretary.
8 Such program shall provide an updated addendum de-
9 scribed in the preceding sentence to such individual if,
10 while such election is in effect with respect to such indi-
11 vidual, such program makes any alteration to the adden-
12 dum provided to such individual at the time of such elec-
13 tion.”.

14 (k) MEDICAL REVIEW OF HOSPICE OUTLIERS AND
15 CARE UNRELATED TO TERMINAL CONDITION.—

16 (1) IN GENERAL.—

17 (A) MEDICAL REVIEW.—Section
18 1814(a)(7) of the Social Security Act (42
19 U.S.C. 1395f(a)(7)) is amended—

20 (i) in subparagraph (D), by striking
21 “and” at the end;

22 (ii) in subparagraph (E), by inserting
23 “before the date of the enactment of sub-
24 paragraph (F),” after “subparagraph,”;
25 and

1 (iii) by adding at the end the fol-
2 lowing new subparagraph:

3 “(F) beginning on the date that is 5 years
4 after the date of the enactment of this subpara-
5 graph, in the case of hospice care provided an
6 individual for more than 90 days by a hospice
7 program with aberrant billing patterns (as de-
8 termined by the Secretary), the hospice care
9 provided to such individual is subject to prepay-
10 ment medical review (in accordance with proce-
11 dures established by the Secretary); and”.

12 (B) TECHNICAL EXPERT PANEL.—

13 (i) IN GENERAL.—The Secretary of
14 Health and Human Services shall establish
15 a technical expert panel for purposes of es-
16 tablishing standards for identifying a hos-
17 pice program with a history of aberrant
18 billing patterns under section
19 1814(a)(7)(F) of the Social Security Act,
20 as added by subparagraph (A). In making
21 recommendations with respect to such
22 standards, such panel shall take into ac-
23 count the results of prepayment medical
24 reviews conducted under section

1 1866(j)(10)(D) of such Act, as added by
2 subsection (a).

3 (ii) FACA WAIVER.—The provisions
4 of chapter 10 of title 5, United States
5 Code, shall not apply to the panel estab-
6 lished under clause (i).

7 (2) PREPAYMENT MEDICAL REVIEW REQUIRE-
8 MENT.—Section 1812(d)(2) of the Social Security
9 Act (42 U.S.C. 1395d(d)(2)) is amended by adding
10 at the end the following new subparagraph:

11 “(E) Notwithstanding any other provision of this
12 title, in the case of items and services (other than items
13 and services described in the matter following clause
14 (ii)(II) of subparagraph (A)) furnished on or after October
15 1, 2027, to an individual with an election in effect under
16 paragraph (1) by a provider of services or supplier, if such
17 provider of services or supplier indicates that such items
18 and services are unrelated to the individual’s condition
19 with respect to which a diagnosis of terminal illness has
20 been made, no payment may be made under this title for
21 such items and services before the Secretary has con-
22 ducted a medical review of such items and services to de-
23 termine whether such items and services are unrelated to
24 such condition. Such review shall include a review of any

1 addendum described in paragraph (1) included in such
2 election.”.

3 (3) FUNDING.—The Secretary of Health and
4 Human Services shall provide for the transfer, from
5 the Federal Hospital Insurance Trust Fund estab-
6 lished under section 1817 of the Social Security Act
7 (42 U.S.C. 1395i) to the Centers for Medicare &
8 Medicaid Services Program Management Account, of
9 \$20,000,000 for fiscal year 2027, to remain avail-
10 able until expended, for purposes of carrying out the
11 amendments made by this subsection.

12 (1) PROVISION OF EXPLANATION OF BENEFITS UPON
13 HOSPICE ELECTION.—

14 (1) IN GENERAL.—Section 1806 of the Social
15 Security Act (42 U.S.C. 1395b–7) is amended by
16 adding at the end the following new subsection:

17 “(d) PROVISION OF EXPLANATION OF BENEFITS
18 UPON HOSPICE ELECTION.—The Secretary shall furnish
19 to each individual who makes an election described in sec-
20 tion 1812(d)(1), not later than 15 days after such indi-
21 vidual makes such election, a notice that—

22 “(1) specifies—

23 “(A) the effective date of such election;

24 “(B) the hospice program that will be fur-
25 nishing hospice care to such individual;

1 “(C) the telephone number and address of
2 such program;

3 “(D) the physician, physician assistant, or
4 nurse practitioner who made the certification
5 described in section 1814(a)(7)(A)(i)(I) with re-
6 spect to such individual;

7 “(E) the toll-free telephone number of the
8 medicare administrative contractor responsible
9 for processing claims for such care;

10 “(2) informs such individual of the waiver of
11 rights described in section 1812(d)(2)(A);

12 “(3) includes a statement which indicates that,
13 because errors do occur and because Medicare waste,
14 fraud, and abuse is a significant problem, such indi-
15 vidual should carefully check the individual’s hospice
16 election information and if such individual suspects
17 Medicare waste, fraud, or abuse with respect to the
18 provision of such care, the individual should contact
19 the toll-free phone number 1-800-MEDICARE and
20 a toll-free phone number maintained by the Inspec-
21 tor General of the Department of Health and
22 Human Services for the receipt of complaints and
23 information about waste, fraud, and abuse in the
24 provision or billing of services under this title; and

1 “(4) includes any other information determined
2 appropriate by the Secretary.”.

3 (2) FUNDING.—The Secretary of Health and
4 Human Services shall provide for the transfer from
5 the Federal Hospital Insurance Trust Fund estab-
6 lished under section 1817 of the Social Security Act
7 (42 U.S.C. 1395i) to the Centers for Medicare &
8 Medicaid Services Program Management Account of
9 \$10,000,000 for fiscal year 2027, to remain avail-
10 able until expended, for purposes of carrying out the
11 amendment made by paragraph (1).

12 (3) EFFECTIVE DATE.—The amendment made
13 by paragraph (1) shall apply to individuals making
14 elections described in section 1812(d)(1) of the So-
15 cial Security Act (42 U.S.C. 1395d(d)(1)) on or
16 after the date that is 1 year after the date of the
17 enactment of this Act.

18 (m) MEDICAL REVIEW OF HOSPICE CARE CON-
19 TRACTOR REQUIREMENTS.—

20 (1) IN GENERAL.—The Secretary of Health and
21 Human Services (in this subsection referred to as
22 the “Secretary”) shall require any entity performing
23 medical review under contract with Secretary of hos-
24 pice care furnished under part A of title XVIII of
25 the Social Security Act (42 U.S.C. 1395c et seq.) to,

1 with respect to such reviews performed on or after
2 January 1, 2028, utilize only individuals who have
3 received specialized instruction on the philosophy be-
4 hind hospice care and medical prognostication (as
5 specified by the Secretary) in performing such re-
6 views. In so specifying such instruction and in up-
7 dating such instruction, the Secretary shall consult
8 with hospice programs as to the content of such in-
9 struction.

10 (2) PUBLICATION.—The Secretary shall make
11 any instruction specified for purposes of paragraph
12 (1) publicly available on the website of the Centers
13 for Medicare & Medicaid Services.

14 (3) REPORT.—Not later than October 1, 2028,
15 the Secretary shall submit to Congress a report on
16 activities relating to the medical review of hospice
17 care furnished under part A of title XVIII of the So-
18 cial Security Act (42 U.S.C. 1395c et seq.). Such re-
19 port shall include—

20 (A) with respect to the medical review of
21 hospice care performed during the period begin-
22 ning on January 1, 2020, and ending on De-
23 cember 31, 2025, the accuracy rates of such re-
24 views when performed by—

1 (i) medicare administrative contrac-
2 tors;

3 (ii) recovery audit contractors;

4 (iii) supplemental medical review con-
5 tractors; and

6 (iv) uniform program integrity con-
7 tractors;

8 (B) the total number of hospice claims
9 submitted during the period described in sub-
10 paragraph (A) subject to medical review;

11 (C) the percentage of such claims that
12 were denied and appealed and the percentage of
13 such claims so appealed that were overturned
14 on appeal, broken down by the type of con-
15 tractor conducting review of such claims and by
16 each level of appeal;

17 (D) a list of medical review projects relat-
18 ing to hospice care undertaken by contractors
19 described in subparagraph (A); and

20 (E) actions the Secretary will take to re-
21 duce the audit burden on hospice programs
22 with claims selected for medical review under
23 multiple projects described in subparagraph (D)
24 and to minimize the number of denials of

1 claims for hospice care that are overturned on
2 appeal.

3 (n) REQUIRING FACE-TO-FACE ENCOUNTERS BE-
4 FORE RECERTIFICATIONS OF TERMINAL ILLNESS.—Sec-
5 tion 1814(a)(7) of the Social Security Act (42 U.S.C.
6 1395f(a)(7)) is amended—

7 (1) in subparagraph (D)—

8 (A) by inserting “, and before October 1,
9 2027” after “2011”; and

10 (B) by striking “and” at the end; and

11 (2) by adding at the end the following new sub-
12 paragraph:

13 “(F) on and after October 1, 2027, not
14 more than 30 days before each recertification
15 described in subparagraph (A)(ii) is made with
16 respect to an individual, a hospice physician,
17 hospice nurse practitioner, or hospice physician
18 assistant has a face-to-face encounter (which
19 may, with respect to any such recertification
20 made for a 60-day period described in such sub-
21 paragraph, be conducted via telehealth, but only
22 if a registered nurse, licensed practical nurse,
23 or home health aide employed by the hospice
24 program furnishing hospice care to such indi-
25 vidual is physically present with such individual

1 during such encounter) with such individual to
2 gather clinical findings to determine such indi-
3 vidual’s continue eligibility for hospice care;
4 and”.

5 (o) ENSURING MEDICAL DIRECTOR AND PHYSICIAN
6 AVAILABILITY.—

7 (1) IN GENERAL.—Section 1861(dd) of the So-
8 cial Security Act (42 U.S.C. 1395x(dd)) is amend-
9 ed—

10 (A) in paragraph (2)—

11 (i) in subparagraph (F), by striking
12 “and” at the end;

13 (ii) by redesignating subparagraph
14 (G) as subparagraph (I); and

15 (iii) by inserting after subparagraph
16 (F) the following new subparagraphs:

17 “(G) has a medical director responsible for
18 the medical component of hospice care provided
19 by such program who—

20 “(i) is a doctor of medicine or osteop-
21 athy licensed to practice in the State in
22 which such program is located; and

23 “(ii) subject to paragraph (6), is not
24 the medical director of more than 1 other
25 hospice program;

1 “(H) ensures that the medical director de-
2 scribed in subparagraph (G) or a physician
3 member of the group described in subparagraph
4 (B) is available for immediate consultation
5 (which may be through telehealth) when hospice
6 care is provided in an individual’s home; and”;
7 and

8 (B) by adding at the end the following new
9 paragraph:

10 “(6) The Secretary may waive the requirement de-
11 scribed in paragraph (2)(G)(ii) with respect to the medical
12 director of a hospice program if determined appropriate
13 by the Secretary on a case-by-case basis. In determining
14 whether to grant a waiver under the preceding sentence,
15 the Secretary shall take into consideration—

16 “(A) the average daily census for each hospice
17 program with respect to which such director is med-
18 ical director;

19 “(B) the geographic areas served by such pro-
20 grams; and

21 “(C) any other information determined appro-
22 priate by the Secretary.”.

23 (2) EFFECTIVE DATE.—The amendments made
24 by paragraph (1) shall apply beginning January 1,
25 2029.

1 (p) REPORT ON HOSPICE ACCREDITING ORGANIZA-
2 TIONS.—Not later than 2 years after the date of the enact-
3 ment of this Act, the Comptroller General of the United
4 States shall submit to Congress a report on the Secretary
5 of Health and Human Services’ (in this subsection re-
6 ferred to as the “Secretary”) oversight of hospice program
7 accrediting organizations. Such report shall include the
8 following:

9 (1) An analysis of deficiencies relating to qual-
10 ity of care found pursuant to surveys conducted
11 under section 1822(a) of the Social Security Act (42
12 U.S.C. 1395i–6(a)) following complaints when such
13 surveys were of hospice programs accredited by such
14 an organization and such surveys were conducted by
15 such an organization compared to such deficiencies
16 so found following such complaints when such sur-
17 veys were of hospice programs certified by State or
18 local survey agencies and such surveys were con-
19 ducted by such agencies.

20 (2) A list of hospice programs determined by
21 the Secretary not to be in compliance with all re-
22 quirements applicable to such programs, along with
23 a list of the accrediting organization of each such
24 program.

1 (3) A list of hospice programs that have been
2 deactivated, terminated, or investigated due to con-
3 cerns relating to waste, fraud, or abuse, along with
4 a list of the accrediting organization of each such
5 program.

6 (4) An analysis of any conflicts of interest of
7 hospice program accrediting organizations.

8 (5) Performance data for hospice program ac-
9 crediting organizations.

10 **SEC. 3. PAYMENT REFORMS FOR HOSPICE CARE FUR-**
11 **NISHED UNDER THE MEDICARE PROGRAM.**

12 (a) ADJUSTING PAYMENTS FOR HOSPICE CARE.—

13 (1) IN GENERAL.—Section 1814(i)(1)(C) of the
14 Social Security Act (42 U.S.C. 1395f(i)(1)(C)) is
15 amended—

16 (A) in clause (iii)—

17 (i) by moving such clause 6 ems to
18 the left;

19 (ii) by striking “With respect to” and
20 inserting “Except as provided under
21 clauses (viii) through (x), with respect to”;

22 (iii) by inserting “in a setting (as
23 specified by the Secretary for purposes of
24 clause (vii))” after “hospice care fur-
25 nished”;

1 (iv) by inserting “for such setting”
2 after “payment rates in effect”; and

3 (v) by striking “under this clause”
4 and inserting “under this subparagraph”;

5 (B) in clause (iv), by striking “clause
6 (ii)(VII) or (iii)” each place such phrase ap-
7 pears and inserting “clause (iii) or (iv) of para-
8 graph (2)(D) or clause (ii)(VII), (iii), (viii),
9 (ix), or (x)” in each such place; and

10 (C) by adding at the end the following new
11 clauses:

12 “(vii) Prior to the beginning of a specified fiscal year
13 (as defined in clause (xi)), the Secretary shall specify per-
14 centages by which the payment rates for hospice care con-
15 sisting of services other than routine home care (and, for
16 specified years beginning on or after October 1, 2034, for
17 hospice care consisting of routine home care and other
18 services included in hospice care) in effect for the pre-
19 ceding fiscal year shall be adjusted in such specified fiscal
20 year to align such rates with the costs of such care. In
21 specifying such percentages—

22 “(I) the Secretary shall take into account
23 changes in the average cost of such care and such
24 other factors as determined appropriate by the Sec-
25 retary; and

1 “(II) the Secretary may specify different per-
2 centages for such care based on the setting (as spec-
3 ified by the Secretary) in which such care is fur-
4 nished.

5 “(viii)(I) With respect to routine home care furnished
6 during fiscal year 2030, the payment rates for such care
7 shall be equal to the sum of—

8 “(aa) a per diem amount (which may include an
9 a case mix adjustment to account for variations in
10 cost among different units of service) reflecting the
11 cost of routine home care not consisting of direct pa-
12 tient care for nursing care, physical therapy, occupa-
13 tional therapy, speech-language pathology services,
14 medical social services (other than counseling serv-
15 ices), home health aide services, and physician serv-
16 ices (other than such services that are considered
17 administrative services); and

18 “(bb) subject to such frequency limits as may
19 be specified by the Secretary, a per visit amount
20 (which may vary depending on the type and duration
21 of the visit, as determined appropriate by the Sec-
22 retary) reflecting the cost of routine home care con-
23 sisting of direct patient care excluded from the per
24 diem amount established under item (aa) (other
25 than, in the case of such care furnished at a skilled

1 nursing facility or nursing facility (as defined in sec-
2 tion 1919(a)), the component of such rates attrib-
3 utable to home health aide services).

4 “(II) With respect to routine home care furnished
5 during fiscal year 2031 or a subsequent fiscal year, the
6 payment rates for such care shall be equal to the sum of—

7 “(aa) the per diem amount attributable to hos-
8 pice care described in subclause (I)(aa) in effect
9 under this clause for the preceding fiscal year, ad-
10 justed, in the case of a specified fiscal year, by the
11 percentages specified pursuant to clause (vii) for
12 such specified fiscal year, increased by the market
13 basket percentage increase (as defined in section
14 1886(b)(3)(B)(iii)) for the fiscal year (reduced in ac-
15 cordance with clause (iv)); and

16 “(bb) the per visit amount for hospice care de-
17 scribed in subclause (I)(bb) in effect under this
18 clause for the preceding fiscal year, adjusted, in the
19 case of a specified fiscal year, by the percentages
20 specified pursuant to clause (vii) for such specified
21 fiscal year, increased by such market basked per-
22 centage increase for the fiscal year (reduced in ac-
23 cordance with clause (iv)).

24 “(III) For purposes of this clause, the term ‘visit’
25 means, with respect to an individual receiving hospice care

1 from a hospice program, in-person contact with such indi-
2 vidual by staff of such program (or by others under ar-
3 rangements with such program), not including any such
4 contact conducted via telehealth or any other form of tele-
5 communications technology.

6 “(ix)(I) With respect to routine home care consisting
7 of specified hospice care (as defined in subclause (II)) fur-
8 nished by, or under arrangements made by, a hospice pro-
9 gram during the period beginning on October 1, 2027, and
10 ending on September 30, 2032, in lieu of the rates other-
11 wise payable under this subparagraph for such routine
12 home care, the Secretary shall pay to the hospice program
13 furnishing such care an amount equal to 400 percent of
14 the amount payable for routine home care furnished in
15 fiscal year 2027, increased by the market basket percent-
16 age increase (as defined in section 1886(b)(3)(B)(iii)) for
17 the fiscal year (reduced in accordance with clause (iv)),
18 or such other amount determined appropriate by the Sec-
19 retary (which may vary based on the type of service fur-
20 nished) for each day during which such specified hospice
21 care was furnished.

22 “(II) For purposes of subclause (I), the term ‘speci-
23 fied hospice care’ means any of the following items and
24 services:

1 “(aa) Palliative chemotherapy or radiation fur-
2 nished under the supervision of an oncologist and in
3 accordance with accepted clinical guidelines.

4 “(bb) Palliative radiation therapy furnished
5 under the supervision of an oncologist and in accord-
6 ance with accepted clinical guidelines.

7 “(cc) Subject to such frequency limitations as
8 the Secretary may establish, palliative blood trans-
9 fusions furnished to an individual diagnosed with a
10 blood cancer and furnished under the supervision of
11 an oncologist and in accordance with accepted clin-
12 ical guidelines.

13 “(dd) Palliative dialysis furnished under the su-
14 pervision of a nephrologist, but only if—

15 “(AA) the individual receiving such pallia-
16 tive dialysis was receiving dialysis treatments
17 prior to making the election under section
18 1812(d); and

19 “(BB) such individual has received fewer
20 than 10 sessions of such palliative in-center or
21 home hemodialysis or the equivalent for peri-
22 toneal dialysis or other modalities (or, in the
23 case such individual has received 10 or more
24 such sessions or the equivalent of such sessions,

1 such session or equivalent of such session is
2 subject to prior authorization).

3 “(x) With respect to hospice care consisting of serv-
4 ices other than routine home care furnished during 2030
5 or a subsequent fiscal year, the payment rates for such
6 care shall be equal to the rates in effect for such care for
7 the preceding fiscal year, adjusted, in the case of a speci-
8 fied fiscal year, by the percentages specified pursuant to
9 clause (vii) for such specified fiscal year, increased by the
10 market basket percentage increase (as defined in section
11 1886(b)(3)(B)(iii)) for the fiscal year (reduced in accord-
12 ance with clause (iv)).

13 “(xi) For purposes of this subparagraph, the term
14 ‘specified fiscal year’ means fiscal years 2030, 2035, and
15 2040.

16 “(xii)(I) The Secretary shall, with respect to cost re-
17 porting periods beginning during an applicable fiscal year
18 (as defined in subclause (III)), conduct an audit of a rep-
19 resentative sample of cost reports submitted by hospice
20 programs.

21 “(II) The Secretary shall, for each applicable fiscal
22 year, convene a technical expert panel for purposes of re-
23 viewing the methodology and results of the audit con-
24 ducted under subclause (I) with respect to such applicable
25 fiscal year.

1 “(III) For purposes of this clause, the term ‘applica-
2 ble fiscal year’ means fiscal years 2026, 2031, and 2036.

3 “(IV) The provisions of chapter 10 of title 5, United
4 States Code, shall not apply to the panel established under
5 subclause (II).

6 “(V) The Secretary shall provide for the transfer,
7 from the Federal Hospital Insurance Trust Fund estab-
8 lished under section 1817 to the Centers for Medicare &
9 Medicaid Services Program Management Account, of
10 \$10,000,000 for each of fiscal years 2027, 2032, and
11 2037, to remain available until expended, for purposes of
12 carrying out this clause.”.

13 (2) OUTLIER PAYMENTS.—Section 1814(i) of
14 the Social Security Act (42 U.S.C. 1395f(i)) is
15 amended—

16 (A) by redesignating paragraph (7) as
17 paragraph (8); and

18 (B) by inserting after paragraph (6) the
19 following new paragraph:

20 “(7)(A) Subject to subparagraph (B), with respect to
21 routine home care furnished during a fiscal year beginning
22 on or after October 1, 2032, the Secretary may, if deter-
23 mined appropriate by the Secretary, provide an additional
24 payment for types of such care (such as specified hospice
25 care (as defined in paragraph (1)(C)(ix))) specified by the

1 Secretary to account for unusual variations in the type
2 or amount of such routine home care.

3 “(B)(i) The total amount of additional payments esti-
4 mated to be made under subparagraph (A) for routine
5 home care furnished during a fiscal year may not exceed
6 5 percent of the total amount of payments estimated to
7 be made for such care furnished during such fiscal year
8 without application of this paragraph for such fiscal year.

9 “(ii) The total amount of additional payments esti-
10 mated to be made under subparagraph (A) for routine
11 home care furnished during a fiscal year to an individual
12 hospice program may not exceed 10 percent of the total
13 amount of payments estimated to be made for such care
14 furnished during such fiscal year by such program without
15 application of this paragraph for such fiscal year.

16 “(C) The Secretary shall reduce any per diem rate
17 applicable under paragraph (1) to routine home care fur-
18 nished during the first fiscal year for which payments are
19 made under subparagraph (A) by such proportion as will
20 result, not taking into account any additional payments
21 made under subparagraph (A) for such care furnished
22 during such fiscal year, in an aggregate reduction of 5
23 percent in payment for such care furnished during such
24 fiscal year.”.

25 (3) PLAN OF CARE REQUIREMENTS.—

1 (A) IN GENERAL.—Section 1814(a)(7)(B)
2 of the Social Security Act (42 U.S.C.
3 1395f(a)(7)(B)) is amended by inserting “and,
4 with respect to the establishment of such plan,
5 in the case such plan includes the furnishing of
6 specified hospice care (as defined in subsection
7 (i)(1)(C)(x)(II)), by a nephrologist (if such care
8 is care described in item (dd) of such sub-
9 section) or by an oncologist (if such care is care
10 described in any of items (aa) through (cc) of
11 such subsection) who does not have a signifi-
12 cant ownership interest in, or a significant fi-
13 nancial relationship with, such hospice program,
14 as determined by the Secretary, and, with re-
15 spect to the periodic review of such plan, in the
16 case such plan includes the furnishing of speci-
17 fied hospice care (as defined in subsection
18 (i)(1)(C)(x)(II)), by the nephrologist super-
19 vising the furnishing of such care (if such care
20 is described in item (dd) of such subsection) or
21 by the oncologist supervising the furnishing of
22 such care (if such care is described in any of
23 items (aa) through (cc) of such subsection)”
24 after “of the hospice program”.

1 (B) EFFECTIVE DATE.—The amendment
2 made by subparagraph (A) shall apply with re-
3 spect to written plans for providing hospice care
4 developed or reviewed on or after October 1,
5 2027.

6 (4) EXCLUDING HOME HEALTH AIDE SERVICES
7 AND HOMEMAKER FROM THE DEFINITION OF HOS-
8 PICE CARE IN CERTAIN CIRCUMSTANCES.—

9 (A) IN GENERAL.—Section
10 1861(dd)(1)(D)(i) of the Social Security Act
11 (42 U.S.C. 1395x(dd)(1)(D)(i)) is amended by
12 inserting “in the case such individual is not re-
13 siding in a skilled nursing facility or a nursing
14 facility,” before “services of a”.

15 (B) HOMEMAKER SERVICES.—Section
16 1861(dd)(1)(D)(ii) of the Social Security Act
17 (42 U.S.C. 1395x(dd)(1)(D)(ii)) is amended by
18 inserting “(but only if such individual is not re-
19 siding in a skilled nursing facility or a nursing
20 facility (as defined in section 1919(a)) or, if
21 such individual is residing in such a skilled
22 nursing facility or nursing facility, only if such
23 services are provided on a volunteer basis in ac-
24 cordance with paragraph (2)(E))” after “home-
25 maker services”.

1 (C) EFFECTIVE DATE.—The amendments
2 made by subparagraphs (A) and (B) shall apply
3 to items and services furnished on or after Oc-
4 tober 1, 2029.

5 (5) CONFORMING ADJUSTMENT TO PAYMENT
6 CAP.—Section 1814(i)(2)(B) of the Social Security
7 Act (42 U.S.C. 1395f(i)(2)(B)) is amended—

8 (A) in clause (i), by striking “clause (ii)”
9 and inserting “clauses (ii) through (iv)”;

10 (B) in clause (ii), by inserting “, subject to
11 clause (iii),” after “subparagraph (A)”;

12 (C) by striking clause (iii) and inserting
13 the following new clause:

14 “(iii) For purposes of subparagraph (A), in the case
15 of a specified fiscal year (as defined in paragraph
16 (1)(C)(xi)), the ‘cap amount’ for such year is the cap
17 amount under this subparagraph for the preceding fiscal
18 year, adjusted by the estimated percentage change in the
19 total amount of payment made under this part for hospice
20 care attributable to application of the amendments made
21 by section 3(a)(1) of the Hospice CARE Act of 2026 for
22 such specified fiscal year and then increased by the market
23 basket percentage increase (as defined in section
24 1886(b)(3)(B)(iii)) for such specified fiscal year (reduced
25 in accordance with paragraph (1)(C)(iv)).”; and

1 (D) by adding at the end the following new
2 clause:

3 “(iv) For purposes of subparagraph (A), subject to
4 clause (iii), for a fiscal year beginning on or after October
5 1, 2035, the ‘cap amount’ for such year is the cap amount
6 under this subparagraph for the preceding fiscal year, in-
7 creased by the market basket percentage increase (as de-
8 fined in section 1886(b)(3)(B)(iii)) for such fiscal year
9 (reduced in accordance with paragraph (1)(C)(iv)).”.

10 (b) WAGE ADJUSTING CAPS.—

11 (1) IN GENERAL.—Section 1814(i)(2) of the
12 Social Security Act (42 U.S.C. 1395f(i)(2)), as
13 amended by subsection (a), is further amended—

14 (A) in subparagraph (A)—

15 (i) by striking “‘cap amount’ for the
16 year (computed under subparagraph (B))”
17 and inserting “wage-adjusted cap (as de-
18 fined in subparagraph (B)) for such pro-
19 gram and year”; and

20 (ii) by striking “subparagraph (C)”
21 and inserting “subparagraph (E)”;

22 (B) by redesignating subparagraphs (B)
23 through (D) as subparagraphs (D) through (F),
24 respectively;

1 (C) by inserting after subparagraph (A)
2 the following new subparagraphs:

3 “(B) For purposes of subparagraph (A), the term
4 ‘wage-adjusted cap’ means, with respect to a hospice pro-
5 gram and a year, the product of—

6 “(i) the wage index ratio (as computed under
7 subparagraph (C)) for such program and year; and

8 “(ii) the cap amount for such year (as com-
9 puted under subparagraph (D)).

10 “(C) For purposes of subparagraph (B), the wage
11 index ratio for a hospice program and a year is the ratio
12 of—

13 “(i) the aggregate payments to such program
14 for such year under paragraph (1); to

15 “(ii) the aggregate payments to such program
16 for such year under such paragraph that would have
17 been made had such payments not been subject to
18 any wage adjustment.”;

19 (D) in subparagraph (D), as so redesign-
20 nated—

21 (i) by striking “subparagraph (A)”
22 each place it appears and inserting “sub-
23 paragraph (B)” in each such place; and

24 (ii) by adding at the end the following
25 new clause:

1 “(v) Notwithstanding the preceding provisions of this
2 subparagraph, for a fiscal year beginning on or after Octo-
3 ber 1, 2026, the cap amount otherwise determined under
4 this subparagraph for such fiscal year shall be decreased
5 by the same percentage reduction (if any) applied to the
6 amount of payment made under this part for such fiscal
7 year under an order issued pursuant to section 251 of the
8 Balanced Budget and Emergency Deficit Control Act of
9 1985. Any reduction to the cap amount for a fiscal year
10 under the preceding sentence shall not be taken into ac-
11 count for purposes of determining the cap amount for any
12 succeeding fiscal year.”; and

13 (E) by adding at the end the following new
14 subparagraph:

15 “(G) Not later than 1 year after the date of the en-
16 actment of this subparagraph, and annually thereafter,
17 the Secretary shall submit to Congress and make public
18 on the website of the Centers for Medicare & Medicaid
19 Services a report on the calculation of hospice programs’
20 cap amounts under this paragraph. Such report shall con-
21 tain, with respect to each of the 5 most recent accounting
22 years for which data is available and each hospice program
23 receiving payments under this section for hospice care fur-
24 nished during such year, the following:

1 “(i) Such program’s cap amount determined
2 under such section.

3 “(ii) The percentage of such program’s cap
4 amount paid to such program for such care.

5 “(iii) In the case payments to such program ex-
6 ceeded such cap, any amount recouped by the Sec-
7 retary with respect to such program.

8 “(iv) The live discharge rate of such program.”.

9 (2) IMPLEMENTATION.—Notwithstanding any
10 other provision of law, the Secretary of Health and
11 Human Services may implement the amendments
12 made by paragraph (1) by program instruction or
13 otherwise.

14 (3) EFFECTIVE DATE.—The amendments made
15 by subparagraphs (A) through (C) of paragraph (1)
16 shall apply with respect to payment for hospice care
17 furnished during fiscal years beginning on or after
18 October 1, 2027.

19 (c) MODIFICATION OF REQUIREMENTS RELATING TO
20 SHORT-TERM INPATIENT CARE.—

21 (1) IN GENERAL.—Section 1861(dd) of the So-
22 cial Security Act (42 U.S.C. 1395x(dd)) is amend-
23 ed—

24 (A) in paragraph (1)—

1 (i) in subparagraph (G), by striking
2 “consecutively over longer than five days”
3 and inserting “for more than 5 days dur-
4 ing any 90-day election period (or 60-day
5 election period, as applicable) described in
6 section 1812(d)(1)”; and

7 (ii) in the flush matter following sub-
8 paragraph (I), by adding at the end the
9 following new sentence: “In the case of an
10 individual who receives short-term inpa-
11 tient care described in subparagraph (G)
12 consisting of respite care during an elec-
13 tion period and the furnishing of such care
14 is immediately preceded by a hospital stay
15 (which may include a stay for observation)
16 during which such individual made an elec-
17 tion described in section 1812(d)(1) for the
18 first time during such individual’s lifetime
19 (or if such care is immediately preceded by
20 the furnishing of hospice care consisting of
21 general inpatient care and such general in-
22 patient care is immediately preceded by
23 such a hospital stay), the first continuous
24 15 days of such care shall not be taken
25 into account for purposes of applying the

1 limitation on the number of days during
2 which such care may be furnished during
3 an election period under such subpara-
4 graph, but only if such individual does not
5 have sufficient caregiver support to be dis-
6 charged to the individual’s home.”; and

7 (B) in paragraph (2)—

8 (i) in subparagraph (A)(iii)—

9 (I) by striking “provides assur-
10 ances satisfactory to the Secretary
11 that” and inserting “ensures that the
12 sum of”; and

13 (II) by striking “20 percent” and
14 inserting “10 percent (or a higher
15 percent (not to exceed 20 percent)
16 specified by the Secretary if deter-
17 mined necessary by the Secretary to
18 ensure sufficient access to such inpa-
19 tient care)”; and

20 (ii) by adding at the end the following
21 flush sentence:

22 “For purposes of subparagraph (A)(iii), the Sec-
23 retary shall ensure that the limitation described in
24 such subparagraph is applied, to the extent prac-
25 ticable, on a real-time basis.”.

1 (2) ALLOWING RESPITE CARE TO BE FUR-
2 NISHED IN RESIDENTIAL CARE FACILITIES.—Not
3 later than October 1, 2027, the Secretary of Health
4 and Human Services (in this paragraph referred to
5 as the “Secretary”) shall revise section 418.108 of
6 title 42, Code of Federal Regulations (or a successor
7 regulation) to allow short-term inpatient care con-
8 sisting of respite care (as described in section
9 1861(dd)(1)(G) of the Social Security Act (42
10 U.S.C. 1395x(dd)(1)(G))) to be furnished in residen-
11 tial care facilities (as defined by the Secretary) that
12 only provide care to individuals receiving hospice
13 care (as specified by the Secretary) and that meet
14 such standards relating to health and safety as the
15 Secretary may specify (which may be based on State
16 licensure requirements applicable to such facilities).

17 (3) EFFECTIVE DATE.—The amendments made
18 by paragraph (1) shall apply to hospice care fur-
19 nished on or after October 1, 2027.

20 (d) HOSPITAL DISCHARGE PLANNING REQUIRE-
21 MENTS.—

22 (1) IN GENERAL.—Section 1861(ee)(2)(D) of
23 the Social Security Act (42 U.S.C. 1395x(ee)(2)(D))
24 is amended—

1 (A) by inserting “, home health services,”
2 after “including hospice care”;

3 (B) by striking “including the availability
4 of home health services through individuals and
5 entities” and inserting the following: “includ-
6 ing—

7 “(i) in the case of individuals who are like-
8 ly to need home health services, the availability
9 of such services through home health agencies”;

10 (C) by striking “listed by the hospital as
11 available and, in the case of individuals who are
12 likely to need post-hospital extended care serv-
13 ices,” and inserting the following: “listed by the
14 hospital as available;

15 “(ii) in the case of individuals who are
16 likely to need post-hospital extended care serv-
17 ices,”;

18 (D) by striking the period and inserting “;
19 and”;

20 (E) by adding at the end the following new
21 clause:

22 “(iii) in the case of individuals who
23 are likely eligible for hospice care, the
24 availability of such care (including the
25 availability of respite care described in sub-

1 section (dd)(1)(G)) through hospice pro-
2 grams that participate in the program
3 under this title and that serve the area in
4 which the patient resides.”.

5 (2) EFFECTIVE DATE.—The amendments made
6 by paragraph (1) shall apply with respect to dis-
7 charges occurring on or after October 1, 2027.

8 (e) PAYMENT FOR RESPITE CARE FURNISHED IN
9 THE HOME.—

10 (1) IN GENERAL.—Section 1861(dd)(1) of the
11 Social Security Act (42 U.S.C. 1395x(dd)(1)) is
12 amended—

13 (A) in subparagraph (H), by striking
14 “and” at the end;

15 (B) by redesignating subparagraph (I) as
16 subparagraph (J); and

17 (C) by inserting after subparagraph (H)
18 the following new subparagraph:

19 “(I) short-term home respite care furnished to
20 an individual on or after October 1, 2029, that—

21 “(i) is furnished in the place of residence
22 used as such individual’s home (other than a
23 skilled nursing facility, a nursing facility (as de-
24 fined in section 1919(a)), an assisted living fa-

1 cility (as defined by the Secretary), or another
2 facility specified by the Secretary);

3 “(ii) is furnished on an intermittent, non-
4 routine, and occasional basis;

5 “(iii) is furnished for not more than 120
6 hours during any 90-day period described in
7 section 1812(d)(1) (or, in the case such indi-
8 vidual is 60-day period described in such sec-
9 tion, for not more than 80 hours during such
10 period); and

11 “(iv) meets such other requirements as the
12 Secretary may specify.”.

13 (2) PAYMENT RATES.—Section 1814(i)(1)(C) of
14 the Social Security Act (42 U.S.C. 1395f(i)(1)(C)),
15 as amended by subsection (a), is further amended—

16 (A) in clause (iii), by striking “through
17 (x)” and inserting “through (x) and clause
18 (xiii)”;

19 (B) by adding at the end the following new
20 clause:

21 “(xiii) With respect to short-term home respite care
22 furnished to an individual during fiscal year 2030 or a
23 subsequent fiscal year, the rates payable for such care
24 shall be equal to the sum of the per diem rate established
25 for routine home care for such fiscal year and an hourly

1 rate established by the Secretary, except that in no case
2 may such rate payable for such short-term home respite
3 care furnished in a 24-hour period exceed the rate of pay-
4 ment for general inpatient care furnished during such a
5 period.”.