

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 12129	Date: July 20, 2023
	Change Request 13226

SUBJECT: 2022 Hospice Aggregate Cap Calculation

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to instruct the Medicare Administrative Contractors (MACs) on how to calculate the 2022 hospice aggregate cap determination, taking into consideration the varying sequestration percentages applicable to the 2022 hospice cap year.

EFFECTIVE DATE: August 21, 2023

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: August 21, 2023

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20	Transmittal: 12129	Date: July 20, 2023	Change Request: 13226
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SUBJECT: 2022 Hospice Aggregate Cap Calculation

EFFECTIVE DATE: August 21, 2023

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IMPLEMENTATION DATE: August 21, 2023

I. GENERAL INFORMATION

A. Background: The purpose of this Change Request (CR) is to instruct the Medicare Administrative Contractors (MACs) how to calculate the 2022 hospice aggregate cap determination taking into consideration the varying sequestration percentages applicable to the 2022 hospice cap year.

The Protecting Medicare and American Farmers from Sequester Cuts Act impacts payments for all Medicare Fee-for-Service (FFS) claims in the following way:

- No payment adjustment May 1, 2020, through March 31, 2022
- 1 percent payment adjustment April 1 – June 30, 2022
- 2 percent payment adjustment beginning July 1, 2022

The 2022 hospice cap period is October 1, 2021 - September 30, 2022. The MACs need to calculate the sequestration payment impact on the hospice cap overpayment calculations.

B. Policy: The MACs are required to calculate the hospice aggregate cap payments for every cap year to determine and recoup hospice cap overpayments. The hospice cap year is the same as the federal fiscal year (October 1 - September 30).

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13226.1	The MACs shall request the Provider Statistical and Reimbursement (PS&R) report needed to calculate the 2022 hospice cap determination for the following bracket periods: October 1, 2021 to April 30, 2022 May1, 2022 to June 30, 2022			X						

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	July 1, 2022 - September 30, 2022									
13226.2	The MACs shall use the attachment A (2022 Hospice Aggregate Cap Template) to calculate the 2022 hospice aggregate cap determination in order to properly account for the sequestration amount reported on the Provider Statistical and Reimbursement report for each hospice provider.			X						
13226.3	The MACs shall use a full year hospice beneficiary count per the PS&R report for each bracket period on Attachment A when completing the hospice aggregate cap determination.			X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 1

Provider Name: Enter Provider Number
Provider Number: -
Cap Period: -
Topic: HOSPICE CAP CALCULATION

Prepared By:

Date Prepared:
Reviewed By:
Date Reviewed:

PURPOSE

To calculate the Hospice Cap amount and to recompute the final settlement for the provider in accordance with 42 CFR 418.309 of the Medicare regulations.

SCOPE

Review of provider's submitted listing of total beneficiaries who elected the hospice care during the Cap Period then compare it to the MAC data to ensure the propriety of total count.

SOURCE

Provider's beneficiary listing and the MAC records (Medicare Cap on Overall Reimbursement "Report types 810 & 820", Streamlined Hospice Beneficiary Count Summary or Hospice Beneficiary Count Summary (Fully Pro-Rated) and Net Reimbursement per the PS&R.)

FINDINGS

REVIEW OF MEDICARE INPATIENT DAYS

1. TOTAL HOSPICE CARE DAYS PER THE PS&R		
2. * 20%	x 20%	
3. ALLOWABLE MEDICARE INPATIENT DAYS	0	
4. ACTUAL INPATIENT DAYS PER THE PS&R		
**DAYS IN EXCESS OF THE ALLOWABLE DAYS	0	
** If the total number of inpatient days exceeded the allowable number of days the limitation for your agency is determined as follows:		
A. MEDICARE REIMBURSEMENT FOR INPATIENT SERVICES		
X THE PERCENTAGE OF MAX ALLOWABLE DAYS (line 3/line 4)	0.00%	\$0.00
B. DAYS IN EXCESS OF ALLOWABLE DAYS		
MULTIPLIED BY THE ROUTINE HOME CARE RATE	0	\$0.00
C. SUM OF A AND B		
MEDICARE REIMBURSEMENT FOR INPATIENT CARE PER PS&R		\$0.00
TOTAL AMOUNT DUE THE INTERMEDIARY		0

IP DAYS CAP-Pass

CAP ON OVERALL MEDICARE REIMBURSEMENT

	<u>10/01/2021-03/31/2022</u>	<u>04/01/2022-06/30/2022</u>	<u>07/01/2022-09/30/2022</u>	
	(0% sequestration)	(1% sequestration)	(2% sequestration)	
1. MEDICARE BENEFICIARIES ELECTING HOSPICE CARE (note)	0.0000	0.0000	0.0000	
2. STATUTORY CAP AMOUNT FOR THE CAP YEAR ENDED	31,297.61	31,297.61	31,297.61	
3. ALLOWABLE MEDICARE PAYMENTS	\$0.00	\$0.00	\$0.00	
4. ACTUAL PAYMENTS PER THE PS&R	-	-	-	
5. SEQUESTRATION AMOUNT PER THE PS&R	-	-	-	
6. PRE-SEQUESTER REIMBURSEMENT AMOUNT	-	-	-	
6a. PRECEDING PERIODS	-	-	-	
6b. COMBINED TOTAL	-	-	-	
7. PRE-SEQUESTER PAYMENTS IN EXCESS OF THE CAP AMOUNT	-	-	-	
8. PRE-SEQUESTER OVERPAYMENT	-	-	-	
9. LESSOR OF LINE 5 AND LINE 8	-	-	-	
10. REVISED PAYMENTS IN EXCESS OF THE CAP AMOUNT	-	-	-	-
11. PREVIOUS OVERPAYMENT CALCULATION AMOUNT			0.0000	
OVERCAP DIFFERENCE FROM PREVIOUS CALCULATION			-	ZeroCap-Pass

Note: Enter the total Beneficiary count for the cap year in each bracket period. Do not pro-rate the beneficiary count.