MARYLAND
Health Care
Commission

Randolph S. Sergent, Esq, Chairman
Ben Steffen, Executive Director

4160 PATTERSON AVENUE – BALTIMORE, MARYLAND 21215
TELEPHONE: 410-764-3460 FAX: 410-358-1236

Hospice Work Group
December 7, 2022

Meeting Summary

<u>Attendance:</u>

Regina Bodnar, Bridging Life Hospice
Michael Brady, Hospice of the Chesapeake
Tim Cox, AccentCare
Erin Davis, Maryland Hospital Association
Monica Escalante, Coastal Hospice
Peggy Funk, Hospice & Palliative Care Network of Maryland
Heather Guerieri, Compass Regional Hospice
Danna Kauffman, Schwartz, Metz, and Wise
Molly Kirsch, Talbot Hospice
Oksana Likhova, Office of Health Care Quality
Ernesto Lopez, Hospice of Washington County
Kara Rawlings, Hospice of St. Mary's
Jane Sacco, Maryland Medicaid
Jarrod Terry, Maryland Medicaid

<u>MHCC Staff:</u>
Ben Steffen
Linda Cole
Tracey DeShields
Stacy Howes
Zoram Kaul
Paul Parker
Catherine Victorine
Cathy Weiss

<u>Welcome and Introduction:</u>

Ben Steffen welcomed participants to the second 2022 meeting of the Hospice Work Group.
Linda Cole reiterated the welcome and said that this meeting would focus on responses to the Talking Points Memo sent by the Hospice Network on July 26th.

Ms. Cole asked if there were any edits or comments on the meeting summary for the July 11th meeting. She added that the summary is posted on the MHCC website. She also stated that the data

collection for the FY 2021 Maryland Hospice Survey has been completed, and the public use data is posted on the MHCC website.

Updated Approach to Determining Need for Hospice Services:

Stacy Howes then described the quality measures, which include measures tested by CMS and derived from the most recent refresh of CMS data (August 2022). The process for qualifying applicants is the same as was described at the previous meeting, using Consumer Assessment of Healthcare Providers and Systems (CAHPS) scores and Hospice Item Set (HIS) scores.

For qualifying jurisdictions, staff used the Medicare use rates to determine the bottom quartile of use. Any jurisdictions in the bottom quartile were then checked to see if 60 percent or more of the population were served by "low quality" hospices. The jurisdictions identified were Charles, Dorchester, and Prince George's Counties. Since CONs were recently awarded in Prince George's County, and providers are still in start-up phase, that jurisdiction was excluded.

Dr. Howes then explained that due to small population size, larger regions were created for purposes of Certificate of Need (CON) review in order to create a sufficient population base for a new provider. These regions are: Southern Maryland (Charles, Calvert, St. Mary's Counties) and Lower Shore (Dorchester, Somerset, Wicomico, and Worcester Counties).

Ms. Cole then opened the meeting to questions and discussion about the proposed approach. Heather Guerieri asked if these two regions were examples, or the only areas identified for CON. Ms. Cole responded that these two jurisdictions/regions were the only ones identified by using this need approach.

Monica Escalante said that Coastal Hospice serves all four jurisdictions in the lower Shore and has good scores, with a rating of 4.7. She stated that they have few CAHPS surveys completed because the survey can be intimidating for a vulnerable population. She also said that they have low population density.

Dr. Howes responded that all measures were applied: CAHPS, HIS, and Medicare use rates. Mr. Steffen agreed that this included more than one measure. Ms. Escalante expressed concerns for the region, especially in light of the recent *New Yorker* article about private equity takeovers of hospices nationally.

Kara Rawlings questioned why St. Mary's County and Calvert County were grouped with Charles County. Michael Brady mentioned that Hospice of the Chesapeake acquired Hospice of Charles County in October 2020 and that utilization has increased by 80 percent. Dr. Howes responded that she used the most recent CMS download for today's presentation, but that this would be updated when the State Health Plan's Hospice Chapter becomes effective.

Peggy Funk asked if there is a specific formula to determine what population size is needed to support a new provider. Ms. Cole responded that this is just an effort to broaden the population base. Mr. Steffen said that in other areas of the country there are more rural jurisdictions with smaller population size and multiple hospices.

Ms. Cole explained that this new approach was done in response to comments offered by the Hospice Network. Ms. Guerieri said that they appreciate the collaborative effort. She asked how many

hospices could be approved during a CON review schedule. Ms. Cole stated that this discussion is a broad conceptual approach, and details would be worked out later.

Charity Care:

Ms. Cole stated that another area of concern expressed by the Hospice Network was the definition of charity care provided in the Maryland Hospice Survey. She showed that there are two different definitions used, one in the State Health Plan's Hospice Chapter (COMAR 10.24.13), and one in the Maryland Hospice Survey. These should be consistent.

Ms. Guerieri said that their concern is with the level of charity care that is provided in a Residential Hospice. Many patients can only afford a small amount (e.g., $5 per day) and the rest is covered by the hospice as a sliding fee scale.

Mr. Steffen asked how often this occurs, on average. Ms. Guerieri said that only about one in ten patients is able to pay the full room and board amount. Regina Bodnar agreed and said that they have three dually licensed facilities, since patients transition from General Inpatient (GIP) care to residential care. She concurred with Ms. Guerieri's estimate.

Ms. Rawlings said that St. Mary's County does not have enough nursing home beds for placement. Ernesto Lopez concurred with the comments offered and that this was also true for Washington County.

Ms. Cole asked if this has been addressed on a national level, since this situation is not unique to Maryland. Participants stated that reimbursement often lags policy issues.

A question was raised about Medicaid funding for room and board. Jane Sacco did not have anything to add.

Mr. Steffen asked how often patients transition from GIP to residential care. Ms. Bodnar said that the majority die at the GIP level, but about 40 percent transition to residential care.

Paul Parker said that charity care definitions should be standardized. He asked what "residential care" is and was told that it is the same as the Hospice House licensure category. He said that MHCC does not regulate Hospice House and adding sliding fee scale to charity care would combine "apples and oranges" and is not consistent.

Ms. Cole said that perhaps an item on "Sliding Fee Scale" for room and board charges could be added to the Hospice Survey. Mr. Steffen said that perhaps there could be a separate survey. Ms. Bodnar said that they are subjected to multiple surveys already. She said that room and board charges were captured on the Medicare cost report. Ms. Escalante said this item is reported as Charity Care. Ms. Cole said that she would check which Medicare cost report items are currently reported on Part II of the Maryland Hospice Survey.

State Health Plan Overview:

Ms. Cole said that the next part of the discussion was in response to the recommendation to simplify the current State Health Plan's Hospice Chapter's standards used for CON review. Items to be addressed include:

- Update CON references since a CON is no longer needed for an existing Maryland licensed general hospice to develop a GIP unit.
- Reduce redundant standards, such as admission criteria, respite care, resident rights, and other areas addressed by Medicare and/or the Office of Health Care Quality (OHCQ).
- Update quality measures, which have evolved since 2013.
- Modify the need approach, as discussed.

Ms. Cole said that the next steps would be to develop a draft hospice chapter that would be circulated for informal public comment, prior to the formal promulgation process.

Acquisition Rules:

Ms. Cole said that other chapters of the State Health Plan (e.g., nursing home) have acquisition rules that are applied to applicants who wish to acquire facilities in Maryland. She asked if this should be included in an update of the Hospice Chapter.

Ms. Guerieri asked how effective this is for nursing homes. Ms. Cole responded that the MHCC has different legal authority for CON than for acquisitions. For CON, MHCC can deny approval of an application that does not meet standards. The acquisition rules are primarily notification, though these have been tightened a bit to address history of ownership and possible fraud or abuse.

Mr. Steffen said that acquisition rules were a topic of interest in previous legislative sessions and is likely to be an area of interest again. Several years ago, legislation was passed to strengthen the data collected by OHCQ and oversight for acquisitions. He pointed out that review of hospices might be more difficult, since there are no star ratings.

Danna Kauffman explained that review of nursing home acquisitions is complicated due to the multiple layers of ownership. She did not know how this would affect hospices. Erin Davis said that MHA is interested in how acquisitions in other industries would affect hospitals.

Next Steps:

Ms. Cole said that she would be sending out a meeting summary and working on a draft update of the Hospice Chapter. Ms. Guerieri asked about the timeframe. Ms. Cole responded that it is a complex process and could not offer a specific timeframe.

Mr. Steffen thanked all for their participation.