Message from the New UHPCO President ~ Lehi Rodriguez

I wanted to start this year by saying THANK YOU. Thanks for touching the lives of so many families in our community and for helping people nearing end of life with dignity, respect and compassion. You are a unique and wonderful group of individuals that is passionate about caring for others.

I know that with a new year, new challenges and opportunities will be ahead of us. The Hospice and Palliative Care industry is in a thriving environment that requires creativity and the ability to adapt to rapid change. Some of those challenges that we face are complicated compliance issues, more competition, reimbursement issues, etc., but I believe one of the greatest challenges in our industry is in helping our communities to understand the benefits of Hospice and Palliative Care services. I hear families saying so many times: “I wish I knew sooner about Hospice” or “I didn’t know about their services until it was too late.”

That’s why this year the UHPCO efforts will be focusing in helping you promoting “Hospice and Palliative Care” through a more public campaign. We cannot do this alone but we are confident that with your help we can accomplish great things and we can all benefit from an increased awareness and understanding of these wonderful and much needed services.

The goal goes along with our UHPCO mission statement of “Promoting the art and science of hospice and palliative care”. Some of the purposes of the UHPCO are to provide a forum for the sharing of education, to collaborate with other organizations representing health care interest, to promote and support educational programs that will enhance skills and knowledge and promote ethical practices.

I hope this upcoming year we can help our communities throughout the state to understand Hospice and Palliative Care better, to eliminate some of the misconceptions and fears by working together to build trust as a provider community, while maintaining the highest quality of care.

I’m really excited to be working with you this year and I thank you for your support and involvement.

Message from the UHPCO Executive Director ~ Dan Hull, MPA

Linda and I would like to thank all of you for your support this past year and especially for your help with our very successful convention. We have had a very positive response to committee participation for 2012 and we kick that off with our first meeting on January 17th at 11 AM. Please come and participate and continue to help improve the Hospice and Palliative Care Mission.

We will also continue to develop the coalitions in the different parts of the state to allow for more local participation. Watch for dates and times for meetings in your area.

We encourage you to read the different articles in this newsletter and participate in the QAPI data project in preparation for a future Medicare Compare system.

Have a great 2012!
COMPLIANCE AND REGULATORY

Version 5010 Deadline... Though CMS has announced an enforcement discretionary period of 90 days for Version 5010 compliance, the deadline remains January 1, 2012. Enforcement will not be exercised until April 1, 2012; however, it is important that organizations continue to complete the transition to Version 5010 as soon as possible, if they have not done so already. Keep Up to Date on Version 5010 and ICD-10 by visiting the NHPCO HIPAA 5010 webpage.

Hospice Surveys and the FY 2012 Medicare Survey & Certification Budget... CMS and States have worked to develop a variety of methods to increase efficiency and effectiveness in anticipation of lower funding from Congress. CMS's Survey & Certification division recently posted a memo outlining strategy of preparation for a lower FY2012 funding level. In terms of hospice surveys, CMS will expand the tier III maximum time interval between surveys of any one Hospice facility to once every 7 years from once every 6.5 years. However, they retain as a high (tier II) priority the survey of a 5% sample of the lowest-performing providers. CMS will continue to examine additional methods to target survey attention to those providers where the risk of non-compliance with CMS quality of care requirements is greatest. Review S&C: 12-12-ALL memo (PDF) in its entirety.

Information on 2012 Medicare Physician Fee Schedule... The negative update under current law for the 2012 Medicare Physician Fee Schedule is scheduled to take effect on Sunday, January 1, 2012, eight business days from today. CMS will instruct its Medicare claims administration contractors to hold claims containing 2012 services paid under the Medicare Physician Fee Schedule for the first ten business days of January 2012 (January 1 through January 17). Medicare Physician Fee Schedule claims for services rendered on or before December 31, 2011 are unaffected by the 2012 claims hold and will be processed and paid under normal procedures and time frames. CMS will provide notification on or before January 11, 2012, with more information about the status of Congressional action to avert the negative update and next steps regarding the claims hold.

MedPAC Presents on Hospice Payment Adequacy at December Meeting
December 16, 2011

The Medicare Payment Advisory Commission (MedPAC) met this morning (December 16, 2011) and commissioners heard a staff presentation on payment adequacy for hospice. NHPCO staff members were in the audience to hear the presentation. Download the slides (PDF) that were used in today’s presentation by MedPAC staff. Below is a summary of their findings and analysis:

Supply of Hospices
1) The number of Medicare certified hospices continued to increase to 3,555 in 2010, up from 2,318 in 2000.
2) Most of the growth in the number of hospices has been among for-profit hospices. For-profit hospices were 1,915 of the total 3,555 hospices in 2010.
3) For-profit hospices were 1,915 of the total, with non-profit and government providers comprising 1,640 in 2010.

Growth in Patients Served and Length of Stay
1) In 2010, 1,159,000 Medicare beneficiaries enrolled in hospice.
2) The percentage of Medicare decedents using hospice has increased from 22.9% in 2000 to 44.0% in 2010.
3) The average length of stay among Medicare beneficiaries was 54 days in 2000 and 86 days in 2010.
4) Long stays have grown longer and short stays remain virtually unchanged. The median length of stay increased by 1 day in 2010 to 18 days, up from 17 days, where the median length of stay has been since 2000.

Total Medicare Spending
1) Medicare spending for hospice in 2010 exceeded $13 billion, up from $2.9 billion in 2000.
2) Medicare hospice spending (in billions) has increased from $2.9 in 2000 to $13 in 2010, for an annual change from 2000 to 2010 of 17.2%.

Trends
1) Rapid growth in the number of for-profit hospices.
2) Increases in average length of stay (ALOS), driven by growth in very long stays.
3) Evidence that the payment system is not well aligned with the intensity of care throughout an episode.
4) Increased accountability – physician certification of eligibility, nursing home/hospice relationships.
5) Commission recommendations from March 2009 have been implemented or are in process:
   a. Payment system reform (on or after 2014)
   b. Increased accountability – physician narrative, face-to-face recertification visit, focused medical review and OIG studies.
   c. More data collection (claims, cost report)
Hospice Aggregate Cap
1) 12.5% of hospices exceeded the aggregate cap in 2009.
2) MedPAC reported above cap hospices are:
   a. Almost entirely for profit providers
   b. Have very long lengths of stay
   c. Substantially more patients are discharged alive
3) There is no evidence that the aggregate cap impedes access to hospice care.

Hospice Quality of Care
1) There is no publicly available quality data covering all hospices.
2) Beginning in the last quarter of 2012, there will be data collected on two measures and reported to CMS in 2013.
3) MedPAC convened a panel on hospice quality in November 2011 and gathered input on what types of measures would help to determine quality of care.

Margins
1) MedPAC reported that margins for all hospices ranged from 4.6% to 7.1% over the last seven years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Margins</th>
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<tbody>
<tr>
<td>2003</td>
<td>6.6%</td>
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<tr>
<td>2006</td>
<td>6.4%</td>
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<tr>
<td>2007</td>
<td>5.8%</td>
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<td>2008</td>
<td>5.1%</td>
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<tr>
<td>2009</td>
<td>7.1%</td>
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<tr>
<td>2012 (estimated)</td>
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Recommendations
The December meeting is the meeting where MedPAC commissioners hear recommendations for updates to each Medicare provider type’s market-basket increase. The recommendations can range from full marketbasket to no marketbasket increase. This year’s MedPAC recommendation for commissioner consideration is:

“Update the payment rates for 2011 by a 0.5% increase in the hospital marketbasket.”

Comment on the Recommendations:
Given the increased margins for all hospice provider types, there was robust discussion among Commissioners about whether the increase should 0.0% or 0.5%. A final vote on the recommendation will take place at the January meeting. Other recommendations made by staff are not new and were included the recommendations published by MedPAC in the March 2009 and the March 2010 Reports to Congress:

1) Payment system reform with higher payments at the beginning and end of care, with lower payments as the length of the episode increases.
2) All stays in excess of 180 days should be medically reviewed for hospices where stays in excess of 180 days make up a high percentage of total hospice cases.

OMB Approves Hospice Quality Data Web-based Forum
Hospices Get Green Light to Voluntarily Submit Data on QAPI Program
The Centers for Medicare & Medicaid Services (CMS) has been awaiting Office of Management and Budget (OMB) approval of the voluntary data submission form that allows hospices to electronically enter and submit data related to their QAPI programs. Now that OMB has approved the submission form, hospices may voluntarily enter and submit data regarding their QAPI programs using the web-based form.

Data entry of hospice quality data may begin on Jan. 1, 2012, and the data submission period ends on Jan. 31, 2012. Hospices may also access the submission form (and other pertinent materials) on the Hospice Quality Reporting Site.

$523 Calendar Year (CY) 2012 Enrollment Application Fee for Institutional Providers
Institutional providers (i.e., all providers except physicians, non-physicians practitioners, physician group practices and non-physician practitioner group practices) must submit an application fee or hardship exception when initially enrolling, revalidating their enrollment, or adding a new Medicare practice location. The CY 2012 fee of $523.00 is required with any Medicare enrollment application submitted on or after Sunday, January 1, 2012, and on or before Monday, December 31, 2012.

NEW: Mailing Addresses Effective Today, December 5, 2011

Effective today, December 5, 2011, CGS mailing addresses have changed. Please start mailing the inquiry types listed below to the new address in Nashville, TN. When mail is sent to the wrong address for the inquiry type, it results in a delay in processing that inquiry/claim.

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<td>Home Health and Hospice Claims/Adjustments</td>
<td>J15 — Part B/HHH Claims</td>
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<td>CGS Administrators, LLC</td>
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<td>PO Box 20019</td>
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<td>Nashville, TN 37202</td>
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<td>Provider Enrollment Correspondence</td>
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<td>Cost Reports</td>
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<td>Appeals</td>
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<td>Credit Balance Reporting (no checks)</td>
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<td>Freedom of Information (FOIA)</td>
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2012 UHPCO MEMBERSHIPS RECEIVED

Providers:
Abundant Life Home Health & Hospice
Advanced Care Hospice
A Step Forward
Bristol Hospice
Caregiver Support Network
First choice Home Health & Hospice
Gentle Comfort Hospice
Good Shepherd Homecare & Hospice
Inspiration Hospice
Legacy Healthcare
Mountain West Home Health & Hospice
Quality Solace Services Hospice
Silverado Hospice of Utah
Sunshine Hospice

Associate:
Coral Canyon Insurance Services
Jenkins-Soffe Funeral Home
Larkin Mortuary
The Presidio Group
Salt Lake City Veterans Administrative Hospital

Individuals:
Robin Bailey
Frank Barton
Jamie Brant
Chris Briggs
Cameron Burnside
Sandra Camargo
LynnC. Davis
Cindy Huerta
PJ Jennings
Heidi Lafferty
Douglas Roland Smith, MD
Cheryl Nunez
Francelle Roush

NOT ON THE ABOVE LIST? COMPLETE YOUR UHPCO MEMBERSHIP APPLICATION TODAY!
Companion Bill to Hospice HELP Act Introduced in House

Measure Seeks to Increase Flexibility in F2F

A bill that seeks to ease some of the strains related to meeting the hospice face-to-face requirements and modify the process for imposing a new payment system now was introduced in the House. A similar measure was introduced in the Senate by Sen. Ron Wyden (D-OR) (NAHC Report, April 11, 2011)

The Hospice Evaluation and Legitimate Payment (HELP) Act (H.R. 3506) was introduced by Rep. Tom Reed (R-N.Y.) The House bill expands the types of clinicians that may perform the hospice face-to-face encounter to include clinical nurse specialists, physician assistants, or other health professionals (as determined by the Secretary of Health and Human Services). The legislation also expands the time frame within which hospices may conduct the face-to-face where “exceptional circumstances” apply from two to seven days.

The Centers for Medicare & Medicaid Services (CMS) says exceptional circumstances occurs in cases where a hospice newly admits a patient who is in the third or later benefit periods, exceptional circumstances may prevent a face-to-face encounter prior to the start of the benefit period. For example, if the patient is an emergency weekend admission, it may be impossible for a hospice physician or nurse practitioner to see the patient until the following Monday.

Or, if CMS data systems are unavailable, the hospice may be unaware that the patient is in the third benefit period. In such documented cases, a face to face encounter which occurs within 2 days after admission will be considered to be timely. Additionally, for such documented exceptional cases, if the patient dies within 2 days of admission without a face to face encounter, a face to face encounter can be deemed as complete, the agency said.

The Centers for Medicare and Medicaid Services is developing modifications to hospice payment which may be implemented as early as Oct. 1, 2013. Under the legislation the payment modifications would be required to undergo a demonstration phase involving 15 sites so that the “real world” impact of the payment changes on hospice care quality can be evaluated before full implementation. If, under the demonstration, it is determined that the payment reforms would not adversely affect access to quality hospice care, payment modifications could be implemented by the later of either two years following conclusion of the demonstration or Oct. 1, 2017.

The bill would also require that newly-operating hospice entities be surveyed within six months of beginning operations and that existing hospices be surveyed no less frequently than every 36 months. Under current law, there is no requirement regarding survey frequency for existing providers; on average, hospices are surveyed every six years, with some being surveyed only every 10 years.

The National Association for Home Care & Hospice (NAHC) and its hospice affiliate, the Hospice Association of America (HAA), support the HELP Act and encourage member organizations to contact their Senators to urge cosponsorship of S. 722, as well as their representative to co-sponsor the House bill (H.R. 3506.)
Recognition

Holiday Luncheon Entertainment
Ric Sheratt, Summit Hospice

Burns Magleby $500 Scholarship Recipient
Heidi Ison, Gunnison Valley Hospice

Outgoing UHPCO Board Recognized
Shellie Wood, Alpine Hospice – Governmental Affairs Committee Chair
Robin Black, Good Shepherd Hospice – Membership/Nominating/Awards Committee Co-Chair
Nan Green, Millcreek Hospice – Ethics Committee Chair
Margene Luke, Veterans Administrative Hospital – Membership/Nominating/Awards Committee Co-Chair
Sherry Morris, Intermountain – President-Elect 2009, President 2010, Past President 2010

2012 UHPCO Board of Directors
President  Lehi Rodriguez, Larkin Mortuary
Past President  Cindy Colark, Harmony Hospice
President-Elect Robin Black, Good Shepherd Hospice
Secretary  Arla Webb, Summit Hospice
Treasurer  Lori Hess, Rocky Mountain Hospice

Committee Chairs
Education  Heidi Lafferty, doTerra
Ethics  Patrick Maloney, Curo Hospice
Governmental Affairs  Angel Sullivan, Millcreek Hospice
Membership/ Nomination/Awards  Matthew Hill, The Presidio Group
Public Relations  Steven Kehl, Larkin Mortuary
Volunteers  Cheryl Dalton, 1st Choice Hospice

Coalitions
Cache County  Dennis Wildman, Sunshine Terrace Hospice
Northern Utah  Eileen Wood, Hospice Care of Northern Utah
Southern Utah  Carolyn Stuercke, Applegate HomeCare & Hospice
Utah County  ?

Caregiver Support
Program  Sonnie Yudell, State of Utah