

# Details of the FY2027 Hospice Wage Index Proposed Rule

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## **FY 2027 Hospice Proposed Payment Increase Basics**

2.4% rate increase

Proposed cap amount for FY 2027: \$36,210.11

Reduction in payment if not participating in HQR: -4% or -1.6%

Math: 2.4% increase – 4% reduction for non-participation = -1.6%

[Link to proposed rule: 2026-06604.pdf](#)

# Routine Home Care National Proposed Rates

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**TABLE 1: Proposed FY 2027 Hospice RHC Payment Rates**

<b>Code</b>	<b>Description</b>	<b>FY 2026 Payment Rates</b>	<b>SIA Budget Neutrality Factor</b>	<b>Wage Index Standardization Factor</b>	<b>FY 2027 Hospice Payment Update</b>	<b>Proposed FY 2027 Payment Rates</b>
<b>651</b>	<b>Routine Home Care (days 1-60)</b>	\$230.83	0.9999	1.0009	1.024	\$236.56
<b>651</b>	<b>Routine Home Care (days 61+)</b>	\$181.94	0.9999	1.0013	1.024	\$186.53

# CHC, IRC and GIP National Proposed Rates

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**TABLE 2: Proposed FY 2027 Hospice CHC, IRC, and GIP Payment Rates**

Code	Description	FY 2026 Payment Rates	Wage Index Standardization Factor	FY 2027 Hospice Payment Update	Proposed FY 2027 Payment Rates
652	Continuous Home Care Full Rate = 24 hours of care.	\$1,674.29	1.0079	1.024	\$1,728.02 \$72.00 per hour
655	Inpatient Respite Care	\$532.48	1.0022	1.024	\$546.46
656	General Inpatient Care	\$1,199.86	1.0033	1.024	\$1,232.71

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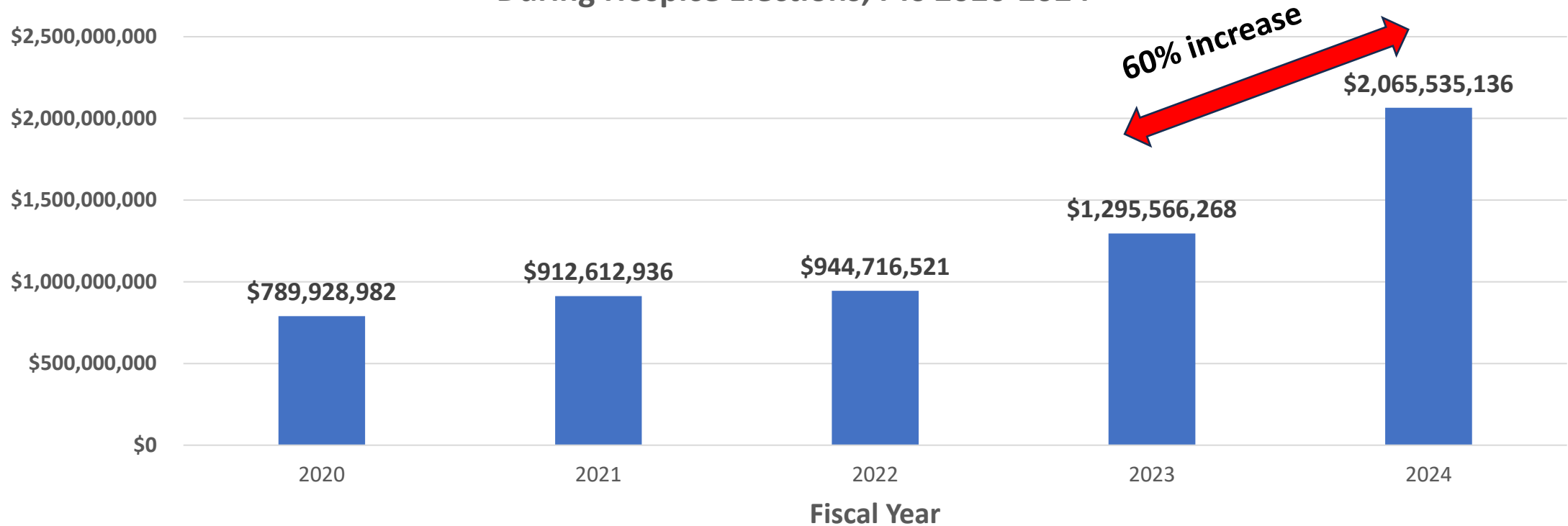
# Medicare A&B Spending Outside the Hospice Benefit

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# Medicare Part A and Part B Spending

Medicare Payments for Non-Hospice Medicare Part A and Part B Items and Services During Hospice Elections, FYs 2020-2024



Source: Figure 1: FY 2027 Hospice Wage Index Proposed Rule

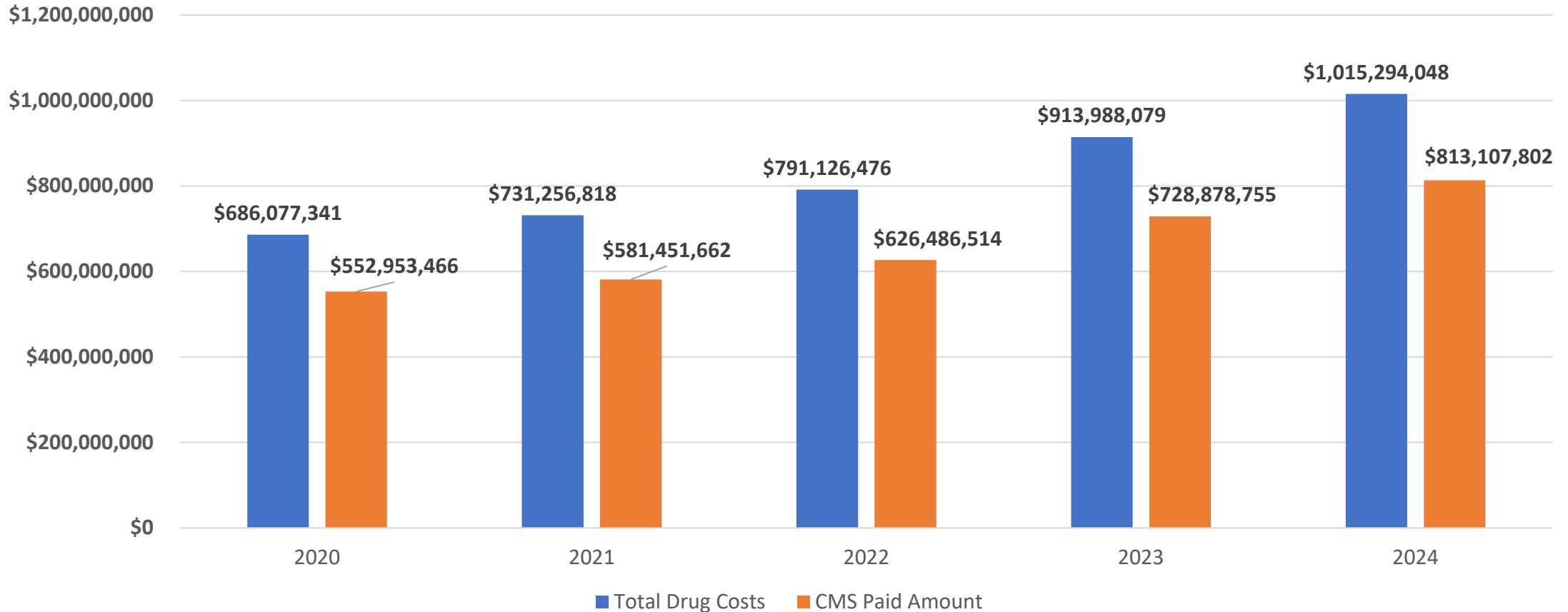
# Where is the spend?

**TABLE 5: Total Medicare Payments for Non-Hospice Medicare Part A and Part B Items and Services During Hospice Elections (Excluding Admission/Live Discharge Days) By Claim Type [All Beneficiaries], FYs 2020 – 2024**

<b>Claim Type</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>Total</b>
Durable Medical Equipment	\$62,945,939	\$53,064,592	\$61,786,674	\$70,599,597	\$68,269,227	\$316,666,029
Home Health	\$17,193,724	\$16,639,796	\$16,370,072	\$18,311,448	\$20,575,467	\$89,090,507
Inpatient	\$152,295,116	\$164,275,796	\$157,318,180	\$173,047,031	\$193,298,218	\$840,234,341
Outpatient	\$144,508,467	\$161,409,918	\$163,125,008	\$179,745,517	\$202,855,467	\$851,644,377
Carrier/Physician Supply	\$374,328,285	\$459,346,611	\$500,910,102	\$819,249,739	\$1,562,873,679	\$3,716,708,416
Skilled Nursing Facility	\$38,657,451	\$57,876,223	\$45,206,485	\$34,612,936	\$17,663,078	\$194,016,173

Source: Table 5: FY 2027 Hospice Wage Index Proposed Rule

# Medicare Payments for Non-Hospice Part D Drugs During Hospice Elections, FYs 2020-2024



Source: Figure 2: FY 2027 Hospice Wage Index proposed rule

# Medicare Payments for Non-Hospice for Part D During Hospice Elections Provided to Hospice Beneficiaries (Part D Claims), FY 2024

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Diagnosis Coding Group	Part D Payments
Neurological/Degenerative	\$205,128,738
Heart/Cerebrovascular	\$276,254,111
Respiratory	\$100,380,848
Cancer	\$86,405,092
All Other Diseases	\$144,939,013
<b>TOTAL</b>	<b>\$813,107,802</b>

**Source:** Analysis of 100% Medicare Part D claims analytic files, FY 2024, from CCW, accessed May 9, 2025  
Published as Table 8: FY 2027 Hospice Wage Index Proposed Rule

# More details on non-hospice spending


Pay close attention to the SSVI and SSVI Overview links


FY 2024 and FY 2025 Utilization and Non-Hospice Spending scores for every hospice in the country are available here


## CMS-1851-P

<b>Regulation No.</b>	CMS-1851-P
<b>Title</b>	FY 2027 Hospice Wage Index and Payment Rate Update and Hospice Quality Reporting Program Requirements
<b>Display Date</b>	2026-04-02
<b>Publication Date</b>	2026-04-06

The FY 2027 hospice proposed rule with comment went on display at the Office of the Federal Register's Public Inspection Desk on April 2, 2026 and will be available until the regulation is published on April 6, 2026. See CMS-1851-P in the "Related Links" section below.

**Downloads**

- [FY 2027 Proposed Hospice Wage Index](#)
- [Expanded Parts B/D Non-Hospice Spending](#)
-  [SSVI](#)
- [SSVI Overview](#)

**Related Links**

- [CMS-1851-P \(PDF\)](#)
- [CMS-1851-P \(Text\)](#)

Hospice Center: <https://www.cms.gov/medicare/enrollment-renewal/providers-suppliers/hospice-center>

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# Proposed Service and Spending Variation Index (SSVI)

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# Looking for deviations from expected norms

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**Long length of stay:**  
with high live discharge  
rate => inappropriate  
enrollment of ineligible  
beneficiaries

**Visits:** low number,  
shorter, fewer weekend  
visits => minimal  
service provision

**GIP:** “No GIP does not  
necessarily signal that  
a hospice is acting  
inappropriately”

# Proposed Scoring System – Service and Spending Variation Index (SSVI)

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## Claims-based measures

- Each measure represents a different aspect of hospice utilization and non-hospice spending

## Utilization

- 8 metrics reflecting visit and discharge patterns
- Location of care, skilled visit length and frequency, visits on weekends, among others

## Non-hospice spending

- 8 separate thresholds
- Higher non-hospice spending levels receive higher number of points than a hospice with less non-hospice spending

## • Threshold

- Established at top or bottom 25%
- Falling into this quartile on a single measure does not necessarily indicate poor performance or improper practices.
- 25% threshold acts as a preliminary filter.

# Utilization Metrics

Metric Description	Threshold Value	Points
Providing no Continuous Home Care and no General Inpatient Care	0	1
Percentage of Routine Home Care days that are provided in a nursing home or skilled nursing facility	Greater than or equal to 40%	1
Percent of the last two Routine Home Care days of life with visits	Less than or equal to 25 <sup>th</sup> percentile (for FY 2025, the 25 <sup>th</sup> percentile was 85.7%)	1
Percentage of total discharges that are live discharges	Greater than or equal to the 75 <sup>th</sup> percentile (for FY 2025, the 75 <sup>th</sup> percentile was 47.5%)	1
Percentage of discharges with a length of stay over 180 days	Greater than or equal to the 75 <sup>th</sup> percentile (in FY 2025, the 75 <sup>th</sup> percentile was 33.2%)	1
Average skilled nursing minutes on Routine Home Care	Less than or equal to 25 <sup>th</sup> percentile (in FY 2025, the 25 <sup>th</sup> percentile was 9.8 minutes per day)	1

# Utilization Metrics - continued

Metric Description	Threshold Value	Points
Weekend Routine Home Care days with a skilled visit (nursing, medical social worker, or therapy) as a percentage of total RHC days	Less than or equal to 25 <sup>th</sup> percentile (in FY 2025, the 25 <sup>th</sup> percentile was 4.8%)	1
Percentage of live discharges where beneficiaries return to the same hospice in seven days	Greater than or equal to 75 <sup>th</sup> percentile (in FY 2025, the 75 <sup>th</sup> percentile was 15%)	1

**Source:** Table 9: Description of SSVI Metrics, Threshold Values, and Points Allocated  
FY 2027 Hospice Wage Index proposed rule, April 2, 2026

# Total Non-Hospice Spending Metrics

Metric Description	Threshold Value	Points
<b>Threshold values based on FY 2025 analysis</b>		
<b>Total non-hospice spending – categories divided in 8 value ranges</b>	\$0.00 - \$6,352.84	1
	> \$6,352.84 - ≤ \$20,612.10	2
	> \$20,612.10 - ≤ \$42,911.79	3
	> \$42,911.79 - ≤ \$76,801.05	4
	> \$76,801.05 - ≤ \$133,440.80	5
	> \$133,440.80 - < \$246,123.10	6
	> \$246,123.10 - ≤ \$517,204.40	7
	Values greater than \$517,204.40	8

**Note:** No indication of threshold values based on census. All non-hospice spending data comes from other Medicare provider claims data linked to beneficiary enrolled in hospice.

# Distribution of Hospice SSVI Scores

Total Score	FY 2024		FY 2025	
0	6	0.1%	4	0.1%
1	91	1.4%	87	1.3%
2	334	5.0%	332	5.0%
3	564	8.4%	527	7.9%
4	760	11.3%	714	10.7%
5	838	12.4%	887	13.4%
6	918	13.6%	890	13.4%
7	862	12.8%	898	13.5%
8	920	13.7%	899	13.5%
9	629	9.3%	571	8.6%
10	366	5.4%	407	6.1%
11	255	3.8%	230	3.5%
12	116	1.7%	122	1.8%
13	48	0.7%	55	0.8%
14	28	0.4%	18	0.3%
15	0	0.0%	1	0.0%
16	0	0.0%		0
<b>TOTAL</b>	<b>6,735</b>		<b>6,642</b>	



# What is Missing?

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- No details on where the non-hospice spending occurs for your hospice
- No consideration for agency size
- Other alternatives to target non-hospice spending?
  - Detailed information on non-hospice spending available and actionable
  - Actions taken for other Medicare providers to block claims if patient enrolled in hospice
  - Is the non-hospice spend legitimate?

# Spending per Day Distribution for Beneficiaries WITH Non-Hospice Spend – FY 2025 Data

Spending Category Per Day	Number of Hospices	Total Spending per Day	Average Spend per Day
0	3	-	-
<\$5	1,140	\$ 3,957.53	\$ 3.47
\$5-<\$10	2,126	\$ 15,553.34	\$ 7.32
\$10-<\$20	1,562	\$ 21,800.56	\$ 13.96
\$20-<\$50	924	\$ 28,287.32	\$ 30.61
\$50-<\$100	321	\$ 22,280.62	\$ 69.41
\$100-<\$150	120	\$ 14,575.75	\$ 121.46
\$150-<\$200	71	\$ 12,100.33	\$ 170.43
\$200--<\$500	144	\$ 43,616.03	\$ 302.89
\$500-<\$1,000	51	\$ 35,473.90	\$ 705.45
\$1,000-<\$5,000	30	\$ 52,188.35	\$ 1,739.61
\$5,000+	2	\$ 15,463.99	\$ 7,732.00
No Report	148		
<b>TOTALS</b>	6,642	\$265,297.72	

Source: Original FY 2025 Hospice SSVI data posted by CMS and removed

# FY 2024 and FY 2025 SSVI Summaries

Claims Data	FY 2024	FY 2025
Number of hospice claims	6,409,155 claims	6,750,840 claims
Number of hospices	6,735 hospices	6,642 hospices
Number of hospice days	148,012,785 days	146.514.386 days

CMS states: “We will post the metrics and SSVI scores for FYs 2024 and 2025, additional data from claims-based measures, and related documentation on the methodology on our Hospice Center webpage at <https://cms.gov/medicare/enrollment-renewal/providers-suppliers/hospice-center>”

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# Proposed Election Statement Addendum Changes

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# Proposed Election Statement Addendum Changes

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- Proposing a **mandatory** requirement that hospices provide the hospice election statement addendum to **all Medicare beneficiaries** at the time of hospice election
- Proposal:
  - Begin October 1, 2026
  - Addendum to be furnished within the **first 5 days** of the hospice election
  - **Updates** to the addendum **within 3 days of changes** to the plan of care that impact addendum determinations
  - Make the addendum available for non-hospice providers and Medicare contractors

# CMS Commentary on Mandatory Addendum

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- “We [CMS] continue to receive reports from non-hospice providers stating that they are **not provided a beneficiary’s addendum when requested from the hospice, are unable to reach, or do not receive communication from the hospice to discuss the hospice beneficiary’s coordination of services** that the hospice has determined unrelated to his or her terminal illness and related condition(s).
- Similarly, we have also received reports from nonhospice providers who state that **hospices are requesting that services be billed to Medicare Part A and B, other inquiries where non-hospice providers are requesting payment from hospices for services that should be the hospices’ coverage responsibility but where the hospices have not paid for such services or do not respond to these requests**, and hospices who state they were unaware that patients had received care from non-hospice providers...”

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# Other Proposed Regulatory Changes

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# Clarifying Regulatory Text - Discharge

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## Current language:

§ 418.26(b) The hospice must obtain a written physician's discharge order from the hospice medical director

## Proposed language conforming to hospice admission language at § 418.25:

- Additions to § 418.26(b) to state the hospice may also obtain the written physician's discharge order from the physician designee, as defined at § 418.3, or physician member of IDG.

# G-Code for Face-to-Face through Telehealth

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- **Consolidated Appropriations Act, 2026:**

- Section 6209(f)(2) of the CAA, 2026 amended section 1814(a)(7)(D)(i)(II) of the Act to require (for face-to-face encounters conducted via telehealth occurring on or after January 1, 2027) that hospice claims include one or more modifiers or codes (as specified by the Secretary) to indicate that such encounter was conducted by telehealth.

- **Implementation proposed:**

- Hospice would collect data reflecting face-to-face encounters furnished using telecommunications technology, which includes, at a minimum, the use of audio and video equipment permitting two-way, real-time interactive communication between the patient and the distant site hospice physician or hospice nurse practitioner.
- The hospice would use a G-code, identifying that a face-to-face encounter was furnished using such technology, that is, telehealth.
- In-person face-to-face encounters for the purposes of recertification not proposed to be collected on claims.
- CMS will issue further subregulatory guidance on implementation of this provision, including the exclusion from this permissible use of telehealth, via a Change Request (CR).

# Telehealth during Moratorium

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- Section 6209(f)(1)(B) of the CAA, 2026 amended section 1814(a)(7)(D)(i)(II) of the Act to include a **prohibition on the use of telehealth to conduct the face-to-face encounter** in the case of such an encounter with an individual occurring on or after January 31, 2026,
  - if such individual is located in an area that is subject to a moratorium on the enrollment of hospice programs under this title pursuant to section 1866(j)(7) of the Act,
  - if such individual is receiving hospice care from a provider that is subject to enhanced oversight under this title pursuant to section 1866(j)(3) of the Act, or
  - if such encounter is performed by a hospice physician or nurse practitioner who is not enrolled under section 1866(j) of the Act and is not an opt- out physician or practitioner.
- The proposed G code requirement will enable CMS to enforce the prohibition on the use of telehealth to conduct the face-to-face encounter when the circumstances described in section 6209(f)(1)(B) of the CAA, 2026 are present because we will be able to identify those face-to-face encounters conducted via telehealth.

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# Requests for Information (RFIs)

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# RFI – Ways to Enhance Palliative Care Outside of Hospice Care

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## RFI questions

- Billing for palliative services, what CPT or HCPCS codes are used, what barriers are there for ACP, care management or telehealth
- Insights into broader systemic challenges, staffing limitations, claim denials, palliative services they provide but cannot bill for
- Feedback needed for policies that expand access to high-quality community palliative care
  - Without requiring legislative reform or the creation of an entirely new benefit
  - Targeted enhancements within current benefits

# RFI – Hospice Specific Wage Index

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## RFI Questions

- CMS looking for feedback on how the Bureau of Labor Statistics (BLS) Occupational Employment and Wage Statistics (OEWS) data, and other public data can be used to construct a hospice specific wage index.
- Considering the use of alternative data sources in other payment systems – IRF and SNF.
- Asking for feedback for same questions posed to Technical Expert Panel (TEP) in September 2025
- Review the TEP Reports
  - [TEP Summary Report, September 2025](#)
  - [Hospice Wage Index Technical Report, September 2025](#)

# RFI – Medical Aid in Dying

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## RFI Questions

- CMS interested in hearing from hospice providers about **any issues** that may arise when a Medicare hospice patient requests MAID
- **No Medicare funds**, including hospice payments, may be used to facilitate MAID, including:
  - Physician consultation services
  - Prescribing or dispensing of medications used for the purpose of causing death
  - Assistance with the ingestion of such medications.
- What **additional CMS oversight** mechanisms that should be in place to safeguard the use of Federal funds for the provision of MAID items and services
- Any additional information regarding with **hospices' experience** patients choosing to utilize MAID

# HQRP

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## 1. Updates on HOPE Measures

- Waiver granted for all HOPE assessments dated between October 1, 2025 and December 31, 2025.
- All HOPE assessments considered timely during that period.

## 2. Non-compliance with HQRP

- FY 2023 – 20.7%
- FY 2024 – 22.06%
- FY 2025 – 23.53%
- FY 2026 – 20.37%

## 3. Add icon for hospices on Care Compare to indicate failure to meet reporting requirements

- Added no earlier than FY 2028 to align with addition of HOPE data to the Medicare.gov site
- Proposed icon added or removed on annual basis
- Visible both on provider search page and individual hospice page
- Similar to how icons appear for nursing homes and hospitals
- Aim of icon will be to notify consumers that the hospice did not report sufficient data to CMS.

# Find Your Topic

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- Table discussions now for each of the topics covered in the proposed rule
- Appoint someone at table to take notes
- Discussion
- Concerns
- Notes back to Barb
- What OR and WA should say in the comment letter
  
- Comments are due **June 1**

