



WASHINGTON

perspectives

**An Analysis and Commentary on Federal Health Care Issues
by Larry Goldberg**

July 31, 2024

CMS Posts Final FY 2025 Hospice Wage Index and Payment Rate Update



The Centers for Medicare and Medicaid Services (CMS) have issued its final rule to update hospice payment rates, wage indexes and the aggregate hospice cap amount for Fiscal Year (FY) 2025.

The rule is adopting the most recent Office of Management and Budget statistical area delineations, which will change the hospice wage index.

The rule makes several changes to the Hospice Quality Reporting Program.

A copy of the 167-page rule is at: <https://public-inspection.federalregister.gov/2024-16910.pdf>. Publication is scheduled for August 6.

Comment

The overall economic impact of this rule is estimated to be a \$790 million an increase in payments to hospices in FY 2025. (Page 4)

This is another rule that contains no table of contents, we are inserting relative page numbers from the rule’s display version.

However, this rule does have helpful final decision sections based on received comments.

As required by OMB, CMS provides the following table to explain the changes in overall payments to hospices.

Hospice Payment Update Category	FY 2024 to FY 2025 Transfers
Annualized Monetized Transfers	\$790 million
From Whom to Whom?	Federal Government to Medicare Hospices
Hospice Quality Reporting Program Category	FY 2026 to FY 2029 Costs
Annualized Costs	\$185 million (2% Discount Rate)

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PROVISIONS OF THE FINAL RULE (Page 9)

FY 2025 Hospice Payment Update Percentage (Page 44)

Based on IGI’s second quarter 2024 forecast with historical data through first quarter 2024, the FY 2025 IPPS market basket update is 3.4 percent. The FY 2025 productivity adjustment based on IGI’s second quarter 2024 forecast is 0.5 percentage point. Therefore, the FY 2025, the final hospice payment update is **2.9 percent** (3.4 percent market basket percentage increase less a 0.5 percentage point productivity adjustment). The proposed hospice payment update was 2.6 percent.

FY 2025 Hospice Payment Rates (Page 56)

The FY 2025 RHC rates and the FY 2025 payment rates for CHC, IRC, and GIC are shown in the tables below.

FY 2025 Hospice RHC Payment Rates

Code	Description	FY 2024 Payment Rates	SIA Budget Neutrality Factor	Wage Index Standardization on Factor	FY 2025 Hospice Payment Update	FY 2025 Payment Rates
651	Routine Home Care (days 1-60)	\$218.33	1.0014	0.9984	X 1.029	\$224.62
651	Routine Home Care (days 61+)	\$172.35	1.0001	0.9975	X 1.029	\$176.92

FY 2025 Hospice CHC, IRC, and GIC Payment Rates

Code	Description	FY 2024 Payment Rates	Wage Index Standardization Factor	FY 2025 Hospice Payment Update	FY 2025 Payment Rates
652	Continuous Home Care Full Rate = 24 hours of care	\$1,565.46	1.0048	X 1.029	\$1,618.59 (\$67.44 per hour)
655	Inpatient Respite Care	\$507.71	0.9930	X 1.029	\$518.78
656	General Inpatient Care	\$1,145.31	0.9928	X 1.029	\$1,170.04

Beginning with the FY 2024 Annual Payment Update (APU) and for each subsequent year, the Secretary shall reduce the market basket percentage increase by 4.0 percentage points for any hospice that does not comply with the quality data submission requirements for that FY. (Page 56)

Hospice RHC Payment Rates for Hospices That **DO NOT Submit the Required Quality Data**
(Page 57)

Code	Description	FY 2024 Payment Rates	SIA Budget Neutrality Factor	Wage Index Standardization Factor	FY 2025 Hospice Payment Update of 2.9% minus 4.0 percentage points -1.1%	FY 2025 Payment Rates
651	Routine Home Care (days 1-60)	\$218.33	1.0014	0.9984	0.9890	\$215.88
651	Routine Home Care (days 61+)	\$172.35	1.0001	0.9975	0.9890	\$170.05

FY 2025 Hospice CHC, IRC, and GIP Payment Rates for Hospices That **DO NOT Submit the Required Quality Data**

Code	Description	FY 2024 Payment Rates	Wage Index Standardization Factor	FY 2025 Hospice Payment Update of 2.6% minus 4.0 percentage points = -1.1%	FY 2025 Payment Rates
652	Continuous Home Care Full Rate = 24 hours of care.	\$1,565.46	1.0048	0.9890	\$1,555.67 (\$64.82 per hour)
655	Inpatient Respite Care	\$507.71	0.9930	0.9890	\$498.61
656	General Inpatient Care	\$1,145.31	0.9928	0.9890	\$1,124.56

Labor Share (Page 46)

	Labor Share	Non-Labor Share
Routine Home Care	66.0 Percent	34.0 Percent
Continuous Home Care	75.2 Percent	24.8 Percent
Inpatient Respite Care	61.0 Percent	39.0 Percent
General Inpatient Care	63.5 Percent	36.5 Percent

Hospice Cap Amount for FY 2025 (Page 59)

The hospice cap amount for the FY 2025 cap year is **\$34,465.34**, which is equal to the FY 2024 cap amount (\$33,494.01) updated by the FY 2025 hospice payment update percentage of 2.9 percent.

FY 2025 Hospice Wage Index and Rate Update

FY 2025 Hospice Wage Index Update (Page 9)

The wage index applicable for FY 2025 is available at: www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/Hospice/Hospice-Wage-Index. (Page 19)

The hospice floor adjusts pre-floor, pre-reclassified hospital wage index values below 0.8000 by a 15 percent increase subject to a maximum wage index value of 0.8000.

Based on newer data, CMS is making the following adjustments:

- The final FY 2025 hospice wage index for rural North Dakota is 0.8545.
- The FY 2025 proposed pre-hospice floor unadjusted wage index for rural Puerto Rico would be 0.2520, and is subsequently adjusted by the hospice floor to equal 0.2898. Because 0.2898 is more than a 5-percent decline in the FY 2024 wage index, the adjusted FY 2025 wage index with the 5-percent cap applied would equal 0.95 multiplied by 0.4654 (that is, the FY 2024 wage index with floor), which resulted in a proposed wage index of 0.4421.
- CMS is finalizing its proposal and the FY 2025 final hospice wage index for rural Delaware is 1.0385.

Implementation of New Labor Market Delineations (Page 21)

On July 21, 2023, OMB issued Bulletin No. 23-01, which updates and supersedes OMB Bulletin No. 20-01, issued on March 6, 2020.

OMB Bulletin No. 23-01 contains a number of significant changes. For example, there are new CBSAs, urban counties that have become rural, rural counties that have become urban, and existing CBSAs that have been split apart.

Comment

The final labor market delineations appear to be duplicated from those in the proposed FY 2025 rule. That is, in many cases, CMS says “if we implement the revised OMB delineations beginning in FY 2025.”

Change to County-Equivalents in the State of Connecticut (Page 24)

The Census Bureau announced that it was implementing the State of Connecticut’s request to replace the eight counties in the State with nine new “Planning Regions”. They are as follows.

Comment

Note the table lists 10 areas not nine.

Crosswalk of Connecticut County Equivalents

FIPS County Code	County	Old CBSA or non-urban area	New FIPS County Code	FY 2025 Planning Region	New CBSA or non-urban area
09001	FAIRFIELD	14860	09190	WESTERN CONNECTICUT	14860
09001	FAIRFIELD	14860	09120	GREATER BRIDGEPORT	14860
09003	HARTFORD	25540	09110	CAPITOL	25540
09005	LITCHFIELD	99907	09160	NORTHWEST HILLS	99907
09007	MIDDLESEX	25540	09130	LOWER CONNECTICUT RIVER VALLEY	25540

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FIPS County Code	County	Old CBSA or non-urban area	New FIPS County Code	FY 2025 Planning Region	New CBSA or non-urban area
09009	NEW HAVEN	35300	09140	NAUGATUCK VALLEY	47930
09009	NEW HAVEN	35300	09170	SOUTH CENTRAL CONNECTICUT	35300
09011	NEW LONDON	35980	09180	SOUTHEASTERN CONNECTICUT	35980
09013	TOLLAND	25540	09110	CAPITOL	25540
09015	WINDHAM	49340	09150	NORTHEASTERN CONNECTICUT	99907

Urban Counties That Would Become Rural (Page 24)

Under the revised OMB statistical area delineations total of 53 counties (and county equivalents) that are currently considered urban will be considered rural beginning in FY 2025. The table below lists 48 counties that will become rural. Excluded are 5 areas in Puerto Rico.

Urban Counties That Would Change to Rural Status

County Code	County Name	State	Current CBSA	Current CBSA Name
01129	Washington	AL	33660	Mobile, AL
05025	Cleveland	AR	38220	Pine Bluff, AR
05047	Franklin	AR	22900	Fort Smith, AR-OK
05069	Jefferson	AR	38220	Pine Bluff, AR
05079	Lincoln	AR	38220	Pine Bluff, AR
10005	Sussex	DE	41540	Salisbury, MD-DE
13171	Lamar	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA
16077	Power	ID	38540	Pocatello, ID
17057	Fulton	IL	37900	Peoria, IL
17077	Jackson	IL	16060	Carbondale-Marion, IL
17087	Johnson	IL	16060	Carbondale-Marion, IL
17183	Vermilion	IL	19180	Danville, IL
17199	Williamson	IL	16060	Carbondale-Marion, IL
18121	Parke	IN	45460	Terre Haute, IN
18133	Putnam	IN	26900	Indianapolis-Carmel-Anderson, IN
18161	Union	IN	17140	Cincinnati, OH-KY-IN
21091	Hancock	KY	36980	Owensboro, KY
21101	Henderson	KY	21780	Evansville, IN-KY
22045	Iberia	LA	29180	Lafayette, LA
24001	Allegany	MD	19060	Cumberland, MD-WV
24047	Worcester	MD	41540	Salisbury, MD-DE
25011	Franklin	MA	44140	Springfield, MA
26155	Shiawassee	MI	29620	Lansing-East Lansing, MI
27075	Lake	MN	20260	Duluth, MN-WI
28031	Covington	MS	25620	Hattiesburg, MS
31051	Dixon	NE	43580	Sioux City, IA-NE-SD

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County Code	County Name	State	Current CBSA	Current CBSA Name
01129	Washington	AL	33660	Mobile, AL
36123	Yates	NY	40380	Rochester, NY
37049	Craven	NC	35100	New Bern, NC
37077	Granville	NC	20500	Durham-Chapel Hill, NC
37085	Harnett	NC	22180	Fayetteville, NC
37087	Haywood	NC	11700	Asheville, NC
37103	Jones	NC	35100	New Bern, NC
37137	Pamlico	NC	35100	New Bern, NC
42037	Columbia	PA	14100	Bloomsburg-Berwick, PA
42085	Mercer	PA	49660	Youngstown-Warren-Boardman, OH-PA
42089	Monroe	PA	20700	East Stroudsburg, PA
42093	Montour	PA	14100	Bloomsburg-Berwick, PA
42103	Pike	PA	35084	Newark, NJ-PA
45027	Clarendon	SC	44940	Sumter, SC
48431	Sterling	TX	41660	San Angelo, TX
49003	Box Elder	UT	36260	Ogden-Clearfield, UT
51113	Madison	VA	47894	Washington-Arlington-Alexandria, DC-VA- MD-WV
51175	Southampton	VA	47260	Virginia Beach-Norfolk-Newport News, VA- NC
51620	Franklin City	VA	47260	Virginia Beach-Norfolk-Newport News, VA- NC
54035	Jackson	WV	16620	Charleston, WV
54043	Lincoln	WV	16620	Charleston, WV
54057	Mineral	WV	19060	Cumberland, MD-WV
55069	Lincoln	WI	48140	Wausau-Weston, WI

Rural Counties That Would Become Urban (Page 26)

A total of 54 counties (and county equivalents) that are currently located in rural areas will be considered located in urban areas beginning in FY 2025. The table below lists the 54 counties that will be urban.

Rural Counties That Would Change to Urban Status

FIPS County Code	County Name	State	Final FY 2025 CBSA	Final FY 2025 CBSA Name
01087	Macon	AL	12220	Auburn-Opelika, AL
01127	Walker	AL	13820	Birmingham, AL
12133	Washington	FL	37460	Panama City-Panama City Beach, FL
13187	Lumpkin	GA	12054	Atlanta-Sandy Springs-Roswell, GA
15005	Kalawao	HI	27980	Kahului-Wailuku, HI

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FIPS County Code	County Name	State	Final FY 2025 CBSA	Final FY 2025 CBSA Name
17053	Ford	IL	16580	Champaign-Urbana, IL
17127	Massac	IL	37140	Paducah, KY-IL
18159	Tipton	IN	26900	Indianapolis-Carmel-Greenwood, IN
18179	Wells	IN	23060	Fort Wayne, IN
20021	Cherokee	KS	27900	Joplin, MO-KS
21007	Ballard	KY	37140	Paducah, KY-IL
21039	Carlisle	KY	37140	Paducah, KY-IL
21127	Lawrence	KY	26580	Huntington-Ashland, WV-KY-OH
21139	Livingston	KY	37140	Paducah, KY-IL
21145	McCracken	KY	37140	Paducah, KY-IL
21179	Nelson	KY	31140	Louisville/Jefferson County, KY-IN
22053	Jefferson Davis	LA	29340	Lake Charles, LA
22083	Richland	LA	33740	Monroe, LA
26015	Barry	MI	24340	Grand Rapids-Wyoming-Kentwood, MI
26019	Benzie	MI	45900	Traverse City, MI
26055	Grand Traverse	MI	45900	Traverse City, MI
26079	Kalkaska	MI	45900	Traverse City, MI
26089	Leelanau	MI	45900	Traverse City, MI
27133	Rock	MN	43620	Sioux Falls, SD-MN
28009	Benton	MS	32820	Memphis, TN-MS-AR
28123	Scott	MS	27140	Jackson, MS
30007	Broadwater	MT	25740	Helena, MT
30031	Gallatin	MT	14580	Bozeman, MT
30043	Jefferson	MT	25740	Helena, MT
30049	Lewis And Clark	MT	25740	Helena, MT
30061	Mineral	MT	33540	Missoula, MT
32019	Lyon	NV	39900	Reno, NV
37125	Moore	NC	38240	Pinehurst-Southern Pines, NC
38049	McHenry	ND	33500	Minot, ND
38075	Renville	ND	33500	Minot, ND
38101	Ward	ND	33500	Minot, ND
39007	Ashtabula	OH	17410	Cleveland, OH
39043	Erie	OH	41780	Sandusky, OH
41013	Crook	OR	13460	Bend, OR
41031	Jefferson	OR	13460	Bend, OR
42073	Lawrence	PA	38300	Pittsburgh, PA

FIPS County Code	County Name	State	Final FY 2025 CBSA	Final FY 2025 CBSA Name
45087	Union	SC	43900	Spartanburg, SC
46033	Custer	SD	39660	Rapid City, SD
47081	Hickman	TN	34980	Nashville-Davidson--Murfreesboro-- Franklin, TN
48007	Aransas	TX	18580	Corpus Christi, TX
48035	Bosque	TX	47380	Waco, TX
48079	Cochran	TX	31180	Lubbock, TX
48169	Garza	TX	31180	Lubbock, TX
48219	Hockley	TX	31180	Lubbock, TX
48323	Maverick	TX	20580	Eagle Pass, TX
48407	San Jacinto	TX	26420	Houston-Pasadena-The Woodlands, TX
51063	Floyd	VA	13980	Blacksburg-Christiansburg-Radford, VA
51181	Surry	VA	47260	Virginia Beach-Chesapeake-Norfolk, VA-NC
55123	Vernon	WI	29100	La Crosse-Onalaska, WI-MN

Urban Counties That Would Move to a Different Urban CBSA Under the Revised OMB Delineations (Page 28)

In addition to rural counties becoming urban and urban counties becoming rural, several urban counties would shift from one urban CBSA to a new or existing urban CBSA.

Urban Areas With CBSA Name And/or Number Change

Current CBSA Code	Current CBSA Name	Final FY 2025 CBSA Code	Final FY 2025 CBSA Name
10540	Albany-Lebanon, OR	10540	Albany, OR
12420	Austin-Round Rock-Georgetown, TX	12420	Austin-Round Rock-San Marcos, TX
12540	Bakersfield, CA	12540	Bakersfield-Delano, CA
13820	Birmingham-Hoover, AL	13820	Birmingham, AL
13980	Blacksburg-Christiansburg, VA	13980	Blacksburg-Christiansburg-Radford, VA
15260	Brunswick, GA	15260	Brunswick-St. Simons, GA
15680	California-Lexington Park, MD	30500	Lexington Park, MD
16540	Chambersburg-Waynesboro, PA	16540	Chambersburg, PA
16984	Chicago-Naperville-Evanston, IL	16984	Chicago-Naperville-Schaumburg, IL
17460	Cleveland-Elyria, OH	17410	Cleveland, OH
19430	Dayton-Kettering, OH	19430	Dayton-Kettering-Beavercreek, OH
19740	Denver-Aurora-Lakewood, CO	19740	Denver-Aurora-Centennial, CO
21060	Elizabethtown-Fort Knox, KY	21060	Elizabethtown, KY
21780	Evansville, IN-KY	21780	Evansville, IN

Current CBSA Code	Current CBSA Name	Final FY 2025 CBSA Code	Final FY 2025 CBSA Name
21820	Fairbanks, AK	21820	Fairbanks-College, AK
22660	Fort Collins, CO	22660	Fort Collins-Loveland, CO
23224	Frederick-Gaithersburg-Rockville, MD	23224	Frederick-Gaithersburg-Bethesda, MD
23844	Gary, IN	29414	Lake County-Porter County-Jasper County, IN
24340	Grand Rapids-Kentwood, MI	24340	Grand Rapids-Wyoming-Kentwood, MI
24860	Greenville-Anderson, SC	24860	Greenville-Anderson-Greer, SC
25940	Hilton Head Island-Bluffton, SC	25940	Hilton Head Island-Bluffton-Port Royal, SC
26380	Houma-Thibodaux, LA	26380	Houma-Bayou Cane-Thibodaux, LA
26420	Houston-The Woodlands-Sugar Land, TX	26420	Houston-Pasadena-The Woodlands, TX
26900	Indianapolis-Carmel-Anderson, IN	26900	Indianapolis-Carmel-Greenwood, IN
27900	Joplin, MO	27900	Joplin, MO-KS
27980	Kahului-Wailuku-Lahaina, HI	27980	Kahului-Wailuku, HI
29404	Lake County-Kenosha County, IL-WI	29404	Lake County, IL
29820	Las Vegas-Henderson-Paradise, NV	29820	Las Vegas-Henderson-North Las Vegas, NV
31020	Longview, WA	31020	Longview-Kelso, WA
34740	Muskegon, MI	34740	Muskegon-Norton Shores, MI
34820	Myrtle Beach-Conway-North Myrtle Beach, SC-NC	34820	Myrtle Beach-Conway-North Myrtle Beach, SC
35084	Newark, NJ-PA	35084	Newark, NJ
35154	New Brunswick-Lakewood, NJ	29484	Lakewood-New Brunswick, NJ
35840	North Port-Sarasota-Bradenton, FL	35840	North Port-Bradenton-Sarasota, FL
36084	Oakland-Berkeley-Livermore, CA	36084	Oakland-Fremont-Berkeley, CA
36260	Ogden-Clearfield, UT	36260	Ogden, UT
36540	Omaha-Council Bluffs, NE-IA	36540	Omaha, NE-IA
37460	Panama City, FL	37460	Panama City-Panama City Beach, FL
39100	Poughkeepsie-Newburgh-Middletown, NY	28880	Kiryas Joel-Poughkeepsie-Newburgh, NY
39340	Provo-Orem, UT	39340	Provo-Orem-Lehi, UT
39540	Racine, WI	39540	Racine-Mount Pleasant, WI
41540	Salisbury, MD-DE	41540	Salisbury, MD
41620	Salt Lake City, UT	41620	Salt Lake City-Murray, UT
42680	Sebastian-Vero Beach, FL	42680	Sebastian-Vero Beach-West Vero Corridor, FL
42700	Sebring-Avon Park, FL	42700	Sebring, FL
43620	Sioux Falls, SD	43620	Sioux Falls, SD-MN
44420	Staunton, VA	44420	Staunton-Stuarts Draft, VA
44700	Stockton, CA	44700	Stockton-Lodi, CA
45540	The Villages, FL	48680	Wildwood-The Villages, FL
47220	Vineland-Bridgeton, NJ	47220	Vineland, NJ
47260	Virginia Beach-Norfolk-Newport News, VA-NC	47260	Virginia Beach-Chesapeake-Norfolk, VA-NC

Current CBSA Code	Current CBSA Name	Final FY 2025 CBSA Code	Final FY 2025 CBSA Name
48140	Wausau-Weston, WI	48140	Wausau, WI
48300	Wenatchee, WA	48300	Wenatchee-East Wenatchee, WA
48424	West Palm Beach-Boca Raton-Boynton Beach, FL	48424	West Palm Beach-Boca Raton-Delray Beach, FL
49340	Worcester, MA-CT	49340	Worcester, MA
49660	Youngstown-Warren-Boardman, OH-PA	49660	Youngstown-Warren, OH

Urban Areas Being Subsumed By Another CBSA (Page 30)

Urban Areas Being Subsumed By Another CBSA

Current CBSA Code	Current CBSA Name	Final FY 2025 CBSA Code	Final FY 2025 CBSA Name
31460	Madera, CA	23420	Fresno, CA
36140	Ocean City, NJ	12100	Atlantic City-Hammonton, NJ

The table below lists 66 urban counties that would move from one urban CBSA to a new or modified urban CBSA. Excluded are 7 counties from Puerto Rico. (Page 31)

Urban Counties That Would Change to a Different Urban CBSA

FIPS County Code	County Name	State	Current CBSA	Current CBSA Name	FY 2025 CBSA	FY 2025 CBSA Name
13013	Barrow	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13035	Butts	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13045	Carroll	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13063	Clayton	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13077	Coweta	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13085	Dawson	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13089	De Kalb	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13097	Douglas	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13113	Fayette	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13117	Forsyth	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13121	Fulton	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13135	Gwinnett	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13149	Heard	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA

FIPS County Code	County Name	State	Current CBSA	Current CBSA Name	FY 2025 CBSA	FY 2025 CBSA Name
13151	Henry	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13159	Jasper	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13199	Meriwether	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13211	Morgan	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13217	Newton	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13227	Pickens	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13231	Pike	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13247	Rockdale	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13255	Spalding	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13297	Walton	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	12054	Atlanta-Sandy Springs- Roswell, GA
13015	Bartow	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
13057	Cherokee	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
13067	Cobb	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
13143	Haralson	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
13223	Paulding	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA	31924	Marietta, GA
21163	Meade	KY	21060	Elizabethtown-Fort Knox, KY	31140	Louisville/Jefferson County, KY-IN
17097	Lake	IL	29404	Lake County- Kenosha County, IL-WI	29404	Lake County, IL
55059	Kenosha	WI	29404	Lake County- Kenosha County, IL-WI	28450	Kenosha, WI
06039	Madera	CA	31460	Madera, CA	23420	Fresno, CA
47057	Grainger	TN	34100	Morristown, TN	28940	Knoxville, TN
37019	Brunswick	NC	34820	Myrtle Beach- Conway-North Myrtle Beach, SC- NC	48900	Wilmington, NC
22103	St. Tammany	LA	35380	New Orleans- Metairie, LA	43640	Slidell-Mandeville- Covington, LA
34009	Cape May	NJ	36140	Ocean City, NJ	12100	Atlantic City- Hammonton, NJ
53061	Snohomish	WA	42644	Seattle-Bellevue- Kent, WA	21794	Everett, WA
25015	Hampshire	MA	44140	Springfield, MA	11200	Amherst Town-Northampton, MA
12103	Pinellas	FL	45300	Tampa-St. Petersburg-Clearwater, FL	41304	St. Petersburg- Clearwater-Largo, FL
12053	Hernando	FL	45300	Tampa-St. Petersburg-Clearwater, FL	45294	Tampa, FL
12057	Hillsborough	FL	45300	Tampa-St. Petersburg-Clearwater, FL	45294	Tampa, FL
12101	Pasco	FL	45300	Tampa-St. Petersburg-Clearwater, FL	45294	Tampa, FL
39123	Ottawa	OH	45780	Toledo, OH	41780	Sandusky, OH
51013	Arlington	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51043	Clarke	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV

FIPS County Code	County Name	State	Current CBSA	Current CBSA Name	FY 2025 CBSA	FY 2025 CBSA Name
51047	Culpeper	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51059	Fairfax	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51061	Fauquier	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51107	Loudoun	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51153	Prince William	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51157	Rappahannock	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51177	Spotsylvania	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51179	Stafford	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51187	Warren	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51510	Alexandria City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51600	Fairfax City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51610	Falls Church City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51630	Fredericksburg City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51683	Manassas City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
51685	Manassas Park City	VA	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
54037	Jefferson	WV	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	11694	Arlington-Alexandria- Reston, VA-WV
11001	The District	DC	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	47764	Washington, DC-MD
24017	Charles	MD	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	47764	Washington, DC-MD
24033	Prince Georges	MD	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	47764	Washington, DC-MD
24009	Calvert	MD	47894	Washington- Arlington-Alexandria, DC- VA-MD-WV	30500	Lexington Park, MD
24037	St. Marys	MD	15680	California- Lexington Park, MD	30500	Lexington Park, MD

Transition Period (Page 35)

The table below includes a list of counties that have changed designation and must use a transition code beginning in FY 2025. This list is comprised of counties that are redesignated into a new CBSA or rural area and will receive the 5-percent cap on wage index decreases. These counties must use a transition code because the wage index for that county is higher than all other constituent counties that make up the CBSA or rural area.

Beginning in FY 2025, counties that have a different wage index value than the CBSA or rural area into which they are designated due to the application of the 5-percent cap would use a wage index transition code. These special codes are five digits in length and begin with "50." The 50XXX wage index transition codes would be used only in specific counties; counties located in CBSAs and rural areas that do not correspond to a different transition wage index value will still use the CBSA number. (Page 37)

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Counties That Will Use a Wage Index Transition Code

FIPS Code	County Name	FY 2024 CBSA	FY 2024 CBSA Name	FY 2025 CBSA	FY 2025 CBSA NAME	Transition Code
01129	Washington	33660	Mobile, AL	99901	ALABAMA	50001
13171	Lamar	12060	Atlanta-Sandy Springs- Alpharetta, GA	99911	GEORGIA	50002
15005	Kalawao	99912	HAWAII	27980	Kahului-Wailuku, HI	50003
16077	Power	38540	Pocatello, ID	99913	IDAHO	50004
17183	Vermilion	19180	Danville, IL	99914	ILLINOIS	50005
18133	Putnam	26900	Indianapolis-Carmel- Anderson, IN	99915	INDIANA	50006
21101	Henderson	21780	Evansville, IN-KY	99918	KENTUCKY	50007
24009	Calvert	47894	Washington-Arlington- Alexandria, DC-VA-MD-WV	30500	Lexington Park, MD	50008
24047	Worcester	41540	Salisbury, MD-DE	99921	MARYLAND	50009
25011	Franklin	44140	Springfield, MA	99922	MASSACHUSETTS	50010
26155	Shiawassee	29620	Lansing-East Lansing, MI	99923	MICHIGAN	50011
27075	Lake	20260	Duluth, MN-WI	99924	MINNESOTA	50012
27133	Rock	99924	MINNESOTA	43620	Sioux Falls, SD-MN	50013
32019	Lyon	99929	NEVADA	39900	Reno, NV	50014
34009	Cape May	36140	Ocean City, NJ	12100	Atlantic City- Hammonton, NJ	50015
36123	Yates	40380	Rochester, NY	99933	NEW YORK	50016
37077	Granville	20500	Durham-Chapel Hill, NC	99934	NORTH CAROLINA	50017
37087	Haywood	11700	Asheville, NC	99934	NORTH CAROLINA	50018
39123	Ottawa	45780	Toledo, OH	41780	Sandusky, OH	50019
42103	Pike	35084	Newark, NJ-PA	99939	PENNSYLVANIA	50020
51113	Madison	47894	Washington-Arlington- Alexandria, DC-VA-MD-WV	99949	VIRGINIA	50021
51175	Southampton	47260	Virginia Beach-Norfolk- Newport News, VA-NC	99949	VIRGINIA	50022
51620	Franklin City	47260	Virginia Beach-Norfolk- Newport News, VA-NC	99949	VIRGINIA	50022
54057	Mineral	19060	Cumberland, MD-WV	99951	WEST VIRGINIA	50023

The final FY 2025 wage index file provides a crosswalk between the current OMB delineations and the final revised OMB delineations that will be in effect in FY 2025. This file shows each State and county and its corresponding final wage index along with the previous CBSA number, the final CBSA number or alternate identification number, and the final CBSA name. The final hospice wage index file applicable for FY 2025 (October 1, 2024 through September 30, 2025) is available on the CMS website at: <https://www.cms.gov/medicare/payment/fee-for-service-providers/hospice/hospice-wage-index>.

Clarifying Regulation Text Changes (Page 60)

CMS identified language discrepancies in the existing requirements for hospices as they relate to the medical director and physician designee in the Conditions of Participation (CoPs), and physician member of the interdisciplinary group (IDG), in the payment requirements for the certification of the terminal illness and the admission to hospice care. Therefore, to align the medical director CoP and the hospice payment requirements for both clarity and consistency, CMS is finalizing technical changes to the CoPs by adding the physician member of the hospice IDG as an individual who may review the clinical information for each patient and provide written certification that it is anticipated that the patient's life expectancy is six months or less, if the illness runs its normal course. CMS made one additional change to the CoPs based on public comment: replacing "physician designated by" with "physician designee." The finalized changes also include an update to provisions regarding certification and admission to hospice care in the hospice payment regulations to clarify that, if the medical director is unavailable, the physician designee (as defined in § 418.3) may certify the terminal illness and determine admission to hospice.

Request for Information (RFI) on Payment Mechanism for High Intensity Palliative Care Services (Page 70)

CMS solicited public comment on the following questions:

- What could eliminate the financial risk commenters previously noted when providing complex palliative treatments and higher intensity levels of hospice care?
- What specific financial risks or costs are of particular concern to hospices that would prevent the provision of higher-cost palliative treatments when appropriate for some beneficiaries? Are there individual cost barriers which may prevent a hospice from providing higher-cost palliative care services? For example, is there a cost barrier related to obtaining the appropriate equipment (for example, dialysis machine)? Or is there a cost barrier related to the treatment itself (for example, obtaining the necessary drugs or access to specialized staff)?
- Should there be any parameters around when palliative treatments should qualify for a different type of payment? For example, we are interested in understanding from hospices who do provide these types of palliative treatments whether the patient is generally in a higher level of care (CHC, GIP) when the decision is made to furnish a higher-cost palliative treatment? Should an additional payment only be applicable when the patient is in RHC?
- Under the hospice benefit, palliative care is defined as patient and family centered care that optimizes quality of life by anticipating, preventing, and treating suffering (§ 418.3). In addition to this definition of palliative care, should CMS consider defining palliative services, specifically regarding high-cost treatments? Note, CMS is not seeking a change to the definition of palliative care but rather should CMS consider defining palliative services with regard to high-cost treatments?
- Should there be documentation that all other palliative measures have been exhausted prior to billing for a payment for a higher-cost treatment? If so, would that continue to be a barrier for hospices?
- Should there be separate payments for different types of higher-cost palliative treatments or one standard payment for any higher-cost treatment that would exceed the per diem rate?

CMS says it "will consider all comments and recommendations received on this rule and will continue to welcome thoughts regarding these issues through our hospice policy mailbox at: hospicepolicy@cms.hhs.gov." (Page 84)

Updates to the Hospice Quality Reporting Program (HQRP) (Page 84)

The rule finalizes the Hospice Quality Reporting Program (HQRP) measures collected through a new collection instrument, the Hospice Outcomes and Patient Evaluation (HOPE); finalizes two HOPE-based measures and lays out the planned trajectory for further development of this instrument; and provides updates on Health Equity, future quality measures (QMs), and public reporting requirements. CMS also acknowledges responses on the request for information on potential social determinants of health (SDOH) elements. Finally, this rule also finalizes changes to the Hospice Consumer Assessment of Healthcare Providers and Systems (Hospice CAHPS) Survey.

CMS is finalizing the addition of two process measures no sooner than FY 2028 to the HQRP calculated from data collected from HOPE: Timely Follow-Up for Pain Impact and Timely Follow-Up for Non-Pain Symptom Impact. These two measures will determine whether a follow-up visit occurs within two (2) days of an initial assessment of moderate or severe symptom impact. (Page 88)

CMS is finalizing its proposal that only in-person visits will count for the collection of data for these proposed measures – that is, telehealth calls will not count for a follow-up. (Page 91)

CMS is finalizing a decision that symptom follow-up visits (SFVs), referred to in the proposed rule as the Symptom Reassessment, may be performed by either RNs or Licensed Practical Nurses (LPNs)/Licensed Vocational Nurses (LVNs). (Page 92)

The rule also is adopting and implementing the HOPE patient-level data collection tool, beginning with FY 2025, and functionally replace the existing Hospice Item Set (HIS) structure upon implementation. (Page 100)

HOPE will collect data at multiple time points across the hospice stay, including admission, the HOPE Update Visit (HUV), and discharge. Compared to the HIS (which only collected data at hospice admission and discharge), CMS says HOPE will enable the agency to gather patient level data during their hospice stay to support quality measures. HOPE includes several domains that are new or expanded relative to HIS, including: (Page 101)

- Sociodemographic (updated)
- Diagnoses (expanded)
- Symptom Impact Assessment
- Skin Conditions
- Imminent death

Finally, the rule makes changes to the Hospice CAHPS Survey based on the results of a mode experiment conducted in 2021. Specifically, the changes being made are: (Page 124)

- Removal of three nursing home items and an item about moving the family member that are not included in scored measures.
- Removal of one survey item regarding confusing or contradictory information from the Hospice Team Communication measure.
- Replacement of the multi-item Getting Hospice Care Training measure with a new, one-item summary measure.
- Addition of two new items, which will be used to calculate a new Care Preferences measure.
- Simplified wording to component items in the Hospice Team Communication, Getting Timely Care, and Treating Family Member with Respect measures.

Refer the rule's table 14 (Page 126) for a Comparison of Current and *Proposed* CAHPS Hospice Survey Measures.

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Comment

One needs to be careful in reading this final rule and its accompanying fact sheet. There are a number of instances in which CMS continues to say "Proposed" when it should be finalized. As an example, see the sentence above.

Final Thoughts

The adoption of the new wage index area delineations will result in winners and losers. While CMS is trying to limit the impact of the changes, individual facilities need to pay close attention to changes as it will impact revenue.

Again, the quality material is extensive – more than 55 pages. There is much detail regarding both the HOPE and SDOH requirements than we are reporting here.

CMS says that the "inpatient hospital market basket percentage increases are required by law to be set prospectively, which means that the update relies on a mix of both historical data for part of the period for which the update is calculated and forecasted data for the remainder. There is currently no mechanism to adjust for market basket forecast error in the hospice payment update." (Page 50)
To say the least this an awful excuse to not make constructive and prospective adjustments – either higher or lower. CMS is doing such for the skilled nursing PPS. Why can't they do such for all the PPS systems.