



WILSON HEALTH

Caring Without Limits

Testimony on House Bill 166 State Biennium Budget Wilson Health Home Care & Hospice April 9, 2019

Chairman Romanchuk, Ranking Member West, and Members of the House Finance Subcommittee on Health and Human Services, thank you for allowing me to provide testimony today on HB166—the state budget. My name is Joann Scott and I am the Director at Wilson Health Home Care & Hospice in Sidney, Ohio. I'm testifying today to ask for your support to eliminate the process of requiring hospice agencies to be used as a pass-through for room and board reimbursement from the department of Medicaid.

Wilson Health Home Care & Hospice has been providing home care & hospice services to the residences of Shelby, Miami, Champaign, Logan, Auglaize and Darke Counties for over 30 years. We have contracts with 13 nursing homes in our service area to provide hospice services. These are not exclusive contracts. The nursing facilities may also have contracts with multiple hospice providers.

Managing the hospice room and board reimbursement process is a major administrative burden for all hospice programs. I believe we can reduce administrative overhead for hospice agencies, as well as ensure more critical resources are being directed toward patient care, by changing the process for how Medicaid pays for hospice room and board.

For dual-eligible hospice patients, Medicare pays hospices a daily per diem rate for medical services, medications, supplies, equipment, etc. while Medicaid is used to cover the reimbursement for room and board. Under current rule, licensed hospice programs are treated as a pass-through for room and board reimbursement—even though they do not provide the room and board. Since the licensed hospice program is only reimbursed 95% of the room and board rate, managing this administratively complex process results in a net reduction in the dollars being used to provide direct care to hospice patients.

The process starts for our agency when we receive the bill from the nursing home for the patient's room and board charges. These charges are entered into the system and shows up as an expense for our hospice. Medicaid is then billed for the room and board and we receive payment in approximately 14 days for 95% of the charge. Our hospice expense is then reduced by 95% leaving our expense at 5% for a service we do not provide. A check is prepared for 100% of the charges and mailed to the nursing home. This is when everything goes as planned.

The process can also be challenging for the nursing homes. Once the billing staff in the nursing home identifies the hospice to be billed for the room and board, next they have to check on the type of Medicaid the patient has. If it is a Medicaid Managed Care they may pay the nursing home directly, while other Medicaid Managed Care Organizations use the hospice pass-through. With experience billing staff, after the hospice is identified and the Medicaid is checked, they proceed to check for the correct billing process, the correct billing address before sending out the room and

board bill that they have generated. Once Wilson Health Hospice receives a correct bill from the nursing home, they can expect a check in approximately 3 weeks.

With staffing shortages, mergers and buyout, with new staff coming on board, the learning curve can slow or stop the process. There are times when we get 6 months of room and board billed at the same time. Medicaid has to be billed within 12 months of the date of service. Late billing requires extra research time. It could be a duplicate bill. With multiple contacts, multiple nursing homes, multiple hospices, straight Medicaid and multiple Medicaid Managed Care Organizations, the process can quickly develop into a nightmare for the hospice and the nursing home.

The answer is simple. Let the nursing homes bill all of their Medicaid patients' room and board directly to Medicaid, regardless of it being straight Medicaid or Medicaid Managed Care. They know they will be paid by the Medicaid provider directly.

Is it fair to treat hospice patients differently? This added administrative burden is unfairly diverting needed fund away from patient care. I think our dying Ohioans deserve the best care. That's why I ask for your help to allow facilities to bill Medicaid directly for the room and board. Thank you again for allowing me to testify today. I'm happy to answer any questions you may have at this time. Thank you.