



**Senate Medicaid Committee**

**Hospice Pass Through Amendment**

**May 15, 2025**

**Testimony of Mark Knepper  
General Manager  
VITAS Healthcare®**

Good morning, Senate Medicaid Committee and Chairman Romanchuk, Vice Chair Huffman, and Ranking Member Liston.

My name is Mark Knepper, General Manager for VITAS Healthcare. I also sit before you as a licensed nursing home administrator, actively involved in The Ohio Health Care Association as a Board Member and a healthcare professional with 35 years of experience.

VITAS Healthcare® supports the hospice room and board pass through amendment that will address a long-standing problem with Medicaid payments to hospices for hospice patients who live in skilled nursing facilities (SNFs) or intermediate care facilities (ICFs). Under an ODM rule, payment for these patients is only 95% of the daily rate for the facility where they live. The hospice, however, pays the SNF or ICF 100% of the daily rate, which causes the hospice to take a loss on each day of care in the facility. As facility rates increase over time, the loss grows, particularly when the facility receives an enhanced rate for such things as ventilator care or a private room.

Hospice providers paying the room and board pass through, deal with the varying room and board rates, slow invoicing and payment, associated labor cost to provide these services, potentially diverting resources away from patient care. This process is both complex and time consuming. While we are only reimbursed for 95% of the room and board cost, hospices are expected to pass 100% on to the nursing home. This can create a financial burden if the hospice is not willing to cover the remaining 5% to cover the full cost or loss of business who provide the full pass through the payment.

The amendment would make progress toward correcting the gap in Medicaid payments for hospice patients who reside in SNFs or ICFs by moving the percentage to 96% of the facility's daily rate. While not eliminating the loss hospices experience for each day of care in a facility, the amendment at least would reduce the loss.

In conclusion, while the hospice room and board pass-through system is intended to ensure that room and board costs are covered for hospice patients residing in SNFs, it does present challenges as discussed related to billing complexity, potential financial strain, misunderstandings, and inconsistencies in policies between the hospice provider and those facilities where the patients reside.

VITAS has been a pioneer and leader in the hospice movement since 1978. VITAS operates hospice programs in 16 states and the District of Columbia; employing nearly 19,000 professionals who care for terminally ill patients daily, primarily in the patients' homes and also in our Inpatient Hospice Units, in hospitals, nursing homes and assisted living communities/residential care facilities for the elderly. As a certified hospice program, we operate under Medicare's Conditions of Participation (CoP) for Hospice, 42 C.F.R. § 418 et. seq. ("CoPs") and are licensed as hospice agency in the State of Ohio.

Thank you for the opportunity to submit these comments. You can contact me with any questions or comments at (614) 822-2700 or [mark.knepper@vitas.com](mailto:mark.knepper@vitas.com).