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## **Health Department Announces Plans to Launch Innovative Model for Medicaid Hospice Program**

*Temporary funding will continue services until implementation*

**BATON ROUGE** - Today, Louisiana Department of Health and Hospitals Secretary Bruce D. Greenstein announced plans to reform the Medicaid Hospice Program, with a focus on providing services in the community. The department has secured bridge funding from existing grants to continue the current hospice program, which was set to end on Feb. 1, until the reformed program can be implemented later this spring. Previous Administration decisions regarding the Medicaid budget will still remain intact. The savings will still be realized from the original reduction, with Hospice services continuing through this existing funding stream.

DHH Secretary Bruce D. Greenstein said, “We worked with legislators and stakeholders to come up with a plan that continues to provide community-based Hospice care for those in need, reforms the way these services are delivered and continues to save taxpayer dollars. The reformed program will be designed to better control expenditures and ensure efficient and effective care for those who truly need it.”

Working with the Division of Administration, DHH has identified temporary bridge funding through available grant funds that have not yet been allocated. DHH will use this funding temporarily to continue hospice services as they exist today until the reformed program is implemented this spring. The original reduction will still occur, and the savings within the budget will still be realized. As with any change in State Medicaid services, the reforms are subject to federal approval by the Center for Medicaid and Medicare Services (CMS).

In the existing program, Medicaid pays for hospice care in both nursing homes and in community settings. Under the innovative model DHH is developing, Medicaid funding for hospice services will be focused on community-based recipients who meet certain criteria (as nursing homes are already responsible for providing comprehensive, around-the-clock care.)

In addition to an emphasis on community-based services, the reformed Medicaid Hospice Program will be designed to better control expenditures and ensure the most efficient and effective use of taxpayer dollars.

The new program will:

- Focus resources on people who are seeking end-of-life care in their homes, rather than individuals who already receive around-the-clock care and comprehensive medical and social support services in nursing homes;
- Better leverage relationships with nonprofit and faith-based organizations in the communities to provide social, emotional and spiritual support;

- Prevent conflicts of interest that can arise when physicians who are affiliated with hospice providers certify need for those entering the program;
- Further strengthen the prior authorization process for hospice services to ensure resources are provided to those who truly need them; and,
- Restructure the hospice reimbursement rate paid to providers.

“I am thankful to the department for seeking our input as they develop a bridge program to continue hospice services while they work toward a better model of providing this care for Medicaid recipients,” said Jamey Boudreaux, Director of the Louisiana-Mississippi Hospice and Palliative Care Organization.

DHH initially promulgated an emergency rule in December that would end hospice benefits for Medicaid recipients over age 21 who had not received a hospice eligibility determination by Feb. 1. Hospice is one of few optional benefits provided through Louisiana’s Medicaid program, and has only been included as a Medicaid service since 2002.

The federal government's hundreds of millions of dollars in Medicaid cuts have forced DHH to make tough decisions. Current recipients of hospice services were not affected, and changes to the Medicaid hospice program do not affect Medicare’s hospice benefit. Medicare recipients can continue to access hospice care as offered through that program.

“I want to thank the members and leadership in the Legislature who, throughout this process, have provided valuable guidance to the Department, which has helped us create this improved model of delivering hospice care,” Greenstein added.

“This is a great example of problem solving that benefits our Medicaid recipients and the taxpayers,” said Louisiana House of Representatives Speaker Chuck Kleckley. “The House is always seeking opportunities to ensure that we are getting the best value for our Medicaid dollars spent. I am pleased that through our ongoing dialogue with the department about how to provide hospice services through Medicaid, we were able to identify a solution that will yield a better program.”

“I am glad the department was able to identify a way to achieve needed reforms in the hospice program and preserve the benefit for those who need it,” said Sen. Fred Mills, Vice Chair of the Senate Health & Welfare Committee. “Senator Claitor and I have both expressed our desire to allow Medicaid-funded hospice to continue for recipients in the community, and the department was very responsive. We are pleased that they are pursuing this change.”

The Louisiana Department of Health and Hospitals strives to protect and promote health statewide and to ensure access to medical, preventive and rehabilitative services for all state citizens. To learn more about DHH, visit <http://www.dhh.louisiana.gov>. For up-to-date health information, news and emergency updates, follow DHH’s blog at [www.myhealthla.org](http://www.myhealthla.org), Twitter at [http://twitter.com/La\\_Health\\_Dept](http://twitter.com/La_Health_Dept) and search for the Louisiana Department of Health and Hospitals on Facebook.

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