

[DISCUSSION DRAFT]

118TH CONGRESS
2D SESSION

H. R. _____

To amend title XVIII of the Social Security Act to ensure the integrity of hospice care furnished under the Medicare program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. BLUMENAUER introduced the following bill; which was referred to the Committee on _____

A BILL

To amend title XVIII of the Social Security Act to ensure the integrity of hospice care furnished under the Medicare program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hospice Care Account-
5 ability, Reform, and Enforcement Act of 2024” or the
6 “Hospice CARE Act of 2024”.

1 **SEC. 2. ENSURING THE INTEGRITY OF HOSPICE CARE FUR-**
2 **NISHED UNDER THE MEDICARE PROGRAM.**

3 (a) MANDATORY TEMPORARY MORATORIUM ON EN-
4 ROLLMENT.—

5 (1) IN GENERAL.—Section 1866(j) of the Social
6 Security Act (42 U.S.C. 1395cc(j)) is amended by
7 adding at the end the following new paragraph:

8 “(10) MANDATORY TEMPORARY MORATORIUM
9 ON ENROLLMENT OF HOSPICE PROGRAMS.—

10 “(A) IN GENERAL.—Except as provided in
11 subparagraph (B), the Secretary shall impose a
12 nationwide temporary moratorium on the en-
13 rollment of new hospice programs under this
14 title for the **[5-year]** period beginning on the
15 date of the enactment of this paragraph.

16 “(B) EXEMPTION FOR CERTAIN HOS-
17 PICES.—The Secretary may exempt a hospice
18 program seeking to enroll under this title from
19 the moratorium described in subparagraph (A)
20 if the Secretary determines that such program
21 will furnish hospice care to individuals entitled
22 to benefits under part A in an area with insuffi-
23 cient access to such care (as specified by the
24 Secretary).

1 “(C) APPLICATION OF PREPAYMENT MED-
2 ICAL REVIEW DURING THE TEMPORARY MORA-
3 TORIUM IN CERTAIN CIRCUMSTANCES.—

4 “(i) IN GENERAL.—Subject to clause
5 (ii), the Secretary shall apply prepayment
6 medical review to hospice care consisting of
7 routine home care furnished during the pe-
8 riod specified in subparagraph (A) by an
9 applicable hospice program to a covered in-
10 dividual.

11 “(ii) TERMINATION OF APPLICATION
12 OF PREPAYMENT MEDICAL REVIEW.—

13 “(I) IN GENERAL.—The Sec-
14 retary shall terminate the application
15 of prepayment medical review under
16 clause (i) with respect to hospice care
17 furnished by an applicable hospice
18 program to a covered individual if the
19 Secretary determines that, during the
20 period in which such care so furnished
21 by such program was subject to such
22 review, such care was subject to a low
23 rate of denial (as specified by the Sec-
24 retary) under such review.

1 “(II) REVOCATION OF TERMI-
2 NATION.—The Secretary may revoke
3 any termination of prepayment med-
4 ical review under subclause (I) if de-
5 termined appropriate by the Sec-
6 retary.

7 “(iii) DEFINITIONS.—For purposes of
8 this subparagraph:

9 “(I) APPLICABLE HOSPICE PRO-
10 GRAM.—The term ‘applicable hospice
11 program’ means a hospice program
12 with a history of claim submissions
13 with respect to hospice care furnished
14 under this title that is aberrant (such
15 as by demonstrating a high rate of
16 live discharges) compared to such his-
17 tory of claim submissions of similarly
18 situated hospice programs, as deter-
19 mined by the Secretary.

20 “(II) COVERED INDIVIDUAL.—
21 The term ‘covered individual’ means
22 an individual receiving hospice care
23 under this title during the second 90-
24 day period described in section

1 1812(d)(1) (or during any subsequent
2 period) applicable to such individual.

3 “(D) REVALIDATION OF ENROLLMENT IN-
4 FORMATION.—

5 “(i) IN GENERAL.—During the 6-
6 month period beginning on the date of the
7 enactment of this paragraph and notwith-
8 standing any applicable revalidation cycle
9 under section 424.515 of title 42, Code of
10 Federal Regulations (or a successor regula-
11 tion), the Secretary shall revalidate the en-
12 rollment information of each hospice pro-
13 gram enrolled under this title in accord-
14 ance with the requirements applicable to
15 revalidations of such information under
16 such section.

17 “(ii) PUBLICATION OF OWNERSHIP IN-
18 FORMATION.—Not later than 1 year after
19 the date of the enactment of this para-
20 graph, the Secretary shall publish on a
21 public website of the Centers for Medicare
22 & Medicaid Services ownership interest and
23 managing control information collected
24 pursuant to revalidations described in

1 clause (i) for each hospice program en-
2 rolled under this title.

3 “(iii) REPORT.—Not later than [Jan-
4 uary 1, 2027], the Secretary, acting
5 through the Assistant Secretary for Plan-
6 ning and Evaluation and in consultation
7 with the Federal Trade Commission and
8 the Department of Justice, shall submit to
9 Congress a report on hospice ownership
10 and control trends and the role of private
11 equity in ownership and control of hospice
12 programs. Such report shall include—

13 “(I) validation, to the extent fea-
14 sible, of the ownership and control in-
15 formation reported on form CMS-
16 855A (or any successor form);

17 “(II) an analysis of hospice cost
18 report data by ownership type;

19 “(III) recommendations on ways
20 to improve the integrity of the owner-
21 ship and control information reported
22 by hospices during the enrollment
23 process under this title; and

1 “(IV) recommendations on poli-
2 cies to promote health care competi-
3 tion.

4 “(E) IMPLEMENTATION.—The Secretary
5 shall implement this paragraph through pro-
6 gram instruction or other forms of subregu-
7 latory guidance.”.

8 (2) AUTHORITY TO PROVIDE EXEMPTIONS TO
9 TEMPORARY MORATORIA.—Section 1866(j)(7) of the
10 Social Security Act (42 U.S.C. 1395cc(j)(7)) is
11 amended—

12 (A) in subparagraph (A), by adding at the
13 end the following new sentence: “The Secretary
14 may exempt a provider of services or supplier
15 that would otherwise be subject to a morato-
16 rium imposed under the preceding sentence
17 from such moratorium if determined appro-
18 priate by the Secretary.”; and

19 (B) in subparagraph (C)(iii)—

20 (i) in subclause (I), by striking “and”
21 at the end;

22 (ii) in subclause (II), by striking the
23 period and inserting “; and”; and

24 (iii) by adding at the end the fol-
25 lowing new subclause:

1 “(III) is not subject to an exemp-
2 tion described in such subpara-
3 graph.”.

4 (b) AUTHORITY TO EXTEND OVERSIGHT OF NEWLY-
5 ENROLLED HOSPICE PROGRAMS.—Section 1866(j)(3)(A)
6 of the Social Security Act (42 U.S.C. 1395cc(j)(3)(A)) is
7 amended by inserting “(or, in the case of a hospice pro-
8 gram, not more than 2 years)” after “1 year”.

9 (c) INCREASE IN SURVEY FREQUENCY FOR CERTAIN
10 HOSPICE PROGRAMS.—Section 1822(a) of the Social Se-
11 curity Act (42 U.S.C. 1395i–6(a)) is amended—

12 (1) in paragraph (1), by inserting “(or, in the
13 case of a hospice program that is included on the list
14 established under paragraph (5), not less frequently
15 than once every **[15-18]** months)” after “36
16 months”;

17 (2) by redesignating paragraph (5) as para-
18 graph (6);

19 (3) by inserting after paragraph (4) the fol-
20 lowing new paragraph:

21 “(5) HOSPICE PROGRAMS SUBJECT TO IN-
22 CREASED SCREENING FREQUENCY.—

23 “(A) IN GENERAL.—The Secretary shall
24 establish a list of hospice programs subject to
25 increased survey frequency under paragraph (1)

1 in accordance with the provisions of this para-
2 graph.

3 “(B) INCLUSION ON LIST.—The Secretary
4 shall include a hospice program on the list es-
5 tablished under subparagraph (A) if such pro-
6 gram is not participating in the special focus
7 program under subsection (b) and such hospice
8 program meets either of the following criteria:

9 “(i) The program first submitted a
10 claim for an item or service under this title
11 during the **[5]**-year period ending on the
12 date of the enactment of this paragraph.

13 “(ii) The program first submits a
14 claim for an item or service under this title
15 on or after such date of enactment.

16 “(C) REMOVAL FROM LIST.—The Sec-
17 retary shall remove a hospice program included
18 in the list established under subparagraph
19 (A)—

20 “(i) if—

21 “(I) such program has been in-
22 cluded on such list for a continuous 5-
23 year period; and

24 “(II) during such continuous 5-
25 year period, the Secretary did not

1 make any determination under any of
2 paragraphs (1) through (3) of sub-
3 section (c) with respect to such pro-
4 gram relating to noncompliance with
5 the requirements specified in section
6 1861(dd) occurring during such con-
7 tinuous 5-year period, but only if such
8 determination related to such program
9 providing a substandard quality of
10 care; or

11 “(ii) if such program is placed in the
12 special focus program established under
13 subsection (b).”; and

14 (4) in paragraph (6), as so redesignated, by
15 striking “each fiscal year (beginning with fiscal year
16 2022)” and inserting “each of fiscal years 2022
17 through **【_____】**, and of **【\$_____】**
18 for fiscal year **【_____】** and for each subsequent
19 fiscal year.”.

20 (d) PROHIBITION ON PAYMENT FOR FAILURE TO
21 MEET QUALITY DATA REPORTING REQUIREMENTS.—
22 Section 1814(i)(5) of the Social Security Act (42 U.S.C.
23 1395f(i)(5)) is amended—

24 (1) in subparagraph (A)—

1 (A) in the header, by striking “REDUCTION
2 IN UPDATE FOR”;

3 (B) in clause (i)—

4 (i) in the header, by striking “IN
5 GENERAL” and inserting “FISCAL YEARS
6 2014 THROUGH 2026”;

7 (ii) by inserting “through fiscal year
8 2026” after “each subsequent fiscal year”;
9 and

10 (iii) by adding at the end the fol-
11 lowing new sentence: “The application of
12 the preceding sentence may result in the
13 market basket percentage increase under
14 paragraph (1)(C)(ii)(VII) or paragraph
15 (1)(C)(iii), as applicable, being less than
16 0.0 for a fiscal year, and may result in
17 payment rates under this subsection for a
18 fiscal year being less than such payment
19 rates for the preceding fiscal year.”; and

20 (C) by amending clause (ii) to read as fol-
21 lows:

22 “(ii) SUBSEQUENT FISCAL YEARS.—
23 For purposes of fiscal year **2027** and
24 each subsequent fiscal year, no payment
25 may be made under this title to a hospice

1 program that does not submit data to the
2 Secretary in accordance with subparagraph
3 (C) with respect to such fiscal year.”; and
4 (2) in subparagraph (B), by striking “subpara-
5 graph (A)” and inserting “subparagraph (A)(i)”.

6 (e) INDEPENDENCE OF ATTENDING PHYSICIAN.—
7 Section 1814(a)(7)(A)(i)(I) of the Social Security Act (42
8 U.S.C. 1395f(a)(7)(A)(i)(I)) is amended by inserting
9 “and, with respect to certifications under this clause oc-
10 ccurring on or after [_____], does not include the
11 medical director (or physician member) of the hospice pro-
12 gram described in subclause (II) or any other physician
13 that has a significant ownership interest in, or a signifi-
14 cant financial or contractual relationship with, such hos-
15 pice program” after “physician assistant”.

16 (f) ALLOWING NURSE PRACTITIONERS TO CERTIFY
17 TERMINAL ILLNESS.—

18 (1) IN GENERAL.—Section 1814(a)(7)(A)(i)(I)
19 of the Social Security Act (42 U.S.C.
20 1395f(a)(7)(A)(i)(I)) is amended by striking “a
21 nurse practitioner or”.

22 (2) EFFECTIVE DATE.—The amendment made
23 by paragraph (1) shall apply with respect to certifi-
24 cations of terminal illnesses made on or after
25 [_____].

1 (g) ALLOWABLE USE OF SUPPORTING MATERIAL IN
2 MEDICAL REVIEW OF HOSPICE CARE.—Section 1814(a)
3 of the Social Security Act (42 U.S.C. 1395f(a)) is amend-
4 ed by adding at the end the following new sentence: “For
5 purposes of conducting medical review of hospice care fur-
6 nished to an individual, in addition to using documenta-
7 tion in the medical record of such individual’s attending
8 physician (as defined in section 1861(dd)), the Secretary
9 may use documentation in the medical record of the hos-
10 pice program furnishing such care as supporting material,
11 as determined appropriate by the Secretary.”.

12 (h) INCLUSION OF HOSPICE CARE AS A DESIGNATED
13 HEALTH SERVICE.—

14 (1) IN GENERAL.—Section 1877(h)(6) of the
15 Social Security Act (42 U.S.C. 1395nn(h)(6)) is
16 amended by adding at the end the following new
17 subparagraph:

18 “(M) Hospice care.”.

19 (2) EFFECTIVE DATE.—The amendment made
20 by paragraph (1) shall apply with respect to refer-
21 rals described in section 1877(a)(1) of the Social Se-
22 curity Act (42 U.S.C. 1395nn(a)(1)) made on or
23 after the date that is 3 years after the date of the
24 enactment of this Act.

1 (i) PROHIBITION ON CERTAIN CHANGES IN MAJOR-
2 ITY OWNERSHIP.—The Secretary of Health and Human
3 Services shall revise section 424.550 of title 42, Code of
4 Federal Regulations (or a successor regulation) in a man-
5 ner such that, in applying such section to hospice pro-
6 grams, the references to “36 months” in paragraph (1)
7 of such section are revised to refer to “60 months”.

8 (j) MEDICAL REVIEW OF HOSPICE OUTLIERS AND
9 CARE UNRELATED TO TERMINAL CONDITION.—

10 (1) IN GENERAL.—Section 1814(a)(7)(E) of the
11 Social Security Act (42 U.S.C. 1395f(a)(7)(E)) is
12 amended—

13 (A) by striking “180 days” and inserting
14 “90 days”;

15 (B) by striking “such cases for” and in-
16 serting “cases of hospice care provided an indi-
17 vidual for more than 180 days by such pro-
18 gram”;

19 (C) by inserting “or for which the number
20 of live discharges for such program comprises
21 more than a percent (specified by the Sec-
22 retary) of the total number of all cases of indi-
23 viduals provided hospice care by the program
24 under this title,” after “by the program under
25 this title,”; and

1 (2) PREPAYMENT MEDICARE REVIEW REQUIRE-
2 MENT.—Section 1812(d)(2) of the Social Security
3 Act (42 U.S.C. 1395d(d)(2)) is amended by adding
4 at the end the following new subparagraph:

5 “(E) Notwithstanding any other provision of this
6 title, in the case of items and services (other than items
7 and services described in the matter following clause
8 (ii)(II) of subparagraph (A)) furnished on or after
9 【_____】 to an individual with an election in effect
10 under paragraph (1) by a provider of services or supplier,
11 if such provider of services or supplier indicates that such
12 items and services are unrelated to the individual’s condi-
13 tion with respect to which a diagnosis of terminal illness
14 has been made, no payment may be made under this title
15 for such items and services before the Secretary has con-
16 ducted a medical review of such items and services to de-
17 termine whether such items and services are unrelated to
18 such condition.”.

19 (3) FUNDING.—The Secretary of Health and
20 Human Services shall provide for the transfer, from
21 the Federal Hospital Insurance Trust Fund estab-
22 lished under section 1817 of the Social Security Act
23 (42 U.S.C. 1395i) to the Centers for Medicare &
24 Medicaid Services Program Management Account, of
25 【\$_____】 for fiscal year 【_____】, to re-

1 main available until expended, for purposes of car-
2 rying out the amendments made by this subsection.

3 (k) REQUIRED PROVISION OF ADDENDUM OF NON-
4 COVERED SERVICES.—Section 1812(d)(1) of the Social
5 Security Act (42 U.S.C. 1395d(d)(1)) is amended by add-
6 ing at the end the following new sentence: “With respect
7 to such an election made on or after October 1, 2026, in
8 the case such program determines that there are items
9 and services being furnished to such individual that are
10 not related to the treatment of the individual’s condition
11 with respect to which a diagnosis of terminal illness has
12 been made, such election shall include an addendum that
13 specifies such items and services and includes such addi-
14 tional information as may be specified by the Secretary.
15 Such program shall provide an updated addendum de-
16 scribed in the preceding sentence to such individual if,
17 while such election is in effect with respect to such indi-
18 vidual, such program makes any alteration to the adden-
19 dum provided to such individual at the time of such elec-
20 tion.”.

21 (l) PROVISION OF EXPLANATION OF BENEFITS UPON
22 HOSPICE ELECTION.—

23 (1) IN GENERAL.—Section 1806 of the Social
24 Security Act (42 U.S.C. 1395b–7) is amended by
25 adding at the end the following new subsection:

1 “(d) PROVISION OF EXPLANATION OF BENEFITS
2 UPON HOSPICE ELECTION.—The Secretary shall furnish
3 to each individual who makes an election described in sec-
4 tion 1812(d)(1), not later than 15 days after such indi-
5 vidual makes such election, a notice that—

6 “(1) specifies—

7 “(A) the effective date of such election;

8 “(B) the hospice program that will be fur-
9 nishing hospice care to such individual;

10 “(C) the telephone number and address of
11 such program;

12 “(D) the designated attending physician of
13 such individual;

14 “(E) the toll-free telephone number of the
15 medicare administrative contractor responsible
16 for processing claims for such care;

17 “(2) informs such individual of the waiver of
18 rights described in section 1812(d)(2)(A);

19 “(3) includes a statement which indicates that,
20 because errors do occur and because Medicare waste,
21 fraud, and abuse is a significant problem, such indi-
22 vidual should carefully check the individual’s hospice
23 election information for accuracy and report any er-
24 rors to the hospice program furnishing hospice care
25 to such individual and, if such program does not cor-

1 rect such errors (of if such individual suspects Medi-
2 care waste, fraud, or abuse with respect to the provi-
3 sion of such care), the individual should contact the
4 toll-free phone number 1-800-MEDICARE and a
5 toll-free phone number maintained by the Inspector
6 General of the Department of Health and Human
7 Services for the receipt of complaints and informa-
8 tion about waste, fraud, and abuse in the provision
9 or billing of services under this title; and

10 “(4) includes any other information determined
11 appropriate by the Secretary.”.

12 (2) FUNDING.—The Secretary of Health and
13 Human Services shall provide for the transfer from
14 the Federal Hospital Insurance Trust Fund estab-
15 lished under section 1817 of the Social Security Act
16 (42 U.S.C. 1395i) to the Centers for Medicare &
17 Medicaid Services Program Management Account of
18 **【\$_____】** for fiscal year **【_____】**, to re-
19 main available until expended, for purposes of car-
20 rying out the amendment made by paragraph (1).

21 (3) EFFECTIVE DATE.—The amendment made
22 by paragraph (1) shall apply to individuals making
23 elections described in section 1812(d)(1) of the So-
24 cial Security Act (42 U.S.C. 1395d(d)(1)) on or

1 after the date that is 1 year after the date of the
2 enactment of this Act.

3 (m) MEDICAL REVIEW OF HOSPICE CARE CON-
4 TRACTOR REQUIREMENTS.—

5 (1) IN GENERAL.—The Secretary of Health and
6 Human Services (in this subsection referred to as
7 the “Secretary”) shall require any entity performing
8 medical review under contract with Secretary of hos-
9 pice care furnished under part A of title XVIII of
10 the Social Security Act (42 U.S.C. 1395c et seq.) to,
11 with respect to such reviews performed on or after
12 **【January 1, 2027】**, utilize only individuals who have
13 received specialized instruction on the philosophy be-
14 hind hospice care and medical prognostication (as
15 specified by the Secretary) in performing such re-
16 views.

17 (2) REPORT.—Not later than **【January 1,**
18 **2027】**, the Secretary shall submit to Congress a re-
19 port on activities relating to the medical review of
20 hospice care furnished under part A of title XVIII
21 of the Social Security Act (42 U.S.C. 1395c et seq.).
22 Such report shall include—

23 (A) with respect to the medical review of
24 hospice care performed during the period begin-
25 ning on January 1, 2019, and ending on De-

1 cember 31, 2024, the accuracy rates of such re-
2 views when performed by—

3 (i) medicare administrative contrac-
4 tors;

5 (ii) recovery audit contractors;

6 (iii) supplemental medical review con-
7 tractors; and

8 (iv) uniform program integrity con-
9 tractors;

10 (B) the total number of hospice claims
11 **【submitted 【during _____】/【the period de-**
12 **scribed in subparagraph (A)】】** subject to med-
13 ical review;

14 (C) the percentage of such claims that
15 were appealed and the percentage of such
16 claims so appealed that were overturned on ap-
17 peal, broken down by the type of contractor
18 conducting review of such claims and by each
19 level of appeal;

20 (D) a list of medical review projects relat-
21 ing to hospice care undertaken by contractors
22 described in subparagraph (A); and

23 (E) actions the Secretary will take to re-
24 duce the audit burden on hospice programs
25 with claims selected for medical review under

1 multiple projects described in subparagraph (D)
2 and to minimize the number of denials of
3 claims for hospice care that are overturned on
4 appeal.

5 (n) REQUIRING FACE-TO-FACE ENCOUNTERS BE-
6 FORE RECERTIFICATIONS OF TERMINAL ILLNESS.—Sec-
7 tion 1814(a)(7) of the Social Security Act (42 U.S.C.
8 1395f(a)(7)) is amended—

9 (1) in subparagraph (D)—

10 (A) by inserting “, and before January 1,
11 **【2027】**” after “2011”; and

12 (B) by striking “and” at the end; and

13 (2) by adding at the end the following new sub-
14 paragraph:

15 “(F) on and after January 1, **【2027】**, not
16 more than **【10】** days before each recertification
17 described in subparagraph (A)(ii) is made with
18 respect to an individual, the medical director or
19 physician making such recertification has a
20 face-to-face encounter (not including any such
21 encounter conducted via telehealth) with such
22 individual to gather clinical findings to deter-
23 mine such individual’s continue eligibility for
24 hospice care; and”.

1 (o) ENSURING MEDICAL DIRECTOR AND PHYSICIAN
2 AVAILABILITY.—

3 (1) IN GENERAL.—Section 1861(dd)(2) of the
4 Social Security Act (42 U.S.C. 1395x(dd)(2)) is
5 amended—

6 (A) in subparagraph (F), by striking
7 “and” at the end;

8 (B) by redesignating subparagraph (G) as
9 subparagraph (I); and

10 (C) by inserting after subparagraph (F)
11 the following new subparagraphs:

12 “(G) has a medical director responsible for
13 the medical component of hospice care provided
14 by such program who is a doctor of medicine or
15 osteopathy and who is not the medical director
16 of more than **【1 other】** hospice program;

17 “(H) ensures that the medical director de-
18 scribed in subparagraph (G) or a physician
19 member of the group described in subparagraph
20 (B) is available for immediate consultation
21 **【(which may be through telehealth)】** when hos-
22 pice care is provided in an individual’s home;
23 and”.

1 (2) EFFECTIVE DATE.—The amendments made
2 by paragraph (1) shall apply beginning **January 1,**
3 **2028**].

4 **SEC. 3. PAYMENT REFORMS FOR HOSPICE CARE FUR-**
5 **NISHED UNDER THE MEDICARE PROGRAM.**

6 (a) ADJUSTING PAYMENTS FOR HOSPICE CARE.—

7 (1) IN GENERAL.—Section 1814(i)(1)(C) of the
8 Social Security Act (42 U.S.C. 1395f(i)(1)(C)) is
9 amended—

10 (A) in clause (iii)—

11 (i) by moving such clause 6 ems to
12 the left;

13 (ii) by striking “With respect to” and
14 inserting “Except as provided under
15 clauses (viii) through (x), with respect to”;

16 (iii) by inserting “in a setting (as
17 specified by the Secretary for purposes of
18 clause (vii))” after “hospice care fur-
19 nished”;

20 (iv) by inserting “for such setting”
21 after “payment rates in effect”; and

22 (v) by striking “under this clause”
23 and inserting “under this subparagraph”;

24 (B) in clause (iv), by striking “clause
25 (ii)(VII) or (iii)” each place such phrase ap-

1 pears and inserting “clause (iii) or (iv) of para-
2 graph (2)(D) or clause (ii)(VII), (iii), (viii),
3 (ix), or (x)” in each such place; and

4 (C) by adding at the end the following new
5 clauses:

6 “(vii) Prior to the beginning of a specified fiscal year
7 (as defined in clause (xi)), the Secretary shall specify per-
8 centages by which the payment rates for hospice care con-
9 sisting of services other than routine home care (and, for
10 specified years beginning on or after October 1, 2031, for
11 hospice care consisting of routine home care and other
12 services included in hospice care) in effect for the pre-
13 ceding fiscal year shall be adjusted in such specified fiscal
14 year to align such rates with the costs of such care. In
15 specifying such percentages—

16 “(I) the Secretary shall take into account
17 changes in the average cost of such care and such
18 other factors as determined appropriate by the Sec-
19 retary; and

20 “(II) the Secretary may specify different per-
21 centages for such care based on the setting (as spec-
22 ified by the Secretary) in which such care is fur-
23 nished.

1 “(viii)(I) With respect to routine home care furnished
2 during fiscal year 2027, the payment rates for such care
3 shall be equal to the sum of—

4 “(aa) a per diem amount reflecting the cost of
5 routine home care not consisting of direct patient
6 care for nursing care, physical therapy, occupational
7 therapy, speech-language pathology services, medical
8 social services (other than counseling services), home
9 health aide services, and physician services (other
10 than such services that are considered administrative
11 services)); and

12 “(bb) **■**subject to such frequency limits as may
13 be specified by the Secretary,**■** a per visit amount
14 (which may vary depending on the type and duration
15 of the visit, as determined appropriate by the Sec-
16 retary) reflecting the cost of routine home care con-
17 sisting of direct patient care excluded from the per
18 diem amount established under item (aa) (other
19 than, in the case of such care furnished at a skilled
20 nursing facility or nursing facility (as defined in sec-
21 tion 1919(a)), the component of such rates attrib-
22 utable to home health aide services).

23 “(II) With respect to routine home care furnished
24 during fiscal year 2028 or a subsequent fiscal year, the
25 payment rates for such care shall be equal to the sum of—

1 “(aa) the per diem amount attributable to hos-
2 pice care described in subclause (I)(aa) in effect
3 under this clause for the preceding fiscal year, ad-
4 justed, in the case of a specified fiscal year, by the
5 percentages specified pursuant to clause (vii) for
6 such specified fiscal year, increased by the market
7 basket percentage increase (as defined in section
8 1886(b)(3)(B)(iii)) for the fiscal year (reduced in ac-
9 cordance with clause (iv)); and

10 “(bb) the per visit amount for hospice care de-
11 scribed in subclause (I)(bb) in effect under this
12 clause for the preceding fiscal year, adjusted, in the
13 case of a specified fiscal year, by the percentages
14 specified pursuant to clause (vii) for such specified
15 fiscal year, increased by such market basked per-
16 centage increase for the fiscal year (reduced in ac-
17 cordance with clause (iv)).

18 “(III) For purposes of this clause, the term ‘visit’
19 means, with respect to an individual receiving hospice care
20 from a hospice program, in-person contact with such indi-
21 vidual by staff of such program (or by others under ar-
22 rangements with such program), not including any such
23 contact conducted via telehealth or any other form of tele-
24 communications technology.

1 “(ix)(I) With respect to routine home care consisting
2 of specified hospice care (as defined in subclause (II)) fur-
3 nished during the period beginning on October 1, 2026,
4 and ending on September 30, **[2031]**, in lieu of the rates
5 otherwise payable under this subparagraph for such rou-
6 tine home care, the Secretary shall pay to the hospice pro-
7 gram furnishing such care an amount equal to 200 per-
8 cent of the amount payable for routine home care fur-
9 nished in fiscal year 2026, increased by the market basket
10 percentage increase (as defined in section
11 1886(b)(3)(B)(iii)) for the fiscal year (reduced in accord-
12 ance with clause (iv)), or such other amount determined
13 appropriate by the Secretary (which may vary based on
14 the type of service furnished) for each day during which
15 such specified hospice care was furnished.

16 “(II) For purposes of subclause (I), the term ‘speci-
17 fied hospice care’ means any of the following items and
18 services:

19 “(aa) Palliative chemotherapy or radiation fur-
20 nished under the supervision of an oncologist.

21 “(bb) Palliative radiation therapy furnished
22 under the supervision of an oncologist.

23 “(cc) Palliative blood transfusions furnished to
24 an individual diagnosed with a blood cancer and fur-
25 nished under the supervision of an oncologist.

1 “(dd) Palliative dialysis furnished under the su-
2 pervision of a nephrologist, but only if—

3 “(AA) the individual receiving such pallia-
4 tive dialysis was receiving dialysis treatments
5 prior to making the election under section
6 1812(d); and

7 “(BB) such individual has received fewer
8 than 10 sessions of such pallative dialysis (or,
9 in the case such individual has received 10 or
10 more such sessions, such session is subject to
11 prior authorization).

12 “(x) With respect to hospice care consisting of serv-
13 ices other than routine home care furnished during 2027
14 or a subsequent fiscal year, the payment rates for such
15 care shall be equal to the rates in effect for such care for
16 the preceding fiscal year, adjusted, in the case of a speci-
17 fied fiscal year, by the percentages specified pursuant to
18 clause (vii) for such specified fiscal year, increased by the
19 market basket percentage increase (as defined in section
20 1886(b)(3)(B)(iii)) for the fiscal year (reduced in accord-
21 ance with clause (iv)).

22 “(xi) For purposes of this subparagraph, the term
23 ‘specified fiscal year’ means fiscal year 2027 and every
24 fifth fiscal year thereafter.”.

25 (2) PLAN OF CARE REQUIREMENTS.—

1 (A) IN GENERAL.—Section 1814(a)(7)(B)
2 of the Social Security Act (42 U.S.C.
3 1395f(a)(7)(B)) is amended by inserting “and,
4 with respect to the establishment of such plan,
5 in the case such plan includes the furnishing of
6 specified hospice care (as defined in subsection
7 (i)(1)(C)(x)(II)), by a nephrologist (if such care
8 is care described in item (dd) of such sub-
9 section) or by an oncologist (if such care is care
10 described in any of items (aa) through (cc) of
11 such subsection) who does not have a signifi-
12 cant ownership interest in, or a significant fi-
13 nancial relationship with, such hospice program,
14 as determined by the Secretary, and, with re-
15 spect to the periodic review of such plan, in the
16 case such plan includes the furnishing of speci-
17 fied hospice care (as defined in subsection
18 (i)(1)(C)(x)(II)), by the nephrologist super-
19 vising the furnishing of such care (if such care
20 is described in item (dd) of such subsection) or
21 by the oncologist supervising the furnishing of
22 such care (if such care is described in any of
23 items (aa) through (cc) of such subsection)”
24 after “of the hospice program”.

1 (B) EFFECTIVE DATE.—The amendment
2 made by subparagraph (A) shall apply with re-
3 spect to written plans for providing hospice care
4 developed or reviewed on or after January 1,
5 2026.

6 (3) EXCLUDING HOME HEALTH AIDE SERVICES
7 AND HOMEMAKER FROM THE DEFINITION OF HOS-
8 PICE CARE IN CERTAIN CIRCUMSTANCES.—

9 (A) IN GENERAL.—Section
10 1861(dd)(1)(D)(i) of the Social Security Act
11 (42 U.S.C. 1395x(dd)(1)(D)(i)) is amended by
12 inserting “in the case such individual is not re-
13 siding in a skilled nursing facility or a nursing
14 facility,” before “services of a”.

15 (B) HOMEMAKER SERVICES.—Section
16 1861(dd)(1)(D)(ii) of the Social Security Act
17 (42 U.S.C. 1395x(dd)(1)(D)(ii)) is amended by
18 inserting “in the case such individual is not re-
19 siding in a skilled nursing facility or a nursing
20 facility,” before “homemaker services”.

21 (C) EFFECTIVE DATE.—The amendments
22 made by subparagraphs (A) and (B) shall apply
23 to items and services furnished on or after Oc-
24 tober 1, 2026.

1 (4) OUTLIER PAYMENTS.—Section 1814(i) of
2 the Social Security Act (42 U.S.C. 1395f(i)) is
3 amended—

4 (A) by redesignating paragraph (7) as
5 paragraph (8); and

6 (B) by inserting after paragraph (6) the
7 following new paragraph:

8 “(7)(A) Subject to subparagraph (B), with respect to
9 routine home care furnished during a fiscal year beginning
10 on or after October 1, **[2031]**, the Secretary may, if de-
11 termined appropriate by the Secretary, provide an addi-
12 tional payment for such care to account for unusual vari-
13 ations in the type or amount of such care.

14 “(B)(i) The total amount of additional payments esti-
15 mated to be made under subparagraph (A) for routine
16 home care furnished during a fiscal year may not exceed
17 **[5]** percent of the total amount of payments estimated
18 to be made for such care furnished during such fiscal year
19 without application of this paragraph for such fiscal year.

20 “(ii) The total amount of additional payments esti-
21 mated to be made under subparagraph (A) for routine
22 home care furnished during a fiscal year to an individual
23 hospice program may not exceed **[10]** percent of the total
24 amount of payments estimated to be made for such care

1 furnished during such fiscal year by such program without
2 application of this paragraph for such fiscal year.

3 “(C) The Secretary shall reduce any per diem rate
4 applicable under paragraph (1) to routine home care fur-
5 nished during the first fiscal year for which payments are
6 made under subparagraph (A) by such proportion as will
7 result, not taking into account any additional payments
8 made under subparagraph (A) for such care furnished
9 during such fiscal year, in an aggregate reduction of **[5]**
10 percent in payment for such care furnished during such
11 fiscal year. **[Such reductions shall be taken into account**
12 **in determining such rates for such care furnished during**
13 **subsequent fiscal years.]”.**

14 (5) CONFORMING ADJUSTMENT TO PAYMENT
15 CAP.—Section 1814(i)(2)(B) of the Social Security
16 Act (42 U.S.C. 1395f(i)(2)(B)) is amended—

17 (A) in clause (i), by striking “clause (ii)”
18 and inserting “clauses (ii) through (iv)”;

19 (B) in clause (ii), by inserting “, subject to
20 clause (iii),” after “subparagraph (A)”;

21 (C) by striking clause (iii) and inserting
22 the following new clause:

23 “(iii) For purposes of subparagraph (A), in the case
24 of a specified fiscal year (as defined in paragraph
25 (1)(C)(xi)), the ‘cap amount’ for such year is the cap

1 amount under this subparagraph for the preceding fiscal
2 year, adjusted by the estimated percentage change in the
3 total amount of payment made under this part for hospice
4 care attributable to application of the amendments made
5 by section 3(a)(1) of the Hospice CARE Act of 2024 for
6 such specified fiscal year and then increased by the market
7 basket percentage increase (as defined in section
8 1886(b)(3)(B)(iii)) for such specified fiscal year (reduced
9 in accordance with paragraph (1)(C)(iv)).”; and

10 (D) by adding at the end the following new
11 clause:

12 “(iv) For purposes of subparagraph (A), for a fiscal
13 year beginning on or after October 1, 2027, the ‘cap
14 amount’ for such year is the cap amount under this sub-
15 paragraph for the preceding fiscal year, increased by the
16 market basket percentage increase (as defined in section
17 1886(b)(3)(B)(iii)) for such fiscal year (reduced in accord-
18 ance with paragraph (1)(C)(iv)).”.

19 (b) WAGE ADJUSTING CAPS.—

20 (1) IN GENERAL.—Section 1814(i)(2) of the
21 Social Security Act (42 U.S.C. 1395f(i)(2)), as
22 amended by subsection (a), is further amended—

23 (A) in subparagraph (A)—

24 (i) by striking “‘cap amount’ for the
25 year (computed under subparagraph (B))”

1 and inserting “wage-adjusted cap (as de-
2 fined in subparagraph (B)) for such pro-
3 gram and year”; and

4 (ii) by striking “subparagraph (C)”
5 and inserting “subparagraph (E)”;

6 (B) by redesignating subparagraphs (B)
7 through (D) as subparagraphs (D) through (F),
8 respectively;

9 (C) by inserting after subparagraph (A)
10 the following new subparagraphs:

11 “(B) For purposes of subparagraph (A), the term
12 ‘wage-adjusted cap’ means, with respect to a hospice pro-
13 gram and a year, the product of—

14 “(i) the wage index ratio (as computed under
15 subparagraph (C)) for such program and year; and

16 “(ii) the cap amount for such year (as com-
17 puted under subparagraph (D)).

18 “(C) For purposes of subparagraph (B), the wage
19 index ratio for a hospice program and a year is the ratio
20 of—

21 “(i) the aggregate payments to such program
22 for such year under paragraph (1); to

23 “(ii) the aggregate payments to such program
24 for such year under such paragraph that would have

1 been made had such payments not been subject to
2 any wage adjustment.”; and

3 (D) in subparagraph (D), as so redesign-
4 nated—

5 (i) by striking “subparagraph (A)”
6 each place it appears and inserting “sub-
7 paragraph (B)” in each such place; and

8 (ii) by adding at the end the following
9 new clause:

10 “(v) Notwithstanding the preceding provisions of this
11 subparagraph, for a fiscal year beginning on or after Octo-
12 ber 1, [_____], the cap amount otherwise determined
13 under this subparagraph for such fiscal year shall be de-
14 creased by the same percentage reduction (if any) applied
15 to the amount of payment made under this part for such
16 fiscal year under an order issued pursuant to section 251
17 of the Balanced Budget and Emergency Deficit Control
18 Act of 1985. Any reduction to the cap amount for a fiscal
19 year under the preceding sentence shall not be taken into
20 account for purposes of determining the cap amount for
21 any succeeding fiscal year.”.

22 (2) IMPLEMENTATION.—Notwithstanding any
23 other provision of law, the Secretary of Health and
24 Human Services may implement the amendments

1 made by paragraph (1) by program instruction or
2 otherwise.

3 (3) EFFECTIVE DATE.—The amendments made
4 by paragraph (1) shall apply with respect to pay-
5 ment for hospice care furnished during fiscal years
6 beginning on or after October 1, [_____].

7 (c) MODIFICATION OF REQUIREMENTS RELATING TO
8 SHORT-TERM INPATIENT CARE.—

9 (1) IN GENERAL.—Section 1861(dd) of the So-
10 cial Security Act (42 U.S.C. 1395x(dd)) is amend-
11 ed—

12 (A) in paragraph (1)—

13 (i) in subparagraph (G), by striking
14 “consecutively over longer than five days”
15 and inserting “for more than 5 days dur-
16 ing any 90-day election period (or 60-day
17 election period, as applicable) described in
18 section 1812(d)(1)”; and

19 (ii) in the flush matter following sub-
20 paragraph (I), by adding at the end the
21 following new sentence: “In the case of an
22 individual who receives short-term inpa-
23 tient care described in subparagraph (G)
24 consisting of respite care during an elec-
25 tion period and the furnishing of such care

1 is immediately preceded by a hospital stay
2 (which may include a stay for observation)
3 during which such individual made an elec-
4 tion described in section 1812(d)(1) for the
5 first time during such individual’s lifetime
6 (or if such care is immediately preceded by
7 the furnishing of hospice care consisting of
8 general inpatient care and such general in-
9 patient care is immediately preceded by
10 such a hospital stay), the first continuous
11 15 days of such care shall not be taken
12 into account for purposes of applying the
13 limitation on the number of days during
14 which such care may be furnished during
15 an election period under such subpara-
16 graph, but only if such individual does not
17 have sufficient caregiver support to be
18 safely discharged to the individual’s
19 home.”; and

20 (B) in paragraph (2)—

21 (i) in subparagraph (A)(iii)—

22 (I) by striking “provides assur-
23 ances satisfactory to the Secretary
24 that” and inserting “ensures that the
25 sum of”;

1 (II) by inserting “and the aggregate
2 number of days of specified hospice
3 care (as defined in section
4 1814(i)(1)(C)(x)(II))” after “para-
5 graph (1)(G)”; and

6 (III) by striking “20 percent”
7 and inserting “[10 percent] (or a
8 higher percent (not to exceed 20 per-
9 cent) specified by the Secretary if de-
10 termined necessary by the Secretary
11 to ensure sufficient access to such in-
12 patient care)”; and

13 (ii) by adding at the end the following
14 flush sentence:

15 “For purposes of subparagraph (A)(iii), the Sec-
16 retary shall ensure that the limitation described in
17 such subparagraph is applied[, to the extent prac-
18 ticable, on a real-time basis].”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by this subsection shall apply to hospice care fur-
21 nished on or after [_____].

22 (d) HOSPITAL DISCHARGE PLANNING REQUIRE-
23 MENTS.—

1 (1) IN GENERAL.—Section 1861(ee)(2)(D) of
2 the Social Security Act (42 U.S.C. 1395x(ee)(2)(D))
3 is amended—

4 (A) by inserting “, home health services,”
5 after “including hospice care”;

6 (B) by striking “including the availability
7 of home health services through individuals and
8 entities” and inserting the following: “includ-
9 ing—

10 “(i) in the case of individuals who are like-
11 ly to need home health services, the availability
12 of such services through home health agencies”;

13 (C) by striking “listed by the hospital as
14 available and, in the case of individuals who are
15 likely to need post-hospital extended care serv-
16 ices,” and inserting the following: “listed by the
17 hospital as available;

18 “(ii) in the case of individuals who are
19 likely to need post-hospital extended care serv-
20 ices,”;

21 (D) by striking the period and inserting “;
22 and”; and

23 (E) by adding at the end the following new
24 clause:

1 “(iii) in the case of individuals who
2 are likely eligible for hospice care, the
3 availability of such care (including the
4 availability of respite care described in sub-
5 section (dd)(1)(G)) through hospice pro-
6 grams that participate in the program
7 under this title and that serve the area in
8 which the patient resides.”.

9 (2) EFFECTIVE DATE.—The amendments made
10 by paragraph (1) shall apply with respect to dis-
11 charges occurring on or after **January 1, 2028**.

12 (e) PAYMENT FOR RESPITE CARE FURNISHED IN
13 THE HOME.—

14 (1) IN GENERAL.—Section 1861(dd) of the So-
15 cial Security Act (42 U.S.C. 1395x(dd)) is amend-
16 ed—

17 (A) in paragraph (1)—

18 (i) in subparagraph (H), by striking
19 “and” at the end;

20 (ii) by redesignating subparagraph (I)
21 as subparagraph (J); and

22 (iii) by inserting after subparagraph
23 (H) the following new subparagraph:

24 “(I) short-term home respite care furnished to
25 an individual on or after October 1, 2026, that—

1 “(i) is furnished in the place of residence
2 used as such individual’s home (other than a
3 skilled nursing facility, a nursing facility (as de-
4 fined in section 1919(a)), an assisted living fa-
5 cility (as defined by the Secretary), or another
6 facility specified by the Secretary);

7 “(ii) is furnished for at least 8 hours dur-
8 ing a 24-hour period;

9 “(iii) is furnished on an intermittent, non-
10 routine, and occasional basis;

11 “(iv) is not furnished for more than 5 days
12 during any 90-day period (or 60-day period, as
13 applicable) described in section 1812(d)(1); and

14 “(v) meets such other requirements as the
15 Secretary may specify.”; and

16 (B) in paragraph (2)(A)(iii), as amended
17 by subsection (c)(1)—

18 (i) by striking “and the aggregate
19 number of days” and inserting “, the ag-
20 gregate number of days”; and

21 (ii) by inserting “, and the aggregate
22 number of days of short-term home respite
23 care” after “(as defined in section
24 1814(i)(1)(C)(x)(II))”.

1 (2) PAYMENT RATES.—Section 1814(i)(1)(C) of
2 the Social Security Act (42 U.S.C. 1395f(i)(1)(C)),
3 as amended by subsection (a), is further amended—

4 (A) in clause (iii), by striking “through
5 (x)” and inserting “through (xi)”; and

6 (B) by adding at the end the following new
7 clause:

8 “(xi) With respect to short-term home respite care
9 furnished to an individual during fiscal year 2027, the
10 rates payable for such care shall be equal to an hourly
11 rate established by the Secretary.”.