



Center for Clinical Standards and Quality/Survey & Certification Group

Admin Info: 18-05-ALL

DATE: December 22, 2017

TO: State Survey Agency Directors

FROM: Director
Survey and Certification Group

SUBJECT: **FINAL** Fiscal Year (FY) 2018 State Hospice IMPACT Allocations for Survey & Certification

Memorandum Summary

- **State Allocations:** Attachment 1 contains FY2018 Hospice IMPACT allocation figures for each State.
- **Review Process for SA Requested Amounts:** The Centers for Medicare & Medicaid Services (CMS) Regional Offices (RO) reviewed each State's budget individually, examining workloads, spending patterns, performance, and particular budgetary needs.
- **Hospice IMPACT Funds:** Congress appropriated these additional funds dedicated to increasing the frequency of recertification surveys for hospices. These funds must be tracked and accounted for separately.

A. Overview - Hospice IMPACT Survey & Certification Requirements

The IMPACT Act of 2014, beginning April 6, 2015, mandated that each Medicare certified hospice must be surveyed no less frequently than every 36 months. To achieve this mandate, additional funding was made available through FY2025. During the FY2015 – FY2017 period, an initially higher level of funding was made available to account for workload increases needed to move from a 6 year survey cycle to a 3 year survey cycle. However, in subsequent years, FY2018 – FY2025, the level of IMPACT funds made available each year has been reduced.

Now that FY2018 has begun, as stated above, the amount of IMPACT funds available has been reduced by approximately \$2.5 million, annually. Given the annual funding level decrease and along with a higher Tier-level priority, additional funding under Survey & Certification's (S&C) Program Management (PM) line is available to make up any difference in allowable Hospice survey costs.

Central Office (CO) is implementing a new process to ensure that: First, the IMPACT funds are used in their entirety before other fund sources. Unused IMPACT funds cannot roll over into future years. Two, that we do not over allocate the S&C PM funds. As a result, CO will be awarding the FY2018 IMPACT funds in a two stage process. This process should allow the effective usage of all funding sources to cover the States on the Hospice IMPACT survey process.

The first stage of this process is to award the State Agencies (SAs) with a proportional share of the IMPACT funds which are to be accounted and reported separately from the SA's regular

S&C funding. Based on the requests that the RO's have put forward to CO, there are 2 parameters in place for the distribution of IMPACT funds. The two parameters are as follows:

1. Any SA requesting an estimated budget for Hospice work less than \$30,000 in IMPACT funding, is funded completely with IMPACT funding
2. Any SA requesting an estimated budget for Hospice work greater than \$30,000 are given an initial award of IMPACT funds at approximately two-thirds of their request.

Attachment 1 contains the final FY2018 Hospice IMPACT allocation figures for each State. The amount shown in column B is the IMPACT funds amount only. For any SA that fell into the second parameter above, additional funding to cover the projected shortfall will be given **after** the SA demonstrates that all IMPACT funding has been spent.

All Hospice funds should continue to be reported separately on the mini CMS 435 Hospice form. However, as a reminder, IMPACT funding amounts **should not** be included on the main CMS 435, while any SA receiving PM funding for Hospice work **should** report those costs on the main CMS 435. If a State sees any significant issues with its allocation, or has questions about the allocations or cost accounting, please communicate those promptly to your CMS Regional Office.

B. Explanation of Attachment 1 - FY2018 State S&C Hospice IMPACT Worksheet

Column A –FY2018 Hospice IMPACT Request: Column A represents each States FY2018 requested Hospice IMPACT budget.

Column B –FY18 Hospice IMPACT award utilizing IMPACT funding: Column B shows each State's allocation of Hospice IMPACT funds **only** for FY2018.

Column C – Difference of Requested Hospice IMPACT Funds vs. Actual: With a reduced level of funding starting in FY2018, Column C represents the difference of the amount of funding requested for FY 2018 vs. the actual amount of IMPACT funds awarded. Note: if this column shows a shortfall, S&C PM funds are available as needed once the IMPACT funds have been exhausted.

C. Actions Now that Final Hospice IMPACT Allocations are Determined (All States)

States should submit the FY2018 Hospice IMPACT budget form into the S&C online budget system, no later than January 31, 2018.

Contact: For general questions, please contact Bary Slovikosky at Bary.Slovikosky@cms.hhs.gov

Effective Date: Immediately. This information should be communicated to all survey and certification staff, their managers and the State/Regional Office training coordinators within 30 days of this memorandum.

/s/
David R. Wright

Attachment: FY2018 Hospice IMPACT Allocations

cc: Survey and Certification Regional Office Management

Final FY 2018 Hospice IMPACT awards

	A	B	C
State	FY18 Hospice IMPACT Req. (State/RO supplied)	FY18 Hospice IMPACT Award	Diff vs request
CT	\$22,582	\$22,582	\$0
ME	\$55,921	\$37,467	(\$18,454)
MA	\$231,045	\$154,800	(\$76,245)
NH	\$96,800	\$64,856	(\$31,944)
RI	\$7,000	\$7,000	\$0
VT	\$50,000	\$33,500	(\$16,500)
NJ	\$134,804	\$90,319	(\$44,485)
NY	\$576,276	\$386,105	(\$190,171)
PR	\$78,669	\$52,708	(\$25,961)
DE	\$10,500	\$10,500	\$0
DC	\$9,949	\$9,949	\$0
MD	\$19,340	\$19,340	\$0
PA	\$85,893	\$57,548	(\$28,345)
VA	\$104,455	\$69,985	(\$34,470)
WV	\$29,500	\$29,500	\$0
AL	\$152,000	\$101,840	(\$50,160)
FL	\$86,100	\$57,687	(\$28,413)
GA	\$506,693	\$339,484	(\$167,209)
KY	\$40,000	\$30,000	(\$10,000)
MS	\$80,600	\$54,002	(\$26,598)
NC	\$117,064	\$78,433	(\$38,631)
SC	\$210,255	\$140,871	(\$69,384)
TN	\$116,251	\$77,888	(\$38,363)
IL	\$200,000	\$134,000	(\$66,000)
IN	\$107,500	\$72,025	(\$35,475)
MI	\$140,000	\$93,800	(\$46,200)
MN	\$147,454	\$98,794	(\$48,660)
OH	\$117,700	\$78,859	(\$38,841)
WI	\$140,000	\$93,800	(\$46,200)

	A	B	C
State	FY18 Hospice IMPACT Req. (State/RO supplied)	FY18 Hospice IMPACT Award	Diff vs request
AR	\$124,649	\$83,515	(\$41,134)
LA	\$335,438	\$224,743	(\$110,695)
NM	\$101,494	\$68,001	(\$33,493)
OK	\$230,250	\$154,268	(\$75,983)
TX	\$1,025,174	\$686,867	(\$338,307)
IA	\$203,920	\$136,626	(\$67,294)
KS(AG)	\$0	\$0	\$0
KS(H)	\$98,460	\$65,968	(\$32,492)
MO	\$300,000	\$201,000	(\$99,000)
NE	\$24,375	\$24,375	\$0
CO	\$64,063	\$42,922	(\$21,141)
MT	\$24,000	\$24,000	\$0
ND	\$17,632	\$17,632	\$0
SD	\$16,921	\$16,921	\$0
UT	\$253,417	\$169,789	(\$83,628)
WY	\$18,990	\$18,990	\$0
AZ	\$163,795	\$109,743	(\$54,052)
CA	\$612,905	\$410,646	(\$202,259)
HI	\$5,000	\$5,000	\$0
NV	\$46,467	\$31,133	(\$15,334)
AK	\$20,768	\$20,768	\$0
ID	\$80,900	\$54,203	(\$26,697)
OG (LTC)	\$0	\$0	\$0
ON (NLTC)	\$135,825	\$91,003	(\$44,822)
WZ(H)	\$95,065	\$63,694	(\$31,371)
WA(SS)	\$0	\$0	\$0
	\$7,673,859	\$5,219,449	(\$2,454,410)