



OIG NEWS

FOR IMMEDIATE RELEASE
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April 24, 2007

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Washington, DC 20201

OIG RELEASES REPORT ON MEDICARE HOSPICE CERTIFICATION AND OVERSIGHT

Report Recommends CMS Seek To Increase the Frequency of Certifications

Washington, DC — Inspector General Daniel R. Levinson announced today that the Office of Inspector General (OIG) for the Department of Health and Human Services (HHS) issued a report entitled “Medicare Hospices: Certification and Centers for Medicare & Medicaid Services Oversight.” The report contains the findings of an evaluation OIG conducted to assess the timeliness and results of hospice certification surveys performed by State agencies and the extent of the Centers for Medicare & Medicaid Services (CMS) oversight of the Medicare hospice program.

OIG found that, as of July 2005, 14 percent of the hospices were past due for certification and, on average, had not been surveyed for 9 years — 3 years longer than the CMS standard at that time. Three States account for 41 percent of all hospices with past due certifications: California (17 percent), Illinois (12 percent), and Michigan (12 percent). In fiscal year (FY) 2005, CMS required that hospices be certified at least every 6 years, but for FY 2006, CMS changed the frequency to every 8 years on average and directed State agencies to conduct targeted surveys for the hospices most at risk for having quality problems.

OIG also found that health deficiencies were cited for 46 percent of hospices surveyed and for 26 percent of hospices investigated for complaints. The most frequent health deficiencies cited during certification surveys and complaint investigations centered on patient care planning and quality. These deficiencies indicated that written care plans were not prepared or lacked important elements or that measures to ensure quality patient care were insufficient.

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Of the hospices with deficiencies cited during complaint investigations, 49 percent had already been cited for the same deficiencies during the regular certification surveys.

CMS and State agencies rarely use methods other than certification surveys and complaint investigations to monitor or enforce hospice performance. Neither law nor regulation specifies the frequency of Medicare certification surveys for hospices. Instead, CMS notifies States of the certification frequency for hospices through its annual budget request policy memorandum to the State agencies. CMS policy has consistently assigned a higher priority to certification surveys of hospitals, nursing homes, and home health agencies than it has to certification surveys of hospices.

“This report is an example of OIG’s commitment to ensuring the high quality of care that Medicare beneficiaries deserve during this uniquely vulnerable stage in their lives,” said Daniel R. Levinson, HHS Inspector General. “Hospice facilities should be surveyed timely so that problems can be detected and addressed. I recognize that CMS has taken positive steps to target State reviews and continue to recommend that CMS seek regulatory or statutory changes to provide for more frequent certifications to further improve hospice oversight.”

Recommendations made to CMS include:

- providing guidance to State agencies and CMS regional offices regarding analysis of existing data and identification of at-risk hospices,
- including hospices in Federal comparative surveys and annual State performance reviews,
- seeking regulatory changes to establish specific requirements for the frequency of hospice certification,
- seeking legislation to establish additional enforcement remedies for poor hospice performance. At present, CMS’s only enforcement remedy is termination of the hospice from the Medicare program.

CMS stated that any changes to the frequency of hospice certification should not be addressed with regulation and is primarily a statutory issue for consideration by the Congress.

To read the full report, go to

<http://oig.hhs.gov/oei/reports/oei-06-05-00260.pdf>