

119TH CONGRESS  
2D SESSION

# H. R. 7966

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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2026

Ms. SÁNCHEZ introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## 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 2026” or the  
6       “Hospice CARE Act of 2026”.

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 subparagraphs (B) and (C), the Secretary shall  
12 impose a nationwide temporary moratorium on  
13 the enrollment of new hospice programs under  
14 this 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.—

18 “(i) IN GENERAL.—The Secretary  
19 may exempt a hospice program seeking to  
20 enroll under this title from the moratorium  
21 described in subparagraph (A) if the Sec-  
22 retary determines that such program will  
23 furnish hospice care to individuals entitled  
24 to benefits under part A in an area with  
25 insufficient access to such care (as speci-

1           fied by the Secretary, taking into account  
2           the considerations described in clause (ii)).

3           “(ii) CONSIDERATIONS DESCRIBED.—  
4           For purposes of clause (i), the consider-  
5           ations described in this clause are, with re-  
6           spect to a hospice program seeking to en-  
7           roll under this title, the following:

8                   “(I) The specific geographic area  
9                   that such program intends to serve.

10                   “(II) The current availability of  
11                   hospice care in such area.

12                   “(III) Any evidence of unmet  
13                   need for hospice care in such area  
14                   (such as wait times for such care, the  
15                   extent to which such area (or a popu-  
16                   lation in such area) is considered un-  
17                   derserved, and evidence that existing  
18                   hospice programs are provided a sub-  
19                   standard quality of care in such area).

20                   “(IV) The program’s plan to ad-  
21                   dress any identified gaps in the provi-  
22                   sion of hospice care in such area.

23           “(C) AUTHORITY TO LIFT MORATORIUM.—

24           The Secretary may lift the moratorium imposed  
25           under subparagraph (A) within a State (or geo-

1 graphic region of a State) specified by the Sec-  
2 retary in the same manner as the Secretary  
3 may lift a temporary moratorium (as described  
4 in paragraph (7)) under section 424.570(d) of  
5 title 42, Code of Federal Regulations (or a suc-  
6 cessor regulation).

7 “(D) APPLICATION OF PREPAYMENT MED-  
8 ICAL REVIEW DURING THE TEMPORARY MORA-  
9 TORIUM IN CERTAIN CIRCUMSTANCES.—

10 “(i) IN GENERAL.—Subject to clause  
11 (ii), the Secretary shall apply prepayment  
12 medical review to hospice care consisting of  
13 routine home care furnished during the 5-  
14 year period beginning on the date of the  
15 enactment of this paragraph by an applica-  
16 ble hospice program to a covered indi-  
17 vidual.

18 “(ii) TERMINATION OF APPLICATION  
19 OF PREPAYMENT MEDICAL REVIEW.—

20 “(I) IN GENERAL.—The Sec-  
21 retary shall terminate the application  
22 of prepayment medical review under  
23 clause (i) with respect to hospice care  
24 furnished by an applicable hospice  
25 program to a covered individual if the

1 Secretary determines that, during the  
2 period in which such care so furnished  
3 by such program was subject to such  
4 review, such care was subject to a low  
5 rate of denial (as specified by the Sec-  
6 retary) under such review.

7 “(II) REVOCATION OF TERMI-  
8 NATION.—The Secretary may revoke  
9 any termination of prepayment med-  
10 ical review under subclause (I) if de-  
11 termined appropriate by the Sec-  
12 retary.

13 “(iii) DEFINITIONS.—For purposes of  
14 this subparagraph:

15 “(I) APPLICABLE HOSPICE PRO-  
16 GRAM.—The term ‘applicable hospice  
17 program’ means a hospice program  
18 with a history of claim submissions  
19 with respect to hospice care furnished  
20 under this title that is aberrant (such  
21 as by demonstrating that such pro-  
22 gram is an outlier with respect to live  
23 discharges) compared to such history  
24 of claim submissions of similarly situ-

1           ated hospice programs, as determined  
2           by the Secretary.

3                   “(II) COVERED INDIVIDUAL.—

4           The term ‘covered individual’ means  
5           an individual receiving hospice care  
6           under this title during the second 90-  
7           day period described in section  
8           1812(d)(1) (or during any subsequent  
9           period) applicable to such individual.

10                   “(E) REVALIDATION OF ENROLLMENT IN-  
11           FORMATION.—

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

24                   “(ii) PUBLICATION OF OWNERSHIP IN-  
25           FORMATION.—Not later than 1 year after

1 the date of the enactment of this para-  
2 graph, the Secretary shall publish on a  
3 public website of the Centers for Medicare  
4 & Medicaid Services ownership interest and  
5 managing control information collected  
6 pursuant to revalidations described in  
7 clause (i) for each hospice program en-  
8 rolled under this title.

9 “(iii) REPORT.—Not later than Janu-  
10 ary 1, 2028, the Secretary, acting through  
11 the Assistant Secretary for Planning and  
12 Evaluation, shall submit to Congress a re-  
13 port on hospice ownership and control  
14 trends and the role of private equity in  
15 ownership and control of hospice programs.  
16 Such report shall include—

17 “(I) validation, to the extent fea-  
18 sible, of the ownership and control in-  
19 formation reported on form CMS-  
20 855A (or any successor form);

21 “(II) an analysis of hospice cost  
22 report data by ownership type;

23 “(III) recommendations on ways  
24 to improve the integrity of the owner-  
25 ship and control information reported

1 by hospices during the enrollment  
2 process under this title; and

3 “(IV) to the extent practicable,  
4 recommendations on policies to pro-  
5 mote health care competition.

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

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

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

21 (B) in subparagraph (C)(iii)—

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

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



1 (iii) by adding at the end the fol-  
 2 lowing new subclause:

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

6 (b) EXTENSION OF OVERSIGHT OF NEWLY-EN-  
 7 ROLLED HOSPICE PROGRAMS.—

8 (1) IN GENERAL.—Section 1866(j)(3)(A) of the  
 9 Social Security Act (42 U.S.C. 1395cc(j)(3)(A)) is  
 10 amended by inserting “(or, in the case of a hospice  
 11 program, not more than 2 years)” after “1 year”.

12 (2) MANDATORY APPLICATION OF ENHANCED  
 13 OVERSIGHT FOR CERTAIN HOSPICE PROGRAMS.—  
 14 Section 1866(j)(3) of the Social Security Act (42  
 15 U.S.C. 1395cc(j)(3)) is amended—

16 (A) by redesignating subparagraph (B) as  
 17 subparagraph (C); and

18 (B) by inserting after subparagraph (A)  
 19 the following new subparagraph:

20 “(B) MANDATORY APPLICATION TO CER-  
 21 TAIN HOSPICE PROGRAMS.—The procedures es-  
 22 tablished by the Secretary under subparagraph  
 23 (A) shall provide that any hospice program en-  
 24 rolling under this title that would, but for appli-  
 25 cation of subparagraph (B) or (C) of paragraph

1           (10), have been prohibited from so enrolling be  
2           subject to the enhanced oversight described in  
3           such subparagraph for a period of not less than  
4           30 days.”.

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

8           (1) in paragraph (1)—

9                   (A) by inserting “, with respect to such a  
10           survey conducted with respect to a hospice pro-  
11           gram that is not included on the list established  
12           under paragraph (5),” after “local survey agen-  
13           cy, or”; and

14                   (B) by inserting “(or, in the case of a hos-  
15           pice program that is included on the list estab-  
16           lished under paragraph (5), not less frequently  
17           than once every 18 months)” after “36  
18           months”;

19           (2) by redesignating paragraph (5) as para-  
20           graph (6);

21           (3) by inserting after paragraph (4) the fol-  
22           lowing new paragraph:

23                   “(5) HOSPICE PROGRAMS SUBJECT TO IN-  
24           CREASED SURVEY FREQUENCY.—

1           “(A) IN GENERAL.—The Secretary shall  
2           establish a list of hospice programs subject to  
3           increased survey frequency under paragraph (1)  
4           in accordance with the provisions of this para-  
5           graph.

6           “(B) INCLUSION ON LIST.—

7           “(i) IN GENERAL.—The Secretary  
8           shall include a hospice program on the list  
9           established under subparagraph (A) if such  
10          program is not participating in the special  
11          focus program under subsection (b) and  
12          such hospice program meets either of the  
13          following criteria:

14               “(I) The program first submitted  
15               a claim for an item or service under  
16               this title during the 5-year period end-  
17               ing on the date of the enactment of  
18               this paragraph.

19               “(II) The program first submits  
20               a claim for an item or service under  
21               this title on or after such date of en-  
22               actment.

23           “(ii) DISCRETIONARY INCLUSION.—  
24          The Secretary may include a hospice pro-

1                   gram on the list established under sub-  
2                   paragraph (A)—

3                   “(I) if claims data submitted by  
4                   such program indicates that such pro-  
5                   gram is not providing the full scope of  
6                   hospice care services payable under  
7                   this title;

8                   “(II) if the Secretary determines  
9                   that such program is an outlier with  
10                  respect to live discharges; or

11                  “(III) for any other reason deter-  
12                  mined appropriate by the Secretary.

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

17                  “(i) if—

18                   “(I) such program has been sub-  
19                   ject to 2 surveys under this subsection  
20                   while included on such list; and

21                   “(II) neither such survey resulted  
22                   in such program being cited for a de-  
23                   ficiency for failure to comply with a  
24                   condition of participation relating to  
25                   quality of care; or

1 “(ii) if such program is placed in the  
2 special focus program established under  
3 subsection (b).”; and

4 (4) in paragraph (6), as so redesignated, by  
5 striking “each fiscal year (beginning with fiscal year  
6 2022)” and inserting “each of fiscal years 2022  
7 through 2026, and of \$15,000,000 for fiscal year  
8 2027 and for each subsequent fiscal year,”.

9 (d) PROHIBITION ON PAYMENT FOR FAILURE TO  
10 MEET QUALITY DATA REPORTING REQUIREMENTS.—  
11 Section 1814(i)(5) of the Social Security Act (42 U.S.C.  
12 1395f(i)(5)) is amended—

13 (1) in subparagraph (A)—

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

16 (B) in clause (i)—

17 (i) in the header, by striking “IN  
18 GENERAL” and inserting “FISCAL YEARS  
19 2014 THROUGH 2027”;

20 (ii) by inserting “through fiscal year  
21 2027” after “each subsequent fiscal year”;  
22 and

23 (iii) by adding at the end the fol-  
24 lowing new sentence: “The application of  
25 the preceding sentence may result in the

1 market basket percentage increase under  
2 paragraph (1)(C)(ii)(VII) or paragraph  
3 (1)(C)(iii), as applicable, being less than  
4 0.0 for a fiscal year, and may result in  
5 payment rates under this subsection for a  
6 fiscal year being less than such payment  
7 rates for the preceding fiscal year.”; and  
8 (C) by amending clause (ii) to read as fol-  
9 lows:

10 “(ii) SUBSEQUENT FISCAL YEARS.—  
11 For purposes of fiscal year 2028 and each  
12 subsequent fiscal year, no payment may be  
13 made under this title to a hospice program  
14 that does not submit data to the Secretary  
15 in accordance with subparagraph (C) with  
16 respect to such fiscal year.”; and

17 (2) in subparagraph (B), by striking “subpara-  
18 graph (A)” and inserting “subparagraph (A)(i)”.

19 (e) ENSURING INDEPENDENCE OF PHYSICIAN CER-  
20 TIFICATIONS OF TERMINAL ILLNESS.—Section  
21 1814(a)(7)(A)(i) of the Social Security Act (42 U.S.C.  
22 1395f(a)(7)(A)(i)) is amended—

23 (1) in subclause (I), by inserting “or, with re-  
24 spect to certifications under this clause occurring on  
25 or after October 1, 2027, in the case such individual

1 fails to designate such an attending physician (or in  
 2 the case such attending physician is employed by the  
 3 hospice program at which such individual will receive  
 4 such care or otherwise has a significant ownership  
 5 interest in, or a significant financial relationship  
 6 with, such program (as determined by the Sec-  
 7 retary)), by a physician, physician assistant, or  
 8 nurse practitioner that does not have such a signifi-  
 9 cant ownership interest in, or such a significant fi-  
 10 nancial relationship with, such program (as deter-  
 11 mined by the Secretary)” before “, and”; and

12 (2) in the matter following subclause (II), by  
 13 striking “physician’s” and inserting “physician’s,  
 14 physician assistant’s, nurse practitioner’s”.

15 (f) ALLOWING ADDITIONAL PROVIDERS TO CERTIFY  
 16 TERMINAL ILLNESS.—

17 (1) IN GENERAL.—Section 1814(a)(7)(A)(i)(I)  
 18 of the Social Security Act (42 U.S.C.  
 19 1395f(a)(7)(A)(i)(I)) is amended by striking “(which  
 20 for purposes of this subparagraph does not include  
 21 a nurse practitioner or a physician assistant)”.

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 Octo-  
 25 ber 1, 2027.

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)) or of the physi-  
9 cian, physician assistant, or nurse practitioner otherwise  
10 making the certification described in paragraph  
11 (7)(A)(i)(I) with respect to such individual, the Secretary  
12 may use documentation in the medical record of the hos-  
13 pice program furnishing such care as supporting material,  
14 as determined appropriate by the Secretary.”.

15       (h) PROHIBITION ON CERTAIN CHANGES IN MAJOR-  
16 ITY OWNERSHIP.—With respect to any change in the ma-  
17 jority ownership of a hospice program occurring during  
18 the 5-year period beginning on the date of the enactment  
19 of this Act, the Secretary of Health and Human Services  
20 shall apply section 424.550(b) of title 42, Code of Federal  
21 Regulations (or a successor regulation), as if the ref-  
22 erences to “36 months” in paragraph (1) of such section  
23 were references to “60 months”.

24       (i) ADVANCED NOTICE OF CHANGES IN OWNERSHIP  
25 OR CONTROL.—Section 1822 of the Social Security Act



1 (42 U.S.C. 1395i–6) is amended by adding at the end the  
2 following new subsection:

3 “(d) ADVANCED NOTICE OF CHANGES IN OWNER-  
4 SHIP OR CONTROL.—

5 “(1) IN GENERAL.—Beginning January 1,  
6 2028, in the case a change occurs in—

7 “(A) the persons with an ownership or  
8 control interest (as defined in section  
9 1124(a)(3)) in the hospice program;

10 “(B) the persons who are officers, direc-  
11 tors, agents, or managing employees (as defined  
12 in section 1126(b)) of the hospice program;

13 “(C) the corporation, association, or other  
14 company responsible for the management of the  
15 hospice program;

16 “(D) the individual who is the adminis-  
17 trator of the hospice program; or

18 “(E) the individual who is the medical di-  
19 rector of the hospice program;

20 such program shall provide notice at the time of the  
21 change (or, in the case such change is with respect  
22 to a person described in subparagraph (A), at least  
23 90 days before the effective date of the change) to  
24 the Secretary, the appropriate State or local survey  
25 agency, or appropriate approved accreditation agen-

cy of the change and of the identity of each new person, company, or individual described in the respective subparagraph.

“(2) ENFORCEMENT.—

“(A) IN GENERAL.—In the case that the Secretary determines that a hospice program has violated paragraph (1), the Secretary may—

“(i) impose a civil monetary penalty in an amount not to exceed \$1,000,000 per violation; and

“(ii) if determined appropriate by the Secretary, terminate such program’s enrollment under this title.

“(B) PROCEDURES.—The provisions of section 1128A (other than subsections (a) and (b) of such section) shall apply to a civil monetary penalty imposed under subparagraph (A) in the same manner as such provisions apply to a penalty or proceeding under such section.”.

(j) REQUIRED PROVISION OF ADDENDUM OF NON-COVERED SERVICES.—Section 1812(d)(1) of the Social Security Act (42 U.S.C. 1395d(d)(1)) is amended by adding at the end the following new sentence: “With respect to such an election made on or after October 1, 2027, in

1 the case such program determines that there are items  
 2 and services being furnished to such individual that are  
 3 not related to the treatment of the individual's condition  
 4 with respect to which a diagnosis of terminal illness has  
 5 been made, such election shall include an addendum that  
 6 specifies such items and services and includes such addi-  
 7 tional information as may be specified by the Secretary.  
 8 Such program shall provide an updated addendum de-  
 9 scribed in the preceding sentence to such individual if,  
 10 while such election is in effect with respect to such indi-  
 11 vidual, such program makes any alteration to the adden-  
 12 dum provided to such individual at the time of such elec-  
 13 tion.”.

14 (k) MEDICAL REVIEW OF HOSPICE OUTLIERS AND  
 15 CARE UNRELATED TO TERMINAL CONDITION.—

16 (1) IN GENERAL.—

17 (A) MEDICAL REVIEW.—Section  
 18 1814(a)(7) of the Social Security Act (42  
 19 U.S.C. 1395f(a)(7)) is amended—

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

22 (ii) in subparagraph (E), by inserting  
 23 “before the date of the enactment of sub-  
 24 paragraph (F),” after “subparagraph,”;  
 25 and

1 (iii) by adding at the end the fol-  
2 lowing new subparagraph:

3 “(F) beginning on the date that is 5 years  
4 after the date of the enactment of this subpara-  
5 graph, in the case of hospice care provided an  
6 individual for more than 90 days by a hospice  
7 program with aberrant billing patterns (as de-  
8 termined by the Secretary), the hospice care  
9 provided to such individual is subject to prepay-  
10 ment medical review (in accordance with proce-  
11 dures established by the Secretary); and”.

12 (B) TECHNICAL EXPERT PANEL.—

13 (i) IN GENERAL.—The Secretary of  
14 Health and Human Services shall establish  
15 a technical expert panel for purposes of es-  
16 tablishing standards for identifying a hos-  
17 pice program with a history of aberrant  
18 billing patterns under section  
19 1814(a)(7)(F) of the Social Security Act,  
20 as added by subparagraph (A). In making  
21 recommendations with respect to such  
22 standards, such panel shall take into ac-  
23 count the results of prepayment medical  
24 reviews conducted under section

1                   1866(j)(10)(D) of such Act, as added by  
2                   subsection (a).

3                   (ii) FACA WAIVER.—The provisions  
4                   of chapter 10 of title 5, United States  
5                   Code, shall not apply to the panel estab-  
6                   lished under clause (i).

7                   (2) PREPAYMENT MEDICAL REVIEW REQUIRE-  
8                   MENT.—Section 1812(d)(2) of the Social Security  
9                   Act (42 U.S.C. 1395d(d)(2)) is amended by adding  
10                  at the end the following new subparagraph:

11               “(E) Notwithstanding any other provision of this  
12               title, in the case of items and services (other than items  
13               and services described in the matter following clause  
14               (ii)(II) of subparagraph (A)) furnished on or after October  
15               1, 2027, to an individual with an election in effect under  
16               paragraph (1) by a provider of services or supplier, if such  
17               provider of services or supplier indicates that such items  
18               and services are unrelated to the individual’s condition  
19               with respect to which a diagnosis of terminal illness has  
20               been made, no payment may be made under this title for  
21               such items and services before the Secretary has con-  
22               ducted a medical review of such items and services to de-  
23               termine whether such items and services are unrelated to  
24               such condition. Such review shall include a review of any

1 addendum described in paragraph (1) included in such  
2 election.”.

3           (3) FUNDING.—The Secretary of Health and  
4       Human Services shall provide for the transfer, from  
5       the Federal Hospital Insurance Trust Fund estab-  
6       lished under section 1817 of the Social Security Act  
7       (42 U.S.C. 1395i) to the Centers for Medicare &  
8       Medicaid Services Program Management Account, of  
9       \$20,000,000 for fiscal year 2027, to remain avail-  
10      able until expended, for purposes of carrying out the  
11      amendments made by this subsection.

12      (1) PROVISION OF EXPLANATION OF BENEFITS UPON  
13 HOSPICE ELECTION.—

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

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

22           “(1) specifies—

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

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

1           “(C) the telephone number and address of  
2           such program;

3           “(D) the physician, physician assistant, or  
4           nurse practitioner who made the certification  
5           described in section 1814(a)(7)(A)(i)(I) with re-  
6           spect to such individual;

7           “(E) the toll-free telephone number of the  
8           medicare administrative contractor responsible  
9           for processing claims for such care;

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

12          “(3) includes a statement which indicates that,  
13          because errors do occur and because Medicare waste,  
14          fraud, and abuse is a significant problem, such indi-  
15          vidual should carefully check the individual’s hospice  
16          election information and if such individual suspects  
17          Medicare waste, fraud, or abuse with respect to the  
18          provision of such care, the individual should contact  
19          the toll-free phone number 1–800–MEDICARE and  
20          a toll-free phone number maintained by the Inspec-  
21          tor General of the Department of Health and  
22          Human Services for the receipt of complaints and  
23          information about waste, fraud, and abuse in the  
24          provision or billing of services under this title; and

1 “(4) includes any other information determined  
2 appropriate by the Secretary.”.

3 (2) FUNDING.—The Secretary of Health and  
4 Human Services shall provide for the transfer from  
5 the Federal Hospital Insurance Trust Fund estab-  
6 lished under section 1817 of the Social Security Act  
7 (42 U.S.C. 1395i) to the Centers for Medicare &  
8 Medicaid Services Program Management Account of  
9 \$10,000,000 for fiscal year 2027, to remain avail-  
10 able until expended, for purposes of carrying out the  
11 amendment made by paragraph (1).

12 (3) EFFECTIVE DATE.—The amendment made  
13 by paragraph (1) shall apply to individuals making  
14 elections described in section 1812(d)(1) of the So-  
15 cial Security Act (42 U.S.C. 1395d(d)(1)) on or  
16 after the date that is 1 year after the date of the  
17 enactment of this Act.

18 (m) MEDICAL REVIEW OF HOSPICE CARE CON-  
19 TRACTOR REQUIREMENTS.—

20 (1) IN GENERAL.—The Secretary of Health and  
21 Human Services (in this subsection referred to as  
22 the “Secretary”) shall require any entity performing  
23 medical review under contract with Secretary of hos-  
24 pice care furnished under part A of title XVIII of  
25 the Social Security Act (42 U.S.C. 1395c et seq.) to,



1 with respect to such reviews performed on or after  
2 January 1, 2028, utilize only individuals who have  
3 received specialized instruction on the philosophy be-  
4 hind hospice care and medical prognostication (as  
5 specified by the Secretary) in performing such re-  
6 views. In so specifying such instruction and in up-  
7 dating such instruction, the Secretary shall consult  
8 with hospice programs as to the content of such in-  
9 struction.

10 (2) PUBLICATION.—The Secretary shall make  
11 any instruction specified for purposes of paragraph  
12 (1) publicly available on the website of the Centers  
13 for Medicare & Medicaid Services.

14 (3) REPORT.—Not later than October 1, 2028,  
15 the Secretary shall submit to Congress a report on  
16 activities relating to the medical review of hospice  
17 care furnished under part A of title XVIII of the So-  
18 cial Security Act (42 U.S.C. 1395c et seq.). Such re-  
19 port shall include—

20 (A) with respect to the medical review of  
21 hospice care performed during the period begin-  
22 ning on January 1, 2020, and ending on De-  
23 cember 31, 2025, the accuracy rates of such re-  
24 views when performed by—

1 (i) medicare administrative contrac-  
2 tors;

3 (ii) recovery audit contractors;

4 (iii) supplemental medical review con-  
5 tractors; and

6 (iv) uniform program integrity con-  
7 tractors;

8 (B) the total number of hospice claims  
9 submitted during the period described in sub-  
10 paragraph (A) subject to medical review;

11 (C) the percentage of such claims that  
12 were denied and appealed and the percentage of  
13 such claims so appealed that were overturned  
14 on appeal, broken down by the type of con-  
15 tractor conducting review of such claims and by  
16 each level of appeal;

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

20 (E) actions the Secretary will take to re-  
21 duce the audit burden on hospice programs  
22 with claims selected for medical review under  
23 multiple projects described in subparagraph (D)  
24 and to minimize the number of denials of

1           claims for hospice care that are overturned on  
2           appeal.

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

7           (1) in subparagraph (D)—

8                   (A) by inserting “, and before October 1,  
9                   2027” after “2011”; and

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

11           (2) by adding at the end the following new sub-  
12   paragraph:

13                   “(F) on and after October 1, 2027, not  
14                   more than 30 days before each recertification  
15                   described in subparagraph (A)(ii) is made with  
16                   respect to an individual, a hospice physician,  
17                   hospice nurse practitioner, or hospice physician  
18                   assistant has a face-to-face encounter (which  
19                   may, with respect to any such recertification  
20                   made for a 60-day period described in such sub-  
21                   paragraph, be conducted via telehealth, but only  
22                   if a registered nurse, licensed practical nurse,  
23                   or home health aide employed by the hospice  
24                   program furnishing hospice care to such indi-  
25                   vidual is physically present with such individual

1           during such encounter) with such individual to  
 2           gather clinical findings to determine such indi-  
 3           vidual’s continue eligibility for hospice care;  
 4           and”.

5           (o) ENSURING MEDICAL DIRECTOR AND PHYSICIAN  
 6 AVAILABILITY.—

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

10                   (A) in paragraph (2)—

11                           (i) in subparagraph (F), by striking  
 12                           “and” at the end;

13                           (ii) by redesignating subparagraph  
 14                           (G) as subparagraph (I); and

15                           (iii) by inserting after subparagraph  
 16                           (F) the following new subparagraphs:

17                           “(G) has a medical director responsible for  
 18                           the medical component of hospice care provided  
 19                           by such program who—

20                                   “(i) is a doctor of medicine or osteop-  
 21                                   athy licensed to practice in the State in  
 22                                   which such program is located; and

23                                   “(ii) subject to paragraph (6), is not  
 24                                   the medical director of more than 1 other  
 25                                   hospice program;

1           “(H) ensures that the medical director de-  
2           scribed in subparagraph (G) or a physician  
3           member of the group described in subparagraph  
4           (B) is available for immediate consultation  
5           (which may be through telehealth) when hospice  
6           care is provided in an individual’s home; and”;  
7           and

8           (B) by adding at the end the following new  
9           paragraph:

10          “(6) The Secretary may waive the requirement de-  
11       scribed in paragraph (2)(G)(ii) with respect to the medical  
12       director of a hospice program if determined appropriate  
13       by the Secretary on a case-by-case basis. In determining  
14       whether to grant a waiver under the preceding sentence,  
15       the Secretary shall take into consideration—

16           “(A) the average daily census for each hospice  
17       program with respect to which such director is med-  
18       ical director;

19           “(B) the geographic areas served by such pro-  
20       grams; and

21           “(C) any other information determined appro-  
22       priate by the Secretary.”.

23           (2) EFFECTIVE DATE.—The amendments made  
24       by paragraph (1) shall apply beginning January 1,  
25       2029.

1       (p) REPORT ON HOSPICE ACCREDITING ORGANIZA-  
2 TIONS.—Not later than 2 years after the date of the enact-  
3 ment of this Act, the Comptroller General of the United  
4 States shall submit to Congress a report on the Secretary  
5 of Health and Human Services’ (in this subsection re-  
6 ferred to as the “Secretary”) oversight of hospice program  
7 accrediting organizations. Such report shall include the  
8 following:

9           (1) An analysis of deficiencies relating to qual-  
10 ity of care found pursuant to surveys conducted  
11 under section 1822(a) of the Social Security Act (42  
12 U.S.C. 1395i–6(a)) following complaints when such  
13 surveys were of hospice programs accredited by such  
14 an organization and such surveys were conducted by  
15 such an organization compared to such deficiencies  
16 so found following such complaints when such sur-  
17 veys were of hospice programs certified by State or  
18 local survey agencies and such surveys were con-  
19 ducted by such agencies.

20           (2) A list of hospice programs determined by  
21 the Secretary not to be in compliance with all re-  
22 quirements applicable to such programs, along with  
23 a list of the accrediting organization of each such  
24 program.

1           (3) A list of hospice programs that have been  
 2           deactivated, terminated, or investigated due to con-  
 3           cerns relating to waste, fraud, or abuse, along with  
 4           a list of the accrediting organization of each such  
 5           program.

6           (4) An analysis of any conflicts of interest of  
 7           hospice program accrediting organizations.

8           (5) Performance data for hospice program ac-  
 9           crediting organizations.

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

12           (a) ADJUSTING PAYMENTS FOR HOSPICE CARE.—

13           (1) IN GENERAL.—Section 1814(i)(1)(C) of the  
 14           Social Security Act (42 U.S.C. 1395f(i)(1)(C)) is  
 15           amended—

16                   (A) in clause (iii)—

17                           (i) by moving such clause 6 ems to  
 18                           the left;

19                           (ii) by striking “With respect to” and  
 20                           inserting “Except as provided under  
 21                           clauses (viii) through (x), with respect to”;

22                           (iii) by inserting “in a setting (as  
 23                           specified by the Secretary for purposes of  
 24                           clause (vii))” after “hospice care fur-  
 25                           nished”;

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

3 (v) by striking “under this clause”  
4 and inserting “under this subparagraph”;

5 (B) in clause (iv), by striking “clause  
6 (ii)(VII) or (iii)” each place such phrase ap-  
7 pears and inserting “clause (iii) or (iv) of para-  
8 graph (2)(D) or clause (ii)(VII), (iii), (viii),  
9 (ix), or (x)” in each such place; and

10 (C) by adding at the end the following new  
11 clauses:

12 “(vii) Prior to the beginning of a specified fiscal year  
13 (as defined in clause (xi)), the Secretary shall specify per-  
14 centages by which the payment rates for hospice care con-  
15 sisting of services other than routine home care (and, for  
16 specified years beginning on or after October 1, 2034, for  
17 hospice care consisting of routine home care and other  
18 services included in hospice care) in effect for the pre-  
19 ceding fiscal year shall be adjusted in such specified fiscal  
20 year to align such rates with the costs of such care. In  
21 specifying such percentages—

22 “(I) the Secretary shall take into account  
23 changes in the average cost of such care and such  
24 other factors as determined appropriate by the Sec-  
25 retary; and



1           “(II) the Secretary may specify different per-  
2           centages for such care based on the setting (as spec-  
3           ified by the Secretary) in which such care is fur-  
4           nished.

5           “(viii)(I) With respect to routine home care furnished  
6           during fiscal year 2030, the payment rates for such care  
7           shall be equal to the sum of—

8           “(aa) a per diem amount (which may include an  
9           a case mix adjustment to account for variations in  
10          cost among different units of service) reflecting the  
11          cost of routine home care not consisting of direct pa-  
12          tient care for nursing care, physical therapy, occupa-  
13          tional therapy, speech-language pathology services,  
14          medical social services (other than counseling serv-  
15          ices), home health aide services, and physician serv-  
16          ices (other than such services that are considered  
17          administrative services); and

18          “(bb) subject to such frequency limits as may  
19          be specified by the Secretary, a per visit amount  
20          (which may vary depending on the type and duration  
21          of the visit, as determined appropriate by the Sec-  
22          retary) reflecting the cost of routine home care con-  
23          sisting of direct patient care excluded from the per  
24          diem amount established under item (aa) (other  
25          than, in the case of such care furnished at a skilled

1 nursing facility or nursing facility (as defined in sec-  
2 tion 1919(a)), the component of such rates attrib-  
3 utable to home health aide services).

4 “(II) With respect to routine home care furnished  
5 during fiscal year 2031 or a subsequent fiscal year, the  
6 payment rates for such care shall be equal to the sum of—

7 “(aa) the per diem amount attributable to hos-  
8 pice care described in subclause (I)(aa) in effect  
9 under this clause for the preceding fiscal year, ad-  
10 justed, in the case of a specified fiscal year, by the  
11 percentages specified pursuant to clause (vii) for  
12 such specified fiscal year, increased by the market  
13 basket percentage increase (as defined in section  
14 1886(b)(3)(B)(iii)) for the fiscal year (reduced in ac-  
15 cordance with clause (iv)); and

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

24 “(III) For purposes of this clause, the term ‘visit’  
25 means, with respect to an individual receiving hospice care

1 from a hospice program, in-person contact with such indi-  
2 vidual by staff of such program (or by others under ar-  
3 rangements with such program), not including any such  
4 contact conducted via telehealth or any other form of tele-  
5 communications technology.

6 “(ix)(I) With respect to routine home care consisting  
7 of specified hospice care (as defined in subclause (II)) fur-  
8 nished by, or under arrangements made by, a hospice pro-  
9 gram during the period beginning on October 1, 2027, and  
10 ending on September 30, 2032, in lieu of the rates other-  
11 wise payable under this subparagraph for such routine  
12 home care, the Secretary shall pay to the hospice program  
13 furnishing such care an amount equal to 400 percent of  
14 the amount payable for routine home care furnished in  
15 fiscal year 2027, increased by the market basket percent-  
16 age increase (as defined in section 1886(b)(3)(B)(iii)) for  
17 the fiscal year (reduced in accordance with clause (iv)),  
18 or such other amount determined appropriate by the Sec-  
19 retary (which may vary based on the type of service fur-  
20 nished) for each day during which such specified hospice  
21 care was furnished.

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

1           “(aa) Palliative chemotherapy or radiation fur-  
2           nished under the supervision of an oncologist and in  
3           accordance with accepted clinical guidelines.

4           “(bb) Palliative radiation therapy furnished  
5           under the supervision of an oncologist and in accord-  
6           ance with accepted clinical guidelines.

7           “(cc) Subject to such frequency limitations as  
8           the Secretary may establish, palliative blood trans-  
9           fusions furnished to an individual diagnosed with a  
10          blood cancer and furnished under the supervision of  
11          an oncologist and in accordance with accepted clin-  
12          ical guidelines.

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

15                 “(AA) the individual receiving such pallia-  
16                 tive dialysis was receiving dialysis treatments  
17                 prior to making the election under section  
18                 1812(d); and

19                 “(BB) such individual has received fewer  
20                 than 10 sessions of such palliative in-center or  
21                 home hemodialysis or the equivalent for peri-  
22                 toneal dialysis or other modalities (or, in the  
23                 case such individual has received 10 or more  
24                 such sessions or the equivalent of such sessions,

1           such session or equivalent of such session is  
2           subject to prior authorization).

3           “(x) With respect to hospice care consisting of serv-  
4       ices other than routine home care furnished during 2030  
5       or a subsequent fiscal year, the payment rates for such  
6       care shall be equal to the rates in effect for such care for  
7       the preceding fiscal year, adjusted, in the case of a speci-  
8       fied fiscal year, by the percentages specified pursuant to  
9       clause (vii) for such specified fiscal year, increased by the  
10      market basket percentage increase (as defined in section  
11      1886(b)(3)(B)(iii)) for the fiscal year (reduced in accord-  
12      ance with clause (iv)).

13          “(xi) For purposes of this subparagraph, the term  
14      ‘specified fiscal year’ means fiscal years 2030, 2035, and  
15      2040.

16          “(xii)(I) The Secretary shall, with respect to cost re-  
17      porting periods beginning during an applicable fiscal year  
18      (as defined in subclause (III)), conduct an audit of a rep-  
19      resentative sample of cost reports submitted by hospice  
20      programs.

21          “(II) The Secretary shall, for each applicable fiscal  
22      year, convene a technical expert panel for purposes of re-  
23      viewing the methodology and results of the audit con-  
24      ducted under subclause (I) with respect to such applicable  
25      fiscal year.

1       “(III) For purposes of this clause, the term ‘applica-  
2 ble fiscal year’ means fiscal years 2026, 2031, and 2036.

3       “(IV) The provisions of chapter 10 of title 5, United  
4 States Code, shall not apply to the panel established under  
5 subclause (II).

6       “(V) The Secretary shall provide for the transfer,  
7 from the Federal Hospital Insurance Trust Fund estab-  
8 lished under section 1817 to the Centers for Medicare &  
9 Medicaid Services Program Management Account, of  
10 \$10,000,000 for each of fiscal years 2027, 2032, and  
11 2037, to remain available until expended, for purposes of  
12 carrying out this clause.”.

13               (2) OUTLIER PAYMENTS.—Section 1814(i) of  
14 the Social Security Act (42 U.S.C. 1395f(i)) is  
15 amended—

16                       (A) by redesignating paragraph (7) as  
17 paragraph (8); and

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

20       “(7)(A) Subject to subparagraph (B), with respect to  
21 routine home care furnished during a fiscal year beginning  
22 on or after October 1, 2032, the Secretary may, if deter-  
23 mined appropriate by the Secretary, provide an additional  
24 payment for types of such care (such as specified hospice  
25 care (as defined in paragraph (1)(C)(ix))) specified by the

1 Secretary to account for unusual variations in the type  
2 or amount of such routine home care.

3 “(B)(i) The total amount of additional payments esti-  
4 mated to be made under subparagraph (A) for routine  
5 home care furnished during a fiscal year may not exceed  
6 5 percent of the total amount of payments estimated to  
7 be made for such care furnished during such fiscal year  
8 without application of this paragraph for such fiscal year.

9 “(ii) The total amount of additional payments esti-  
10 mated to be made under subparagraph (A) for routine  
11 home care furnished during a fiscal year to an individual  
12 hospice program may not exceed 10 percent of the total  
13 amount of payments estimated to be made for such care  
14 furnished during such fiscal year by such program without  
15 application of this paragraph for such fiscal year.

16 “(C) The Secretary shall reduce any per diem rate  
17 applicable under paragraph (1) to routine home care fur-  
18 nished during the first fiscal year for which payments are  
19 made under subparagraph (A) by such proportion as will  
20 result, not taking into account any additional payments  
21 made under subparagraph (A) for such care furnished  
22 during such fiscal year, in an aggregate reduction of 5  
23 percent in payment for such care furnished during such  
24 fiscal year.”.

25 (3) 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 October 1,  
 5 2027.

6 (4) 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 “(but only if such individual is not re-  
 19 siding in a skilled nursing facility or a nursing  
 20 facility (as defined in section 1919(a)) or, if  
 21 such individual is residing in such a skilled  
 22 nursing facility or nursing facility, only if such  
 23 services are provided on a volunteer basis in ac-  
 24 cordance with paragraph (2)(E))” after “home-  
 25 maker services”.

1 (C) EFFECTIVE DATE.—The amendments  
2 made by subparagraphs (A) and (B) shall apply  
3 to items and services furnished on or after Oc-  
4 tober 1, 2029.

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

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

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

12 (C) by striking clause (iii) and inserting  
13 the following new clause:

14 “(iii) For purposes of subparagraph (A), in the case  
15 of a specified fiscal year (as defined in paragraph  
16 (1)(C)(xi)), the ‘cap amount’ for such year is the cap  
17 amount under this subparagraph for the preceding fiscal  
18 year, adjusted by the estimated percentage change in the  
19 total amount of payment made under this part for hospice  
20 care attributable to application of the amendments made  
21 by section 3(a)(1) of the Hospice CARE Act of 2026 for  
22 such specified fiscal year and then increased by the market  
23 basket percentage increase (as defined in section  
24 1886(b)(3)(B)(iii)) for such specified fiscal year (reduced  
25 in accordance with paragraph (1)(C)(iv)).”; and

1 (D) by adding at the end the following new  
 2 clause:

3 “(iv) For purposes of subparagraph (A), subject to  
 4 clause (iii), for a fiscal year beginning on or after October  
 5 1, 2035, the ‘cap amount’ for such year is the cap amount  
 6 under this subparagraph for the preceding fiscal year, in-  
 7 creased by the market basket percentage increase (as de-  
 8 fined in section 1886(b)(3)(B)(iii)) for such fiscal year  
 9 (reduced in accordance with paragraph (1)(C)(iv)).”.

10 (b) WAGE ADJUSTING CAPS.—

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

14 (A) in subparagraph (A)—

15 (i) by striking “‘cap amount’ for the  
 16 year (computed under subparagraph (B))”  
 17 and inserting “wage-adjusted cap (as de-  
 18 fined in subparagraph (B)) for such pro-  
 19 gram and year”; and

20 (ii) by striking “subparagraph (C)”  
 21 and inserting “subparagraph (E)”;  
 22

23 (B) by redesignating subparagraphs (B)  
 24 through (D) as subparagraphs (D) through (F),  
 respectively;

1 (C) by inserting after subparagraph (A)  
2 the following new subparagraphs:

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

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

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

10 “(C) For purposes of subparagraph (B), the wage  
11 index ratio for a hospice program and a year is the ratio  
12 of—

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

15 “(ii) the aggregate payments to such program  
16 for such year under such paragraph that would have  
17 been made had such payments not been subject to  
18 any wage adjustment.”;

19 (D) in subparagraph (D), as so redesign-  
20 nated—

21 (i) by striking “subparagraph (A)”  
22 each place it appears and inserting “sub-  
23 paragraph (B)” in each such place; and

24 (ii) by adding at the end the following  
25 new clause:

1       “(v) Notwithstanding the preceding provisions of this  
2 subparagraph, for a fiscal year beginning on or after Octo-  
3 ber 1, 2026, the cap amount otherwise determined under  
4 this subparagraph for such fiscal year shall be decreased  
5 by the same percentage reduction (if any) applied to the  
6 amount of payment made under this part for such fiscal  
7 year under an order issued pursuant to section 251 of the  
8 Balanced Budget and Emergency Deficit Control Act of  
9 1985. Any reduction to the cap amount for a fiscal year  
10 under the preceding sentence shall not be taken into ac-  
11 count for purposes of determining the cap amount for any  
12 succeeding fiscal year.”; and

13               (E) by adding at the end the following new  
14 subparagraph:

15       “(G) Not later than 1 year after the date of the en-  
16 actment of this subparagraph, and annually thereafter,  
17 the Secretary shall submit to Congress and make public  
18 on the website of the Centers for Medicare & Medicaid  
19 Services a report on the calculation of hospice programs’  
20 cap amounts under this paragraph. Such report shall con-  
21 tain, with respect to each of the 5 most recent accounting  
22 years for which data is available and each hospice program  
23 receiving payments under this section for hospice care fur-  
24 nished during such year, the following:

1           “(i) Such program’s cap amount determined  
2           under such section.

3           “(ii) The percentage of such program’s cap  
4           amount paid to such program for such care.

5           “(iii) In the case payments to such program ex-  
6           ceeded such cap, any amount recouped by the Sec-  
7           retary with respect to such program.

8           “(iv) The live discharge rate of such program.”.

9           (2) IMPLEMENTATION.—Notwithstanding any  
10          other provision of law, the Secretary of Health and  
11          Human Services may implement the amendments  
12          made by paragraph (1) by program instruction or  
13          otherwise.

14          (3) EFFECTIVE DATE.—The amendments made  
15          by subparagraphs (A) through (C) of paragraph (1)  
16          shall apply with respect to payment for hospice care  
17          furnished during fiscal years beginning on or after  
18          October 1, 2027.

19          (c) MODIFICATION OF REQUIREMENTS RELATING TO  
20          SHORT-TERM INPATIENT CARE.—

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

24                         (A) in paragraph (1)—

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

7           (ii) in the flush matter following sub-  
8           paragraph (I), by adding at the end the  
9           following new sentence: “In the case of an  
10          individual who receives short-term inpa-  
11          tient care described in subparagraph (G)  
12          consisting of respite care during an elec-  
13          tion period and the furnishing of such care  
14          is immediately preceded by a hospital stay  
15          (which may include a stay for observation)  
16          during which such individual made an elec-  
17          tion described in section 1812(d)(1) for the  
18          first time during such individual’s lifetime  
19          (or if such care is immediately preceded by  
20          the furnishing of hospice care consisting of  
21          general inpatient care and such general in-  
22          patient care is immediately preceded by  
23          such a hospital stay), the first continuous  
24          15 days of such care shall not be taken  
25          into account for purposes of applying the

1 limitation on the number of days during  
2 which such care may be furnished during  
3 an election period under such subpara-  
4 graph, but only if such individual does not  
5 have sufficient caregiver support to be dis-  
6 charged to the individual's home.”; and

7 (B) in paragraph (2)—

8 (i) in subparagraph (A)(iii)—

9 (I) by striking “provides assur-  
10 ances satisfactory to the Secretary  
11 that” and inserting “ensures that the  
12 sum of”; and

13 (II) by striking “20 percent” and  
14 inserting “10 percent (or a higher  
15 percent (not to exceed 20 percent)  
16 specified by the Secretary if deter-  
17 mined necessary by the Secretary to  
18 ensure sufficient access to such inpa-  
19 tient care)”; and

20 (ii) by adding at the end the following

21 flush sentence:

22 “For purposes of subparagraph (A)(iii), the Sec-  
23 retary shall ensure that the limitation described in  
24 such subparagraph is applied, to the extent prac-  
25 ticable, on a real-time basis.”.



1           (2) ALLOWING RESPITE CARE TO BE FUR-  
2           NISHED IN RESIDENTIAL CARE FACILITIES.—Not  
3           later than October 1, 2027, the Secretary of Health  
4           and Human Services (in this paragraph referred to  
5           as the “Secretary”) shall revise section 418.108 of  
6           title 42, Code of Federal Regulations (or a successor  
7           regulation), to allow short-term inpatient care con-  
8           sisting of respite care (as described in section  
9           1861(dd)(1)(G) of the Social Security Act (42  
10          U.S.C. 1395x(dd)(1)(G))) to be furnished in residen-  
11          tial care facilities (as defined by the Secretary) that  
12          only provide care to individuals receiving hospice  
13          care (as specified by the Secretary) and that meet  
14          such standards relating to health and safety as the  
15          Secretary may specify (which may be based on State  
16          licensure requirements applicable to such facilities).

17          (3) EFFECTIVE DATE.—The amendments made  
18          by paragraph (1) shall apply to hospice care fur-  
19          nished on or after October 1, 2027.

20          (d) HOSPITAL DISCHARGE PLANNING REQUIRE-  
21          MENTS.—

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

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

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

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

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

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

18 (D) by striking the period and inserting “;  
19 and”; and

20 (E) by adding at the end the following new  
21 clause:

22 “(iii) in the case of individuals who  
23 are likely eligible for hospice care, the  
24 availability of such care (including the  
25 availability of respite care described in sub-

1 section (dd)(1)(G)) through hospice pro-  
2 grams that participate in the program  
3 under this title and that serve the area in  
4 which the patient resides.”.

5 (2) EFFECTIVE DATE.—The amendments made  
6 by paragraph (1) shall apply with respect to dis-  
7 charges occurring on or after October 1, 2027.

8 (e) PAYMENT FOR RESPITE CARE FURNISHED IN  
9 THE HOME.—

10 (1) IN GENERAL.—Section 1861(dd)(1) of the  
11 Social Security Act (42 U.S.C. 1395x(dd)(1)) is  
12 amended—

13 (A) in subparagraph (H), by striking  
14 “and” at the end;

15 (B) by redesignating subparagraph (I) as  
16 subparagraph (J); and

17 (C) by inserting after subparagraph (H)  
18 the following new subparagraph:

19 “(I) short-term home respite care furnished to  
20 an individual on or after October 1, 2029, that—

21 “(i) is furnished in the place of residence  
22 used as such individual’s home (other than a  
23 skilled nursing facility, a nursing facility (as de-  
24 fined in section 1919(a)), an assisted living fa-

1           cility (as defined by the Secretary), or another  
2           facility specified by the Secretary);

3                 “(ii) is furnished on an intermittent, non-  
4           routine, and occasional basis;

5                 “(iii) is furnished for not more than 120  
6           hours during any 90-day period described in  
7           section 1812(d)(1) (or, in the case such indi-  
8           vidual is 60-day period described in such sec-  
9           tion, for not more than 80 hours during such  
10          period); and

11                 “(iv) meets such other requirements as the  
12          Secretary may specify.”.

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

16                         (A) in clause (iii), by striking “through  
17                         (x)” and inserting “through (x) and clause  
18                         (xiii)”; and

19                         (B) by adding at the end the following new  
20          clause:

21                 “(xiii) With respect to short-term home respite care  
22          furnished to an individual during fiscal year 2030 or a  
23          subsequent fiscal year, the rates payable for such care  
24          shall be equal to the sum of the per diem rate established  
25          for routine home care for such fiscal year and an hourly

1 rate established by the Secretary, except that in no case  
2 may such rate payable for such short-term home respite  
3 care furnished in a 24-hour period exceed the rate of pay-  
4 ment for general inpatient care furnished during such a  
5 period.”.

