



June 9, 2024

Dr. Mehmet Oz, Administrator
Center for Medicare and Medicaid Services Department of Health and Human Services
200 Independence Ave, SW
Washington, DC 20201

Subject: **(CMS-1835-P)** Medicare Program; (FY) 2026 Hospice Wage Index and Payment Rate Proposed Rule

Electronically via: <http://www.regulations.gov>

Dear Administrator Oz,

Trinity Health at Home (THAH), a National Health Ministry of Trinity Health, is a faith-based organization that provides Hospice Care to patients in eight states; our average daily census exceeds seven hundred patients. Trinity Health is one of the largest not-for-profit, faith-based health care systems in the nation. It is a family of 127,000 colleagues and over 38,000 physicians and clinicians caring for diverse communities across twenty-six states. Nationally recognized for care and experience, the Trinity Health system includes 93 hospitals, 107 continuing care locations, the second largest PACE program in the country (a total cost of care program), 142 urgent care locations and many other health and well-being services. In fiscal year 2024, the Livonia, Michigan-based health system invested \$1.3 billion in its communities in the form of charity care and other community benefit programs. Our comments and recommendations reflect a strong interest in public policies that support better health, better care, and lower costs to ensure affordable, high quality, and people-centered care for all. In addition, the comments below are recommendations on modifications to the Medicare fee-for-service payment system. Many of these issues would be lessened, or in some cases eliminated, if CMS gave non-profit health systems, such as Trinity Health, more accountability in total cost of care payment and delivery arrangements.

Our comments on the proposed payment rule for Hospice is provided with a sense of urgency. As our population ages, the Hospice Medicare benefit becomes increasingly important and the ability to remain financially sustainable and continue to serve the most vulnerable patient populations is threatened by high labor costs, workforce shortages, inflationary demands and bad actors entering the Hospice market with no intention of providing needed end-of-life services. Any payment update should be reflective of sustainability in an ever-growing difficult environment.

Our Comments are as follows:

2026 Proposed Payment Updates: THAH is concerned that the proposed payment increase of 2.4% fails to cover the increases in cost of care in the current healthcare environment due to staffing shortages, labor costs, and inflation on medical supplies and pharmaceuticals. THAH and other healthcare industry providers have had to increase wages and provide sign-on bonuses to recruit and retain clinical staff. We are often competing against other Hospice providers for the same staff in many markets. To be competitive and remain fully staffed, we have had to increase our pay rates. In FY25, labor costs (wages & benefits) have increased 5.3% and are expected to increase an additional 4.5% in FY26.

In addition, although THAH has contracted rates for DME and pharmacy, when the contracts are up for renewal, the inflation will be factored in. DME inflation is averaging 3%, medical supplies 2.83%, and pharmacy costs 3.1%. The economic impact related to tariffs and economic policy changes



with the new administration creates uncertainty for THAH as well. The proposed 2.4% increase does not come close to matching our increases in costs.

THAH asks CMS to increase the Hospice payment rate to be reflective of the current workforce and inflationary environment.

Proposed Hospice Cap: CMS proposes a hospice cap amount for the FY 2026 cap year of \$35,292.51, which is equal to the FY 2025 cap amount (\$34,465.34) updated by the proposed FY 2026 hospice payment update percentage of 2.4%. THAH agrees with the proposed Hospice Cap.

Hospice Admission Requirements: CMS proposes to update 42 C.F.R. § 418.25 to add "physician member of the hospice interdisciplinary group" as a physician who can make a recommendation for admission to hospice. THAH agrees with this update to the regulation.

Request for Information on Streamlining Regulations and Reducing Administrative Burdens in Medicare: THAH requests the following regulation be amended or eliminated:

DRUG ENFORCEMENT ADMINISTRATION

Proposed Regulation: Special Registrations for Telemedicine and Limited State Telemedicine Registrations

Trinity Health at Home requests the rescission of this proposed rule based on its burdensome nature and the costs imposed on small entities, and for the Administrator of the Drug Enforcement Administration (DEA) and the Secretary of Health and Human Services to use existing authority, provided them by the Ryan Haight Online Pharmacy Consumer Protection Act of 2008, to jointly provide exemptions to hospice and skilled nursing providers from any future similar rules.

Code: [DEA-407: Special Registrations for Telemedicine and Limited State Telemedicine Registrations.](#)

Trinity Health at Home strongly encourages the DEA to revise these rules, in consultation with stakeholders, to further account for providers who serve equally vulnerable individuals outside of nursing homes and hospices, including providers serving palliative care patients and home health patients.

We fully understand the difficult situation the DEA finds itself in regarding protecting against the abuse of controlled substances while also ensuring Americans can access needed medicine and use telemedicine consultations as a method of access. We also agree that guardrails are needed around telehealth utilization broadly and most especially when there is a high-risk situation such as overprescribing of controlled medications. However, Trinity Health at Home is seriously concerned that the proposed rule laid out by DEA will only further limit access to critical drugs for the vulnerable older adults, especially those at end of life.

We do not believe prescribing controlled medications using telehealth for hospice patients or residents in long-term care is a high-risk situation that requires the guardrails outlined in DEA's proposed rule. Furthermore, the consequences of adding additional oversight to hospice and skilled nursing clinical practitioners, especially with requirements for prescribing schedule II-controlled substances which are critically needed in these settings, would not only be burdensome but would also create catastrophic access issues for the older adults these settings serve. We are most concerned regarding the unduly restrictive nature of the guardrails for schedule II-controlled substances which are commonly found in these care settings.



As CMS reviews regulatory burdens on providers, it would be prudent for the Agency to consider the impact of some regulations on the patient and family. Today's network of post-acute care is difficult to navigate. Seniors who are transitioning between levels of care oftentimes do not clearly understand the maze of care levels including why they are transitioning, what the requirements are, and what Medicare and/or Medicaid will pay for if anything. It is a regulatory maze of rules and guidelines that often differ by state and provide little to no guidance for families dealing with the needs of a loved one. Trinity Health encourages CMS to establish a work group of post-acute providers to define and ultimately produce guidance for people, both patient and families, who are navigating the post-acute care continuum. Trinity Health Continuing Care would be honored to assist CMS in this task.

THAH appreciates the opportunity to comment on the proposed Hospice Payment Update and Deregulation. Hospice has been proven to save Medicare dollars while serving the terminally ill Medicare beneficiary with greater satisfaction, improved pain management, reduced distress, and family/caregiver support. The value of the program is certainly not at issue but sustaining it at a payment rate that supports the agency's providing this level of care should be.

THAH asks CMS to increase the Hospice payment rate to be reflective of the current workforce and inflationary environment.

If you have any questions, please feel free to contact Donna Wilhelm, Vice President of Advocacy for Trinity Health Continuing Care at donnaw@trinity-health.org.

Sincerely,

/s/

Don Mathews
Trinity Health at Home
Vice President of Hospice