

2025

Hospice Value-Based Incentive (VBI) Program

Technical Guide



Hospital and Ancillary Relations Team
AncillaryRelationsServiceTeam@iehp.org

Follow us:



Contact: QualityPrograms@iehp.org

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TABLE OF CONTENTS

Program Overview

Participation Requirements 1

Program Terms and Conditions..... 2

Financial Overview & Performance Targets 3

Financial Calculations..... 4

Payment Schedule..... 5

Program Measures

Core Measures

Consumer Assessment of Healthcare Providers & Systems (CAHPS) Hospice
Composite Score..... 7

Hospice Visits in the Last Days of Life (HVLDDL)..... 8



PROGRAM OVERVIEW

Inland Empire Health Plan (IEHP) is pleased to announce its inaugural year of the Hospice Value-Based Incentive (VBI) program. This program underlines IEHP’s commitment and support to our partners by providing financial incentives to hospice providers that meet quality performance targets and demonstrate the delivery of high-quality care to IEHP members.

The 2025 Hospice VBI program includes two (2) individual measures:

1. Consumer Assessment of Healthcare Providers & Systems (CAHPS) Hospice Composite Score
2. Hospice Visits in the Last Days of Life (HVLDDL)

✓ Participation Requirements

- Hospice providers within Riverside and San Bernardino counties or other identified areas with emerging needs for IEHP members must have an active IEHP hospice contract at the beginning of the measurement year (2025) and be eligible for inclusion in the Quality Hospice Network (QHN). Requirements for network inclusion can be found in the current published Provider Manual.
- Hospice providers must be in good standing with IEHP throughout the program year. This is defined as a provider currently contracted with the health plan for the delivery of services, not pursuing any litigation or arbitration, or has a pending claim pursuant to the California Government Tort Claim Act (Cal. Gov. Code §§ 810, et. seq.), which is unresolved filed against Plan at the time of program application or at the time additional funds may be payable and has demonstrated the intent, in Plan's sole determination, to continue to work together with Plan on addressing community and Member issues. Additionally, at the direction of the Chief Executive Officer (CEO) or their designee, Plan may determine that a Provider is not in good standing based on relevant quality, payment, or other business concerns.

Entity Reporting:

- Contracted hospice providers must have quarterly reported, publicly available data is a requirement to participate in the Hospice VBI program.
- Contracted hospice providers must actively participate in the Centers for Medicare & Medicaid Services (CMS) program that requires publicly reportable data and must submit data timely as per IEHP/ CMS/ Hospice Quality Reporting Program (HQRP) standards.

Data Submission:

- When available, Hospice providers must complete an update to their IEHP Hospice Profile as requested, approximately twice per year.
- Hospice providers must participate in member experience and member quality gap analysis, educational, and other strategic or quality-related workgroups, or events, as requested by IEHP. This will be limited to no more than six requests throughout the calendar year.

✓ Program Terms and Conditions

- Participation in the Hospice VBI Program, as well as acceptance of incentive payments, does not modify or supersede any terms or conditions of any agreement between IEHP and providers, whether that agreement is entered before or after the date of this communication.
- There is no guarantee of future funding for, or payment under, any IEHP provider incentive program. The Hospice VBI Program and/or its terms and conditions may be modified or terminated at any time, with or without notice, at IEHP's sole discretion.
- Criteria for calculating incentive payments are subject to change at any time, with or without notice, at IEHP's sole discretion.
- In consideration of IEHP's offering of the Hospice VBI Program, participants agree to fully and forever release and discharge IEHP from all claims, demands, causes of action, and suits, of any nature, relating to or arising from the offering by IEHP of the Hospice VBI Payment Program.
- The determination of IEHP regarding performance scoring and payments under the Hospice VBI Payment Program is final. If a potential discrepancy in performance scoring is identified, the responsibility will be on the provider to demonstrate measure compliance.
- Validation: Hospice VBI Program data is subject to retrospective validation and must pass all quality assurance checks. Recoupment of incentive payments may occur if the retrospective review of submitted claims fails medical record validation.
- Hospice providers will not charge IEHP for medical records and other health plan operational activities.

NOTE: If you disagree with your hospice's performance report, you may submit a request for dispute research by submitting dispute inquiries to QualityPrograms@iehp.org. All disputes for research must be submitted within 90 days of the distributed performance report.

✓ Financial Overview & Performance Targets

For the 2025 program year, each participating hospice provider is eligible for up to the equivalent of 5% VBI payment of all paid hospice claims for the below-listed hospice revenue codes. (excluding Room and Board claims).

Revenue Codes	
Description	State Program Codes (Medi-Cal)
Continuous Home Care Days (CHC)	652
General Inpatient Level of Care (GIP)	656
Physicians Services	657
Respite Care	655
Routine Home Care (high rate) 60 days of care	650
Routine Home Care (low rate) 61+ days of care	659
Routine Home Care, SIA (last 7 days of life)	552

The chart below summarizes the Hospice VBI program measures, data sources, performance targets, and distribution of incentives for each measure. Hospice providers are eligible for incentives only if the performance target is met.

2025 Measure Performance Targets				
Quality Measure	Data Source	Performance Targets	Distribution of Incentive	Total Distribution of Incentive
1 CAHPS Hospice Composite Score	CMS Care Compare	Tier 1: Score \geq State Benchmark	30%	60%
		Tier 2: Score \geq National Benchmark	30%	
2 Hospice Visits in the Last Days of Life (HVLDL)	CMS Care Compare	Tier 1: % of Visit \geq State Benchmark	20%	40%
		Tier 2: % of Visits \geq National Benchmark	20%	

✓ Financial Calculations

Incentive amounts for each measure are determined bi-annually and will be calculated on the following (per hospice):

- Total claims for eligible revenue codes for IEHP members in hospice
 - VBI Payout #1 = Sum of paid eligible ¹hospice claims at 100% Prevailing Medi-Cal (Q1+Q2 2024)
 - VBI Payout #2 = Sum of paid eligible ¹hospice1 claims at 100% Prevailing Medi-Cal (Q3+Q4 2024)
- Claims for members with a hospice service length of stay greater than 12 months will be excluded from the value-based incentive calculation. Note: Length of stay begins on initial day of hospice admission; regardless of servicing provider.

Step 1: Determine the amount of VBI dollars available:

[Sum of paid eligible hospice claims (Q1+Q2 or Q3+Q4)] X 5% = VBI dollars available

Step 2: Determine the eligible distribution percentage:

Add distribution percentage for the metrics that met or exceeded the benchmark during the corresponding measurement period.

[Distribution % metric 1 + Distribution % metric 2] = Eligible distribution percentage

Step 3: Determine VBI payout amount:

[VBI dollars available X Distribution percentage] = VBI payout amount

EXAMPLE: Hospice X (Payout #1)

Per data refresh in May of 2025, Hospice X met state benchmarks for CAHPS. They meet the national benchmark for HVLDL.

Step 1: Determine the amount of VBI dollars available =

Q1 2024 = \$65,000

Q2 2024 = \$85,000

Total eligible paid claims = \$150,000

[\$65,000 + \$85,000] x 0.05 = \$7,500

Step 2: Determine the eligible distribution percentage = [30% + 40%] = 70%

Step 3: Determine VBI payout amount = [7,500 X 0.70] = \$5,250

*Eligible distribution percentage for each measure will be dependent on whether the hospice provider meets the performance target

¹ Eligible hospice claims exclude room and board costs

✓ Payment Schedule

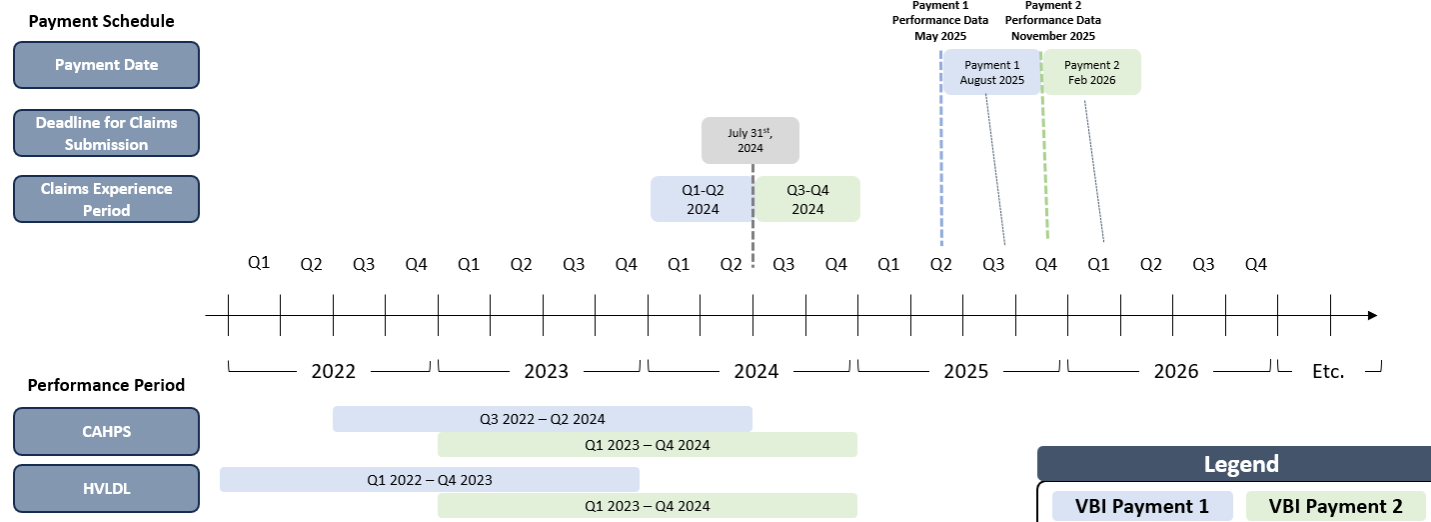
The chart below summarizes the 2025 Hospice VBI Program payment schedule. There are a total of two (2) payments commencing August 2025 and extending through February 2026.

Reporting & Payment Schedule		
	VB1 Payment #1	VB1 Payment #2
Payment Distribution <i>Payment will be distributed in this month and year</i>	August-2025	February 2026
Payment Period <i>VB1 payment will be based on total eligible claim value with a date of service from this period</i>	Q1 - Q2 2024	Q3 - Q4 2024
Deadline for Claims Submission <i>Claims eligible for VB1 calculation will be submitted no later than this date</i>	June 31, 2025	December 31, 2025
Data Available <i>Data will be available this month and year</i>	May-2025	November-2025
Measurement Periods <i>Data from these time periods will be used to calculate payment</i>		
CAHPS	Q3 2022 - Q2 2024	Q1 2023 - Q4 2024
HLVDL	Q1 2022 - Q4 2023	Q1 2023 - Q4 2024



2025 HOSPICE VBI PROGRAM MEASURES

2025 Measurement Period – Reporting & Payment Schedule



✓ Measure Name: CAHPS Hospice Composite Score

IEHP is committed to helping hospice providers ensure exceptional quality outcomes for our members, your patients. One way to evaluate the overall quality of care provided by a hospice provider is to assess their CAHPS Hospice Composite Score. The CAHPS Hospice Survey was designed to measure and assess the experiences of patients who died while receiving hospice care, as well as the experiences of their primary caregivers. Survey results are published on Care Compare at Medicare.gov. To comply with CMS' quality reporting requirements, all eligible hospices are required to contract with an approved survey vendor to collect data using the CAHPS Hospice Survey on an ongoing monthly basis. Hospice providers must have publicly available CAHPS Composite scores regardless of whether they qualify for a Medicare waiver, to be eligible to participate in IEHP's VBI program. Selected Quality Hospice Network (QHN) providers qualify for a VBI payment only if their CAHPS Hospice score is \geq State benchmark.

Methodology:

CAHPS Hospice Survey measure scores are calculated across eight (8) rolling quarters and are published quarterly for all hospices with 30 or more completed surveys over the reporting period. For each CAHPS Hospice Survey measure, CMS calculates a mean top-box score for each hospice using a weighted average of top-box scores across all quarters of data in the reporting period. These measures consist of many components with multiple requirements for calculation.

The standardized 47 question CAHPS Hospice Survey instrument is composed of the following measures:

- 1) Communication with Family
- 2) Getting Timely Help
- 3) Treating Patient with Respect
- 4) Emotional and Spiritual Support
- 5) Help for Pain and Symptoms
- 6) Training Family to Care for Patient
- 7) Rating of this Hospice
- 8) Willingness to Recommend this Hospice

References:

[\(CAHPS Hospice Survey Fact Sheet, 2024\), CAHPS® Hospice Survey | CMS](#)

✓ Measure Name: Hospice Visits in the Last Days of Life

IEHP is committed to ensuring that all members receive optimal care during the last days of life. IEHP has selected this measure as it aligns with the improvement of quality scores for our members, your patients. Along with the improvement of quality, this measure has no additional data burden as data is already requested on claims. Hospice Visits in the Last Days of Life (HVLDDL) assesses visits made to a patient by a registered nurse or medical social worker at least two out of the final three days of a patient's life. This measure is constructed from Medicare hospice claims records. It indicates the hospice provider's proportion of patients who have received in-person visits from a registered nurse or medical social worker on at least two (2) out of the final three (3) days of the patient's life. Providing these visits can also help with the CAHPS Survey scores, following a member's death. Selected QHN providers qualify for a VBI payment only if their % of Days \geq State benchmark.

Methodology:

HVLDDL visits are publicly reported and obtained from Medicare.gov, Care Compare data for the individual hospice provider, during the specified reporting period.

References:

[HVLDDL Resource.pdf \(nhpco.org\)](#)

[Hospice Visits in Last Days of Life \(HVLDDL\) Measure Specifications \(cms.gov\)](#)

