

## **Analysis Highlights Major Data Limitations of CMS' Hospice Special Focus Program (SFP) – Changes Needed to Ensure Program Protects Beneficiaries & Identifies Poor-Performing Hospices**

### **BACKGROUND:**

The HOSPICE Act, part of the Consolidated Appropriations Act of 2021, required CMS to develop a Hospice Special Focus Program (SFP) for hospices that struggle with quality care delivery who substantially fail to meet Medicare program requirements. The SFP aims to identify poor-performing hospices for additional oversight and education, to either improve their performance or, if appropriate, terminate them from the Medicare program. Using data posted by CMS in November 2024, CMS plans to publicly publish both those hospices that are selected for the SFP, as well as those that are in the bottom 10% of performers nationwide based on the SFP algorithm.

Despite concerns about the SFP methodology that have been raised by both the hospice community and bipartisan members of Congress, CMS is proceeding with its flawed approach to the program. **This could negatively impact beneficiary access to quality end-of-life care, as patients and families may be steered away from hospices wrongly identified as poor-performers, and instead be referred to truly low-quality providers that have evaded the SFP because of its faulty algorithm.**

**There is no statutory deadline for CMS to launch the Hospice SFP. It is more important to get the SFP right than to launch it quickly, to ensure those hospices most in need of oversight receive appropriate attention. CMS is authorized to take the time necessary to work with stakeholders to ensure that the Hospice SFP correctly identifies the worst hospice performers.**

### **NEW ANALYSIS: CMS' SFP BUILT ON INCOMPLETE AND NOT PUBLICLY AVAILABLE DATA**

- **Inadequate and Incomplete Data:** *“Inadequate access to the data and incomplete data from survey backlogs prevented M+ from fully evaluating whether CMS methodology will correctly identify the absolute worst performers in the hospice industry.”*
- **Potential Beneficiary and Reputational Harm:** *“Because CMS envisions making the bottom 10% list public, data deficiencies could lead to significant reputational and financial harm to hospices that are incorrectly identified, even if later analysis reveals that they should not have been selected. Inaccurate selection could also have negative implications for beneficiaries if they are unwittingly steered toward poor performing providers.”*
- **Survey Backlogs Decrease Confidence:** *“The high rate of hospice providers that are not being timely surveyed in accordance with federal law reduces confidence that the Hospice SFP will accurately identify the lowest 10% of performers, because not all hospice providers will have sufficient data to be accurately evaluated.”*
- **Missing Survey Data Allow Poor Performers to Fly Under the Radar:** *“The Hospice SFP focuses on hospice providers in the bottom 10% based on performance, but this high rate of missing survey data could allow the poorest performing hospice providers to avoid being (correctly) assigned to the bottom 10% – and therefore render them ineligible for the Hospice SFP.”*
- **Methodological Flaws Benefit Hospices without Survey Data:** *“For the Hospice SFP algorithm, hospices with missing survey data are assigned the average number of CLDs...by CMS. This methodological decision by CMS may slightly reduce the chance that poor performing hospices with missing survey data will be selected for the bottom 10%... and may make some hospices with missing survey data achieve a better score... than if they had actually been surveyed.”*
- **Predicting Survey Performance Does Not Accurately Identify the Worst Performers:** *“M+ believes that it is not methodologically sound to “predict” the number of CLDs in a program designed to identify the worst performing providers. Nor is it methodologically sound to impute the average number of CLDs for hospices that have not been surveyed in the last 36 months.”*

- **Overweighting Missing CAHPS Data Penalizes Hospices that Report Quality Data:** *“CMS’s current methodology of doubling the weight for CAHPS relative to all other metrics, even though CAHPS is missing for more than two-fifths of providers, will likely lead to some hospices being unfairly placed on the bottom 10% list instead of more deserving providers without CAHPS data.”*

**POLICY RECOMMENDATIONS:**

- CMS should not publish the bottom 10% list until the algorithm is refined and data abnormalities are addressed.
- CMS should make publicly available all the data used to develop the SFP list and the selection algorithm itself.
- CMS should provide hospices with a preview of their SFP scores before the public release and allow hospice providers to evaluate the accuracy of the data and provide corrections if needed.
- Per a May 2024 GAO report<sup>1</sup>, CMS should expeditiously close the large survey backlog for hospices that have not been surveyed in the past 36-months to ensure complete data to inform accurate selection of hospices for the SFP.
- CMS should collaborate with stakeholders to immediately refine the SFP methodology, to ensure that those most in need of oversight receive appropriate attention and receive the tools to help them improve quality of care.

---

<sup>1</sup> GAO. [Medicare Hospice: CMS Needs to Fully Implement Statutory Provisions and Prioritize Certain Overdue Surveys. May 2024.](#)