

Administration Wants Permanent HHVBP, New Hospice Value-Based Purchasing

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The Biden administration is angling to make the Home Health Value-Based Purchasing (HHVBP) model permanent.

It was one of several initiatives announced in the president's FY 2025 budget, released March 11, 2024.

Budget items that require additional spending are likely dead on arrival in the Congress. But the HHVBP proposal, which is budget neutral, has a better chance of becoming law, notes William Dombi, president of the National Association for Home Care & Hospice. Dombi was speaking March 14 on an industry update webinar hosted by the Polsinelli law firm.

HHVBP expanded into a national model in 2022, with payment adjustments of up to 5% expected to begin in January 2025. HHVBP uses results from key quality measures around patient improvement, rehospitalization and patient satisfaction.

In announcing the health care items included in the budget, the Department of Health and Human Services (HHS) stated HHVBP has "successfully improved the quality of home healthcare at lower cost without evidence of adverse risks."

Hospice value-based proposal

HHS also noted a proposal to expand value-based purchasing programs to include hospice, beginning in 2027.

"Total rewards and payment adjustments for each new value-based purchasing program would be budget neutral and HHS may grant hardship exemptions," the budget presentation noted.

Dombi noted that HHVBP has been a notable exception as a savings winner for CMS compared to other existing value-based programs that have only been "modestly successful."

RCD past May?

Dombi noted that the budget seemed to allude to CMS' plans to continue the six-state Home Health Review Choice Demonstration (RCD), currently expected to sunset at the end of May.

There was no indication RCD would become permanent, but Dombi said it's something that will need to be watched closely.

Providers in RCD states face an additional layer of claim review, predominantly through pre-claim review.

Expanding health equity in OASIS

The budget proposal also looks to add a new category of standardized patient assessments data: the social "drivers of health."

HHS notes the new data for home health and several other post-acute providers could include transportation, housing, social isolation and food insecurity — similar to other settings.

"New data would enable real-time information exchange between the healthcare system and those entities best equipped to address individual needs —activating government, community agencies and healthcare providers to work together to support individuals of underserved populations and respond to public health needs," HHS notes in the budget proposal.