

Written Testimony of the Maryland Advisory Council on Serious Illness Care

In Support of House Bill 1151/SB 611 – Maryland Department of Health – Study on Maryland Medical Assistance Program Reimbursement of Hospice Room and Board Services

Before the House Health Committee

Chair Bagnall, Vice Chair Cullison, and Members of the Committee:

Before the Senate Finance Committee

Chair Beidle, Vice Chair Hayes, and Members of the Committee:

The Maryland Advisory Council on Serious Illness Care respectfully submits this written testimony in strong support of House Bill 1151/SB 611, which requires the Division of Health Care Financing and Medicaid within the Maryland Department of Health to study the impact of requiring the Maryland Medical Assistance Program to provide reimbursement for room and board services provided by hospice houses, as defined in COMAR 10.07.22.02.

The problem: a gap in Maryland Medicaid hospice coverage

Under current federal and state Medicaid hospice policy, residential hospice facilities—sometimes called hospice houses—can receive reimbursement for hospice services (nursing, physician, counseling, medications, and other hospice supports) but not for the room and board costs associated with overnight stays. Unlike nursing facilities or hospitals, where room and board is bundled into reimbursement, patients or families using residential hospice must privately pay or rely on philanthropy to cover these costs, which can range from hundreds to thousands of dollars.

This reimbursement gap disproportionately affects Medicaid beneficiaries and low-income families, who often face impossible choices: remain in a hospital or emergency setting where they do not wish to die, discharge home without adequate caregiver support or safe housing, or forgo hospice house care entirely because they cannot afford the room and board charges. The result is that some of Maryland's most vulnerable residents—those living with serious illness who would benefit from a peaceful, homelike setting—are denied access to this evidence-based model of care. Maryland currently ranks 37/50 states for Medicare deaths in hospice so anything to promote increased use of hospice is to be desired.

Why this study is needed now

HB 1151/SB 611 recognizes that policymakers need data to understand the full impact of closing this coverage gap. The bill requires MDH to:

1. Quantify overall Maryland Medical Assistance Program savings per death as a result of the use of hospice care—establishing the baseline cost-effectiveness of hospice.

2. Examine how reimbursement for room and board services would:

- Affect hospice readmission rates (ensuring continuity and appropriateness of setting)
- Improve hospice length of stay (allowing earlier enrollment and better symptom management)
- Reduce deaths in hospitals (honoring patient preferences for place of death and reducing acute care costs)
- Reduce emergency department utilization (preventing crises through proactive residential hospice support).

These are precisely the right questions. Maryland has invested in palliative care infrastructure, advance care planning, and hospice quality, but we lack state-specific data on the care, quality, and cost implications of Medicaid reimbursement for hospice house room and board. This study will provide the General Assembly and MDH with the evidence needed to make informed policy and budget decisions.

The Advisory Council's perspective

The Maryland Advisory Council on Serious Illness Care was established to advance access to high-quality serious illness care and to reduce disparities in care for people living with advanced, chronic, or life-limiting conditions. Hospice houses are a critical component of the serious illness care continuum—they serve patients who need round-the-clock support but do not require the intensity of hospital care, who live alone or lack adequate home caregiving, or who face housing instability or unsafe environments.

Current Medicaid policy effectively rations this resource by ability to pay, not by clinical need. The study mandated by HB 1151/SB 611 will clarify whether covering room and board:

- Produces net savings to Maryland Medicaid by preventing costly hospitalizations and emergency visits
- Improves quality and patient-centeredness by enabling earlier hospice enrollment and reducing late transitions
- Advances health equity by removing financial barriers that currently exclude low-income Marylanders.

We also note that the study is appropriately scoped and time-limited. MDH is required to report findings to the Senate Finance Committee and the House Health Committee by September 30, 2026, allowing the 2027 legislative session to act on the findings if the data support a coverage change.

Recommended study considerations

To maximize the value of the study, we respectfully recommend that MDH:

- Use Maryland-specific data from the Medicaid program, CRISP (the state health information exchange), and residential hospice providers where available, supplemented by multistate or national hospice research where Maryland data is limited.
- Engage stakeholders including hospice houses, hospice providers, Medicaid managed care organizations, hospital systems, and representatives of seriously ill Medicaid beneficiaries to inform study design and interpretation.
- Examine equity dimensions by analyzing utilization, costs, and outcomes across race, ethnicity, geography (urban/rural), disability status, and other demographic factors.
- Consider alternative reimbursement models if appropriate, such as tiered per diem rates, means-tested cost sharing, or targeted eligibility criteria that balance access with fiscal sustainability.

Conclusion

House Bill 1151/SB 611 is a thoughtful, evidence-driven approach to addressing a significant gap in Maryland's hospice coverage for Medicaid beneficiaries. It does not mandate a policy change—it mandates the analysis needed to determine whether such a change would improve care, reduce costs, and advance equity. The Advisory Council believes this study is overdue and will provide critical information for Maryland's ongoing efforts to ensure that all residents, regardless of income or insurance status, have access to dignified, high-quality care at the end of life.

For these reasons, the Maryland Advisory Council on Serious Illness Care respectfully urges a favorable report on House Bill 1151/SB 611.

Thank you for your consideration.

Respectfully submitted,

Marian Grant

Dr. Marian Grant, DNP, ACNP-BC, ACHPN, FPCN, FAAN, RN

Chair, [Maryland Advisory Council on Serious Illness Care](#)

Mariangrant1@icloud.com