

CMS To Discontinue Hospice Component of Medicare Advantage (MA) Value Based Insurance Design (VBID) Model in CY 2025

To: NHPCO Provider and State Members
From: NHPCO Regulatory and Quality Teams
Date: March 4, 2024

On March 4, 2024, the Centers for Medicare & Medicaid Services (CMS) [announced](#) the termination of the hospice component of the VBID Model, effective December 31, 2024. CMS cited feedback from providers, beneficiaries, and MA Organizations (MAOs) about their experience with VBID as the reason for discontinuing the hospice component of the model. CMS will no longer be accepting applications for the calendar year (CY) 2025 Request for Applications. This means hospice will no longer be a part of the VBID model beginning January 1, 2025. Hospice providers currently contracted with MAOs will continue with their contracts for CY 2024. CMS will issue additional guidance later this year.

This follows over five years of advocacy and engagement by NHPCO, including meetings and official filings with the CMS VBID team in [February 2024](#), [August 2022](#), [August 2021](#), and [Spring 2020](#).

CMS will continue the VBID model without the hospice component with the goal of enhancing care coordination, optimizing cost, and delivering equitable, high-quality, person-centered care to Medicare beneficiaries.

Any questions can be directed to innovation@nhpco.org with 'VBID' in the subject line.

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