

## Eli's Hospice Insider

### Hospice News: Market Pressures Squeeze Hospices

Tough reimbursement times are taking their toll on providers nationwide.

**In Arizona:** The state's largest hospice provider, **Hospice of the Valley**, is laying off 100 workers, reports the Phoenix Business News.

Hospice census is down 20 to 40 percent nationally, executive director Susan Levine told the newspaper. "It's still a mystery," she said. "We should have had a little uptick as an indirect result of preparation for the Affordable Care Act. Instead of that, we've had a downtick. That part baffles us."

A large-scale crackdown on hospices, including the high-profile audit of now-bankrupt San Diego Hospice, may have a "chilling effect" on hospice referrals, Levine mused.

Levine first tried measures ranging from turning up the air conditioner thermostat a few degrees to freezing hiring and manager salaries to cut costs. But it soon became apparent that layoffs were necessary due to the patient census falling.

**In North Carolina:** Gaston Hospice in Gastonia, N.C. is laying off nine of its 110 workers, reports the Gaston Gazette. The laid off employees are nurses and nursing assistants.

"Medicare has been disallowing more and more hospice stays for patients, making it difficult to receive reimbursement in many cases," Gaston Hospice Executive Director Richard Lahm told the Gazette. "Also, the federal budget sequestration that started in January of this year significantly reduces the reimbursements we receive."

The layoffs come after the hospice increased its inpatient beds from six to 13 at its Robin Johnson House facility, the newspaper notes.

**In Vermont:** The **Rutland Area Visiting Nurse Association & Hospice** will buy Southwestern **Vermont Health Care's Visiting** Nurse Association for \$850,000, pending regulatory approval, reports the Bennington Banner.

Current SVHC employees will be offered similar jobs with Rutland, the newspaper says. SVHC will be renamed the **VNA and Hospice of Southwestern Vermont**.

The VNAs aim to reduce costs and improve care coordination with the merger, says Rutland CEO Ron Cioffi. The new organization plans to add services, possibly including private duty nursing, community wellness, and specialty nursing, such as wound and ostomy care and psychiatric nursing, the newspaper says.

**In Florida:** Hospice by the Sea and Hospice of Palm Beach County/Hospice of Broward County are merging, reports the Sun-Sentinel newspaper. Both Florida hospices are 35-year-old nonprofits.

The hospices hope to benefit from economies of scale in the face of greater regulation and lower reimbursement, the newspaper notes. The combined agency plans to serve 1,800 hospice patients daily, including those in 10 inpatient hospice facilities.