

Eli's Hospice Insider

Know Your Facts: LOS Is Down, But MedPAC Still Wants A Hospice Pay Freeze

Neuro conditions lead the pack for long stays.

When you struggle day in and day out to furnish hospice services to your patients under your reimbursement, why does MedPAC think you don't need a pay increase in 2016? Take a look at these 2013 statistics **Medicare Payment Advisory** Commission members used to decide to recommend no payment update next year:

- Average length of stay decreased from 88.0 days in 2012 to 87.8. But that's up from 53.5 days in 2000.
- Between 2000 and 2013, hospice LOSs at the 90th percentile grew substantially, increasing from 141 days to 246 days. But growth in very long stays has slowed in recent years. Between 2008 and 2011, the 90th percentile of length of stay grew six days; between 2011 and 2012, it grew five days; and in 2013 it was unchanged.
- Patients with neurological conditions and cancer have similar LOSs at the 10th percentile and 25th percentile. However, compared with cancer patients, those with neuro conditions have stays that are about two weeks longer at the 50th percentile, about three months longer at the 75th percentile, and about 10 months longer at the 90th percentile.
- LOS differences across assisted living facility, skilled nursing facility, and hospice settings are most pronounced among patients with longer stays. The 75th percentile of LOS varied by about 100 days across the three settings (86 days at home, 105 days at a nursing facility, and 186 days at an ALF), and the 90th percentile varied by almost 200 days (237 days, 331 days, and 435 days, respectively).
- For-profit hospices received a greater share of their revenue from ALF patients than did non-profit hospices, and hospice LOS for ALF residents was longer among for-profit hospices than nonprofits.
- Two states – California and Texas – accounted for 60 percent of the increase in hospice providers in 2013. California gained 84 and Texas gained 37 hospice providers, an increase from the prior year of 26 percent and 9 percent, respectively. Arizona and Ohio also saw sizable growth – 15 percent and 9 percent, respectively. Arizona gained 12 hospices; Ohio, 11 hospices.
- The number of hospices located in rural areas has declined modestly since 2007.
- Medicare hospice use was highest among White decedents (49 percent), followed by Hispanic (40 percent), African American (37 percent), Native American (34 percent), and Asian American (32 percent).
- Use of hospice is "somewhat more prevalent" among decedents in Medicare Advantage than in fee-for-service Medicare. In 2013, about 46 percent of Medicare FFS decedents and 51 percent of MA decedents used hospice. "MA plans do not provide hospice services," MedPAC noted. "Once a beneficiary in an MA plan elects hospice care, the beneficiary receives hospice services through a hospice provider paid by Medicare FFS."

Source: MedPAC annual report to Congress at http://medpac.gov/documents/reports/Mar15_EntireReport.pdf.