

Eli's Hospice Insider

Know Your Facts: Medicare's Hospice Spending For Nursing Home Patients Grows 70%

For-profits receive more reimbursement per beneficiary than non-profits.

Here are the 2009 stats the **HHS Office of Inspector General, Centers for Medicare & Medicaid Services**, and other policy- and lawmakers are using to make decisions about hospice reimbursement:

- Total Medicare spending for hospice care for nursing facility residents grew by 69 percent from 2005 to 2009, increasing from \$2.55 billion to \$4.31 billion.
- The number of hospice beneficiaries in nursing facilities increased by 40 percent from 2005 to 2009, from 240,000 to 337,000.
- For-profits received 29 percent higher Medicare reimbursement per beneficiary than non-profits.
- Eight percent of hospices were so-called highpercentage hospices (those with two-thirds or more patients in nursing homes). Seventy-two percent of high-percentage hospices were for-profits.
- Almost all hospices (96 percent) furnished services to at least one NF resident.
- Thirty-seven percent of high-percentage hospices were in four states: Iowa, Massachusetts, Ohio, and Pennsylvania.
- On average, high-percentage hospices were associated with 20 nursing facilities while overall, hospices were associated with 15 NFs.
- The median number of days in hospice care for a beneficiary served by a high-percentage hospice was three weeks longer than the median number of days for a typical hospice beneficiary (52 days compared to 31 days).
- Twenty-eight percent of beneficiaries in highpercentage hospices received hospice care for six months or more, compared to 21 percent of beneficiaries served by hospices in general.
- Almost 90 percent of beneficiaries who lived in NFs and received care from high-percentage hospices had resided in the facilities before electing hospice care. In comparison, 79 percent of all hospice benes who received care in NFs resided in the facilities before electing hospice care.

Source: OIG report, "Medicare Hospices That Focus On Nursing Facility Residents" (OEI-02-10-00070) at <http://oig.hhs.gov/oei/reports/oei-02-10-00070.pdf>.