

Eli's Hospice Insider

Know Your Facts: Skyrocketing Hospice Statistics Contribute To Payment Shift Motivation

Average LOS increased 50 percent from 2000 to 2007.

Here are the statistics that law- and policymakers are using to make decisions about hospice payment change, courtesy of the **Medicare Payment Advisory Commission**:

- From 2000 to 2007, Medicare hospice spending tripled, the number of hospice patients doubled, and the number of providers grew by 45 percent.
- From 2000 to 2007, average length of stay increased 50 percent, due to increases in very long stays.
- Profit margins were higher among for-profit hospices and those with longer average LOS.
- More than half of Medicare's \$13.8 billion in hospice spending in 2011 was for patients with stays exceeding 180 days.
- In 2011, Medicare spent \$2.7 billion on hospice for patients already on service for at least a year.
- Under the U-shaped model and rates MedPAC proposes, payments would increase by more than 2 percent for the majority of provider-based (70 percent), nonprofit (61 percent), and rural (52 percent) hospices.

Source: "Medicare Hospice Policy Issues," www.medpac.gov/transcripts/hospice_April_2013_presentation.pdf.