

## Eli's Hospice Insider

### Regulations: Hospice Payment Reform Waits Another Year

**Quality reporting, CAHPS also addressed at recent industry conference.**

**Centers for Medicare & Medicaid Services** officials couldn't divulge any information on Medicare's plans for hospice cost reform, but they did pledge at a recent industry conference that they were hard at work on the issue.

**Background:** Congress gave CMS authority to implement hospice payment reform in October 2013 or later. But CMS did not propose such reform in the FY 2014 hospice payment rule, nor did it propose changes in this year's rule either (see Eli's Hospice Insider, Vol. 7, No. 6).

- Hospices also varied widely on length of stay, although the national average was 95 days. At the extreme end, nine hospices had an average LOS of more than 540 days, Loeffler reported. "Who are these people?" exclaimed one attendee in the audience of the packed session.
- Another incredible figure was that 71 hospices had live discharges on 100 percent of patients. Those hospices had an average LOS of 193 days.
- Hospice agencies averaged live discharges of 10.89 percent of their patients in 2013.
- Based on 2012 claims data, 10 percent of hospice beneficiaries did not receive a skilled visit in their last 48 hours of life. The claims data wouldn't reflect non-skilled visits such as aides or chaplains, though, Loeffler noted.
- In 2006, 9 percent of hospices exceeded the aggregate per beneficiary cap. In 2009, that figure was 13 percent. In 2013, CMS is expecting that the figure dropped to about 11 percent.
- Hospices that exceed their per bene caps tend to have long LOS, high profit margins, and a high live discharge rate, Loeffler told attendees.
- Hospices' average cost for drugs was \$20 in 2004 and \$10 in 2012.

**What now?** One attendee asked why CMS doesn't go after the hospices with extreme statistics. Loeffler responded that CMS may turn over the data to its contractors for further investigation.