

## Eli's Hospice Insider

### Studies & Surveys: Hospice Costs Medicare More When Patients Reside In Nursing Homes

#### **Hospice reduces hospital admissions and aggressive care, though.**

Hospice services furnished in nursing homes got another knock, this time by a new study published in the New England Journal of Medicine.

Researchers led by **Dr. Pedro Gozalo of Brown University** compared the costs for nursing home patients in their last year of life in 2004 versus 2009. In that time period, hospice use went from 27.6 percent of patients to 39.8 percent.

**Pro:** Hospice care did result in fewer hospital admissions and less aggressive care, such as fewer feeding tubes.

**Con:** But "the expansion of hospice was associated with a mean net increase in Medicare expenditures of \$6,761 ... reflecting greater additional spending on hospice care (\$10,191) than reduced spending on hospital and other care (\$3,430)," the study's abstract says.

"Most of hospice's value is at the end of life," Gozalo told ReutersHealth. "But when you see a patient who has been in hospice for nine months or 12 months, that's not a good use of the hospice benefit. We are overspending on hospice care at the wrong time."

Gozalo pointed out that the rise of hospice use coincided with for-profit hospices moving "aggressively" into nursing homes, according to ReutersHealth.

**Note:** See the study abstract at [www.nejm.org/doi/full/10.1056/NEJMsa1408705](http://www.nejm.org/doi/full/10.1056/NEJMsa1408705).