NHPCO Facts and Figures

2018 EDITION *(REVISION 7-2-2019)*

NHPCO
National Hospice and Palliative Care Organization

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Please see the Data Sources Section at the end of this report for details on the data sources used within this publication.

Introduction

About this Report

NHPCO Facts and Figures: Hospice Care in America provides an annual overview of hospice care delivery. This overview provides specific information on:

- Hospice patient characteristics
- Location and level of care
- Medicare hospice spending
- Hospice provider characteristics
- Volunteer and bereavement services

Currently, most hospice patients have their costs covered by Medicare, through the Medicare Hospice Benefit. The findings in this report reflect only those patients who received care through 2017, provided by the Medicare Hospice Benefit by the hospices certified by the Centers for Medicare and Medicaid Services (CMS) to care for them.

What is hospice care?

Considered the model for quality compassionate care for people facing a life-limiting illness, hospice provides expert medical care, pain management, and emotional and spiritual support expressly tailored to the patient's needs and wishes. Support is provided to the patient's family as well.

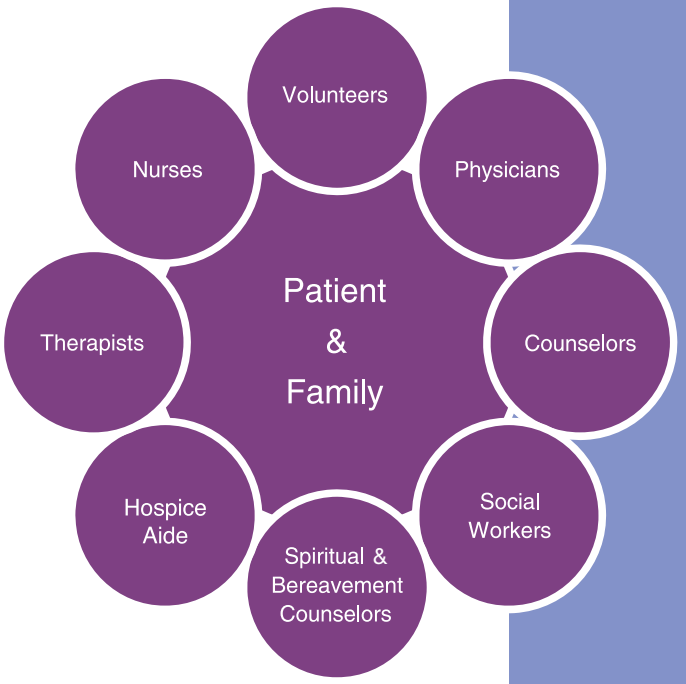
Hospice focuses on caring, not curing. In most cases, care is provided in the patient's home but may also be provided in freestanding hospice facilities, hospitals, and nursing homes and other long-term care facilities. Hospice services are available to patients with any terminal illness or of any age, religion, or race.

Introduction (continued)

How is hospice care delivered?

Typically, a family member serves as the primary caregiver and, when appropriate, helps make decisions for the terminally ill individual. Members of the hospice staff make regular visits to assess the patient and provide additional care or other services. Hospice staff is on-call 24 hours a day, seven days a week.

The hospice team develops a care plan that meets each patient's individual needs for pain management and symptom control. This interdisciplinary team, as illustrated in Figure 1, usually consists of the patient's personal physician, hospice physician or medical director, nurses, hospice aides, social workers, bereavement counselors, clergy or other spiritual counselors, trained volunteers, and speech, physical, and occupational therapists, if needed.



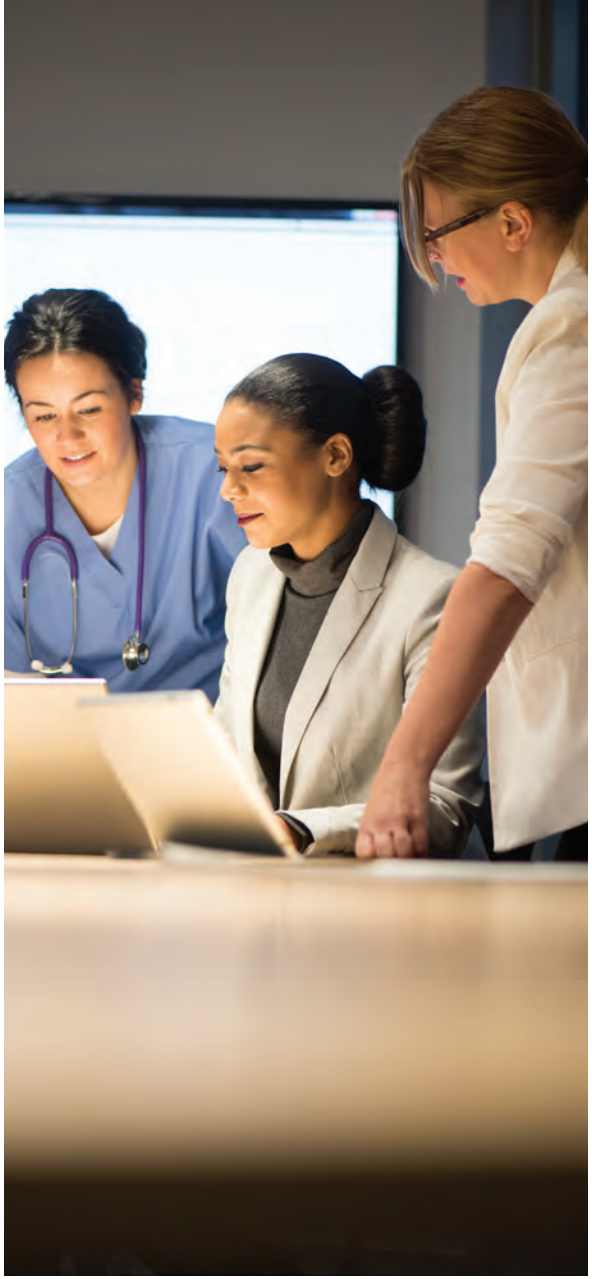
What services are provided?

The interdisciplinary hospice team:

- Manages the patient's pain and other symptoms;
- Assists the patient and family members with the emotional, psychosocial, and spiritual aspects of dying;
- Provides medications and medical equipment;
- Instructs the family on how to care for the patient;
- Provides grief support and counseling;
- Makes short-term inpatient care available when pain or symptoms become too difficult to manage at home, or the caregiver needs respite time;
- Delivers special services like speech and physical therapy when needed;
- Provides grief support and counseling to surviving family and friends.

Location of Care

The majority of hospice care is provided in the place the patient calls home. In addition to private residences, this includes nursing homes and residential facilities. Hospice care may also be provided in freestanding hospice facilities and hospitals (see Levels of Care).



Introduction (continued)

Levels of Care

Hospice patients may require differing intensities of care during the course of their disease. While hospice patients may be admitted at any level of care, changes in their status may require a change in their level of care.

The Medicare Hospice Benefit affords patients four levels of care to meet their clinical needs: Routine Home Care, General Inpatient Care, Continuous Home Care, and Inpatient Respite Care. Payment for each covers all aspects of the patient's care related to the terminal illness, including all services delivered by the interdisciplinary team, medication, medical equipment and supplies.

- **Routine Hospice Care (RHC)** is the most common level of hospice care. With this type of care, an individual has elected to receive hospice care at their residence.
- **Continuous Home Care (CHC)** is care provided for between 8 and 24 hours a day to manage pain and other acute medical symptoms. CHC services must be predominately nursing care, supplemented with caregiver and hospice aide services and are intended to maintain the terminally ill patient at home during a pain or symptom crisis.
- **Inpatient Respite Care (IRC)** is available to provide temporary relief to the patient's primary caregiver. Respite care can be provided in a hospital, hospice facility, or a long-term care facility that has sufficient 24 hour nursing personnel present.
- **General Inpatient Care (GIP)** is provided for pain control or other acute symptom management that cannot feasibly be provided in any other setting. GIP begins when other efforts to manage symptoms are not sufficient. GIP can be provided in a Medicare certified hospital, hospice inpatient facility, or nursing facility that has a registered nursing available 24 hours a day to provide direct patient care.

Introduction (continued)

Volunteer Services

The U.S. hospice movement was founded by volunteers and continues to play an important and valuable role in hospice care and operations. Moreover, hospice is unique in that it is the only provider with Medicare Conditions of Participation (CoPs) requiring volunteers to provide at least 5% of total patient care hours.

Hospice volunteers provide service in three general areas:

- Spending time with patients and families ("direct support")
- Providing clerical and other services that support patient care and clinical services ("clinical support")
- Engaging in a variety of activities such as fundraising, outreach and education, and serving on a board of directors (general support).

Bereavement Services

Counseling or grief support for the patient and loved ones is an essential part of hospice care. After the patient's death, bereavement support is offered to families for at least one year. These services can take a variety of forms, including telephone calls, visits, written materials about grieving, and support groups. Individual counseling may be offered by the hospice or the hospice may make a referral to a community resource.

Some hospices also provide bereavement services to the community at large.

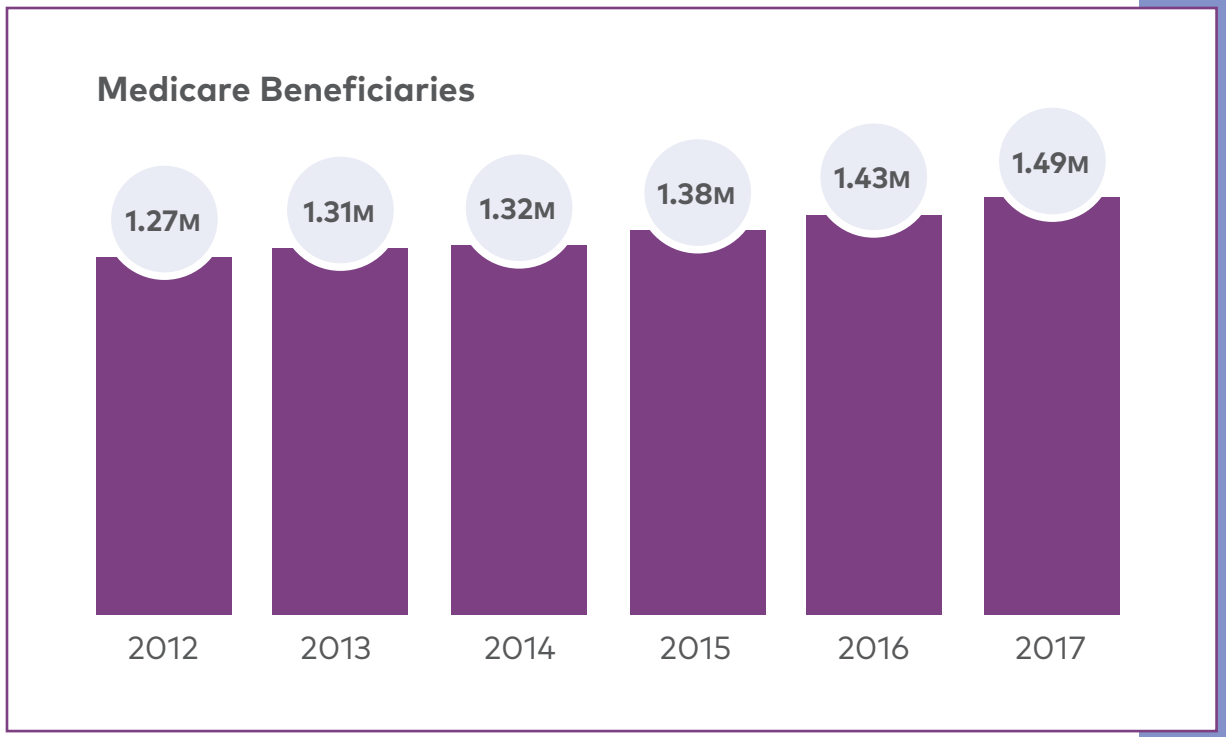
Who Receives Hospice Care

How many Medicare beneficiaries received hospice care in 2017?

1.49 million Medicare beneficiaries, a 4.5% increase from prior year, were enrolled in hospice care for one day or more in 2017*. This includes patients who:

- Died while enrolled in hospice
- Were enrolled in hospice in 2016 and continued to receive care in 2017
- Left hospice care alive during 2017 (live discharges)

*includes all states, Washington, D.C., U.S. territories, and Other.

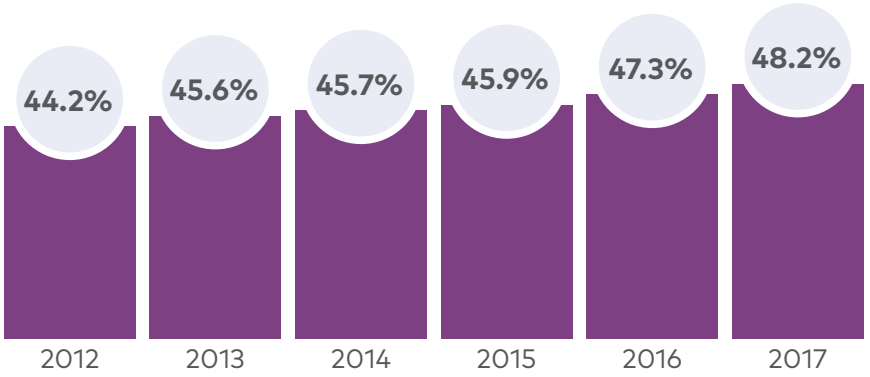


Who Receives Hospice Care (continued)

What proportion of Medicare decedents were served by hospice in 2017?

Of all Medicare decedents in 2017, 48.2% received one day or more of hospice care and were enrolled in hospice at the time of death.

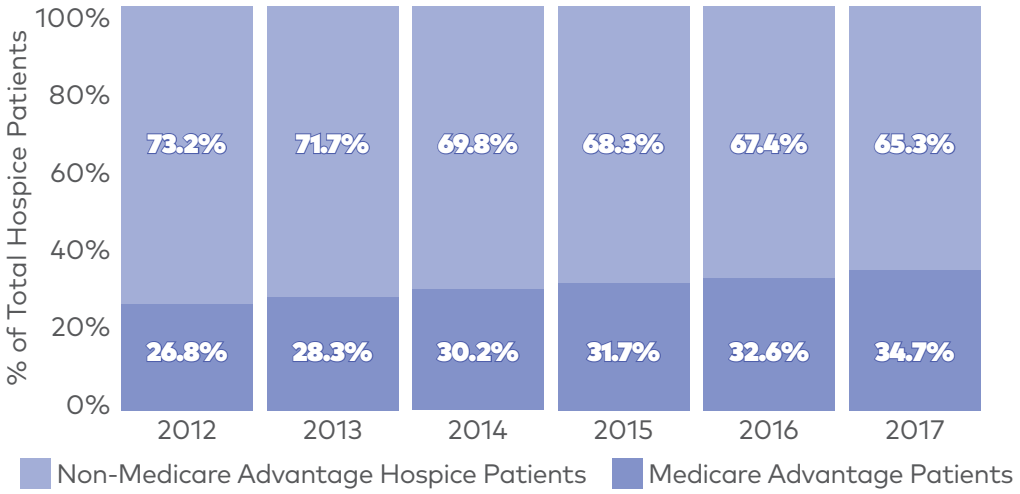
Medicare Decedents Receiving 1 or more Days of Hospice Care



What % of Hospice Patients Enrolled in Medicare Advantage within the Year?

The number of individuals who enrolled in a Medicare Advantage plan within the same year that they utilized the hospice benefit rose from 26.8% of Medicare hospice patients in 2012 to 34.7% in 2017. The increase in hospice beneficiaries with MA enrollment is consistent with the overall increase in MA enrollment over this period.

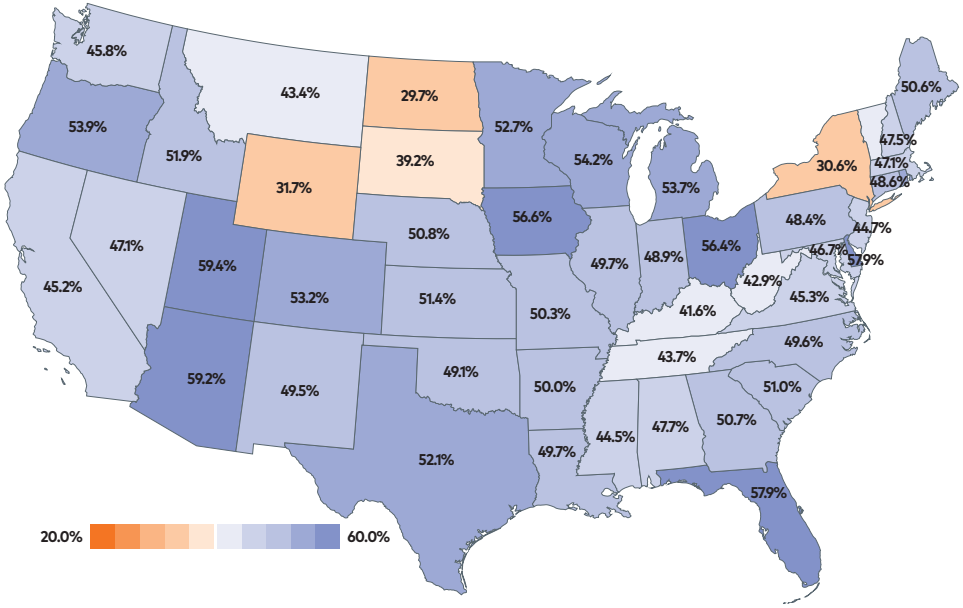
Growth of Medicare Advantage Hospice Patients



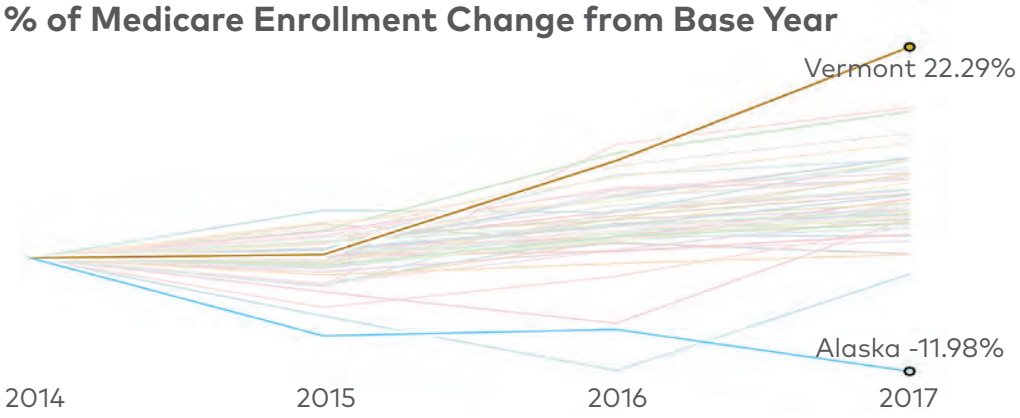
Who Receives Hospice Care (continued)

As illustrated on this page, the proportion of Medicare decedents enrolled in hospice at the time of death varied from a low of 13% (other) to a high of 59.4% (UT). Vermont and Alaska had the greatest % increase/decrease in decedents enrolled in hospice at the time of death since 2014.

% of Medicare Decedents Services by Hospice and Aligns to Graphic at Right



% of Medicare Enrollment Change from Base Year



2017 State Rank For Decedent Medicare Enrollment %

Rank	State	
1	Utah	59.4%
2	Arizona	59.2%
3	Florida	57.9%
4	Delaware	57.9%
5	Iowa	56.6%
6	Ohio	56.4%
7	Rhode Island	55.0%
8	Wisconsin	54.2%
9	Oregon	53.9%
10	Michigan	53.7%
11	Colorado	53.2%
12	Minnesota	52.7%
13	Texas	52.1%
14	Idaho	51.9%
15	Kansas	51.4%
16	South Carolina	51.0%
17	Nebraska	50.8%
18	Georgia	50.7%
19	Maine	50.6%
20	Missouri	50.3%
21	Arkansas	50.0%
22	Illinois	49.7%
23	Louisiana	49.7%
24	North Carolina	49.6%
25	New Mexico	49.5%
26	Oklahoma	49.1%
27	Indiana	48.9%
28	Connecticut	48.6%
29	Pennsylvania	48.4%
30	Alabama	47.4%
31	New Hampshire	47.5%
32	Massachusetts	47.1%
33	Nevada	47.1%
34	Maryland	46.7%
35	Hawaii	46.1%
36	Washington	45.8%
37	Virginia	45.3%
38	California	45.2%
39	New Jersey	44.7%
40	Mississippi	44.5%
41	Tennessee	43.7%
42	Montana	43.4%
43	West Virginia	42.9%
44	Vermont	42.9%
45	Kentucky	41.6%
46	South Dakota	39.2%
47	District of Columbia	32.0%
48	Wyoming	31.7%
49	New York	30.6%
50	North Dakota	29.7%
51	Alaska	22.5%
52	Other	13.9%

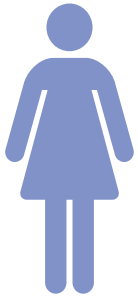
Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2017?

Patient Gender

In 2017, more than half of hospice Medicare beneficiaries were female.

58.4% were **female** in 2017

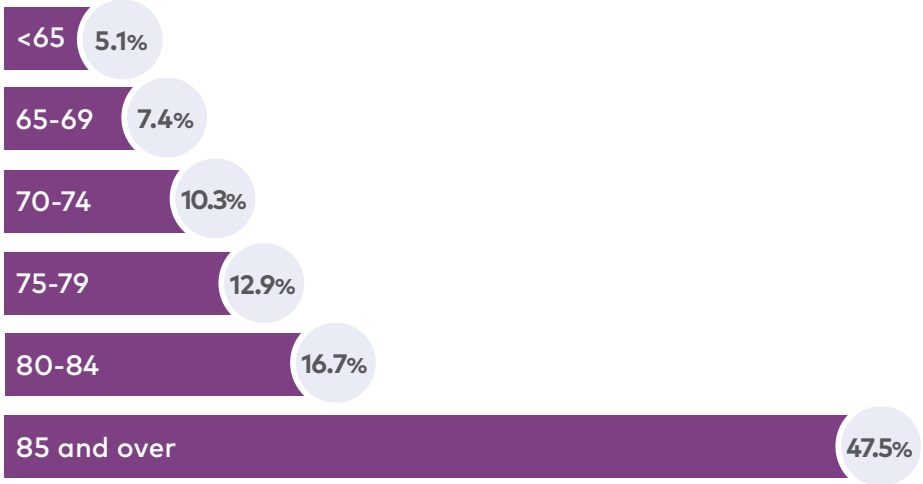


41.6% were **male** in 2017

Patient Age

In 2017, about 64.2% of Medicare hospice patients were 80 years of age or older.

% of Patients by Age for 2017



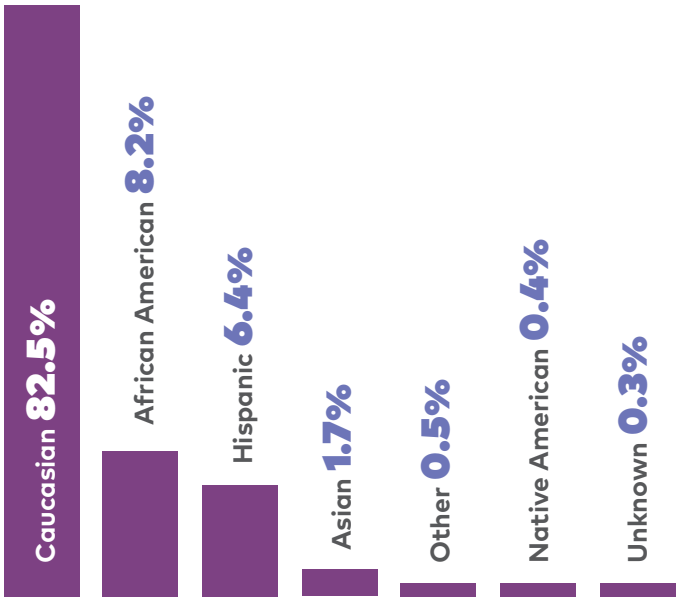
Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2017?

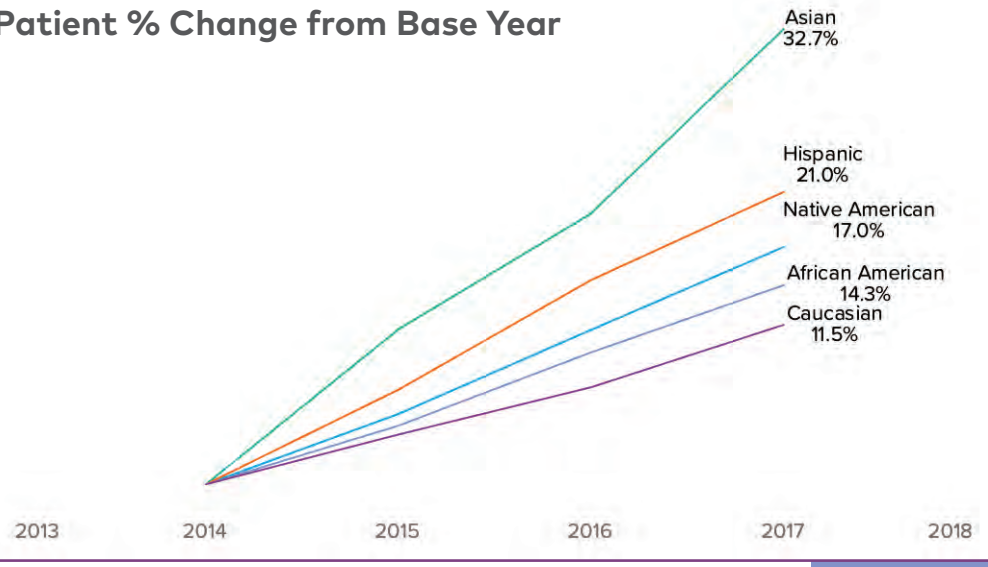
Patient Race*

In 2017 a substantial majority of Medicare hospice patients were Caucasian. However, since 2014 Patients identified as Asian and Hispanic increased by 32% and 21% respectively.

% of Patients by Race for 2017

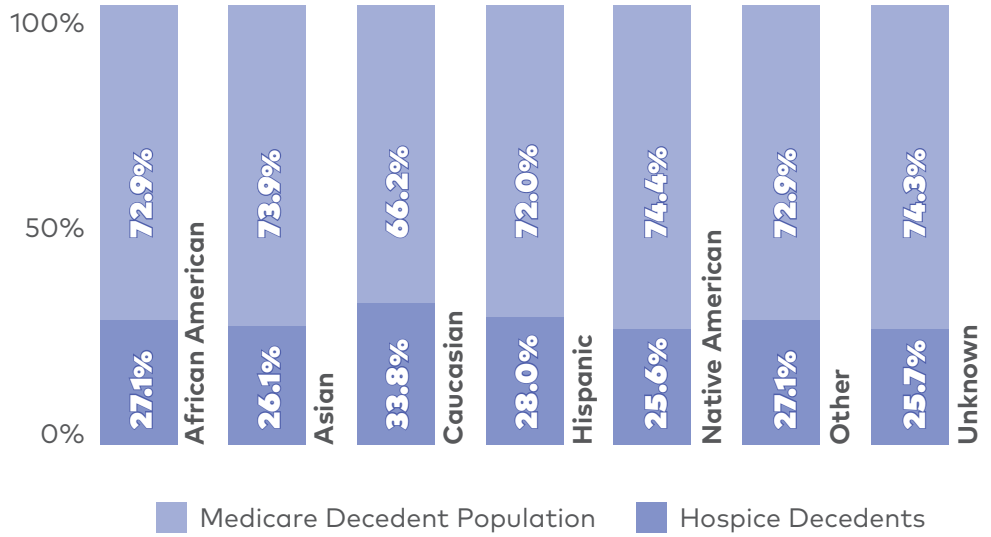


Patient % Change from Base Year



** Categories correspond to those used by CMS in the Hospice Limited Data Set*

Death Service Ratio by Race for 2017



**Percentage of Medicare decedents who died under hospice care by race.*

Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2017?

Principal Diagnosis

The principal hospice diagnosis is the diagnosis that has been determined to be the most contributory to the patient's terminal prognosis. 2017 continued to show that more Medicare hospice patients had a principal diagnosis of cancer than any other disease.

Stroke, circulatory/heart, Respiratory, and other CCS diagnosis grew the most since 2014.

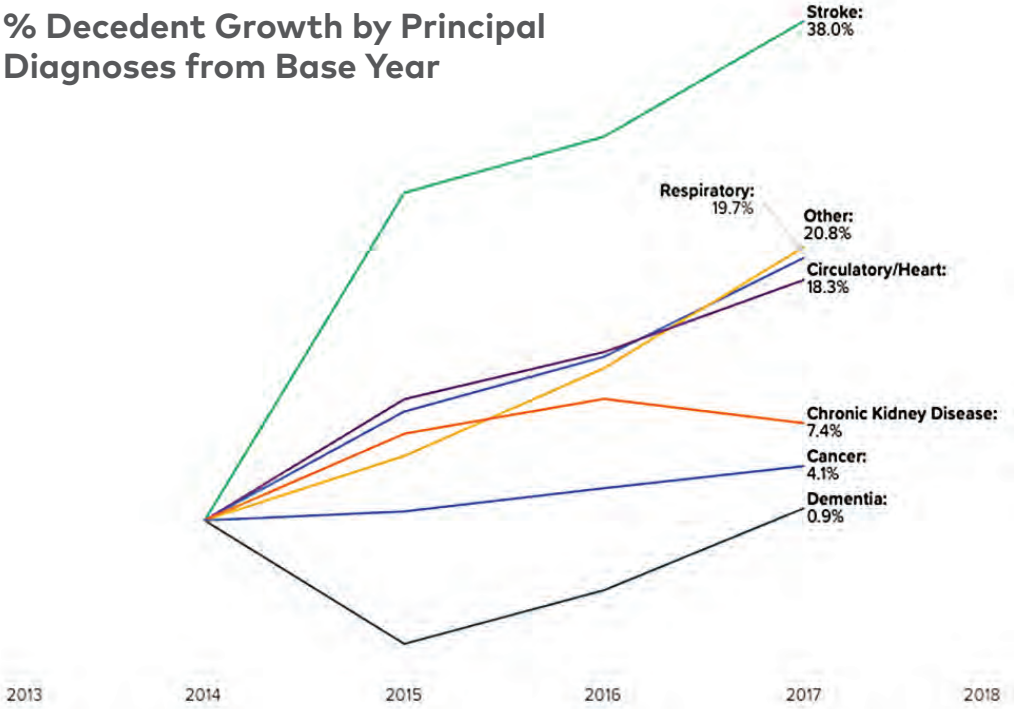
% of Hospice Decedents by Principal Diagnosis for 2016 & 2017

CCS Code	2016	2017
Cancer	31.1%	30.1%
Circulatory/Heart	17.6%	17.6%
Dementia	15.4%	15.6%
Other	13.5%	13.9%
Respiratory	10.9%	11.0%
Stroke	9.2%	9.4%
Chronic Kidney Disease	2.4%	2.3%

No. of Hospice Decedents by Principal Diagnosis for 2016 & 2017

CCS Code	2016	2017
Cancer	327,344	332,718
Circulatory/Heart	185,483	194,512
Dementia	161,983	172,643
Other	142,191	153,963
Respiratory	114,356	122,004
Stroke	97,074	103,684
Chronic Kidney Disease	25,382	24,953

% Decedent Growth by Principal Diagnoses from Base Year



How Much Care Is Received?

Length of Service*

The average length of service (ALOS) for Medicare patients enrolled in hospice in 2017 was 76.1 days. The median length of service (MLOS) was 24 days.

Average Levels of Service

Year	Patients	Total Days	Avg. Days of Care
2012	1.3M	98.7M	77.6
2013	1.3M	103.7M	79.0
2014	1.3M	100.7M	76.1
2015	1.4M	102.6M	74.5
2016	1.4M	108.2M	75.7
2017	1.5M	113.6M	76.1

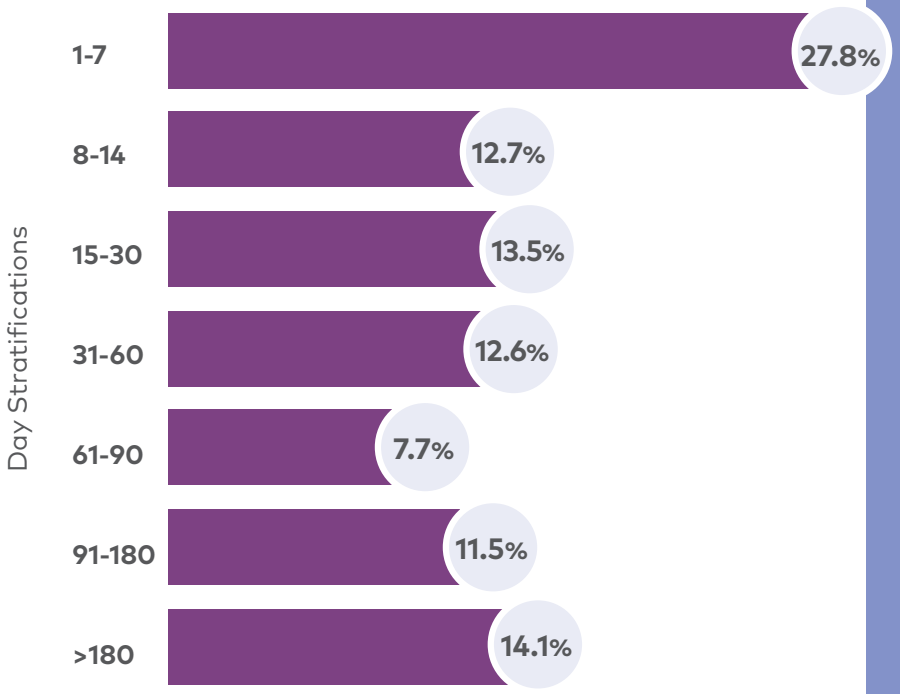
** LOS calculation is based on the total days of care for patients who received care in 2017. Also included in the calculation are days from 2014 and 2015 for patients who received care in those years as well as in 2016.*

Days of Care

In 2017 hospice patients received a total of 113.6 million days of care paid for by Medicare.

A greater proportion of Medicare patients (27.8%) were enrolled in hospice a total of seven days or fewer compared to all other length of service categories.

% of Patients by Days of Care for 2017



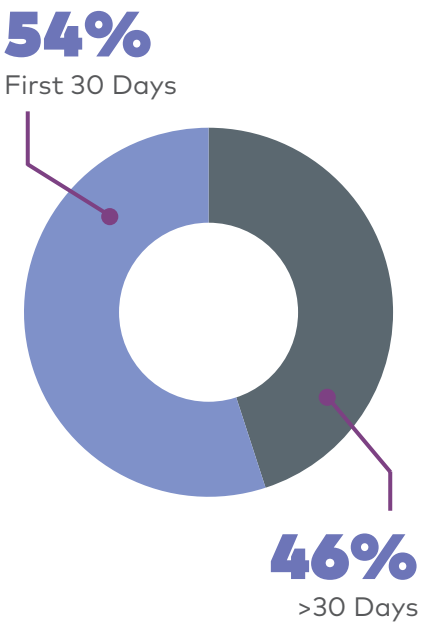
**These values are computed using only days of care that occurred in 2017. Days of care occurring in other years are not included. Days of care have been combined for patients who had multiple episodes of care in 2017.*

How Much Care Is Received (continued)

Days of Care

In 2017 over half (54%) of patients were enrolled in hospice for 30 or fewer days.

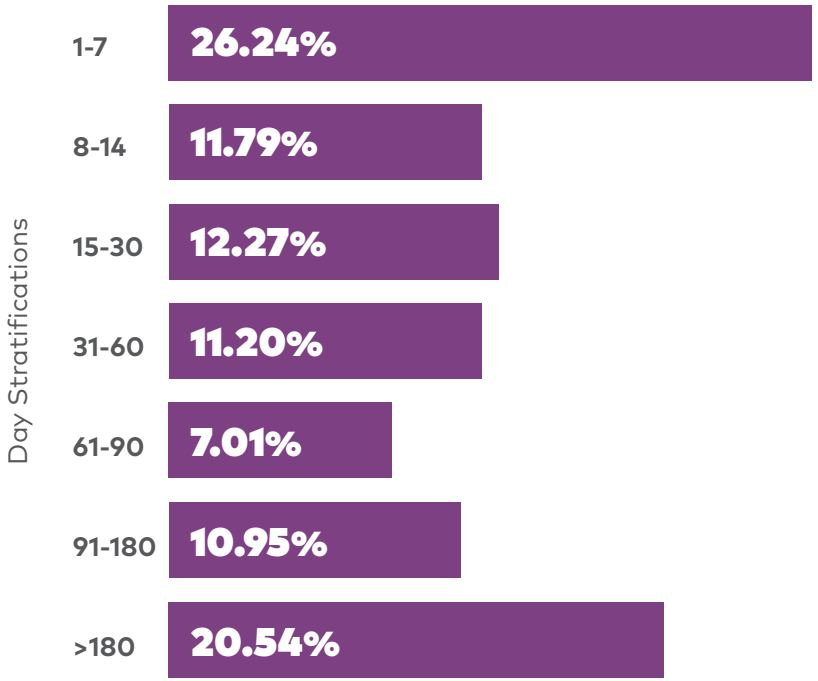
% of Patients by Days of Care for 2017



Days of Care

Days of care over multiple years by percentage of patients*

Days of Care Between 2015-2017 by % of Patients



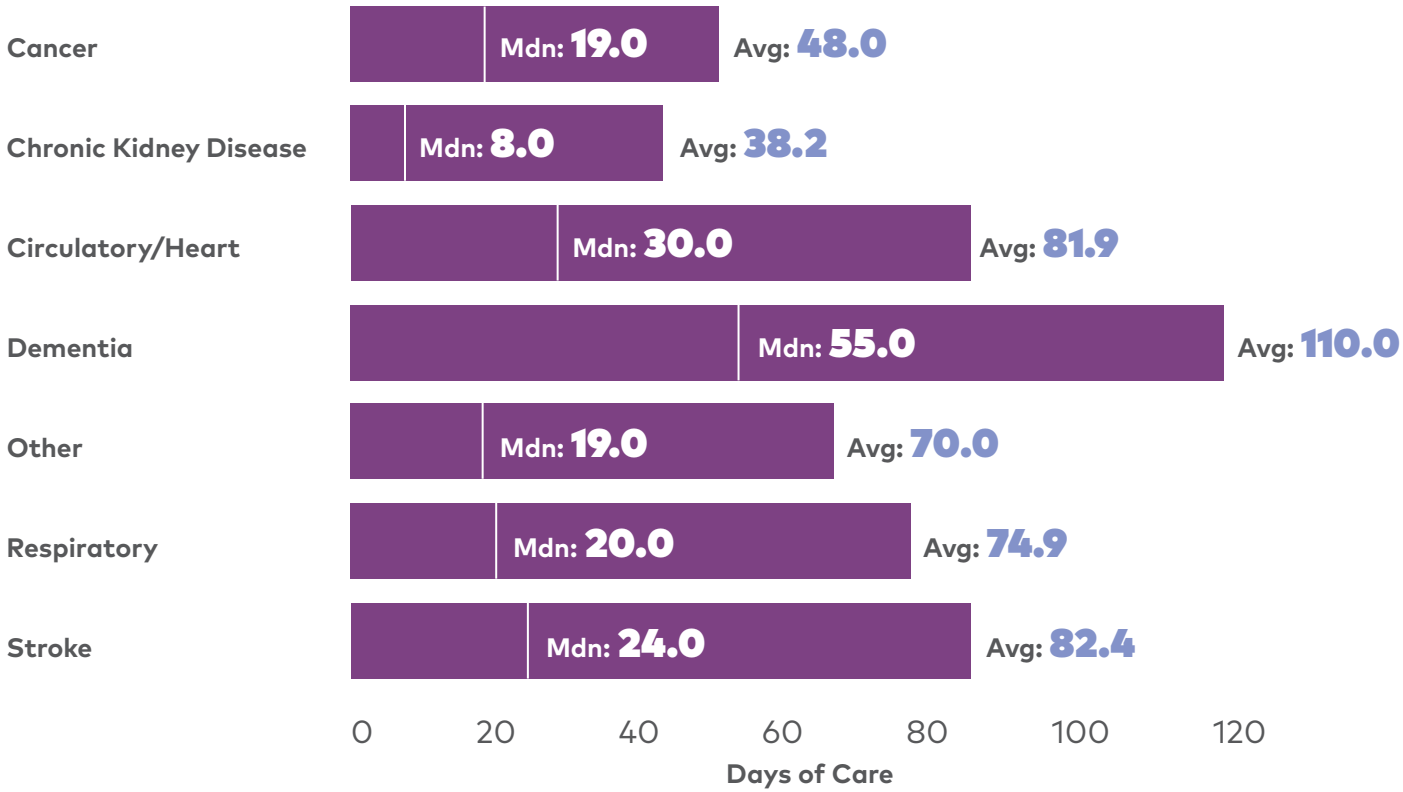
These values are computed using all days of care that occurred between 2015 through 2017 highlighting extended care beyond 180 days that covered multiple years vs just 2017.

How Much Care Is Received? (continued)

Days of Care

Patients with a principal diagnosis of dementia had the largest number of days of care on average in 2017.

Days of Care by Principal Diagnosis for 2017



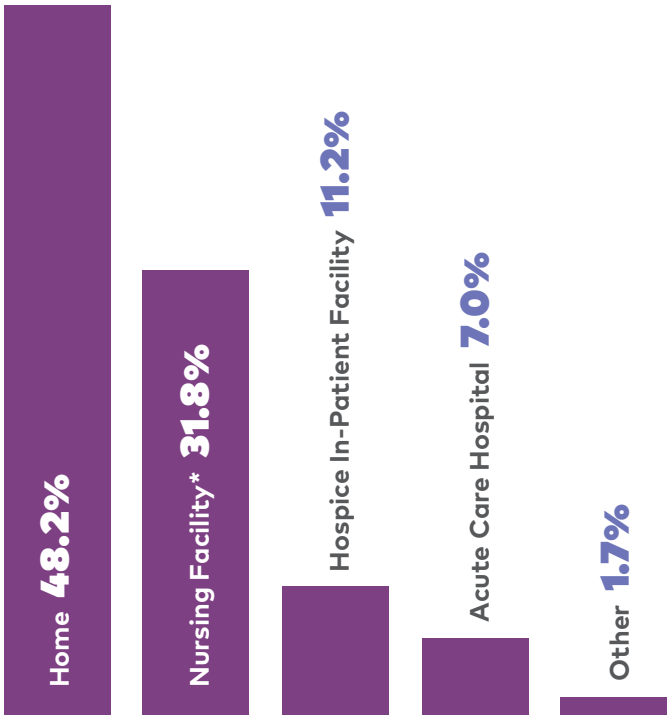
**These values are computed using only days of care that occurred in 2017. Days of care have been combined for patients who had multiple episodes of care in 2017. Days of care occurring in other years are not included.*

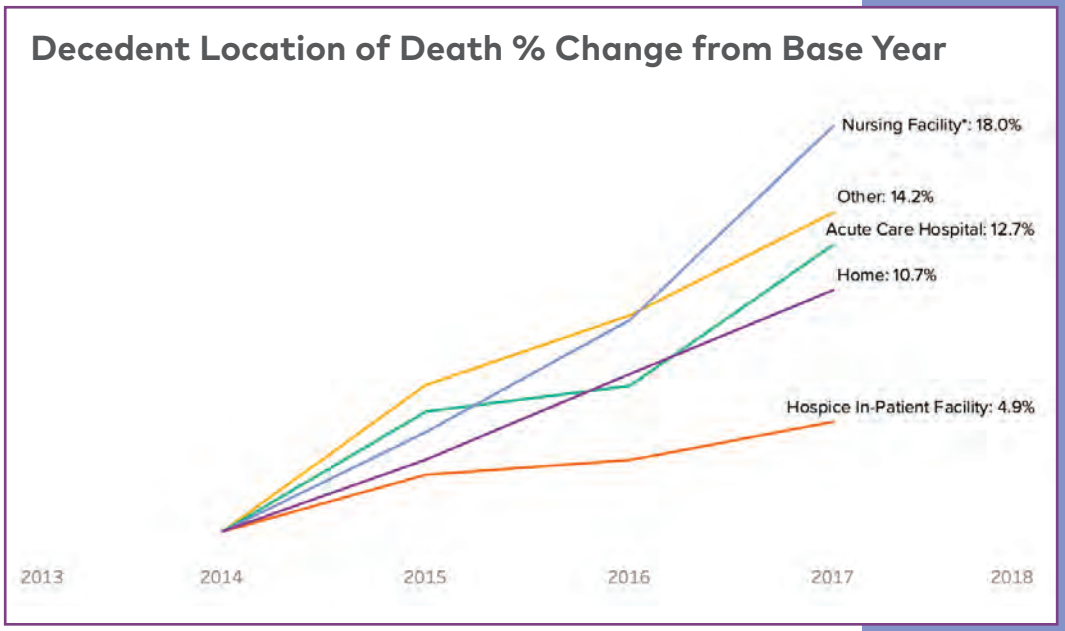
How Much Care Is Received? (continued)

Deaths

In 2017 1.1 million Medicare beneficiaries died while enrolled in hospice care. 48.2 % of deaths occurred in the home, and almost a third in nursing facilities. Nursing facilities have continued to grow the most since 2014 at 18% followed acute care and other facilities.

Decedent % by Location of Death





** Includes skilled nursing facilities, nursing facilities, assisted living facilities, and long-term care facilities.*

How Much Care Is Received? (continued)

Discharges and Transfers

In 2017, there were 1.3M discharges. Live discharges comprised 17% of all Medicare hospice discharges with patient and hospice initiated discharges being about equal.

Discharge by Type for 2017

Deaths	Decedents	82.9%
Patient Initiated-Live Discharges	Revocations	6.5%
	Transfers	2.1%
Hospice Initiated-Live Discharges	No Longer Terminally Ill	6.7%
	Moved Out of the Service Area	1.4%
	Discharges for Cause	0.3%

**Calculations are based on total number of discharges which includes patients who were discharged more than one time in 2017.*

Level of Care

In 2016 the vast majority of days of care were at the Routine Homecare (RHC) level.

Level of Care by % of Days of Care

LOC Metrics	2012	2013	2014	2015	2016	2017
RHC Days	97.6%	97.8%	97.8%	97.9%	98.1%	98.2%
CHC Days	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%
IRC Days	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
GIC Days	1.8%	1.6%	1.5%	1.5%	1.4%	1.3%

Location of Care

In 2017, most of days of care were provided at a private residence followed by Nursing Facilities. Since 2014, Nursing Facilities have grown by over 14% and Home by 12.3%.

Location of Care by % of Days of Care for 2017

Home	55.7%
Nursing Facility*	42.2%
Hospice In-Patient Facility	0.8%
Acute Care Hospital	0.3%
Other	1.1%

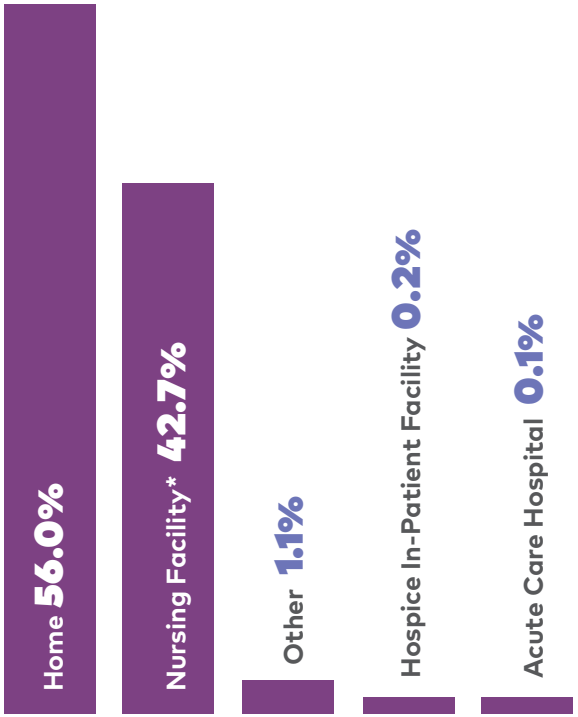
** Includes skilled nursing facilities, nursing facilities, assisted living facilities, and RHC days in a hospice inpatient facility.*

How Much Care Is Received? (continued)

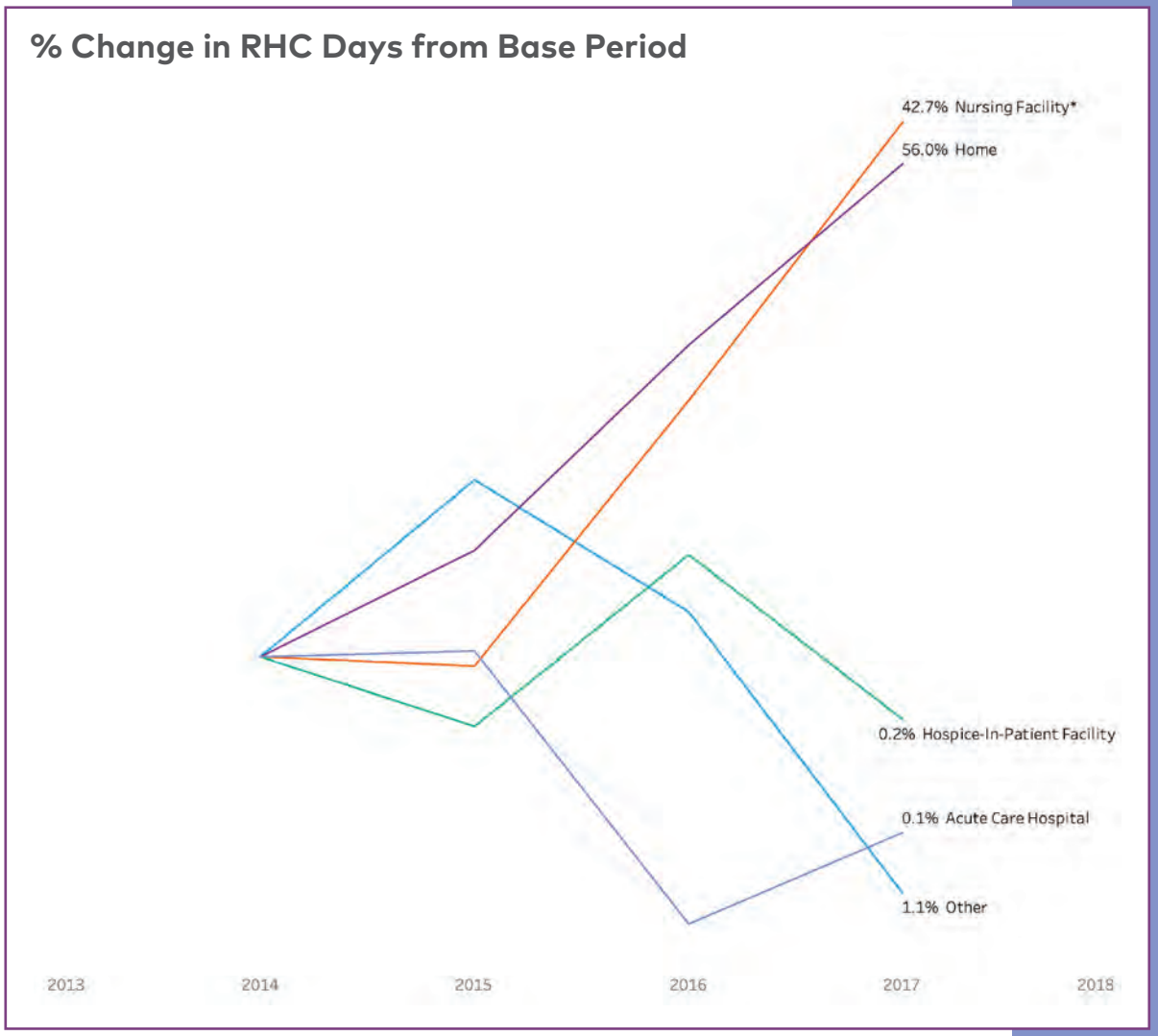
Location of RHC Days

56% of RHC days of care occurred in a private residence. RHC days in nursing facilities and home care have grown since 2014 by more than 42% while use of hospice inpatient facilities have declined.

Location of RHC Days for 2017



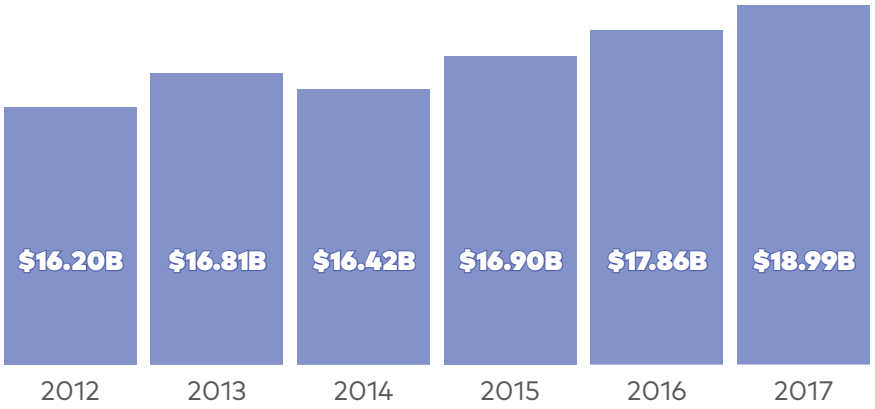
% Change in RHC Days from Base Period



How Does Medicare Pay for Hospice?

Medicare paid hospice providers a total of $18.99 billion dollars for care provided in 2017, representing an increase of 6.3% over the previous year.

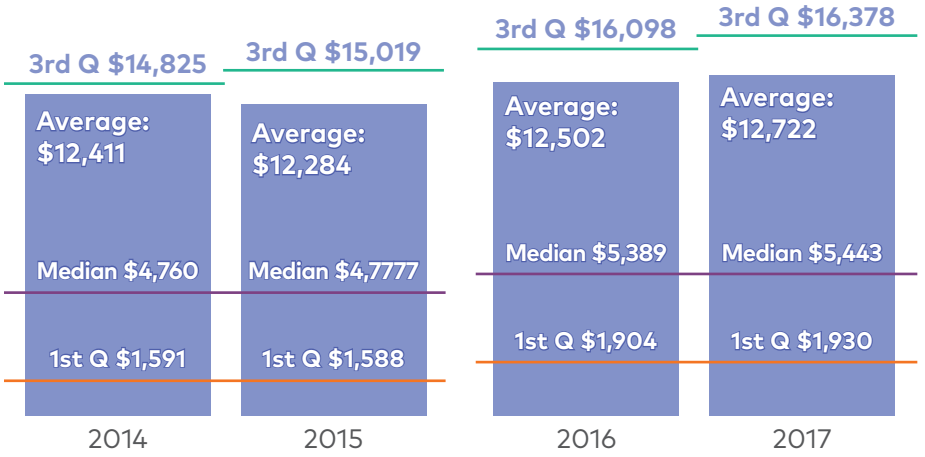
Medicare Spending



Spending Per Patient

The average spending per Medicare hospice patient was $12,722.

Average Medicare Spending Per Patient



Spending by Days of Care

In 2017, only 26.2% of Medicare spending for hospice care was for patients who had received 180 or fewer days of care.*

Medicare Payments by Days of Care Stratified from 2012-2017

Day Stratifications	2012	2013	2014	2015	2016	2017
1-7	97.6%	97.8%	97.8%	97.9%	98.1%	98.2%
8-14	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%
15-30	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
31-60	1.8%	1.6%	1.5%	1.5%	1.4%	1.3%
61-90	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%
91-180	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%
>180	1.8%	1.6%	1.5%	1.5%	1.4%	1.3%

** Includes days of care that spanned between the years of 2012 through 2017.*

How Does Medicare Pay for Hospice? (continued)

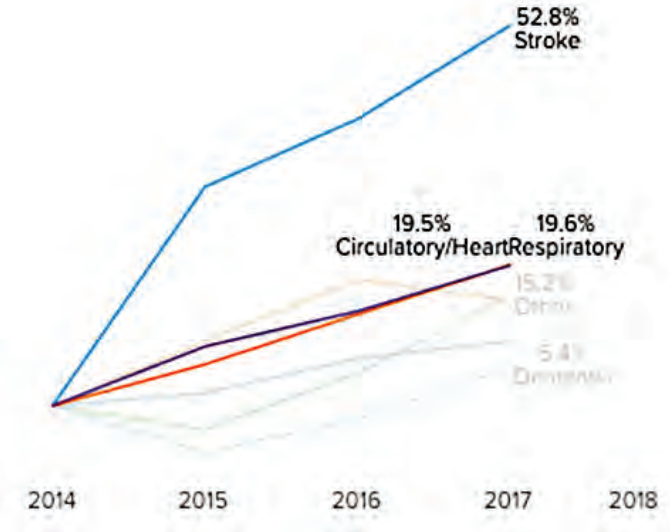
Spending by Diagnosis

In 2017, patients with a principal diagnosis of dementia continued to lead Medicare hospice spending at 25.4%. Stroke, circulatory/heart, and respiratory related diagnosis grew the most since 2014.

% of Medicare Spending by Principal Diagnosis

CCS	2017
Dementia	25.4%
Circulatory/Heart	20.0%
Cancer	18.4%
Other	13.3%
Respiratory	10.9%
Stroke	10.9%
Chronic Kidney Disease	1.1%

Medicare Spending % Change from Base Period



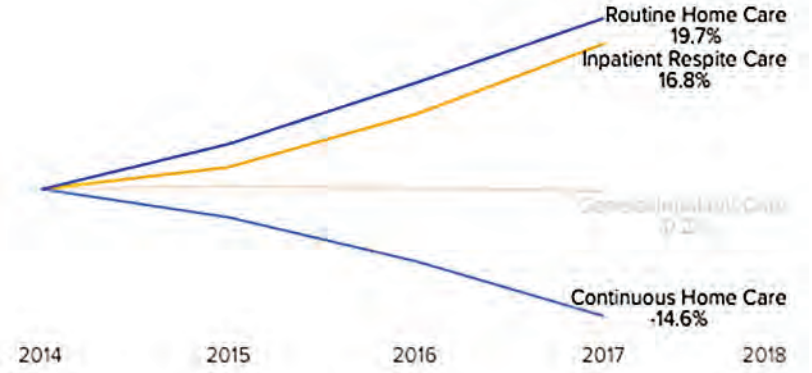
Spending by Level of Care

In 2017, the vast majority of Medicare spending for hospice care was for care at the routine home care level. This has grown 20% since 2014, followed by inpatient respite care. Continuous home care has declined 14% over the same period.

Spending by Level of Care

Level of Care	2017
Routine Home Care	89.31%
General Inpatient Care	7.14%
Inpatient Respite Care	1.78%
Continuous Home Care	1.77%

LOC Spending % Change from Base Period

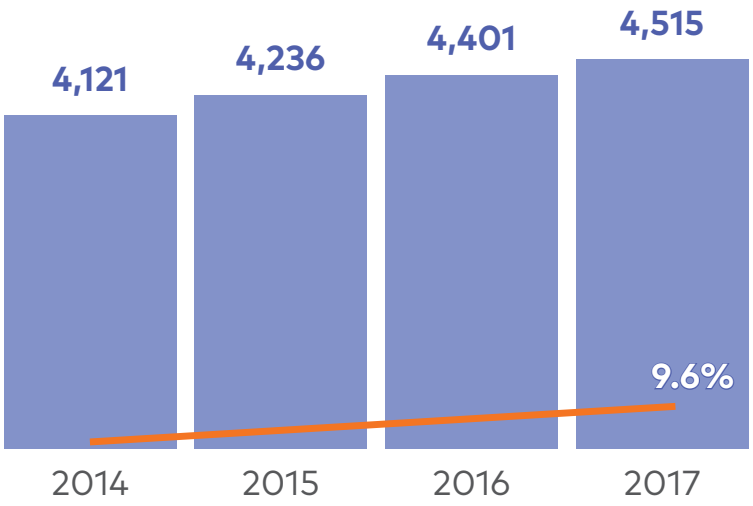


Who Provides Care?

How many hospices were in operation in 2017?

Over the course of 2017, there were 4,515 Medicare certified hospices in operation based on claims data. This represents an increase of 9.6% since 2014.

Number of Operating Hospices

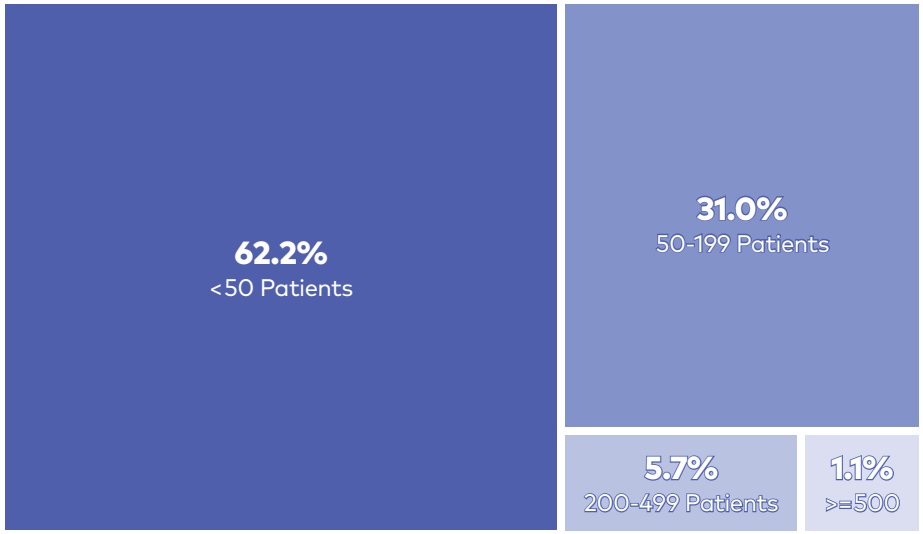


Hospice Size

One indicator of hospice size is the average daily census (ADC) or more specifically the number of patients cared for by a hospice on average each day.

In 2017 the mean ADC was 63 and the median 31. 62% of hospices had an ADC of less than 50 patients.

Hospice Average Daily Census for 2017



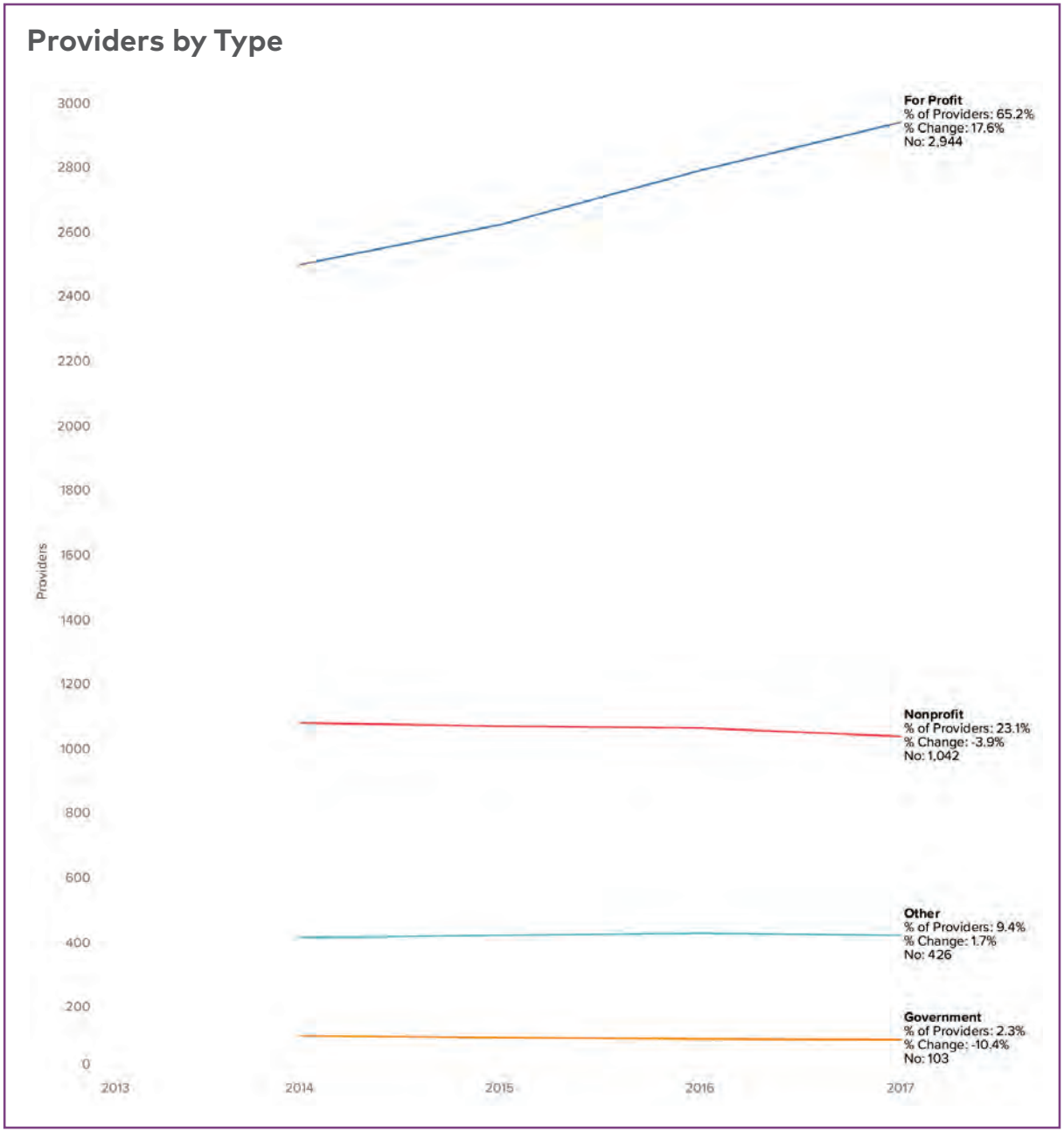
ADC Support Stats

Year	Providers	Mean Census	Median Census	10th Percentile Census	25th Percentile Census	75th Percentile Census	90th Percentile Census
2014	4,121	66.9	33.5	4.1	12.8	75.3	150.3
2015	4,236	66.3	33.2	4.0	13.2	74.5	146.5
2016	4,401	67.3	33.1	3.1	12.1	75.9	153.5
2017	4,515	68.9	33.2	3.6	12.2	78.3	157.6

Who Provides Care? (continued)

Tax Status

62.2% of active Medicare provider numbers were assigned to hospice providers with for-profit tax status and 23.1% with not-for-profit status. For-profit hospice providers grew more than 17% since 2014 while non-profit hospice providers retracted 3.9%. Government-owned hospice providers comprised only 2.3% and has also declined.

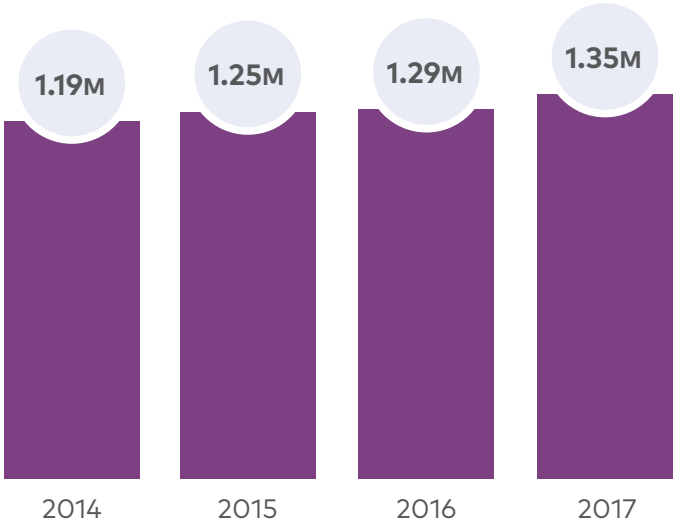


Who Provides Care? (continued)

Patient Volume First Admissions

In 2017 hospice providers performed a total 1.3 million unduplicated admissions* of Medicare hospice patients representing a 13.1% increase since 2014.

First Admissions

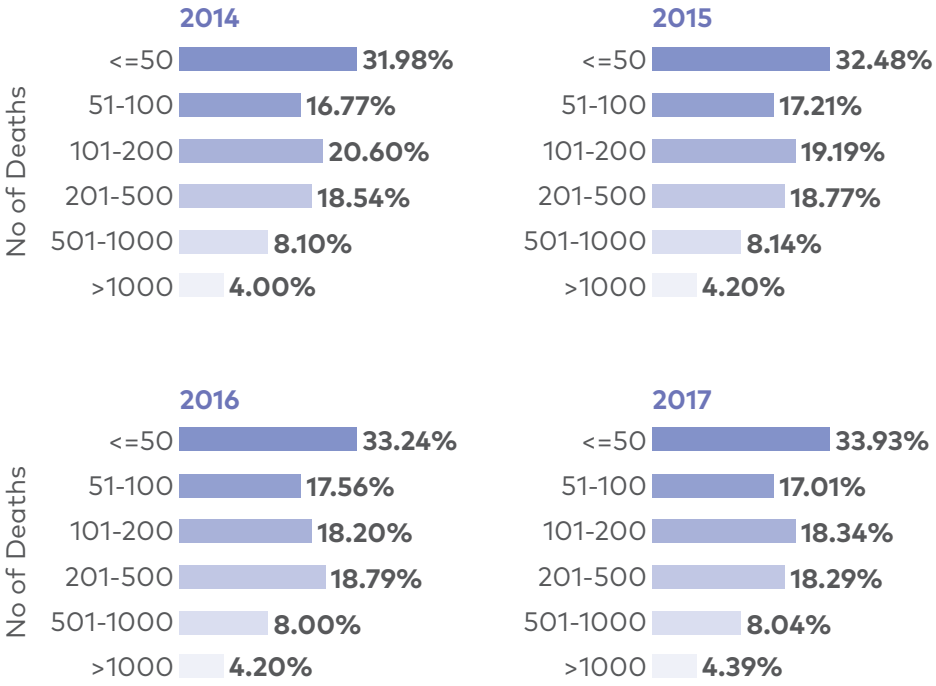


**Unduplicated admissions include patients who were part of the census at the end of 2016, carried over into 2017, discharged in 2016 and readmitted within the year.*

Volume of Deaths

In 2017, the highest number of hospice providers served 50 or fewer patients who died while enrolled in hospice care.

% of Hospice Providers by Decedent Count



Who Provides Care? (continued)

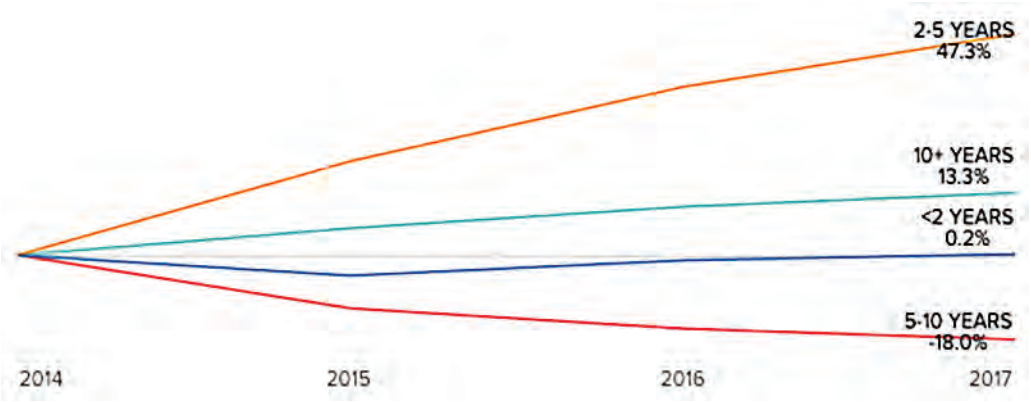
Provider Medicare Certification

More than 55% of all providers have been certified for 10 or more years highlighting the maturity of the industry. The biggest growth of provider certification since 2014 have been on newer providers certified for 2-5 years highlighting new entrants within the industry.

Provider Certification

Years Certified	2012	2013	2014	2015	2016	2017
< 2 Years	9.6%	11.0%	11.1%	10.3%	10.3%	10.1%
2-5 Years	12.5%	12.3%	13.3%	15.5%	16.9%	17.9%
5-10 Years	25.7%	24.8%	21.8%	18.8%	17.2%	16.3%
10 + Years	52.1%	51.9%	53.8%	55.4%	55.6%	55.7%
N/A	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%

% of Medicare Certified Providers Change from Base Year



Data Sources

The primary data source used for the findings in this report is CMS Research Identifiable Files (RIF) Medicare Fee-for-Service (FFS) claims data including 100% of Medicare Part A from 2012-2017. The CMS 2018 Provider of Service (POS) file is used to provide further information on facilities certified to provide care to Medicare beneficiaries. The Healthcare Cost and Utilization Project (HCUP) Clinical Classification Software (CCS) was used to classify patients into diagnosis categories based on their primary ICD-9 or ICD-10 diagnosis. The FY 2018 Hospice Wage Index and Payment Rate Update and Hospice Quality Reporting Requirements is the source for the tax status statistics.

Methodology Note

All claims are analyzed within the calendar year with the date assigned based on the claim through date, the last date on the billing statement for services covered to a beneficiary. The methods used to aggregate hospice claims were based on those outlined in the Centers for Medicare and Medicaid Services' Medicare Hospice Utilization &Payment Public Use File: A Methodological Overview. Results may differ from other reports such as Medpac's publications that look within a fiscal year or across multiple years for patients that have lengths of stay that cross many years. Unless otherwise specified, the denominator is all hospice beneficiaries who had any services covered within the calendar year, regardless of the discharge status code for the last service rendered. This differs from other analyses that may restrict to patients who were discharged (live discharges and/or decedents).

CMS Research Identifiable Files (RIF) Data Set

The Medicare FFS RIFs used for this report contain all Medicare Part A claims related to payment made directly towards hospice services. All beneficiaries with at least one hospice claim paid through Medicare are included in this file (2.5% of all Medicare beneficiaries in 2017). Selected variables within the files are encrypted, blanked, or ranged. The RIF Medicare claims used for Facts and Figures include the following data files:

- Hospice File: Hospice Fee-for-Service claims submitted by Medicare certified hospice providers (see documentation for detailed information on hospice files)
- Member Beneficiary Summary File (MBSF): Medicare beneficiary enrollment information via Medicare Parts A, B, C, and D (see documentation for detailed information on MBSF)

CMS 2018 Provider of Service (POS) Data Set

The POS file contains information of health care providers who are certified to provide care to Medicare beneficiaries.

Healthcare Cost and Utilization Project (HCUP) Clinical Classification Software (CCS)

The CCS tool was used to group patients into diagnosis groups based off ICD-9 or ICD-10 diagnosis.

Questions May Be Directed To:

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