NHPCO Facts and Figures

2020 EDITION

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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 2018, 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.

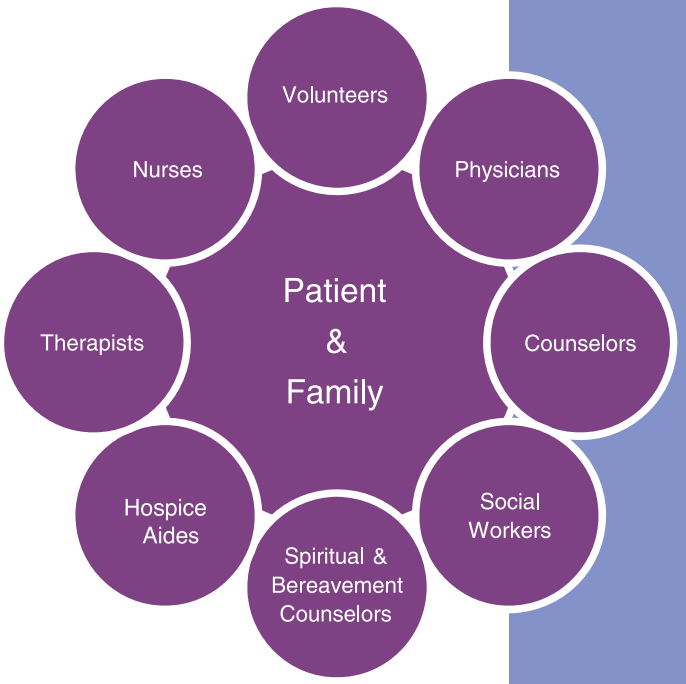
Consideration for discussion around differences in numbers reported by other authorities like MedPAC: This report presents metrics that may differ from other reporting sources eventhough the data sources are from CMS. This is a result in differing approaches and/or rules being applied such as use of fiscal vs calendar years, ICD Codes, and other historical lookback models. Please be aware of this when using the data for analysis and comparison between analytic vendors.

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.



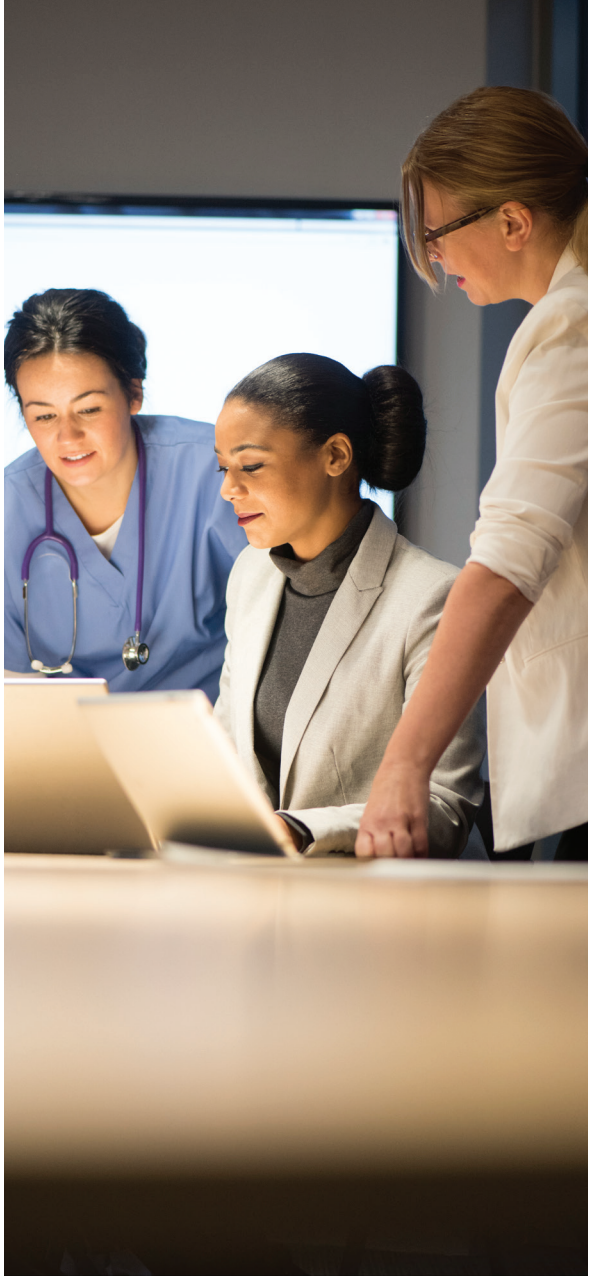
What services are provided?

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.

See page 26 for details on methodology and data sources including cited references within the report.

Who Receives Hospice Care

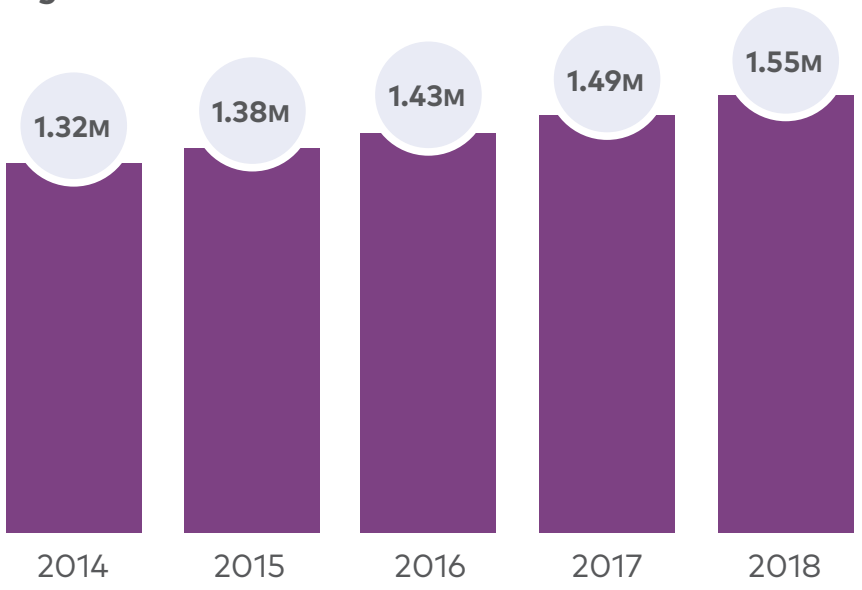
How many Medicare beneficiaries received hospice care in 2018?

1.55 million Medicare beneficiaries, a 4% increase from prior year, were enrolled in hospice care for one day or more in 2018*. This includes patients who:

- Died while enrolled in hospice
- Were enrolled in hospice in 2017 and continued to receive care in 2018
- Left hospice care alive during 2018 (live discharges)

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

Figure 1: Medicare Beneficiaries



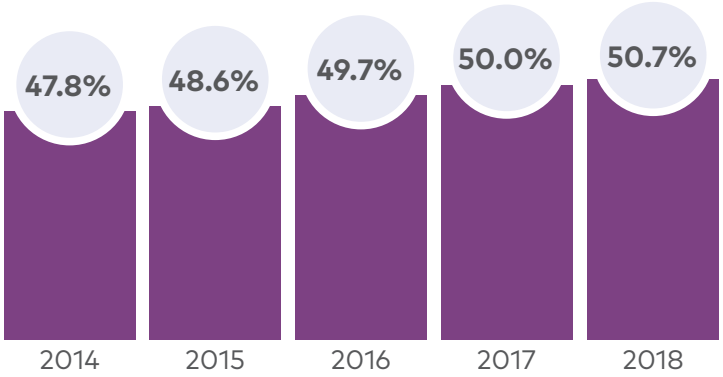
Source: MedPAC March Report to Congress, Table 12-4, Various years

Who Receives Hospice Care (continued)

What proportion of Medicare decedents were served by hospice in 2018?

Of all Medicare decedents in 2018, 50.7% received one day or more of hospice care and were enrolled in hospice at the time of death.

Figure 2: Medicare Decedents Receiving 1 or more Days of Hospice Care

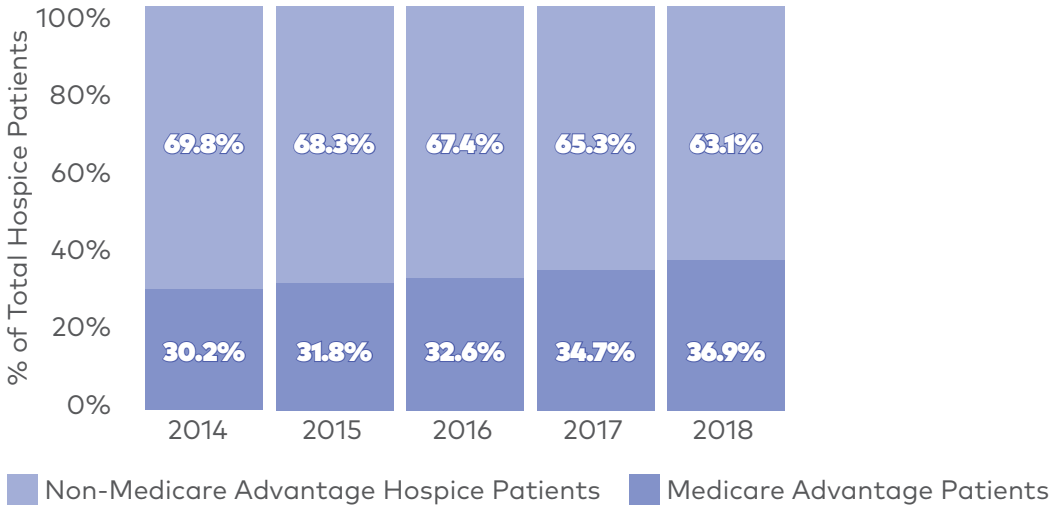


Source: MedPAC March Report to Congress, Table 12-3, Various years

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 from 30.2% of Medicare hospice patients in 2014 to 36.9% in 2018. The increase in hospice beneficiaries with MA enrollment is consistent with the overall increase in MA enrollment over this period.

Figure 3: Growth of Medicare Advantage Hospice Patients

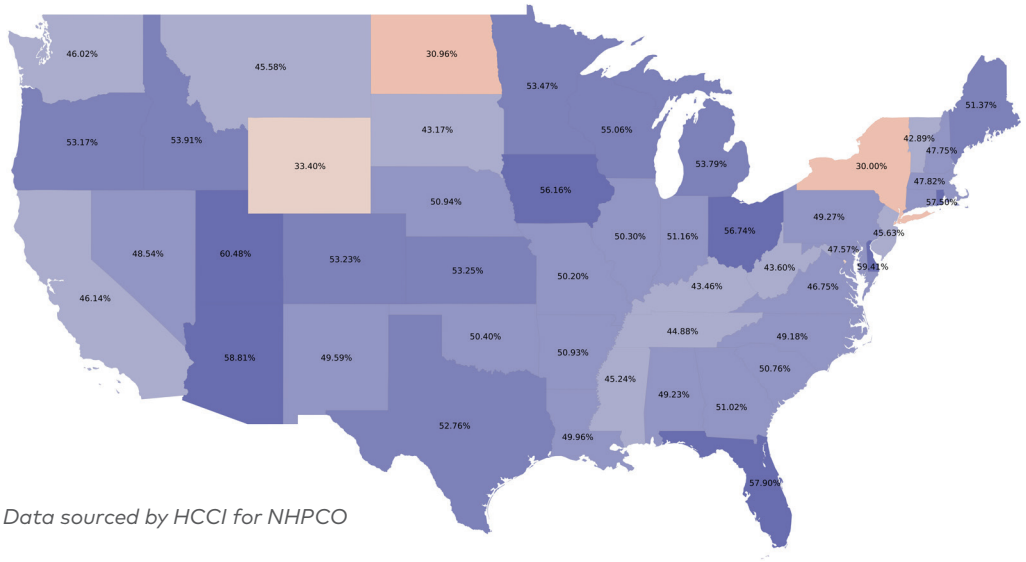


CMS Data sourced by HCCI for NHPCO

Who Receives Hospice Care (continued)

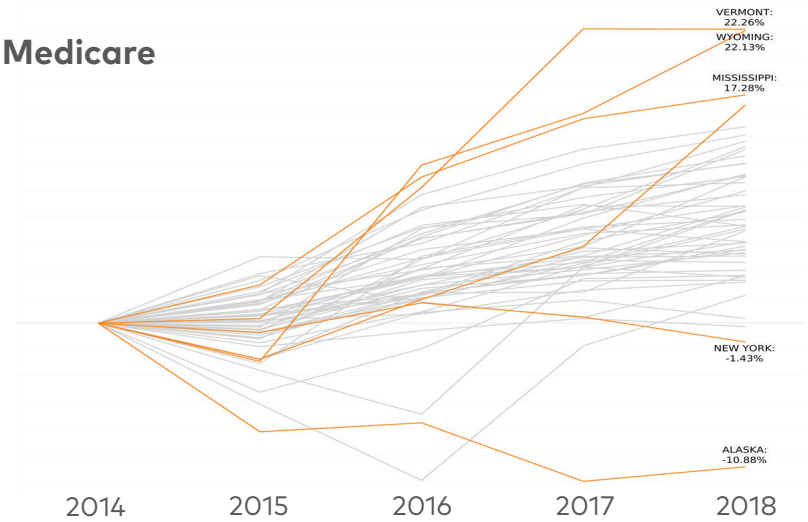
As illustrated on this page, the proportion of Medicare decedents enrolled in hospice at the time of death varied from a low of 14.3% (other) to a high of 60.5% (UT). Vermont and Wyoming had the greatest % increase since 2014 at 22.26% and 22.13% respectively. Alaska was the lowest with -10.88%.

Figure 4: % of Medicare Decedents Served by Hospice by state *(Aligns with Figure 5)*



Source: CMS Data sourced by HCCI for NHPCO

Figure 6: 5 Year Change in Medicare Decedents by State



Source: CMS Data sourced by HCCI for NHPCO

Figure 5: Medicare Decedent Enrollment % for 2018

Rank	State	
1	Utah	60.5%
2	Delaware	59.4%
3	Arizona	58.8%
4	Florida	57.9%
5	Rhode Island	57.5%
6	Ohio	56.7%
7	Iowa	56.2%
8	Wisconsin	55.1%
9	Idaho	53.9%
10	Michigan	53.8%
11	Minnesota	53.5%
12	Kansas	53.3%
13	Colorado	53.2%
14	Oregon	53.2%
15	Texax	52.8%
16	Maine	51.4%
17	Indiana	51.2%
18	Georgia	51.0%
19	Nebraska	50.9%
20	Arkansas	50.9%
21	South Carolina	50.8%
22	Oklahoma	50.4%
23	Illinois	50.3%
24	Missouri	50.2%
25	Louisiana	50.0%
26	New Mexico	49.6%
27	Pennsylvania	49.3%
28	Alabama	49.2%
29	North Carolina	49.2%
30	Connecticut	48.6%
31	Nevada	48.5%
32	Massachusetts	47.8%
33	New Hampshire	47.7%
34	Maryland	47.6%
35	Virginia	46.7%
36	California	46.1%
37	Washington	46.0%
38	New Jersey	45.6%
39	Montana	45.6%
40	Hawaii	45.4%
41	Mississippi	45.2%
42	Tennessee	44.9%
43	West Virginia	43.6%
44	Kentucky	43.5%
45	South Dakota	43.2%
46	Vermont	42.9%
47	Wyoming	33.4%
48	District of Columbia	33.2%
49	North Dakota	31.0%
50	New York	30.0%
51	Alaska	22.8%
52	Other	14.3%

Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2018?

Patient Gender

In 2018, more than half of hospice Medicare beneficiaries were female.

55.1% were **female**

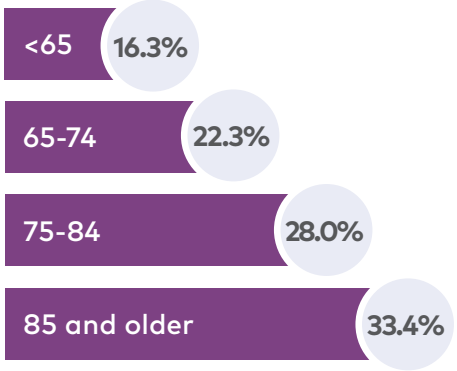
46.1% were **male**

Source: MedPAC March 2020 Report to Congress, Table 12-3

Patient Age

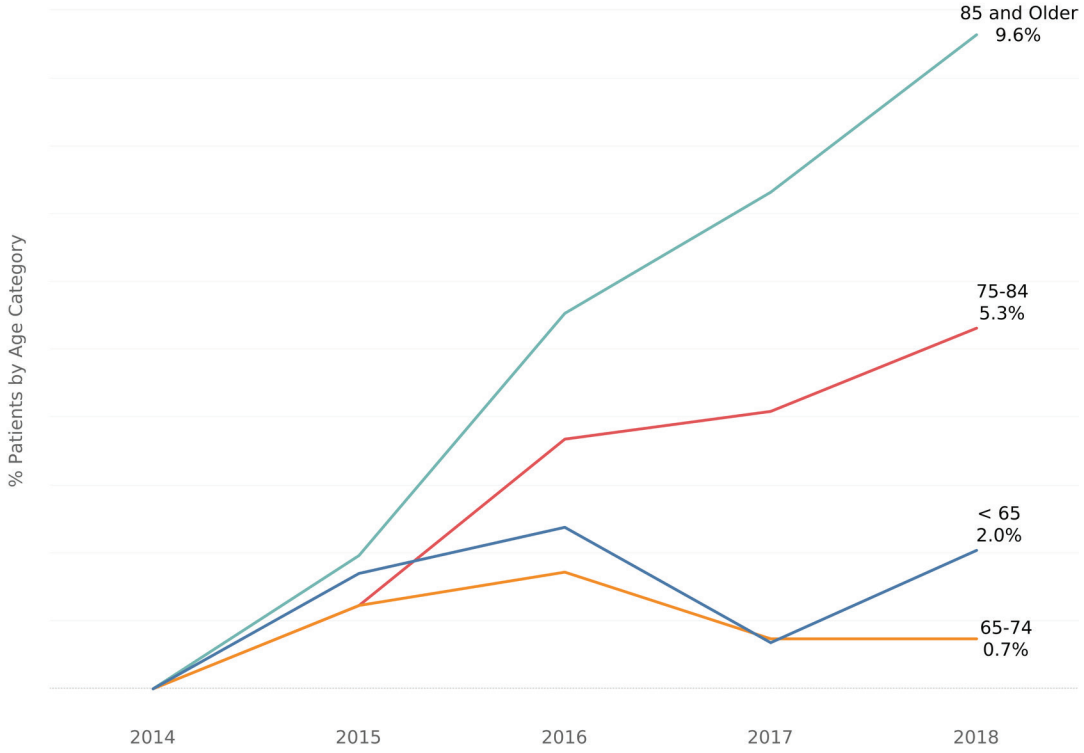
In 2018, about 61.4% of Medicare hospice patients were 75 years of age or older. The 85 and older age category has increased the most since 2014 at 9.6%.

Figure 7: % of Patients by Age for 2018



Source: MedPAC March 2020 Report to Congress, MedPac analysis of the denominator file and the Medicare Beneficiary Database (Applies to both Figure 7 & 8)

Figure 8: % Change over 5 Years



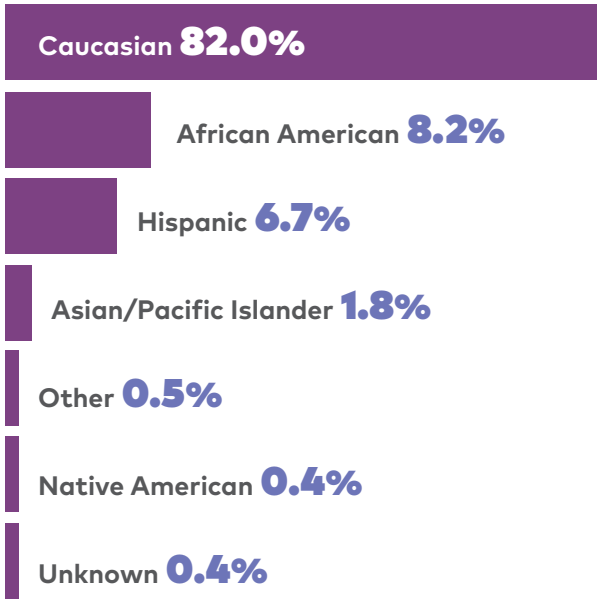
Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2018?

Patient Race

In 2018 a substantial majority of Medicare hospice patients were Caucasian. However, since 2014, patients identified as Asian/Pacific Islander and Hispanic have increased by 45% and 33% respectively.

Figure 9: % of Patients by Race for 2018



Source: CMS Data sourced by HCCI for NHPCO

Who Receives Hospice Care (continued)

What are the characteristics of Medicare beneficiaries who received hospice care in 2018?

Principal Diagnosis

The principal hospice diagnosis is the diagnosis that has been determined to be the most contributory to the patient's terminal prognosis. 2018 continued to show that more Medicare hospice patients had a principal diagnosis of cancer than any other disease.

Principal diagnosis categories of Stroke, Other, Respiratory, and Circulatory/Heart have grown the most since 2014.

Figure 10: % of Hospice Decedents by Principal Diagnosis for 2017 & 2018

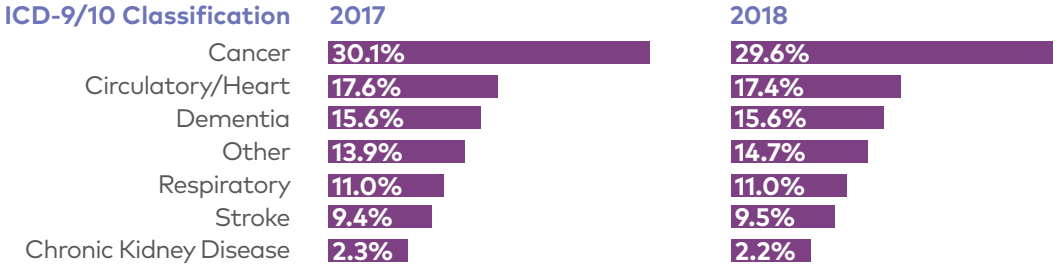
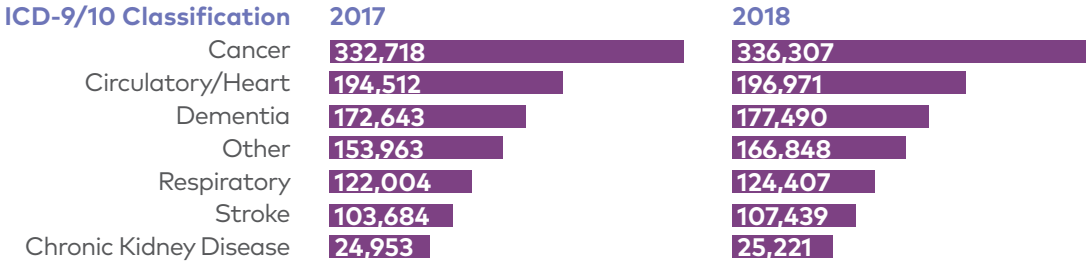


Figure 11: No. of Hospice Decedents by Principal Diagnosis for 2017 & 2018



Source: CMS Data sourced by HCCI for NHPCO

How Much Care Is Received?

Lifetime Length of Stay

The average Lifetime Length of Stay (LLOS) for Medicare patients enrolled in hospice in 2018 was 89.6 days. The median length of service (MLOS) was 18 days.

Table 1: Average Lifetime Length of Stay

Year	Patients	Total Days	Avg. Days of Care
2014	1.32M	91.9M	88.2
2015	1.38M	95.9M	86.7
2016	1.43M	101.2M	87.0
2017	1.49M	106.3M	88.1
2018	1.55M	113.5M	89.6

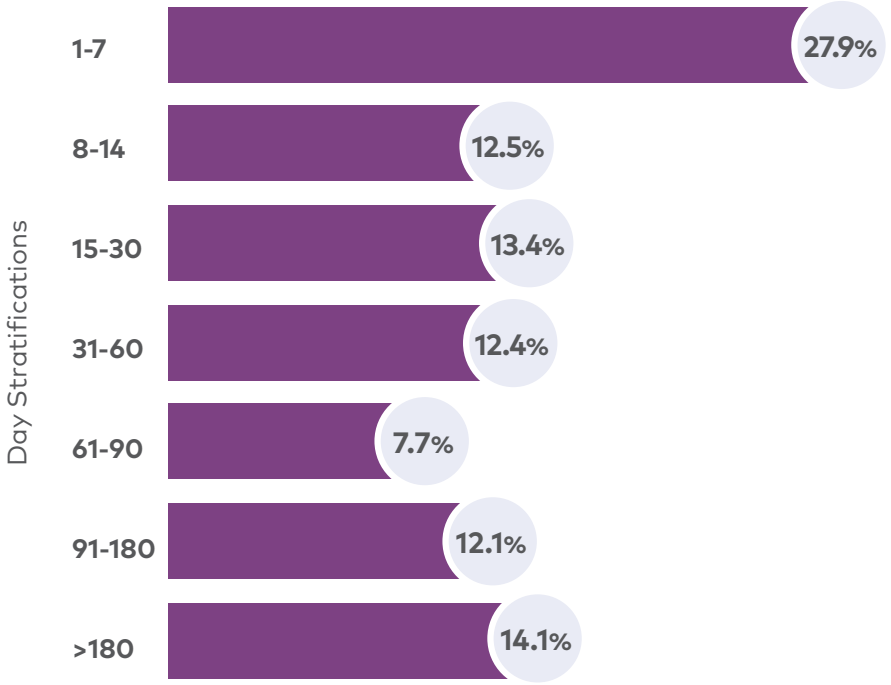
Source: MedPAC March Report to Congress, Various years

Days of Care

In 2018 hospice patients received a total of 114.0 million days of care paid for by Medicare.

A greater proportion of Medicare patients (27.9%) were enrolled in hospice a total of seven days or fewer compared to all other length of service categories. Forty percent of hospice beneficiaries in 2018 were served 14 days or less.

Figure 12: % of Patients by Days of Care for 2018*



**These values are computed using only days of care that occurred in 2018. 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 2018.*

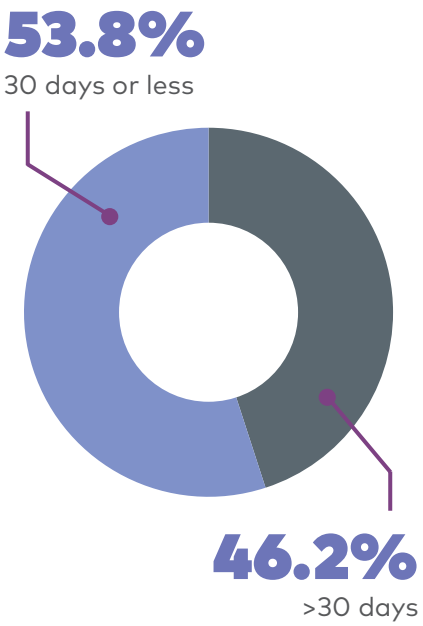
Source: CMS Data sourced by HCCI for NHPCO

How Much Care Is Received (continued)

Days of Care

In 2018 over half (53.8%) of patients were enrolled in hospice for 30 or fewer days.

Figure 13: % of Patients by Days of Care for 2018

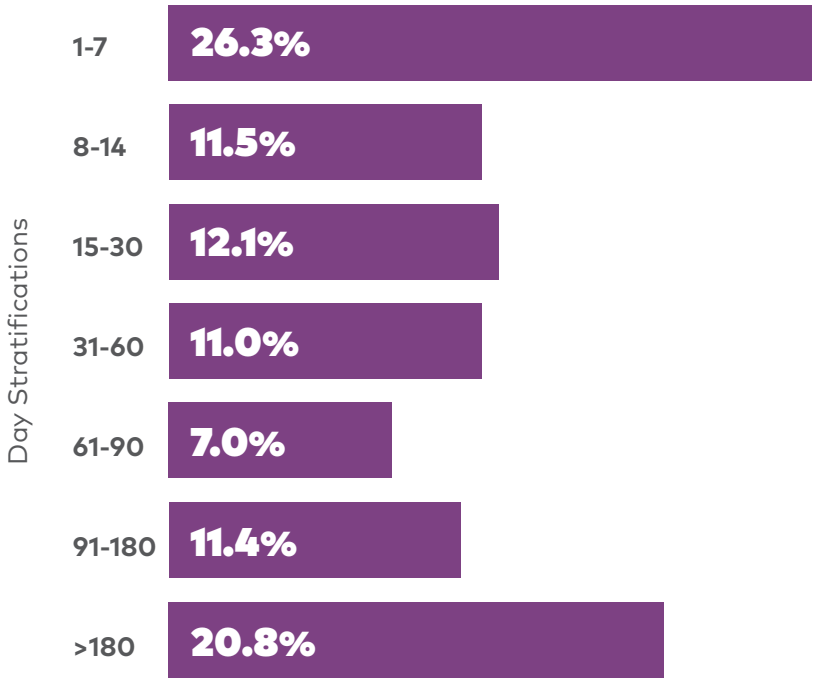


Source: CMS Data sourced by HCCI for NHPCO

Days of Care

Days of care over multiple years by percentage of patients*

Figure 14: Days of Care Between 2016-2018 by % of Patients



**These values are computed using all days of care that occurred between 2016 through 2018 highlighting extended care beyond 180 days that covered multiple years vs just 2018.*

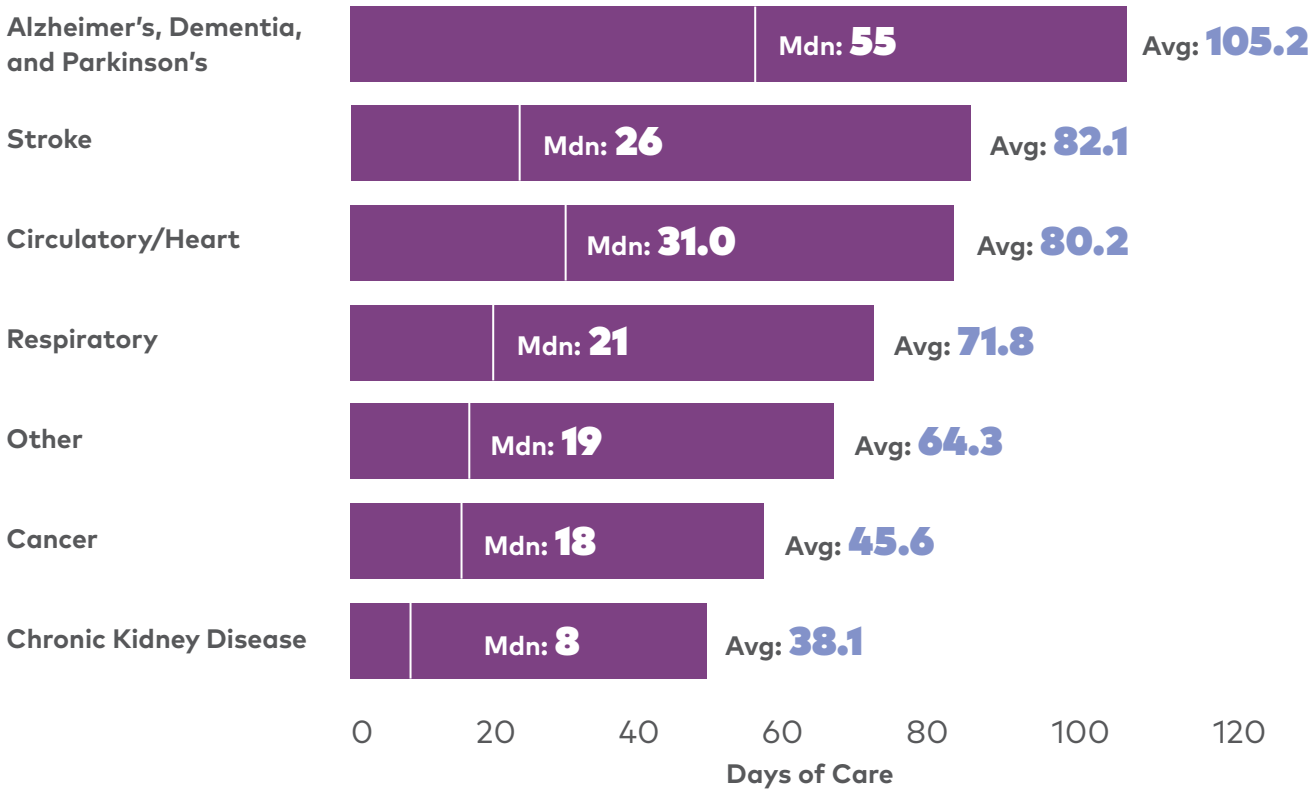
Source: CMS Data sourced by HCCI for NHPCO

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 2018.

Figure 15: Days of Care by Principal Diagnosis for 2018



**These values are computed using only days of care that occurred in 2018. Days of care have been combined for patients who had multiple episodes of care in 2018. Days of care occurring in other years are not included.*

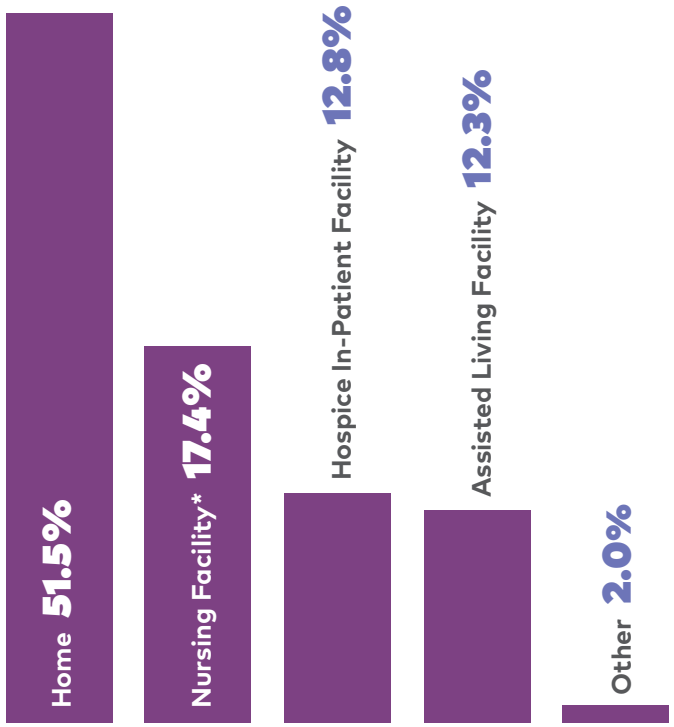
Source: CMS Data sourced by HCCI for NHPCO

How Much Care Is Received? (continued)

Deaths

In 2018, 1.1 million Medicare beneficiaries died while enrolled in hospice care. 51.5 % of deaths occurred in the home, and more than a third between nursing facilities, hospice in-patient facilities, and assisted living facilities. However, assisted living facilities have grown the most over 5 years by over 40%.

Figure 16: Decedent % by Location of Death



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

Source: CMS Data sourced by HCCI for NHPCO

How Much Care Is Received? (continued)

Discharges and Transfers

In 2018, there were 1.3M discharges. Live discharges comprised 17% of all Medicare hospice discharges with patient and hospice initiated discharges being about equal.

Table 2: Discharge by Type for 2018

Deaths	Decedents	83%
Patient Initiated-Live Discharges	Revocations	6.6%
	Transfers	2.2%
Hospice Initiated-Live Discharges	No Longer Terminally Ill	6.3%
	Moved Out of the Service Area	1.6%
	Discharges for Cause	0.3%

**Calculations are based on total number of discharges which includes patients who were discharged more than one time in 2018.*

Source: CMS Data sourced by HCCI for NHPCO

Level of Care

In 2018, the vast majority of days of care were at the Routine Homecare (RHC) level.

Table 3: Level of Care by % of Days of Care

LOC Metrics	2014	2015	2016	2017	2018
RHC Days	97.7%	97.9%	98.0%	98.0%	98.2%
CHC Days	0.3%	0.3%	0.3%	0.2%	0.2%
IRC Days	0.3%	0.3%	0.3%	0.3%	0.3%
GIP Days	1.7%	1.6%	1.6%	1.3%	1.2%

Source: MedPAC March Report to Congress, Various years

How Much Care Is Received? (continued)

Location of Care

In 2018, most of days of care were provided at a private residence followed by assisted living facilities and nursing facilities.

Average days by location of care as shown in figure 22 were 93 days at Home, 106 days in Nursing Facilities, and 155 days with Assisted Living Facilities. Avg Days at Home grew by 3.3 % since 2014 while Nursing Facilities declined by 3.6% over the same period.

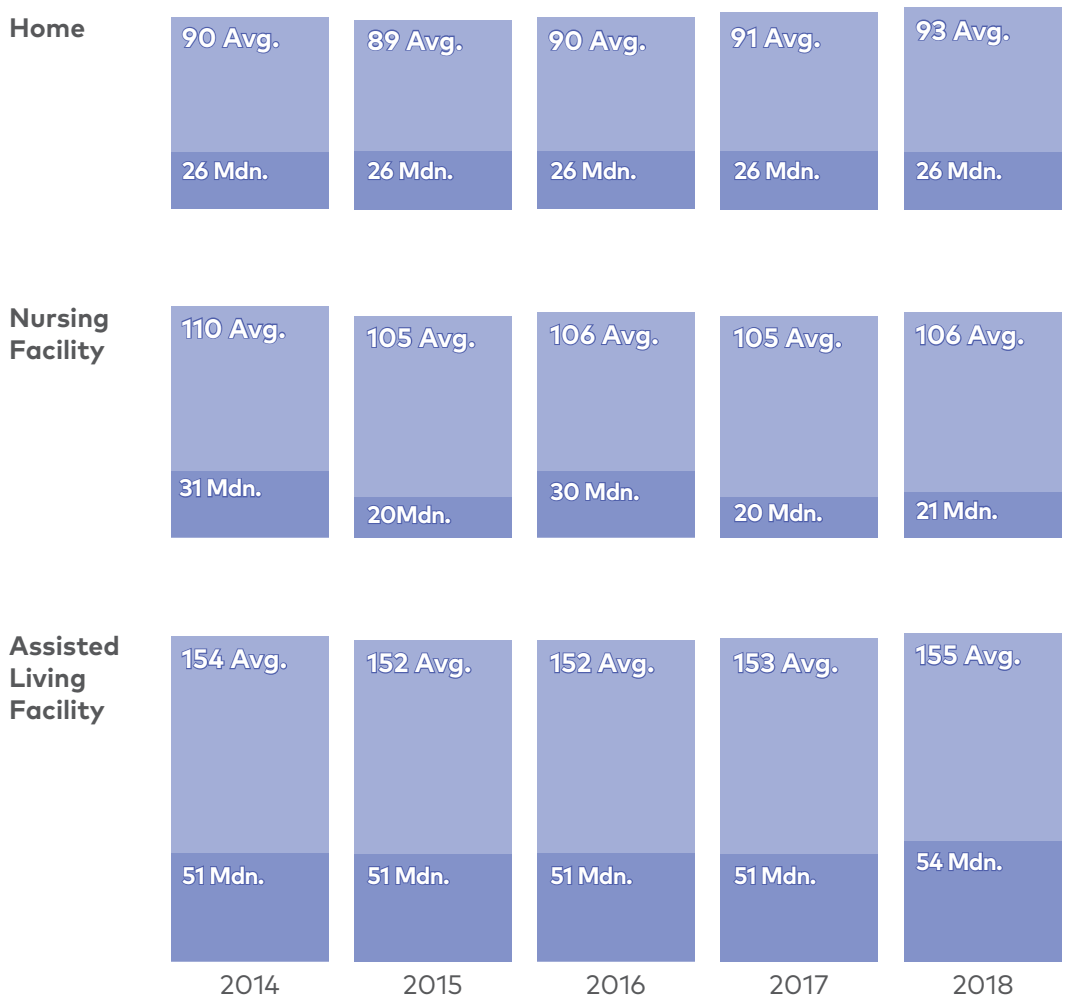
Table 4: Location of Care by % of Days of Care for 2018

Home	55.6%
Assisted Living Facility	19.74%
Nursing Facility*	17.27%
Other	6.6%
Hospice In-Patient Facility	0.8%

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

Source: CMS Data sourced by HCCI for NHPCO

Figure 17: Average Days by Location of Care

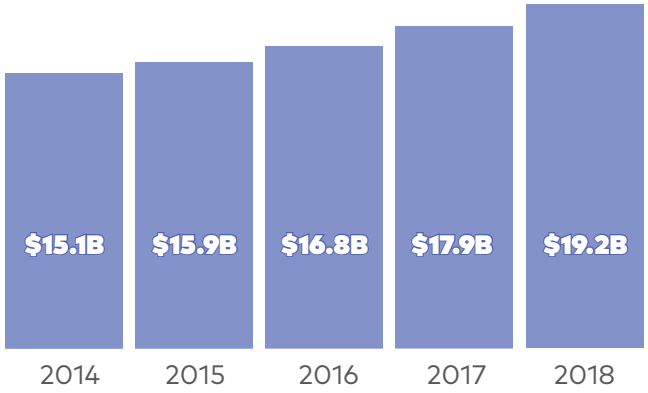


Source: MedPAC March 2020 Report to Congress, Table 12-5

How Does Medicare Pay for Hospice?

Medicare paid hospice providers a total of $19.2 billion dollars for care provided in 2018, representing an increase of 7.2% over the previous year.

Figure 18: Medicare Spending



Source: MedPAC March Report to Congress, Various Years

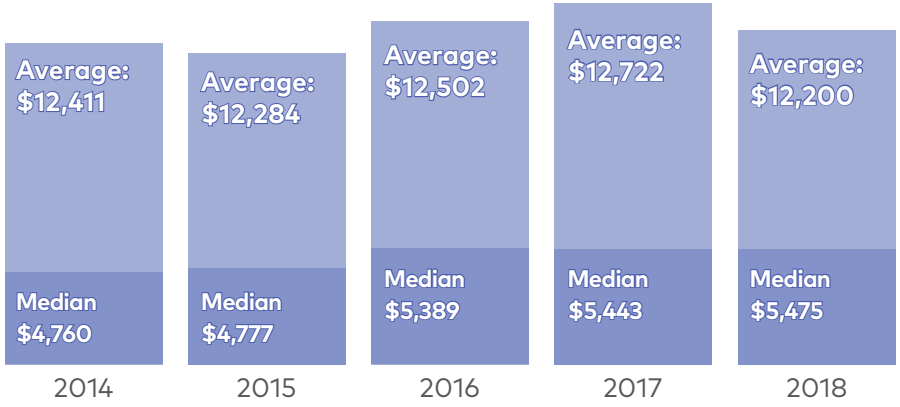
Spending by Days of Care

In 2018, only 27.9% of Medicare spending for hospice care was for patients who had received 180 or fewer days of care.* (See Table 5)

Spending Per Patient

The average spending per Medicare hospice patient was $12,200.

Figure 19: Average Medicare Spending Per Patient



Source: CMS Data sourced by HCCI for NHPCO

Table 5: Medicare Payments by Days of Care Stratified from 2012-2018

Day Stratifications	2014	2015	2016	2017	2018
1-7	3.12%	3.04%	3.1%	1.85%	1.90%
8-14	2.80%	2.68%	2.73%	1.66%	1.69%
15-30	4.18%	4.02%	4.20%	2.79%	2.79%
31-60	5.95%	5.80%	6.19%	4.61%	4.61%
61-90	5.38%	5.31%	5.54%	4.67%	4.67%
91-180	12.78%	12.58%	12.46%	11.06%	12.23%
>180	65.79%	66.58%	65.79%	73.75%	72.10%

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

Source: CMS Data sourced by HCCI for NHPCO

How Does Medicare Pay for Hospice? (continued)

Spending by Diagnosis

In 2018, patients with a principal diagnosis of dementia continued to lead Medicare hospice spending at 25.3%. Stroke, circulatory/heart, and respiratory related medicare spending grew the most since 2014.

Table 6: % of Medicare Spending by Principal Diagnosis

CCS	2018
Dementia	25.3%
Circulatory/Heart	20.2%
Cancer	17.7%
Other	13.3%
Respiratory	10.9%
Stroke	11.5%
Chronic Kidney Disease	1.1%

Source: CMS Data sourced by HCCI for NHPCO

Spending by Level of Care

In 2018, the vast majority of Medicare spending for hospice care was for care at the routine home care level. This has grown 17.8% since 2014.

Table 7: Spending by Level of Care

Level of Care	2018
Routine Home Care	89.81%
General Inpatient Care	6.44%
Inpatient Respite Care	1.95%
Continuous Home Care	1.79%

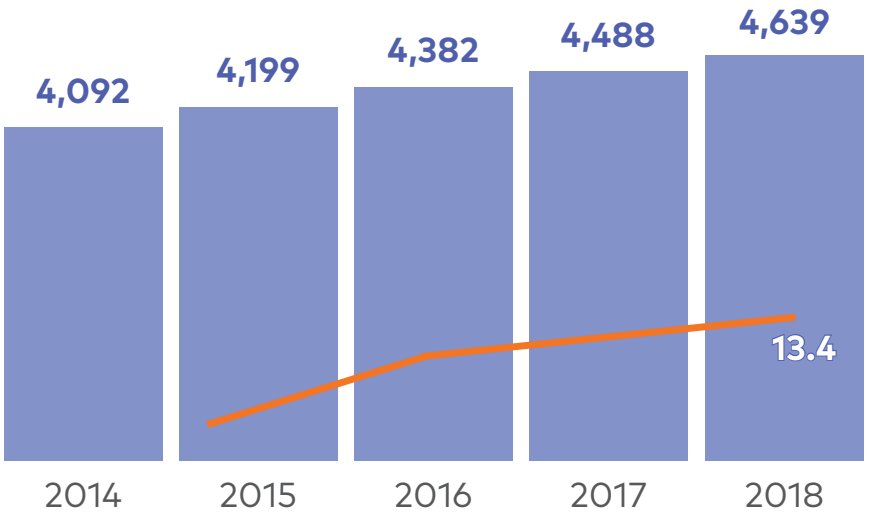
Source: CMS Data sourced by HCCI for NHPCO

Who Provides Care?

How many hospices were in operation in 2018?

Over the course of 2018, there were 4,639 Medicare certified hospices in operation based on claims data. This represents an increase of 13.4% since 2014.

Figure 20: Number of Operating Hospices



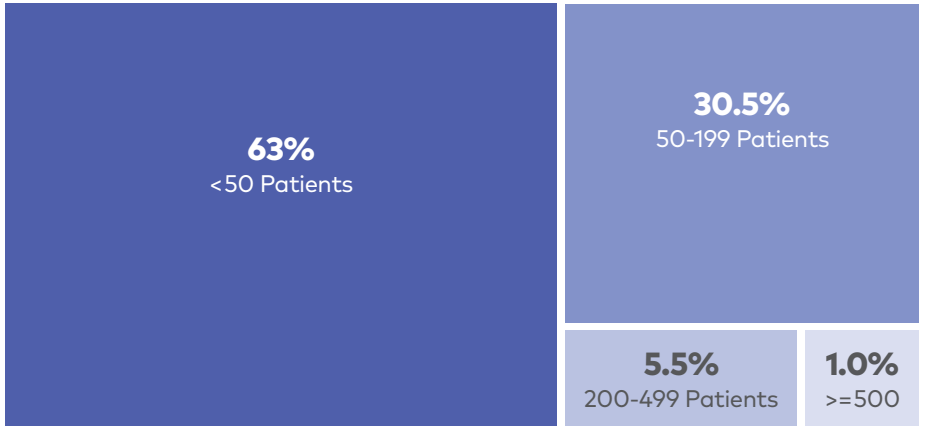
Source: MedPAC March Report to Congress, Various Years

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 2018, the mean ADC for all hospices was 66.9 with a median of 31.8 patients. 63% of all hospices had an ADC of less than 50 patients.

Figure 21: Hospice Average Daily Census for 2018



Source: CMS Data sourced by HCCI for NHPCO

Table 8: ADC Support Stats

Year	Mean Census	Median Census	10th Percentile Census	25th Percentile Census	75th Percentile Census	90th Percentile Census
2014	66.9	33.5	4.1	12.8	75.3	150.3
2015	66.3	33.2	4.0	13.2	74.5	146.5
2016	67.3	33.1	3.1	12.1	75.9	153.5
2017	68.9	33.2	3.6	12.2	78.3	157.6
2018	66.9	31.8	4.0	12.5	75.5	154.2

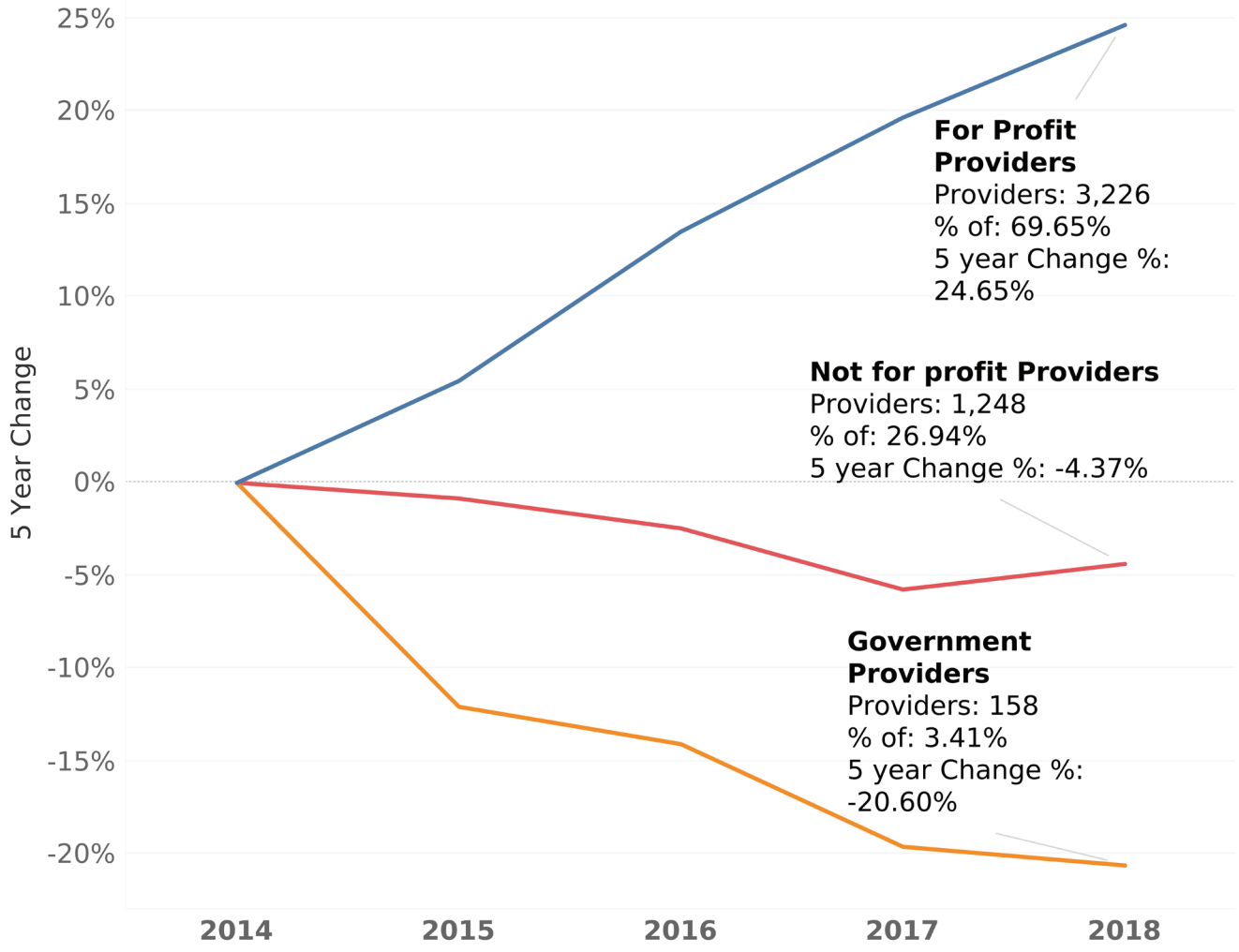
Source: CMS Data sourced by HCCI for NHPCO

Who Provides Care? (continued)

Tax Status

As shown in figure 22, 69.7% of active Medicare provider numbers were assigned to hospice providers with for-profit tax status and 26.9% with not-for-profit status. For-profit hospice providers grew by 24.7 % since 2014 while non-profit hospice providers retracted 4.4%. Government-owned hospice providers comprised only 3.4% and has also declined by more than 20% since 2014.

Figure 22: Providers by Type



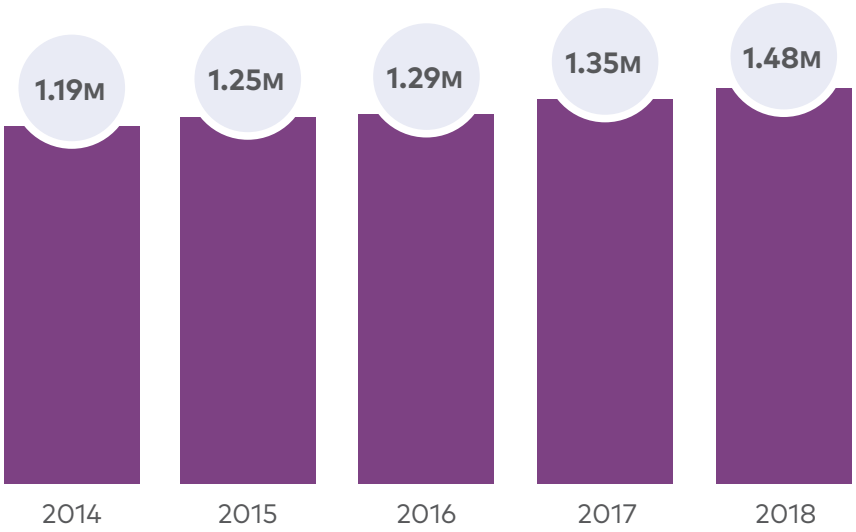
Source: MedPAC March Report to Congress, Various Years

Who Provides Care? (continued)

Patient Volume First Admissions

In 2018 hospice providers performed a total 1.48 million unduplicated admissions* of Medicare hospice patients representing a 23.9% increase since 2014.

Figure 23: First Admissions



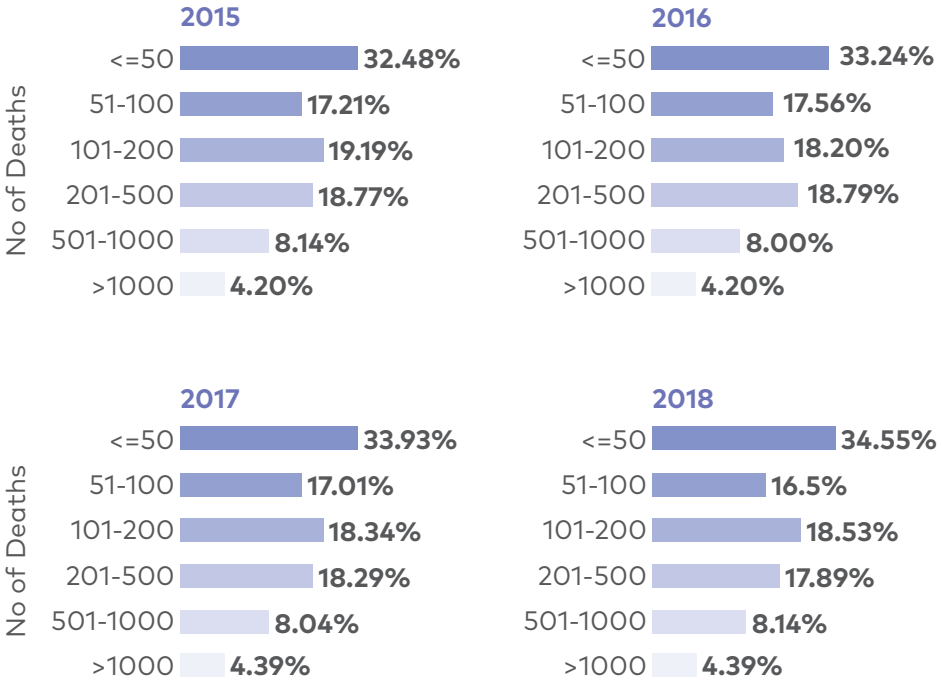
**Unduplicated admissions include patients who were part of the census at the end of 2017, carried over into 2018, discharged in 2017 and readmitted within the year.*

Source: CMS Data sourced by HCCI for NHPCO

Volume of Deaths

In 2018, the highest number of hospice providers served 50 or fewer patients who died while enrolled in hospice care.

Figure 24: % of Hospice Providers by Decedent Count



Source: CMS Data sourced by HCCI for NHPCO

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 has been on newer providers certified for 2-5 years, highlighting new entrants within the industry.

Table 9: Provider Certification

Years Certified	2014	2015	2016	2017	2018
<2 Years	11.1%	10.3%	10.3%	10.1%	10.1%
2-5 Years	13.3%	15.5%	16.9%	17.9%	17.6%
5-10 Years	21.8%	18.8%	17.2%	16.3%	17.1%
10+ Years	53.8%	55.4%	55.6%	55.7%	55.1%

Source: CMS Data sourced by HCCI for NHPCO

Data Sources

The data sources primarily used for this report are from the MedPAC March Report to Congress (various years), MedPAC Data Book, and various CMS claims related data sourced by the Health Care Cost Institute (HCCI) paid for by NHPCO. See cited sources through out the report for each table and figure. For data references provided by MedPAC, the March Report to Congress from various years or the FY2020 MedPAC Data Book are used. They can be found at www.medpac.gov. For data references provided by HCCI, various sources and the following methodology was used. The CMS Research Identifiable Files (RIF) Medicare Fee-for-Service (FFS) claims data including 100% of Medicare Part A from 2012-2018. 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

For all HCCI related references, 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 2018). 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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