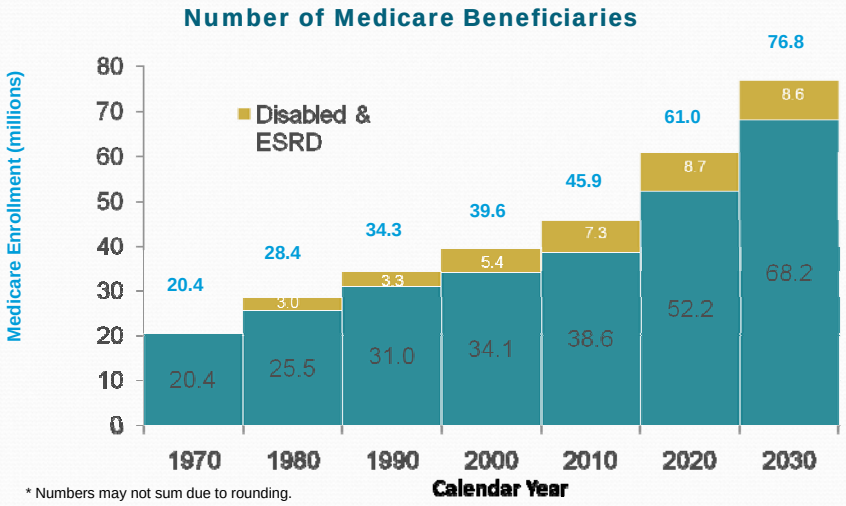
# Building On Success: Innovations in End-of-Life Care

Angie Montes Truesdale
Director,
Public Policy
National Hospice & Palliative Care Organization
NHPCO Hospice Action Network

# Hospice: a Medicare Success

# MEDICARE BENEFICIARIES TO 2030

*The number of people Medicare serves will nearly double by 2030*



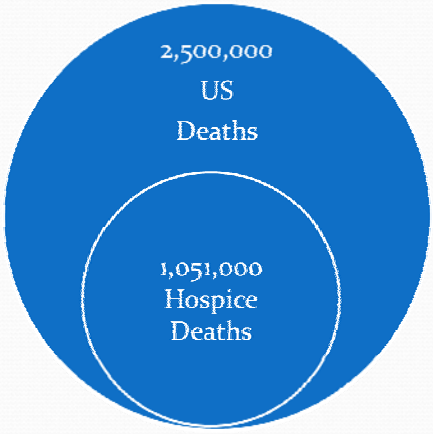

* Numbers may not sum due to rounding.

*Source*: CMS, Office of the Actuary.

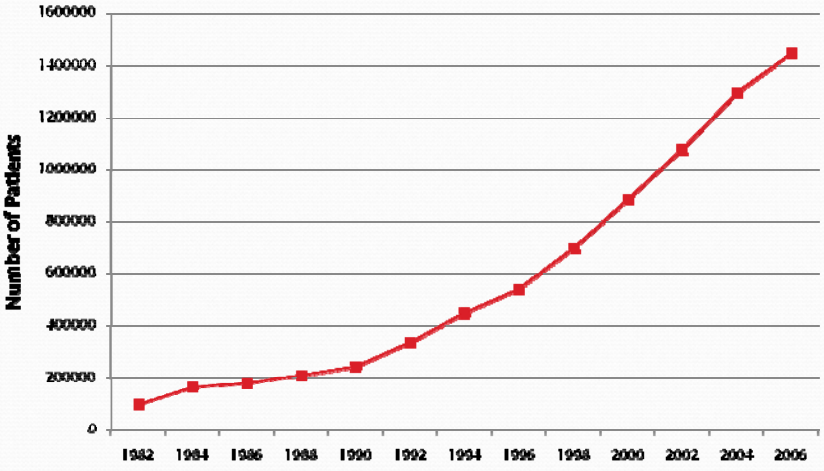
# 2008 Medicare Hospice Data

| | |
|---|---|
| **Total Medicare Patients Served** | **1,050,705** |
| Total Medicare Reimbursement for 2008 | $11,197,481,617 |
| Total Days of Care | 74,968,108 |
| Average Payment per Patient | $10,657 |
| Average Length of Stay | 71 days |

# Number of Hospice Deaths in US

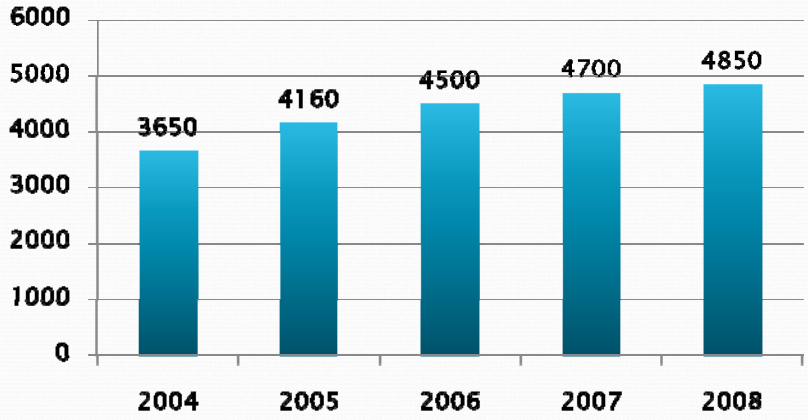



# US Hospice Patient Growth 1982 – 2008



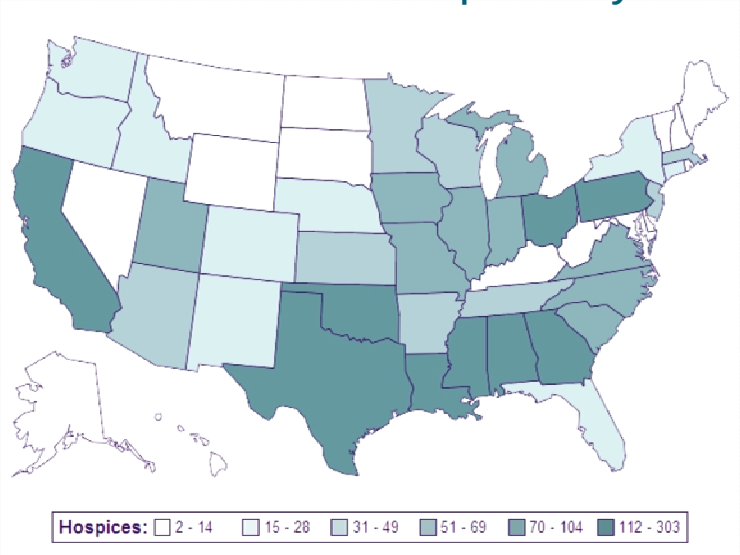

Source: National Hospice and Palliative Care Organization.
October 2009

# Total Hospice Providers by Year

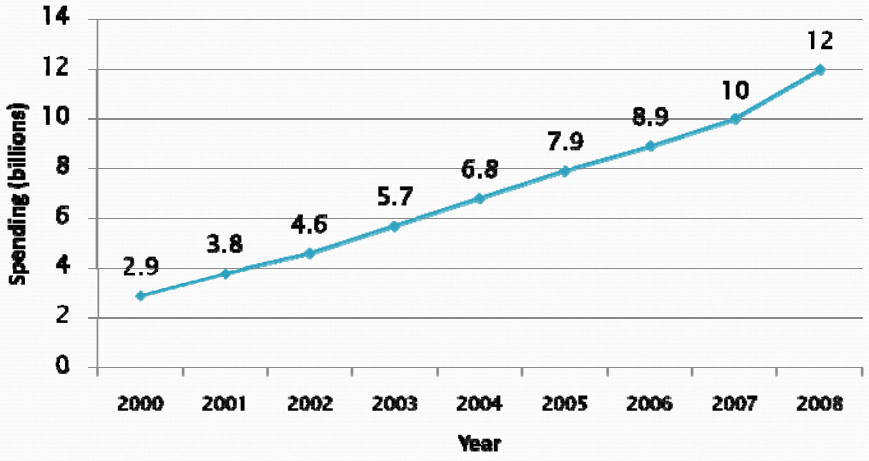



Source: NHPCO Facts and Figures 2004-2008

# Medicare Certified Hospices by State

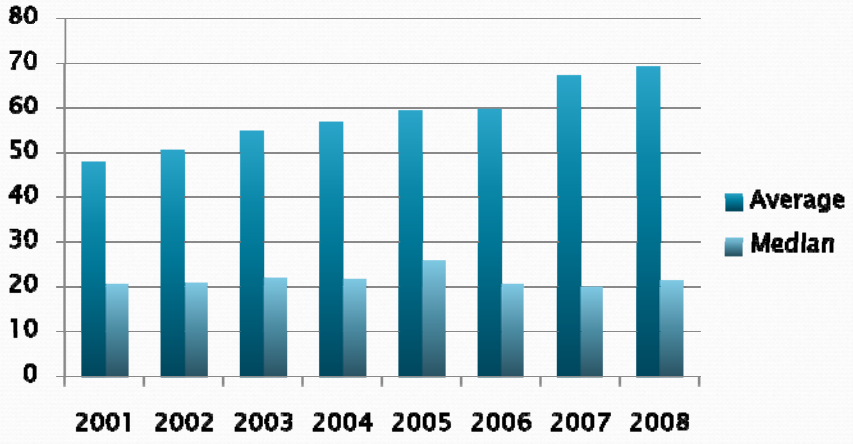


## Hospice Spending Tripled between 2000 and 2008




Source: CMS Office of the Actuary

## Average and Median Length of Stay




Source: NHPCO National Data Set 2001 – 2008

# Patients by Payer Source

| Payer | 2008 | 2007 |
|---|---|---|
| Medicare | 84.3% | 83.6% |
| Managed Care or Private Insurance | 7.8% | 8.5% |
| Medicaid | 5.1% | 5.0% |
| Uncompensated or Charity Care | 1.3% | 1.3% |
| Self Pay | 0.7% | 0.9% |
| Other Payment Sources | 2.9% | 2.9% |

# Location of Death

| Location of Death | 2008 | 2007 |
|---|---|---|
| Patient's Place of Residence | 68.8% | 70.3% |
| Private Residence | 40.7% | 42.0% |
| Nursing Facility | 22.0% | 22.8% |
| Residential Facility | 6.1% | 5.5% |
| Hospice Inpatient Facility | 21.0% | 19.2% |
| Acute Care Hospital | 10.1% | 10.5% |

Source: NHPCO Facts and Figures 2009

# Policy Goals

## "Bending the cost curve"

- Dartmouth Atlas
  - Almost 55 percent of total spent in last two years of life was in an acute care setting
  - 27 percent of Medicare costs are in last year of life
- Duke Study
  - Hospice saves, on average, $2,300 per patient
    - Cost effective for 233 days (cancer)
    - Cost effective for 154 days (non-cancer)
  - Costs would be reduced for 7 out of 10 patients if hospice was used longer

# New Models of Care

## NHPCO Innovations

- Concurrent Care
  - 6 months (hospice eligible)
  - Hospice provides normal range of services
  - Concurrent “conventional therapies” allowed
  - Hospice paid “normal” rates
- Transition Care Management
  - 18 months
  - Consultative services
    - Provided by team or individual members of IDT
  - Hospice paid according to physician rates, or by services

# Concurrent Care Model

- Patients must be terminally ill
- Six month prognosis required (mirrors hospice)
- Hospice provides full range of services
  - Palliation and management of terminal illness
- Patient receives full range of “conventional” services
  - Billed to Medicare, based on service provider

# Transitional Care Management Model

- Patients must be terminally ill  (advanced illnesses)
- Life expectancy of 18 months or less
- Patients and families would have access to full range of conventional therapies
- Reimbursement based on consultative model
  - Based on physician fee schedule, varies based upon professional delivering services

# TCM, continued

- Hospice would provide, as needed:
  - Palliative care services
  - End-of-life care planning
  - Counseling
    - Advance care planning
    - Informed decision making
  - Discussions of supportive services

# Expected Results

- Lowered costs
  - Fewer emergency room visits
  - Fewer ambulance charges
  - Fewer acute care hospital stays
  - Less futile care
- Higher patient satisfaction
  - Meeting patient (and family) needs
  - Better understanding of care goals
  - Better coordination of care

# Assessment

- Comparison of costs from date of admission until death to matched cohort group
- Location of death and number of health locale transitions
  - including amount of time spent in each
- Quality of life measures
  - Family Evaluation of Hospice Care (FEHC)
  - Patient Evaluation of Hospice Care (PEHC)

# Evaluation

**Academic institution**

- Experienced in studying cost effectiveness in end of life care
- Interim report at end of 18 months
- Final report due not later than one year after completion of project

# Next Steps

- Concurrent care model is in HCR bill
- Transitional Care management model included in NHPCO legislative agenda
  - Included in S. 1263.
  - Drafting by task force of Public Policy Committee
    - Inclusion in improvement and accountability package
    - Congressional sponsors
    - Introduction, hearings and passage

# Questions & Discussion?