

# Medicare patients who use hospice receive better care at a lower cost to the government

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Medicare patients who enrolled in hospice received better care at a significantly lower cost to the government than those who did not use the Medicare hospice benefit. The data indicate that annual savings to Medicare could amount to \$2.4 million to \$6.4 million, if 1,000 additional Medicare beneficiaries chose to enroll in hospice 53-105 days before death, or 15-30 days prior to death.

The study, led by researchers at the Icahn School of Medicine at Mount Sinai, is published in the March issue of [Health Affairs](#). It is part of *Health Affairs'* Care Span series, funded by The SCAN Foundation, which includes articles about long term services, end of life issues and other aging issues.

"Considerable evidence supports that Hospice significantly enhances quality of care for patients and their families near the end of life, but the impact of hospice on [Medicare costs](#) remains an ongoing debate," said the study's lead author, Amy S. Kelley, MD, MSHS, Assistant Professor of Geriatrics and [Palliative Medicine](#) at Icahn School of Medicine at Mount Sinai. "Our study is the first to combine rich survey data and Medicare claims to demonstrate that an investment in the Medicare hospice benefit could translate into millions of dollars saved annually for the [Medicare system](#) and higher [quality care](#) for patients and families."

"To create the most value – both in terms of higher quality of care and lower cost – providers need to ensure that patients who could benefit from hospice know it's an available and accessible option," said Dr.

Kelley.

Researchers also found that hospice enrollment was associated with significant reductions in admissions to hospital and intensive care units, days spent in a hospital, rates of 30-day readmissions and in-hospital death.

For this study, researchers used survey data from 3,069 subjects within the National Institute of Aging's Health and Retirement Study as well as their individual Medicare claims to compare the Medicare costs of patients who received hospice care to those of patients who did not. In using data from the Health and Retirement Study, researchers were able to compare patients with similar social, economic and health care histories, creating a more accurate comparison than using Medicare claims alone.

Researchers examined four different periods of hospice enrollment: the three most common enrollment periods, 1-7, 8-14, and 15-30 days before death, as well as 53-105 days prior to death. They also investigated both the source of hospice-related savings such as hospital admissions, hospital and [intensive care unit](#) days and hospice's impact on selected measures of quality of care at the end of life such as 30-day readmission rate and in-hospital death.

Based on the study data, if 1,000 additional beneficiaries enrolled in hospice 15 to 30 days prior to death, Medicare could save more than \$6.4 million dollars annually, while those beneficiaries would be spared 4,100 hospital days. Alternatively, if 1,000 additional beneficiaries enrolled in hospice 53 to 105 days before death, the overall savings to Medicare would be over \$2.5 million dollars.

Provided by The Mount Sinai Hospital

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