



Advising the Congress on Medicare issues

Assessing payment adequacy and updating payments: hospice services

Kim Neuman
January 17, 2014

Hospice payment adequacy indicators

- Medicare paid ~\$15 B to > 3,700 hospices for care furnished to ~1.27 M beneficiaries in 2012
- Indicators of access to care are favorable
 - Supply of providers continues to grow, driven by for-profit hospices
 - Hospice users increased; ALOS increased
- Quality data are unavailable
- Access to capital appears adequate
- 2011 margin is 8.7%
- 2014 projected margin is 7.8%