



*Advising the Congress on Medicare issues*

# Assessing payment adequacy and updating payments: hospice services

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# Hospice payment adequacy indicators

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- 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%