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HOSPICE & PALLIATIVE CARE IN SOUTH FLORIDA

Palliative, Hospice and the Challenges of Healthcare Reform

Palliative and Hospice Care has become not only an important part of the healthcare delivery system landscape but a key component since first appearing in the scene in 1974.

The United States of America's population has aged increasing awareness of hospice services to become a \$19 Billion industry, with more than 6,600 programs meeting the needs of more than 1.7 million people annually.

Despite the palliative and hospice industry's growth, these services struggled with several issues that impacted their evolution and made the industry adapt to changing market forces:

a) Periodic reimbursement changes mandated by the Centers for Medicare and Medicaid Services (CMS). CMS is continuously evaluating Medicare hospice benefits and adding or removing measures to make the program more effective.

b) Regulatory and administrative changes – coding, patient satisfaction and quality performance reporting. Potential future quality measures include:

i. A patient reported pain outcome measures that incorporates patient and or caregiver reporting regarding pain management.

ii. Claims-based measures focused on care practices patterns (skill visits in the last days of life, transitions of care for patients in and



BY DR. ISMAEL
ROQUE-VELASCO

out of hospice and rates of live discharge from hospice.

iii. Responsiveness of hospice providers to patient and family needs.

iv. Hospice team communication and care coordination.

c) Increased awareness and expectations from a more engaged healthcare consumer, patients and families.

Throughout the industry's history, there has been much

discussion about the impact and value of the palliative and hospice programs within our complex and very expensive healthcare delivery system.

a) Does hospice enrollment reduce costs for end of life care recipients?

b) Does hospice care improve the quality of life for the patients, caregivers and families?

These questions were answered in a study conducted by Mount Sinai's Icahn School of Medicine, published in the March 2013 issue of *Health Affairs*. The research study confirmed that hospice enrollment improved the quality of care and saved money for Medicare.

1. Medicare costs for hospice patients were lower than non-hospice Medicare beneficiaries with similar diagnosis and patient profiles.

2. Fewer 30 day readmissions and in-hospital deaths with hospice enrollment.

3. Fewer hospital and ICU days were associated with hospice enrollment.

Drake University conducted a study which concludes that hospice serviced patients in the last year of life experienced a savings of \$12,000 versus direct Medicare beneficiaries not enrolled in the hospice program.

From a broader healthcare system's perspective, our hospice industry is well positioned to participate in the shift to a value-based compensation model, the increasing prevalence of risk-bearing provider organizations (e.g., ACOs, HMOs, MSOs and hospital based systems), and the emergence of provider-led coordination and population health management initiatives. To achieve cost saving goals the hospice providers have learned to work in multidisciplinary care teams and manage transitions in care, which are important capabilities for risk bearing organizations.

In conclusion, hospice care not only has a direct impact and an economic potential but the human impact must also be considered when discussing the hospice industry. No other part of the U.S. healthcare system is as patient-centric as hospice. Even more importantly, hospice care has a profound and direct impact on the process of dying, helping the patients die with comfort and dignity, while providing the loved ones with psychological, spiritual and a comprehensive caring approach through the bereavement process.

Dr. Ismael Roque-Velasco, President and Chief Executive Officer of OpusCare of South Florida, can be reached at (305) 591-1606 or visit www.OpusCare.org.