THE VALUE OF HOSPICE
Better Care, Lower Cost

NORC at the University of Chicago, an independent, non-partisan research institution, used Medicare claims data to develop a comprehensive study of hospice's savings to the Medicare program. Here's what they found.

FINDINGS

In 2019, hospice saved Medicare:

$3.5bn

NORC estimates that Medicare spending for those who received hospice care was $3.5 billion less in 2019 than it would have been had they not received hospice care.

FINDINGS

Hospice is associated with lower Medicare end-of-life expenditures when hospice lengths of stay are longer than ten days.

Hospice is available to anyone with a prognosis of 6 months or less to live. Educating patients about the options could mean more patients choosing hospice earlier, which would create savings for Medicare, reduce unwanted medical interventions, and likely improve quality of care at the end of life.

Medicare patients' days spent enrolled in hospice:

18 DAYS
MEDIAN LENGTH OF STAY OF MEDICARE BENEFICIARIES

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MARCH 2023
FINDINGS

Hospice stays of six months or more result in savings for Medicare

For those who spent at least six months in hospice in the last year of their lives, Medicare spending was on average 11% lower than the adjusted spending on beneficiaries who did not use hospice.

FINDINGS

Hospice care benefits patients, family members, and caregivers

Research shows hospice provides:

- Increased satisfaction and quality of life.
- Improved pain control.
- Reduced physical distress.
- Reduced prolonged grief/other emotional distress.

HOSPICE FACTS & FIGURES

Hospice Beneficiary Demographics

Medicare decedents by race who used hospice:

- WHITE 53.8%
- HISPANIC 42.7%
- BLACK 40.8%
- ASIAN AMERICAN 39.8%
- AMERICAN INDIAN/ALASKA NATIVE 38.5%

Among Medicare decedents who identified as...

- FEMALE 56.2% used hospice
- MALE 46.7% used hospice

Medicare Hospice Spending

2016 $16.8B
2017 $17.9B
2018 $19.2B
2019 $20.9B

Utilization of Hospice by State

TOP 5
- UTAH 60.7%
- FLORIDA 56.2%
- OHIO 54.8%
- WISCONSIN 54.7%
- ARIZONA 54.7%

BOTTOM 5
- NEW YORK 24.7%
- D.C. 25.8%
- ALASKA 30.1%
- NORTH DAKOTA 31.6%
- WYOMING 33.1%

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