

Duke University Study on Hospice

In the most detailed and accurate look ever taken at the economic impact of hospice as a Medicare substitution benefit at the end of life, Duke University professor Dr. Donald Taylor compared the cost of caring for hospice beneficiaries with non-hospice beneficiaries to determine if hospices reduce Medicare expenditures. (Taylor, D.H.Jr, et al. What length of hospice use maximizes reduction in medical expenditures near death in the US Medicare program? *Social Science & Medicine* (2007), doi:10.1016/j.socscimed.2007.05.028)

Dr. Taylor's study concluded:

- The Medicare Hospice benefit provides “the rare situation whereby something that improves quality of life also appears to reduce costs.”
- “Hospice use reduced Medicare program expenditures during the last year of life by an average of \$2,309 per hospice user ...”
- Hospice saves money for average length of stays up to 233 days for cancer patients and 154 days for non-cancer ...
AND
- “... even for people who have been using hospice care for more than 180 days ...hospice is still likely to reduce their cost to the Medicare program for future days if they continue using it until death ...”
- Medicare’s quality and economics would both benefit if Medicare focused on lengthening hospices’ short median and average length of stay, rather than worrying about shortening longer stays.
- Read the study by visiting www.sciencedirect.com and search key word “hospice.”