



Hospice Data Report – February 2021

Exceeding the Medicare hospice cap should not be a surprise. Monitoring of hospice cap key performance indicators (KPIs) allows hospices to take corrective action, if necessary. Below are the four primary KPIs we recommend monitoring for cap risk.

Average Length
of Stay (ALOS)

Median Length
of Stay (MLOS)

Transfer Admits
Percentage
(TAP)

Live Discharge
Percentage
(LDP)

With these KPI in mind, hospices should consider the following ongoing protocols for monitoring cap exposure.

1. Add the following KPIs to your monthly hospice performance dashboard:
 - a. Last twelve-months (LTM) ALOS and MLOS including each of the following and not just the combined:
 - i. LTM ALOS and MLOS for discharged patients
 - ii. ALOS and MLOS for active patients
 - iii. LTM ALOS and MLOS combined (this should not just be a simple average of the two above, but a weighted average)
 - b. ALOS and MLOS for the current cap year (CY) including each of the following and not just the combined (from October 1 through September 30 each year):
 - i. CY ALOS and MLOS for deceased patients
 - ii. ALOS and MLOS for active patients
 - iii. CY ALOS and MLOS combined (this should not just be a simple average of the two above, but a weighted average)
 - c. LTM admits that transferred in from prior hospice as a percent of total admits for the period. This KPI can be called Transfer Admits Percentage, or TAP.
 - d. LTM live discharges as a percent of total discharges for the period. This KPI can be called Live Discharge Percentage, or LDP.
2. Set thresholds for the above indicators that require hospice management action to further consider hospice cap risk:
 - a. Conduct a detailed cap analysis (see item 3 below) when LTM or CY thresholds are:
 - i. Greater than 110 days for combined ALOS
 - ii. Greater than 60 days for combined MLOS
 - iii. Greater than 15% for combined TAP and LDP
 - b. If ALOS for active patients is greater than 150 days, clinical management should report to hospice leadership the hospice appropriateness of all active patients above 180 days.

Combined ALOS > 110



Detailed Cap Analysis

Combined MLOS > 60



Detailed Cap Analysis

TAP + LDP > 15%



Detailed Cap Analysis

Active ALOS > 150



Clinical Mgmt Report on
All Patients > 180 days

3. When the above thresholds reach risk levels for the hospice, use a detailed cap tracking spreadsheet by patient as provided by your electronic health record or your hospice cap advisor. The detailed patient cap analysis should assess the proration of each patient's beneficiary count over multiple cap years compared to the annual cap for each cap year.

Questions? Contact Morgan Crews at: mcrews@bkd.com



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