# **Cost Implications of Hospice Care for Cancer Patients in Illinois Hospitals**



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#### Introduction

- ✓ The aging of the population continues to put pressure on the US health system and an area of growing importance is end of life care.
- ✓ Hospitals with inpatient palliative care consultation (IPCC) teams have been shown to reduce costs and improve quality of care.
- ✓ End of life consultation and decision making around hospice are particularly relevant to cancer patients.
- ✓ Differences in costs at end of life remain understudied and estimates of the cost differences across hospice and non hospice cancer patients were not currently available.

# **Objectives**

Evaluate the cost implications for cancer patients at end of life receiving hospice care in Illinois hospitals

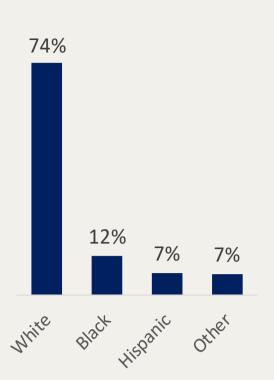
### **Methods**

- ✓ Hospital discharge data were acquired from the years 2012-2016 from the Illinois Health and Hospital Association
- ✓ Patients aged 18 or older with neoplasms based on ICD 9 and ICD 10 were selected and visits resulting in death or discharge to hospice were identified.
- ✓ A generalized linear model with a log link was used with total charges as the dependent variable and controls for gender, age, race, payer and MS-DRG category (surgical, medical) along with an indicator for discharge to hospice.
- ✓ Race/ethnicity included White (W), Black (B) and Hispanic (H).
- ✓ Other control variables were as follows: age (0-54, 55-64, 65-74, 75-84, 85+), gender, payer (Medicare, Medicaid, Commercial Insurance), and clinical conditions (based on ICD 9 codes for neoplasms, circulatory disease, respiratory disease, infectious disease, injury, and other).
- ✓ The model was used to predict total charges with and without discharge to hospice holding the controls at their mean levels.
- ✓ All data were analyzed using STATA (version 17.0, STATACorp LP).

### **Results**

Table 1. Patient Characteristics

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Characteristic	N (%)
Hospice	64,794 (48.8)
Female	69,669 (52.5)
Insurance	
Medicare	94,166 (70.9)
Medicaid/Uninsured	9,875 (7.4)
Commercial	21,258 (16.0)
Other	7,533 (5.7)

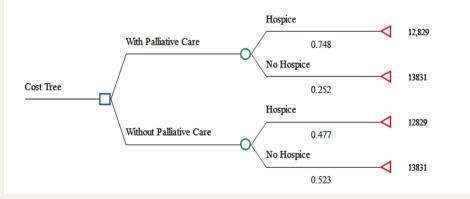


**Table 2. Key Inputs for Model** 

Input	
Probability of hospice <sup>1</sup>	
With palliative care	0.748 (0.703, 0.793)
Without palliative care	0.477 (0.414, 0.540)
Estimated hospital costs <sup>2</sup>	
With hospice care	\$12829 (11832, 13825)
Without hospice care	\$13831 (12208, 15453)
Marginal effect	\$1003
Baseline palliative care use for advanced cancer <sup>3</sup>	13.1%

<sup>&</sup>lt;sup>1</sup> Coleman Palliative Care Training Program<sup>; 2</sup> Illinois COMPData<sup>; 3</sup> Nicholson et al, *Cancer Nursing* 2022

Figure. Decision Tree Analysis of Terminal Hospitalization Costs with and Without Palliative Care



Palliative care is associated with \$271.50 in savings per patient based on the above tree. Hence of 1000 more cancer patients received palliative care it would be expected to generate \$271,500 in savings to the health system. Currently, despite these potential savings only 13.1% of the advanced cancer patients in Illinois hospitals were receiving palliative care.

## **Discussion and Conclusions**

- ✓ Use of Hospice is associated with savings in hospitalization costs for patients with cancer at the end of life in Illinois
- ✓ Policy makers should consider cost savings in other patient populations in Illinois associated with use of hospice services
- ✓ Overall the data suggest end of life consultations promoting hospice can help reduce the costs of end of life care