Overview

Hospice is the comprehensive, holistic program of **palliative care for terminally ill patients** and support for their families. Once a beneficiary elects hospice, they waive curative treatment for their terminal illness. CMS pays for hospice care under Medicare Part A for beneficiaries enrolled in Medicare Fee-for-Service or Medicare Advantage. Hospice agencies are paid a per diem rate based on the level of care provided (e.g., routine home care or inpatient respite care).

Medicare hospice utilization has increased in recent years. In Fiscal Year 2024, **Medicare payments for hospice reached over \$27 billion**, with approximately 1.8 million Medicare beneficiaries receiving hospice care.

CMS has taken significant action to address likely fraudulent behavior occurring in Medicare-enrolled hospices, including long lengths of stay, co-located hospices, and high rates of beneficiaries discharged alive.

Enhanced Oversight

4 States

In July 2023, CMS implemented a Provisional Period of Enhanced Oversight (PPEO) for newly Medicare-enrolled hospices and hospices that underwent a change in ownership in AZ, CA, NV, and TX.

122 Revocations

As of June 2025, 668 hospices have been subject to medical review under the PPEO. CMS has revoked the Medicare enrollment of 122 of these hospices.

Expanded Oversight

Following the success of PPEO, CMS expanded prepayment review to existing Medicareenrolled hospices in the same four states in September 2024.

Additional Enhancements



Nationwide Hospice Site Visit Project

Conducted site visits of high-risk hospices to verify operational status and ownership information, adequate staffing, and key medical record documentation.



Streamlined Beneficiary Disenrollment

Streamlined hospice disenrollment process for Medicare beneficiaries, reducing timeline from six months to less than 12 days. Targeted beneficiary messaging and enhanced triaging of 1-800-MEDICARE hospice complaints.



Beneficiary Engagement & Education

Implemented Rapid Response Team to promptly resolve inappropriate enrollment complaints, resulting in reversal of 358 hospice elections for Medicare beneficiaries to date.

Utilization of Hospice Services



