

NHPCO'S FACTS AND FIGURES — 2005 FINDINGS

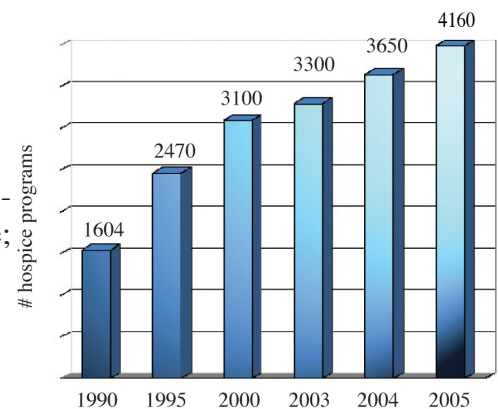
NHPCO is proud to release its 2005 research findings. These findings shed light on important trends in the growth, delivery and quality of hospice and palliative care across the country — and help answer such key questions as who is providing hospice care... who are the patients receiving that care... and how much and what kind of services were provided.

NHPCO releases its findings on an annual basis to the media and key governmental agencies as well as members. The primary source of these findings are the hospice and palliative care providers who participate in NHPCO's National Data Set (NDS), an annual online survey supported by many of our state organization partners. Data from the NDS survey is supplemented by information NHPCO gathers from other sources. For these 2005 findings, this included information from hospice and palliative care programs that completed NHP- CO's annual membership survey. Nearly 1,200 providers contributed data to the NDS and an additional 1,500 completed the membership survey. This means our 2005 findings reflect a more comprehensive picture of the hospice and palliative care field than ever before.

Program Demographics

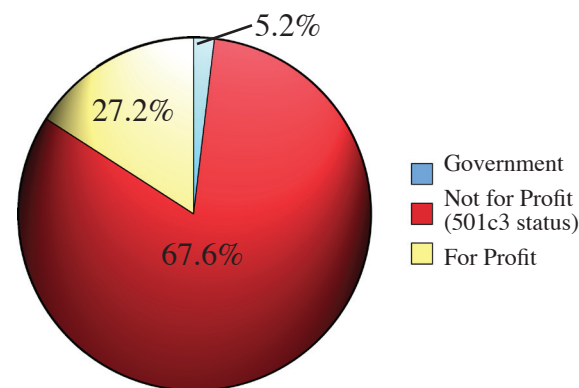
An Upward Trend in Program Growth

The number of hospice programs nationwide continues to increase — from the first program that opened in 1974 to more than 4,100 programs today. Most of this growth is seen in small free-standing programs. 93.6% of agencies reported that they are certified by Medicare; nearly 3 out of 4 hospice programs are accredited by either JCAHO, CHAP, ACHC, or another accrediting agency.



Nonprofit Programs Continue to Dominate the Field

67.6% of programs reported nonprofit (501c3) status while 27.2% reported for-profit status. Government-run programs account for 5.2% of all programs. This trend held steady regardless of agency size.



20% of Hospice Programs Actively Provide or Are Developing Pediatric Palliative Care Programs

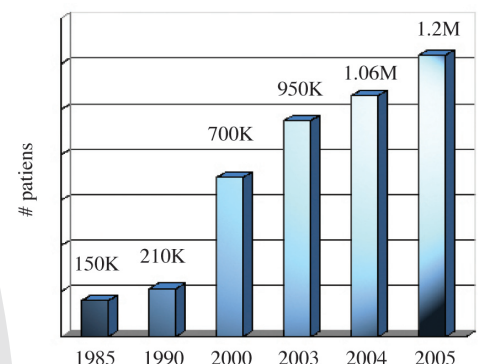
About 18 percent actively provide care while 2 percent plan to. 64.6% of hospice providers report provision of palliative care outside their hospice program.

Patient Demographics

Number of Patients Served by Hospice Keeps Rising

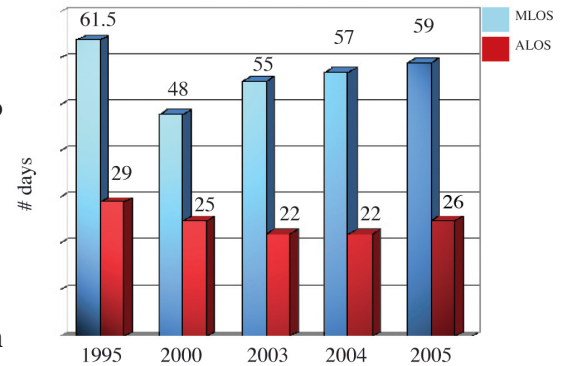
Over 1.2 million patients received services from hospice in 2005, an increase of more than 150,000 people since last year.

In 2005, approximately one-third of all deaths in the United States were under the care of a hospice program. The 1.2 million hospice patients served includes about 800,000 who died, 200,000 who were admitted in 2005 but carried over to 2006, and 200,000 who were discharged alive.



Length of Service Continues to Rebound

In 2005, the average length of service (ALOS) increased to 59 days. The median length of service (MLOS) — a more accurate gauge in understanding the experience of the typical patient — also increased to 26 days. This increase in the length of service can be attributed to two factors: (1) a decline in the percentage of hospice patients who receive care for seven days or less, and (2) an increase in the percentage of patients receiving care for six months or more.

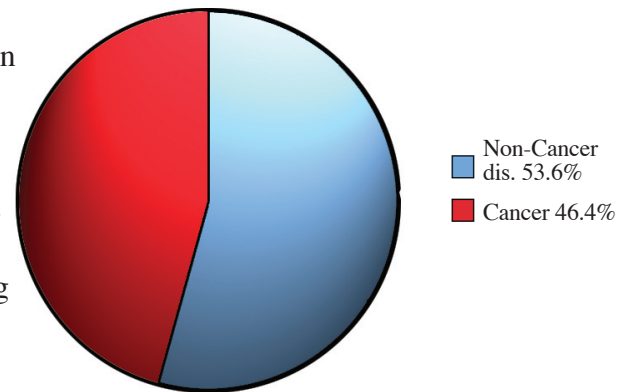


More hospice patients are dying in the place they call “home” than those in the general population.

75.9% of hospice patients died in a private residence, nursing home, or other residential facility. In the general population about 50% die in acute hospitals.¹

More Non-Cancer Admissions in 2005

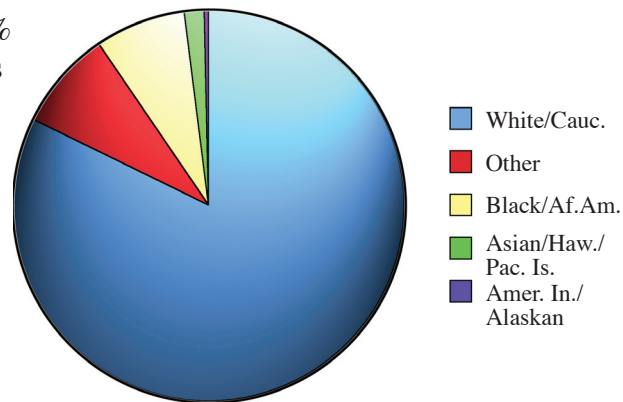
Cancer diagnoses continue to account for less than half of all hospice admissions (46%). The top non-cancer diagnoses included heart disease (12% of admissions), dementia (9.8%), debility (9.2%), and lung disease (7.5%). Growth was seen in the percentage of patient admissions with dementia, debility, stroke or coma, and lung diseases.



Increased Racial Diversity in the Patient Population

Overall, the percentage of minority patients continues to grow (17.8% minority in 2005 vs. 16.5% minority in 2004), particularly in patients who identify themselves as multiracial or of other race.

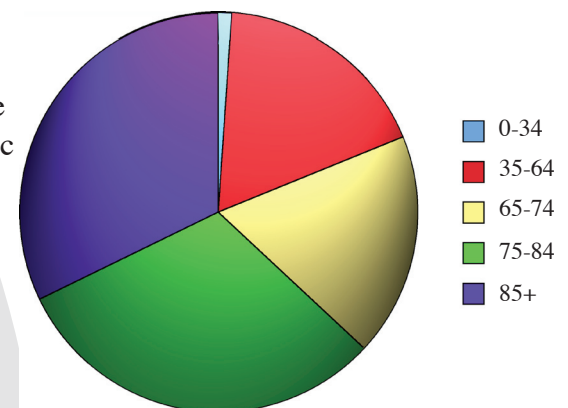
Race	2005	2004
White / Caucasian	82.2%	83.5%
Other race / Multiracial	8.3%	6.4%
Black / African American	7.5%	8.2%
Asian / Hawaiian/ Other Pacific Islander	1.7%	1.7%
American Indian / Alaskan Native	0.3%	0.3%



More Hospice Patients Over 65 Now Being Served

Four out of five hospice patients are 65 years of age or older — while one-third of all hospice patients are 85 years of age or older. Pediatric patients account for less than 1% of patients.

Age	2005	2004
0 - 34y	1.10%	1.00%
35 - 64y	17.8%	16.8%
65 - 74y	18.1%	17.6%
75 - 84y	30.8%	31.4%
85+ years	32.2%	33.3%



Processes of Care

Volunteer Commitment

In 2005, there were an estimated 400,000 volunteers in hospice, representing 7% of all clinical staff hours. The number of direct patient care volunteers per patient increased slightly (from 0.08 in 2004 to 0.19 in 2005). Most volunteers are assisting with direct patient care (58.4%), but an increase in general support volunteers (e.g., fundraising activities; board of directors) was also seen. The typical hospice volunteer devoted 40.1 hours during 2005 and made 17.3 visits.

Bereavement Support

There is continued commitment to bereavement services for both family members of hospice patients and for the community at large. On average, about two family members per hospice death receive bereavement support from their hospice. On average, they will receive 2 to 3 phone calls and seven mailings throughout the post-death year. Most agencies (94.6%) also offer community-wide bereavement programs. Community members account for nearly one-quarter of those served by hospice bereavement programs.

Staffing Management and Service Delivery

Staff Productivity Remain Strong

Staff productivity continues to center on direct patient care. 77.7% of home hospice full-time equivalent employees (FTEs) and 73% of total FTEs are designated for direct patient care or bereavement support. Nursing staff continue to comprise the largest percent of full-time equivalent staff discipline; paid physicians are the smallest.

A decline was seen in the percentage of programs utilizing dedicated admission nurses for the majority of initial admission visits (42.4% in 2005 vs. 52.4% in 2004). Overall visit productivity improved from 2004 (3.1 visits per 8 hour day from 2.4).

Patient caseloads held steady in 2005. On average, nurse case managers were responsible for 10.2 patients, social service workers were responsible for 22.7 patients, and home health aides were responsible for 9 patients.

Payer Mix

The percentage of patients covered by the Medicare Hospice Benefit (versus other payment sources) increased to 82.4% in 2005. This increase is likely due to having more complete payer mix data from several states. A decline was seen in the percentage of patients covered by Medicaid, self-payment, and charity care.

Inpatient and Residential Facilities

Nearly 1 in 5 Agencies Run an Inpatient Facility or Residence

In 2005, 18.4% of hospices reported they operate an inpatient facility (vs. 17.5% in 2004). These are typically larger agencies with an average daily census of more than 200. Most of these facilities (86.7%) are either free-standing or located within a hospital and provide a mix of acute and residential care.

¹Teno, JM. 2004. *The Brown Atlas of Dying*. Brown University Center for Gerontology and Health Care Research. [Online]. Available: <http://www.chcr.brown.edu/dying> [accessed November 7, 2006].