



Physician Newsletter

July 2009

On Monday June 15th, President Obama addressed the American Medical Association about the state of our health care system and the critical need for reform. The \$2 trillion price tag for health care in this country is staggering and regardless of your specific perspective, most physicians agree that some reform of the current system is mandatory. Whatever the ultimate design, it is clear that we must both enhance quality and dramatically reduce costs.

One area of focus should be cost reduction during the last year of life. It is well known that the 5% of Medicare beneficiaries in their last year of life consume 28% of the healthcare dollars. While this fact is, in some ways, easily explainable, it is also true that the wrong type of care is often provided to the wrong patients and in the wrong settings as end of life approaches. There is hope however, in that we, as physicians, have the ability-and I believe the obligation- to contribute to enhanced patient care and significant cost savings by educating our patients. Specifically, we can help them understand the benefits of pre-hospice palliative care services and hospice care for the end of life. I am not alone in this argument; over the last few years, several major articles have described the positive impact of palliative and hospice care on quality outcomes and costs.

Initiating discussions about palliative and end-of-life care with our patients is undeniably challenging. Understanding this complexity, my next e-newsletter issue will review the established benefits of timely referrals that are often of significant importance to patients and their families. However, in the spirit of President Obama's recent speech, the purpose of this issue is a fiscal one--to help you understand the cost savings benefit of referring patients at the appropriate time for palliative and hospice services. Doing so could collectively be our own major contribution toward repairing our broken health care system.

Sincerely,

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Significant Cost Savings Possible in Last Year of Life

Pre-hospice Palliative Care--Hospital Setting

Multiple small studies have reported significant cost avoidance as a result of hospital-based palliative care consultation. In September 2008, a landmark study appeared in *Archives of Internal Medicine*. Investigators used advanced economic analyses to compare 18,427 "usual care" controls to 2,630 patients receiving palliative care consultation in one of eight diverse hospital settings. Net cost savings in the palliative care cohort were \$1,696 ($p=.004$) and \$4,908 ($p=.003$) per admission for patients discharged alive and those who expired, respectively. These significant savings were attributed to reductions in laboratory, pharmacy, and ICU costs. Incidentally, HPCCR data from the last six years of work in the CMC-Charlotte hospitals has been almost identical.

Pre-hospice Palliative Care--Outpatient Setting

Another study, published in the *Journal of Palliative Medicine*, evaluated the effectiveness of a home-based palliative program for patients with advanced COPD, CHF, or cancer. Researchers found that the costs over a six month period for patients receiving palliative services were \$6,580 less than the usual care group. This 45% cost reduction resulted from the intervention patients having significantly fewer emergency room admissions, fewer days in the hospital and/or skilled nursing facilities, and fewer physician visits. The patients also reported a much higher level of satisfaction with their comfort and care.

Hospice

With the inception of the Hospice Medicare Benefit in 1982, reduction in health care expenditures at the end of life was a central expected outcome. Validation has been difficult, however, due to flawed methodologies applied to the prior studies, resulting in equivocal and unreliable results. In 2007, in *Social Science & Medicine*, a comparative study of Medicare decedents who received hospice, versus those who did not, demonstrated a savings of \$2,309 per patient receiving hospice care. The savings varied by disease and hospice length of stay with the greatest savings (\$7000/patient) occurring in those patients with a cancer diagnosis who received hospice care for 58-103 days.

A final recent study evaluated the health care costs during the last week of life of patients with advanced cancer. This report, published in *Archives of Internal Medicine* earlier this year, compared the costs for those patients who had discussed end-of-life care options with their physician to the costs for patients who had not. During their last week of life, the patients who had discussed end-of-life care with their physicians had costs that were 35.7% lower (\$1,041). Of note, these patients were significantly more likely to be enrolled in hospice, and to be enrolled for a longer period of time prior to death.

What Can We Learn From These Studies?

The question that begs answering is, "What is the underlying reason for these significant cost savings?" I believe that the answer is found in the holistic and interdisciplinary approach that is the foundation of both palliative and hospice care. The care teams for hospice patients are composed of physicians, nurses, NAs, social workers, grief counselors, and chaplains. Palliative patients are similarly supported by a dedicated physician and nurse and receive support as needed from the other care team members. These teams collectively educate patients about the disease, how to manage symptoms, what the treatment options are, and the benefits and risks of each treatment. Thus, patients and families have the opportunity to choose or reject treatments based on their goals of care. Ultimately, the interdisciplinary team approach of taking care of the patient--body, mind, and spirit--leads to a patient-focused plan of care rather than a medically-driven one. The fundamental switch in this paradigm leads to significantly reduced costs for the health care system and, unlike many other cost-saving measures, results in enhanced quality of care. In my mind, this is a rare and definite win-win.

Our Palliative Clinic Hours Have Expanded

We will continue to offer consults every Monday from 8am to 4:30pm at our clinic in the Blumenthal Cancer Center at Carolinas Medical Center in Charlotte. To further accommodate patients, we now also offer consults on the 1st and 4th Tuesdays from 9am to 1pm at our second clinic recently opened at Levine & Dickson Hospice House in The Park, Huntersville.

HPCCR Awarded Susan G. Komen Grant

Grants for the 2009-2010 fiscal year were awarded by Susan G. Komen for the Cure to 24 local non-profit programs offering breast health education as well as breast cancer screening and treatment programs for the medically underserved residents of Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, and Union Counties in North Carolina, and York County in South Carolina. Hospice & Palliative Care Charlotte Region was generously awarded \$100,000, a 67% increase over the 2008-2009 award. This grant ensures all HPCCR patients, specifically indigent and underinsured patients, with breast cancer have access to our pre-hospice palliative care and hospice services.