Hospice Service and Spending Variation Index (SSVI) Fact Sheet

What is the SSVI?

The **Service and Spending Variation Index (SSVI)** is a new CMS claims-based scoring system designed to evaluate hospice utilization patterns and Medicare spending outside the hospice benefit. CMS intends to use the SSVI to increase transparency, support beneficiary decision-making, and help identify potential program integrity concerns.

CMS calculates the SSVI using Medicare administrative claims data from the federal fiscal year measurement period, October 1 through September 30. This includes hospice claims and non-hospice Medicare claims for beneficiaries enrolled in hospice, which CMS uses to identify unusual utilization and spending patterns. The SSVI calculation is based on the following Medicare claims data:

- **Medicare hospice claims** to evaluate hospice utilization patterns.
- **Medicare non-hospice claims during a hospice election** to calculate spending outside the hospice benefit. This includes Medicare Part A, Part B, and Part D spending that occurs while a beneficiary is enrolled in hospice but is billed outside the hospice benefit.
- **Provider-level aggregation** of those claims to calculate each hospice's utilization measure results and non-hospice spending score.

Purpose of the SSVI

CMS developed the SSVI to:

- Identify hospices with unusual utilization patterns.
- Highlight excessive non-hospice Medicare spending during hospice elections.
- Support program integrity activities such as medical review, education, investigations, payment suspension, and revocation when warranted.
- Provide consumers with additional information when selecting a hospice provider.

Why CMS Created the SSVI

CMS reported substantial growth in Medicare spending outside the hospice benefit:

- Non-hospice Medicare Part A and B spending increased from nearly $790 million in FY 2020 to over $2 billion in FY 2024.
- Non-hospice Medicare Part D spending increased from approximately $553 million in FY 2020 to over $813 million in FY 2024.

CMS believes high levels of non-hospice spending may indicate:

- Cost shifting – the hospice is not covering items, services, etc. they should cover.
- Inadequate care coordination between hospice and non-hospice providers.
- Abuse of Medicare resources

How the SSVI Works

Step 1: Evaluate 8 Utilization Measures

CMS reviews each hospice against eight utilization thresholds. If a hospice crosses a threshold, it receives **1 point** for that measure. The maximum utilization score is **8 points**.

Utilization Measure	Threshold	Points
No CHC and no GIP provided	0 occurrences	1
% of RHC days in nursing homes/SNFs	≥ 40%	1
Last 2 RHC days of life with visits	≤ 25th percentile	1
Live discharge rate	≥ 75th percentile	1
Discharges with LOS >180 days	≥ 75th percentile	1
Average skilled nursing minutes per RHC day	≤ 25th percentile	1
Weekend RHC days with skilled visit	≤ 25th percentile	1
Live discharges returning to same hospice within 7 days	≥ 75th percentile	1

Step 2: Calculate the Non-Hospice Spending Score

CMS then calculates the hospice's **total non-hospice Medicare spending** and places it into one of eight spending octiles.

Unlike the utilization measures, this component can contribute **1 to 8 points**. Hospices with the highest levels of non-hospice spending receive more points.

Spending Octile	Points
Lowest octile	1
Second octile	2
Third octile	3
Fourth octile	4
Fifth octile	5
Sixth octile	6
Seventh octile	7
Highest octile	8

Step 3: Add the Scores Together

SSVI Score = Utilization Score + Non-Hospice Spending Score

CMS uses the score to identify hospices that are outliers across multiple measures. The SSVI is **not a quality measure** and is **not risk-adjusted**. It is primarily a **program integrity and transparency tool** that heavily emphasizes **non-hospice spending** while also flagging hospices that exhibit multiple utilization patterns CMS considers atypical.

Example

Component	Score
No CHC/GIP	1
High live discharge rate	1
LOS >180 days	1
Low skilled nursing minutes	1
Other utilization measures	0
Non-hospice spending in 7th octile	7
Total SSVI Score	**11**

How CMS Interprets the Score

0 points = lowest possible score.

16 points = highest possible score.

A higher score does not automatically mean noncompliance or poor quality.

CMS stated that hospices with scores of **13 or higher** are approximately in the **99th percentile** and may receive additional scrutiny, education, medical review, or other program integrity activities.

FY 2025 SSVI Distribution Example

CMS calculated SSVI scores using FY 2025 claims data from:

- 6,673 hospices
- 156.9 million hospice days
- 6.77 million hospice claims

Score Distribution Highlights

Score	% of Hospices
0-4	24.8%
5-8	54.0%
9-12	20.0%

13-16	1.0%

CMS noted that hospices scoring **13 or higher** are approximately in the **99th percentile** and may represent significant outliers.

Key CMS Takeaways

CMS stated that:

- A single outlier measure does not necessarily indicate poor performance.
- Hospices that exceed thresholds across multiple measures warrant closer review.
- High SSVI scores may trigger targeted oversight activities.
- The methodology may evolve in future years based on stakeholder feedback and claims trends.

What Hospices Should Do Now

1. **Monitor Key Operational Metrics**
   - Live discharge rates
   - Long length-of-stay percentages
   - Skilled nursing minutes per RHC day
   - Weekend skilled visit patterns
   - CHC and GIP utilization
   - Non-hospice spending trends
2. **Strengthen Documentation**
   - Related vs. unrelated condition determinations
   - Care coordination activities
   - Discharge decision-making
   - Coverage responsibility discussions
3. **Prepare for Increased Scrutiny**

   Hospices with elevated SSVI scores should expect greater focus on:
   - Program integrity reviews
   - Medical review activities
   - Beneficiary protection efforts
   - Non-hospice spending patterns

CMS SSVI resources:

- FY 2027 Final SSVI Overview: An overview of the Service and Spending Variability Index (SSVI), now included in the FY 2027 Final rule.
- Service and Spending Variation Index (SSVI): Data for every hospice in the country for SSVI calculations, both utilization and non-hospice spending metrics. The data provided is for both FY 2024 and FY 2025.

References

Centers for Medicare & Medicaid Services. (2026, August 3). Medicare program; FY 2027 hospice wage index and payment rate update and hospice quality reporting program requirements. *Federal Register*, *91*(148), 49118–49205. https://www.federalregister.gov/documents/2026/08/03/2026-15686/medicare-program-fy-2027-hospice-wage-index-and-payment-rate-update-and-hospice-quality-reporting