



IF HOME-BASED CARE IS THE FUTURE, HOW DO WE GET THERE?

BY BRENT FEORENE

The COVID-19 pandemic has been a catalyst for change, calling attention to the need for home-based medical care (HBMC) as well as the opportunity to deliver more care outside of the four walls of a hospital. Home-based medical care is part of a larger agenda to improve the healthcare system to deliver care in the most convenient, lowest cost setting while maintaining quality of care and outcomes.

Gone are the days of relying on “heads in beds” to sustain the hospital revenue stream.

Home-based medical care (HBMC): In this context, home-based medical care encompasses diversity of care models that serve the most medically complex and socially vulnerable individuals. These models include primary care, urgent care, transitional care, and other types of medical, clinician-delivered care in the home. Included are defined, acute care services delivered through hospital at home programs, recently supported by a waiver from the Centers for Medicare and Medicaid Services. Key to HBMC is the medical management and oversight by physicians, nurse practitioners and physician assistants in collaboration with an interprofessional care team of in-home skilled nursing and therapies as well as personal care services. While HBMC collaborates closely with these critical services, we do not include such services in the definition of HBMC.

Providers continue to demonstrate that home-based medical care can achieve better quality, better health outcomes, and lower costs. A clinical [study](#) found that a home-based primary care model led to 17 percent lower total Medicare costs over two years of follow-up. More recently, a study of five home-visit programs for Medicare beneficiaries with multiple conditions revealed reductions in costs for two programs and reductions in emergency department and hospital use for three programs.

Hospitals and physician offices have been the traditional settings of care, but in an era where a consumer-centric focus has emerged, the demand for convenience as well as new applications of [remote care delivery technologies](#) is accelerating the shift to medical care in the home. The industry is adapting to consumer

expectations by delivering effective, high-value care in a more comfortable care setting that most people prefer. To realize the full potential of HBMC in the near future, there are challenges that must be addressed to advance HBMC to become a standard of care.

Payment Models

Today, the healthcare delivery system is still driven by payment models rather than patient needs. And payment models have yet to catch up with the innovations driving HBMC. For example, the latest care technologies, including remote monitoring devices and patient-facing systems, have enabled more providers to expand their capabilities for delivering medical care in the home. It's time that the payment models evolve to encourage their use.

Change has begun. The Centers for Medicare and Medicaid Services (CMS) launched the Independence at Home (IAH) demonstration project in 2012, an initiative allowing Medicare recipients with multiple chronic conditions to receive comprehensive primary care services in the home. Now, after three project renewals, [CMS has found](#) that the expenditures for IAH beneficiaries were approximately 13.8 percent or \$32.3 million below their spending targets — an average reduction of \$5,054 per beneficiary. Meanwhile, 10 out of the 11 IAH practices reduced the per-beneficiary, per-month expenditures relative to the spending target.

The highest cost [5% of Medicare beneficiaries](#) account for a disproportionate amount of Medicare expenditures — approximately half. For CMS, the value of HBMC lies in the fact that HBMC can prevent unnecessary utilization of costly hospital care. When an acute-level of care is necessary, early trials of a [model](#) pioneered by Johns Hopkins focused on treating elderly, high-risk patients found the total cost of acute-level of care at-home was 32 percent less than traditional hospital care.

As CMS sets the pace for HBMC, other payers will follow, including the fast-growing Medicare Advantage (MA) plans. Currently, MA plans cover nearly [40 percent](#) of all beneficiaries. While HBMC innovation can be found in MA plans to great success, coverage and reimbursement for care delivered in the home varies widely.

Regulatory Limits

For all its potential, home-based medical care is routinely limited by the current regulatory environment. In addition to addressing payment adequacy, Congress needs to permanently expand telehealth allowances enacted during the COVID-19 pandemic. The use of telehealth and reduced regulatory restrictions on physicians during the crisis has been critical to care delivery. Providers' call for ongoing action include these changes:

- Enabling equivalent reimbursement for telehealth services to mirror that of in-office visits and extending the list of reimbursable telehealth services
- Expanding licensure laws for providers offering telehealth services
- Extending telehealth visit offerings to more providers, including expanding flexibilities for rural health clinics and federally qualified health centers

Another area to be address is extending the care authority of non-physician health professionals (advanced care providers or "APPs") to support access to quality, efficient care. Adjustments to the regulatory environment,

including uniformity of education, training, and licensure of APPs is necessary to increase care access, and in turn, expand the capacity of programs.

Workforce Shortage

To move toward a home- and community-based model of care, the right clinical teams must be available to support these care needs. The home-based medical care workforce is insufficient and under-resourced as it is, which inevitably affects the potential for expansion. More workers will be needed as the U.S. population ages and the demand for home-based medical care rises.

The pandemic has exacerbated the strain on workforce challenges, minimizing retention capabilities and impacting employment. As of February 2021 — one year after the pre-pandemic peak — the healthcare workforce is [3.5 percent smaller with a loss of 15.92 million jobs](#). While the healthcare system is faced with a shortage of trained professionals and a growing number of patients, these challenges for HBMC are even more critical limiting wide availability to make HBMC the standard of care.

Telehealth, wearable devices, remote patient monitoring devices, programmed iPads and other technologies are resources that can help achieve quality results and reduce the burden for the care teams. Implementing telehealth in a home-based medical care setting has been found to reduce the number of home visits by nurses from [8.2 to 5.8 per month](#).

The HBMC trend satisfies the triple aim. Advances in technology and changes to reimbursement are likewise facilitating opportunities to shift some provisions of care from the hospital bed to the patient's own home. Those that recognize HBMC as a growing focus and implement and support these efforts will become the providers of choice in their market. The remaining will find themselves with expensive overhead that doesn't serve the patient as well or satisfy their business objectives.

The bright side: Providers don't have to stand up home-based medical care on their own. They can partner with a team of experts who are committed to disrupting the status quo and have the expertise and connections to ignite growth quickly to drive success.

Whether you need strategy, technology, or operational support for your community center home healthcare initiatives, Monarch Health Solution's team of industry experts can provide the hands-on help you need to accelerate growth. [Start a conversation today.](#)

