NHIA
National Home Infusion Association

AS WE SEE IT

# Health Care's Evolving Reimbursement Landscape

In this issue, we meet a 28-year veteran of home infusion, Claudia Borroughs, who entered the industry as a pharmacy technician and has worked in virtually every aspect of the business. She eventually carved out a niche for herself as a reimbursement specialist who, by all reports, has brought tremendous value to her organization. Claudia aptly observes that reimbursement is critical, "because if you don't get paid, you won't be in business for long." As we advocate for patient access and increased recognition for the value of home infusion, we can't lose sight of this simple truth: all providers need to remain financially healthy so they can fulfill their mission of serving the medical needs of the community.

Since the mid-1990s health care providers have faced reimbursement compression from payers—private and public alike. On the public side, where policymakers are working to tamp down expenditures, the push to shift drug payment to Average Sales Price (ASP) has persisted for more than a decade. In 2003, Congress included a shift to ASP for Medicare Part B Drugs in the *Medicare Modernization Act* (fortunately, infusion drugs were "carved out" because of the additional supplies and services required to administer them). Now, ASP Part B DME for infusion drugs is included in the *21st Century Cures Act*, which is likely to come before Congress in a legislative session after the November elections.

Conversely, as long as ASP has been in congressional sights for Medicare Part B DME infusion drugs, NHIA has insisted that ASP alone is a distressingly inadequate payment model because it doesn't cover the supplies and services required to safely administer IV drugs in the home. We've also vigorously championed legislation to fix the Medicare gap in coverage which would address the disservice to beneficiaries who find they have inadequate coverage for home infusion therapy.

Passing the *Medicare Home Infusion Site of Care Act* is indeed central to our industry. However, I'd like to point out that the work we've done together advocating for this legislation goes beyond the primary objective of fixing Medicare coverage for home infusion therapy. These efforts have moved the needle on educating decision makers on the Hill and in the administration about the value of the home-based services NHIA members provide. We have also taken significant steps to substantiate the cost-savings potential of our services.

As the Medicare program rapidly transitions from its basic fee-for-service design to population-based health care that features value-based payments, this task becomes imperative. Together, we must ensure that home infusion therapy is properly positioned in future health system designs.

Whether we are focusing our efforts on the *Medicare Home Infusion Site of Care*, or some other legislative challenge, the infusion community requires a strong advocacy program. We will also require the will and resources with which to carry out such a program.

As Claudia Borroughs observes, payment models fall in and out of favor over time. It's up to us to demonstrate our value in the overall landscape. NHIA has been the key driver in moving home infusion therapy down that path, a role we will continue to perform so our members can keep their doors open and continue to serve patients for years to come.

Tyler J. Wilson