

HOME INFUSION CREATES SAVINGS FOR PATIENTS, TAXPAYERS

For more than 40 years, home infusion pharmacies have been safely coordinating and delivering intravenous and subcutaneous infused medications to patients in their homes, where they can resume their personal and professional activities and are less exposed to the risk of hospital acquired infections. Home infusion providers serve about 3 million patients annually with therapies that treat conditions such as infection, heart failure, cancer, gastroenterological diseases, and immune disorders.

TREATING PATIENTS IN THEIR HOMES IS LESS EXPENSIVE THAN IN HOSPITALS OR NURSING HOMES

- Every major payer other than Medicare — including commercial health plans, Medicare Advantage plans, and other government programs (e.g. TRICARE, Veteran’s Administration) — reimburse for home infusion services using a model that pays each day a drug is infused to cover equipment, supplies and pharmacy professional services.
- Commercial insurers have long recognized that home infusion improves patient’s quality of life while reducing the burden on other, costlier sites of care, and creating efficiencies within the health care system.
- Typically, commercial insurers reimburse home infusion at rates that are 40–60 percent less than the cost of providing care for those same patients at hospitals ([source](#)).

CBO HAS CONCLUDED THAT HOME INFUSION REDUCES MEDICARE COSTS

- The Congressional Budget Office (CBO) has consistently concluded that enhanced patient access to home infusion through increased reimbursement for professional services will create savings for the Medicare program.
- In 2016, Congress passed the 21st Century Cures Act, which reduced reimbursement for home infusion drugs while creating new payments for home infusion professional services (i.e. pharmacy and nursing) beginning in 2021.
 - While it’s no surprise that CBO [estimated](#) reducing payments for home infusion drugs (Sec. 5004) would create savings (\$660 million over 10 years), it’s important to note that CBO attributed an additional **\$372 million in savings** to the new home infusion professional services payments (Sec. 5012).

(Millions of dollars, by fiscal year)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017-2021	2017-2026
Sec. 5004 - Reducing Overpayments of Infusion Drugs												
Estimated Budget Authority	-30	-50	-55	-60	-65	-70	-75	-80	-85	-90	-260	-660
Estimated Outlays	-30	-50	-55	-60	-65	-70	-75	-80	-85	-90	-260	-660
Sec. 5012 - Medicare Coverage of Home Infusion Therapy												
Estimated Budget Authority	0	0	0	0	-12	-33	-49	-67	-86	-125	-12	-372
Estimated Outlays	0	0	0	0	-12	-33	-49	-67	-86	-125	-12	-372

- In 2018, Congress passed the Bipartisan Budget Act (BBA) of 2018, which established a transitional payment for home infusion therapy services for calendar years (CY) 2019-2020.
 - In their [estimate](#) of the transitional payment, CBO concluded that by enhancing reimbursement for home infusion professional services, the federal government would **save \$910 million** by keeping patients out of more expensive care settings.
 - CBO’s rationale is reinforced in their [estimate](#) of stand-alone transitional payment legislation from earlier that year ([H.R. 3178](#)), which concludes that, “For beneficiaries currently receiving infusions in the hospital outpatient setting who would switch to the home setting, H.R. 3178 would reduce spending.”

(Outlays in millions of dollars, by fiscal year)	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018-2022	2018-2027
50401. Home infusion therapy services temporary transitional payment	0	-260	-490	-160	0	0	0	0	0	0	-910	-910

By ensuring sustainable reimbursement for home infusion professional services, policymakers can ensure patients are delivered care in the most safe, convenient, and cost-effective setting.