

# What Is Hospital At Home? Hint: Plans, Hospitals & Primary Care Co's Support It

## Legislation to Extend Unlikely in 2022; Longer-Term Solutions Being Sought

Hospital at Home is a program that provides acute care in a patient's home as a full substitute to hospitalization. Healthcare organizations can serve patients with any of the more than 60 qualifying conditions including cellulitis or exacerbation of chronic heart failure (CHF) directly in their homes. The concept fulfills a need for convenience and freedom for patients with the expertise of hospital services and decreases the risk of unintended adverse clinical events. Overall, the program shows a benefit in reduced cost, health care use, and readmissions.

- **CMS “Hospital without Walls” waiver (March 2020) provided hospitals the regulatory flexibility to provide services in locations beyond their facilities i.e., ASC IRF and Home, due to COVID.** To combat inpatient bed shortages, hospitals were able to waive certain nursing requirements and transfer patients to outside facilities, such as ambulatory surgery centers, inpatient rehabilitation hospitals, hotels, and dormitories, while still receiving hospital payments under Medicare. This was helpful to Ambulatory surgery centers that could contract with local healthcare systems to provide hospital services or enroll and bill as hospitals during the PHE.
- **Legislation to extend CMS Acute Care at Home Hospital Waiver by two years is unlikely this year, with possible movement in 2023.** Introduced in Mar 2022, we don't see the bill going anywhere until at least 2023, the end of the PHE. The *Hospital Inpatient Services Modernization Act* ([here](#)) would extend the acute hospital care at home waiver program two years beyond the end of the PHE and require CMS to issue regulations establishing health and safety requirements.
- **There are currently 227 hospitals participating in the waiver (Recall there are ~6,000 hospitals in the U.S).** The program requires significant upfront technology and training investments. As a result, academic medical centers (AMCs) are more likely to be equipped to do Hospital at home vs. rank-and-file hospitals.
- **We think the Public Health Emergency will last into 1Q 2023.** Last week, HHS missed a self-imposed 60-day deadline to notify states that they did not plan to extend PHE. We expect another 3-month extension to be announced which would end the PHE on or around Oct 15<sup>th</sup>. Congress will likely extend one more time to get through the midterm elections on Nov 8 which gets us to early 2023.
- **Mayo, Kaiser, & Medically Home coalition comes to fruition (Hospitals, Health Plans, CVS, DVA, AMZN, OPCH, PINC. AMWL also support)** The Advanced Care at Home Coalition is a coalition of 19 health systems and connected care companies lobbying for the extension of Hospital at Home waiver ([here](#)) and calling for the creation of an advanced-care-at-home delivery model at CMMI. Other model advocates include Premier, AAMC, AHA, AHIP, and Moving Health Home (a homecare coalition including CVS Health, DaVita, Amazon care, Amwell, Ascension).
- **Johns Hopkins Univ. Health System and Mt. Sinai are pioneers of the model.** Since 2002, Hospital at Home has been in practice at JHU locations. Mt. Sinai's Hospital at Home has been in place since 2014. JHU reports program cost savings of 19% to 30% compared to traditional inpatient care. In terms of patient outcomes, a 2018 report found that Mt. Sinai patients had a reduced 30-day readmission rate and were able to avoid and reduce 30-day ED visits in

comparison with inpatient hospital care. More recent reviews confirm the program benefits in decreased readmissions, lowered costs, and improved patient satisfaction.

- **OUR TAKE / NEXT STEPS: We expect some type of extension / policy beyond 2023 due to bipartisan support of the program and significant patient and provider interest in home healthcare.** Thought leaders are looking to provide hybrid reimbursement between inpatient DRG and home healthcare rates to address. **States may also take up regulatory language to expand home healthcare.** A Florida law that passed in April will allow institutional pharmacies to dispense to patients receiving home healthcare and will authorize paramedics to perform basic life support services and advanced life support services at home under the supervision of a physician. Both Arizona and Wisconsin have legislatively approved Hospital at Home pilot programs for licensed hospitals. **Healthcare organizations, including Kaiser Permanente, Mayo Clinic, Brigham Healthcare, are looking to scale the program across their networks.** Regulatory guidance on quality metrics and benchmarks is expected to come from CMS or developed by the network of healthcare organizations as the program grows. The patchwork reimbursement structure will also need to be addressed if the model is to become more accessible to rank-and-file hospitals.