

HOME HEALTH SAVES MONEY

Lower Healthcare Costs to the Patient, the Taxpayer, & America's Healthcare System

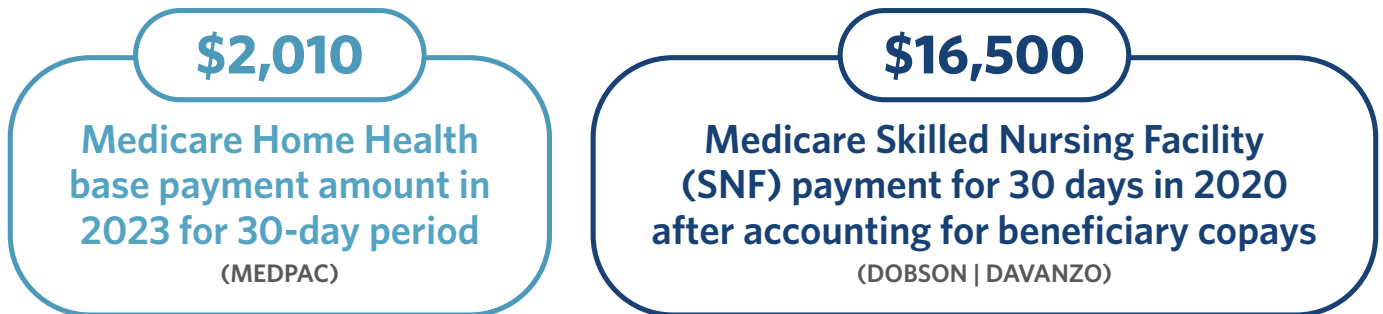
It is crystal clear that the use of home healthcare saves millions of dollars annually. From independent third parties to governmental entities, study after study repeatedly confirm that home health is the most cost-effective site of care for patients.



It makes sense. Care delivered by trained clinicians in the home setting costs less, improves health outcomes, and has the added benefit of keeping patients with significant health challenges out of emergency rooms, hospitals, nursing homes, and physician offices. Cost-savings data show that the use of home healthcare reduces overall Medicare spending compared to other institutional settings like nursing homes. For a majority of patients (91%), care in the home is preferred and involves minimal cost sharing compared to other settings.

Here's How Home Healthcare Reduces Medicare Costs

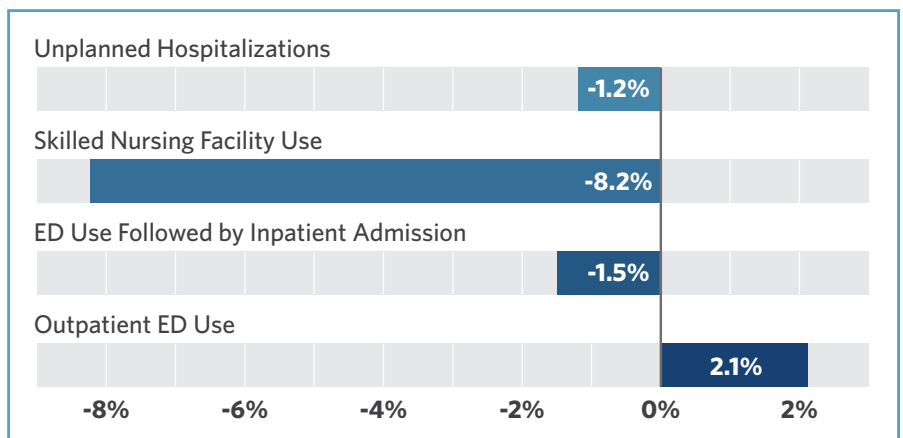
Many Medicare beneficiaries can receive care in the home after a hospital stay instead of a short-term nursing home stay. Consider the costs of a 30-day period of home healthcare compared to a 30-day stay in a nursing home:



Medicare's Home Health Value-Based Purchasing (HHVBP)

Model has resulted in substantial savings and positive patient outcomes:

- **\$1.38 billion** in cumulative Medicare savings over six years in just 9 states
- **Lower utilization of other care settings**, such as unplanned hospitalizations and nursing facility use
- **Functional status improvements** in patient mobility and self-care



HHVBP led to decreases in utilization among FFS beneficiaries using home health, including unplanned hospitalizations, ED visits leading to inpatient admission, and skilled nursing facility use, offset by an unintended increase in outpatient ED visits.

Government Reports, Medical Journals, and Academic Studies All Highlight Home Healthcare Cost Savings

▶ CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS)

The overall economic impact of the expanded nationwide HHVBP Model for CYs 2024 through 2027 is **an estimated \$3.376 billion in total savings to Medicare** from a reduction in unnecessary hospitalizations and greater usage of SNFs.

▶ THE AMERICAN JOURNAL OF ACCOUNTABLE CARE

Patients treated in a home-based setting were significantly less likely to be admitted or readmitted to the hospital and had fewer emergency room visits than those immediately admitted to the hospital. Not only is home healthcare more effective at improving patient outcomes, but it is also a cost-effective alternative to hospitalization, saving both Medicare and taxpayers money. In computing total 90-day costs, the researchers found the average costs for the home healthcare group were significantly lower than the inpatient cohort **(\$13,012 vs. \$20,325)**.

▶ JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION (JAMA)

Discharging patients to home with home health care was associated with... a significantly lower Medicare payment for initial post-acute care and for the total 60-day episode of care including hospitalization, all post-acute care, and subsequent readmissions.

▶ AMERICAN JOURNAL OF MEDICINE

Discharge with home health care was associated with **significant reduction in healthcare utilization and decreased hazard of readmission and death**.

Home health saves money and is patient and family preferred. There is data to prove it.

For more information on these studies and others, visit pqhh.org

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