



## The Independence at Home Act: A Working Model of Health Care

### What is the problem?

The quickest way to control health costs is by addressing the highest cost patients first. Here's a picture of those patients. There are 3-4 million seniors now with multiple chronic illnesses such as diabetes, Parkinson's and heart disease who are so ill or disabled that they can't easily visit their physician when they need care. These patients often go without care and end up in expensive hospitals. These are patients who place the largest burden on Medicare. This problem isn't going away. The number of people with multiple chronic illnesses will grow to 6-8 million by 2025.

Seniors who have at least five chronic illnesses account for two thirds of Medicare's expenditures. These are patients who:

- see an average of 13 physicians each year;
- fill 50 different prescriptions a year;
- account for most hospital admissions; and
- are much more likely to have a preventable hospitalization than someone with no chronic conditions

### Impact

Consider a 78-year-old with multiple problems including Parkinson's disease, heart failure, high blood pressure, diabetes and inguinal hernia. In the 7 months prior to receiving house calls, he had six ER visits and five emergency hospitalizations. In the 18 months prior to his death, he had no emergency visits and only two elective hospitalizations. The house calls not only improved the quality of his life but also that of his caregiver while reducing health costs.

### Why Support the Independence at Home Act?

It is the only bill out there that achieves savings. And it's a no-risk option for Medicare. Providers have to meet a set reduction in Medicare expenditures if they want to get paid. Medicare only shares in the savings, never a loss.

Unless we achieve savings in Medicare, we can't begin to think about the overall goal of providing health care for the 47 million uninsured. The bill will:

- Save 20-40 percent on Medicare's most expensive patients;
- Improve care for the sickest and frailest elderly by linking them with a provider who gives home-based primary care and coordinates their care across all treatment settings;
- Make providers accountable for good care

## What is the solution?

House calls. House calls are a solution to the rising costs of managing multiple chronic conditions. At \$1,500 per ER visit, we can show that the cost of 10 house calls more than offsets the expense of an ER visit that could have been avoided.

### *A Proven Success*

*The House Call program at the Washington Hospital Center has been operating for 10 years. The program treats 600 patients with at least 3 chronic diseases and it has cut hospital length of stay by 25% and produced a 75% reduction in hospitalizations for patients at the end of life, a period where most health care dollars are spent. Care at home is better for the patient and saves money that can be reinvested elsewhere.*

This is a proven health care model that we know is working – one that saves money and covers its own costs. Surprisingly counterintuitive, this model contains costs while giving patients what they want—and we know it works based on a decade of experience.

## Why this works

Dr. George Taler, of the Washington Hospital Center, says, “It is one thing to tell a patient to reduce his sodium intake, and it’s another to walk in and do a kitchen biopsy to uncover nothing but sodium rich foods in the pantry.” By observing patients in their own homes, doctors can more easily monitor and prevent medical complications and high-cost events that increase the health care bill.

*The annual health bill for older adults at the sickest Medicare 5% level targeted by IAH was \$63,000 in 2001, more than 39 times higher than costs for those with no chronic conditions..*

*The American Academy of Home Care Physicians represents thousands of doctors, physician’s assistants, nurses and nurse practitioners who make house calls to the sickest and frailest elderly. We specialize in care for older Americans who are too sick or immobilized to visit a physician’s office when they have a medical problem. Our goal is to provide the best medical care possible to these patients in their homes to keep them out of the hospital, emergency room, or nursing home when they don’t need to be there.*