

THE INDEPENDENCE AT HOME ACT (S. 1131, H.R. 2560)

Health Reform That Works, and Americans Want

“Congress can only spend a dollar if it saves a dollar somewhere else.”

President Obama on his basic budget principal (June 9, 2009)

“I do not think it [health reform] will pass unless it’s paid for.”

Senator Claire McCaskill, MSNBC News (June 10, 2009)

“Reform should be guided by a simple principle: We fix what’s broken and build on what works.”

President Obama on health reform, NBC News (June 11, 2009)

The Independence at Home Act (S. 1131, H.R. 2560) uses proven home-based primary care teams to address **the number one cost and quality problem faced by Medicare—10% of Medicare beneficiaries with multiple chronic diseases who account for 66% of Medicare costs and have poor outcomes.** Under the Medicare FFS system, no one is in charge of coordinating their care or responsible for overall outcomes and costs. Both the Senate Finance and HELP Committees have designated this issue as a top priority for health care reform. **The IAH Act is paid for entirely by the savings it achieves in coordinating the care of high cost chronically ill beneficiaries.**

Further, the IAH Act holds providers and practitioners who voluntarily participate strictly accountable for three types of results—**minimum savings to Medicare of 5%, improved outcomes and patient/caregiver satisfaction.** IAH organizations that meet those performance standards will be allowed to share in savings beyond 5% on an 80%/20% basis. **If IAH organizations do not achieve savings, they do not get paid. The IAH Act also includes a budget neutrality failsafe mechanism.**

Accordingly, the IAH Act will **generate savings**, that could amount to **\$14 billion a year**, to be used to pay for other health reform measures such as the SGR fix or preventive care. **The IAH Act helps fund health care reform rather than adding to its cost.**

The IAH program begins with a 3-year pilot in the **13 states and the District of Columbia** where the Medicare costs for treating the severely chronically ill are the highest plus 13 other states where the need is the greatest. These highest cost states are New Jersey, California, New York, Massachusetts, the District of Columbia, Maryland, Louisiana, Connecticut, Nevada, Texas, Florida, Illinois, Rhode Island, and Pennsylvania where the per capita Medicare costs for these beneficiaries range from \$45,000 to nearly \$60,000 each year. The IAH Act targets the highest cost Medicare beneficiaries in the highest cost states.

The IAH Act uses physician and nurse practitioner directed house calls teams that have proven effective in hundreds of locations across the country in reducing health care costs and improving outcomes for this high cost patient population. For example, the IAH-style Veterans’ Administration’s Home-Based Primary Care program has been operating for more than 30 years, in over 130 locations in 48 states and has reduced hospital days by 62%, nursing home days by 88% and costs by 24% for high cost patients with multiple chronic diseases. Other IAH-style house calls programs have achieved comparable results in Boston, MA; Richmond, VA; Chicago, IL; New York City, NY; Washington, D.C.; Indianapolis, IN; northern Nevada, Philadelphia, PA; and San Diego, CA among other areas. **There are hundreds of “shovel ready” house call programs ready and willing to meet the needs of high cost chronically ill beneficiaries.**

The IAH Act is completely compatible with Accountable Care Organizations, the Medical Home and incorporates Transitional Care to reduce rehospitalizations over any length of time rather than just 30-60 days after a hospital discharge . The IAH Act BUILDS ON WHAT WORKS. Without the IAH Act, however, there will be little incentive for ACOs and Medical Homes to address the needs of this high cost population nor will there be a requirement for Medicare savings.

The IAH Act has been endorsed by a broad range of consumers, providers and technology organizations. For more information, contact, Jim Pyles, American Academy of Home Care Physicians and the IAH Coalition, (202) 466-6550, jim.pyles@ppsv.com.

ENDORISING ORGANIZATIONS

AARP;
Adobe Systems, Inc.
Continua Health Alliance
The Alzheimer's Foundation of America
The Alzheimer's Association
The American Academy of Home Care Physicians
The American Academy of Neurology
The American Academy of Nurse Practitioners
The American Academy of Physicians Assistants
The American Association of Homes and Services for the Aging
The American College of Nurse Practitioners
The American Geriatrics Society
The American Nurses Association
The American Psychotherapy Association
The American Society of Consultant Pharmacists
The Family Caregiver Alliance/National Center on Caregiving
Housecalls Doctors of Texas
Intel Corp.
The Maryland-National Capital Home Care Association
The Massachusetts Neurologic Association
MD2U Doctors Who Make Housecalls (Louisville, KY)
Medicare Rights Center
National Partnership for Women and Families
The National Council on Aging
The National Family Caregivers Association
The Schizophrenia and Related Disorders Alliance of America
U.S. PIRG
Urban Medical House Calls (Boston, MA)
The Visiting Nurse Associations of America
The Visiting Nurse Association of Greater Philadelphia
The Visiting Physician Services
Wyeth