



The Medicare Home Infusion Site of Care Act

The Issue

Infusion therapy consists of three components - the infused drug, the supplies and equipment necessary to deliver that drug, and the professional services required to administer the therapy safely and effectively. Infusion therapy is fully covered by Medicare in hospitals, skilled nursing facilities, hospital outpatient departments, and physician offices—but not in a beneficiary's home. While Medicare does cover drugs infused in the home, there are significant coverage gaps for the services, supplies, and equipment used for infusion therapy. As a result, Medicare beneficiaries in need of infusion therapy typically receive their treatments in health care facilities, despite the fact that the home setting is the most desirable, convenient, and by far the most cost effective way to deliver infusion therapy. The Medicare Home Infusion Site of Care Act (H.R.605/S.275) offers a comprehensive fix to this incomplete Medicare benefit by consolidating the coverage of all infusion drugs under Part D and creating a comprehensive home infusion benefit in Part B that covers the necessary supplies, equipment, and services.

Background

The current Medicare benefit structure for home infusion splits the coverage of the infused drugs between the Part B and D programs and does not cover the services required to provide home infusion therapy. Medicare Part B covers only a small number of home infusion drugs through the Durable Medical Equipment (DME) benefit. For those DME drugs, Part B covers supplies and equipment but does not cover necessary services. Any home infusion drug that is not covered under Part B is covered under Medicare Part D. Part D, however, does not cover the equipment, supplies, or services associated with home infusion. Needed services may include a visit by a home care nurse to set up the infusion treatments, training caretakers on proper administration and

maintenance of equipment, checkup visits, and 24/7 on-call services. The lack of coverage for the equipment, supplies, and nursing services needed for Part D drugs routinely pushes patients to receive infusion therapy in costlier care settings rather than pay the unaffordable out-of-pocket costs associated with treatment at home.

The payment reforms included in the Medicare Home Infusion Site of Care Act (H.R.605/S.275) would generate significant Medicare savings through negotiated rates between the Medicare Part D prescription drug plan and the home infusion provider. Moving drug coverage from the current Medicare Part B structure to Medicare Part D would allow for greater savings through negotiated rates that are more reflective of the market over time. Patients that migrate from more expensive settings, such as hospital outpatient departments, physician offices, and skilled nursing facilities to the home, would realize additional savings. Commissioned by the National Home Infusion Association, a study conducted by Avalere Health found that a comprehensive benefit such as the Site of Care Act would save Medicare over \$80 million across 10 years, conservatively.

Our Position

Innovatix urges Congress to pass the Medicare Home Infusion Therapy Site of Care Act (H.R.605/S.275). Virtually all private payers, including most Medicare Advantage plans, TRICARE, the Department of Veterans Affairs, and the Federal Employee Health Benefits Plan, cover home infusion therapy. Passing this long overdue reform will align the Medicare program with other payers in covering a benefit that promotes beneficiary wellness, improves patient care, and achieves much needed savings.