



Advising the Congress on Medicare issues

Medicare coverage of and payment for home infusion

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Presentation roadmap

- What is home infusion?
- Report request and work in progress
- Current status of home infusion under Medicare
 - What Medicare covers
 - Medicare utilization and expenditures
- Plan for report and next steps

What is home infusion?

- Infusion of IV drugs in a patient's own home
- Components of home infusion:
 - Drug (e.g., IV antibiotics, parenteral nutrition)
 - Supplies (e.g., tubing, catheter)
 - Equipment (e.g., pump, pole)
 - Nursing
- Patient and/or caregiver is typically trained by a nurse to independently administer the drug

Congressionally requested home infusion report due June 2012

- Literature on the benefits and costs of home infusion coverage
- Sources of data on the costs of home infusion that could be used to construct a payment methodology
- Payment methodologies used by private plans and MA
- Any issues surrounding potential abuse of a home infusion therapy benefit in Medicare
- Recommendations requested if the Commission determines changes to coverage or payment are warranted

Work in progress

- Interviews with: health plans, home infusion providers, discharge planners, physicians, and other experts
- Literature review on costs/benefits of home infusion
- Analysis of Medicare data on current use of and expenditures for home infusion

Medicare coverage of home infusion

- Coverage of home infusion is spread across silos
- Drug coverage
 - Part B covers: DME drugs, parenteral nutrition, IVIG
 - Part D covers: drugs not covered by Part B and on plan's formulary
- Coverage of supplies, equipment and nursing generally depends on:
 - is the drug covered by Part B or Part D?
 - is the beneficiary homebound?

Medicare coverage of home infusion

- Part B covered drugs generally:
 - Not homebound: drugs, supplies, equipment covered
 - Homebound: drugs, supplies, equipment, nursing covered
- Part D covered drugs:
 - Not homebound: drugs covered
 - Homebound: drugs, some supplies/equipment, nursing covered
- In cases where Medicare covers only some components of home infusion, the beneficiary may:
 - receive coverage through other sources (e.g., ESI, Medicaid),
 - pay out-of-pocket, or
 - receive care in another setting (e.g., HOPD, physician office, SNF)

Medicare Advantage coverage

- Some MA plans have broad coverage of home infusion
 - MA plans can provide a bundle of home infusion services (Part D drugs, supplies, equipment, and nursing) as a Part C supplemental benefit with no cost-sharing
 - Bundled home infusion services are offered by 219 plans (accounting for 15 percent of MA enrollment)
- Less is known about the extent of coverage for home infusion among MA plans that do not bundle

Medicare use of and expenditures on home infusion, 2009

- Number of beneficiaries using home infusion drugs:
 - 36,000 FFS beneficiaries used Part B covered infusion drugs
 - 101,000 Part D enrollees used Part D covered infusion drugs
- Medicare Part B/D expenditures:
 - \$602 million under Part B for drugs, supplies and equipment
 - \$422 million for Part D covered drugs

Top three Part B and Part D home infusion drugs, 2009

Home infusion drug	Part B/D drug spending (millions)	Percent of Part B/D home infusion spending	Number of users	Percent of Part B/D home infusion users	Average spending per user
Part B					
Parenteral nutrition	\$159.0	35%	4,745	13%	\$33,511
Treprostinil	\$123.6	27%	977	3%	\$126,490
Immune globulin	\$64.5	14%	2,040	6%	\$31,615
Part D					
Immune globulin	\$139.6	33%	2,007	2%	\$69,541
Antibiotics	\$70.2	17%	56,196	55%	\$1,250
Alpha - 1 proteinase inhibitor	\$68.8	16%	843	1%	\$81,607

Note: Drug spending refers to program payments and beneficiary cost sharing for Part B and plan payments and beneficiary cost sharing for Part D.

Home infusion utilization patterns

- Part D home infusion use was higher among:
 - LIS beneficiaries
 - PDP enrollees
 - Certain beneficiary groups (minorities, age 85+, disabled, ESRD)
- Part B home infusion use was higher among disabled beneficiaries and those with ESRD

Home health use

- Nursing services are covered under the home health benefit for homebound beneficiaries
- High rate of home health use among beneficiaries receiving IV antibiotics
- Lower rate of home health use among beneficiaries receiving other Part D drugs (e.g., immune globulin, alpha-1, parenteral nutrition additives)

Plan for upcoming meetings and report

- Findings from interviews with plans, providers, and stakeholders. For example:
 - How private plans and MA cover and pay for home infusion
 - Plans' prior authorization policies and other management
 - Factors that providers and plans consider in determining if a patient is appropriate for home infusion
 - Beneficiaries' experience
- Cost implications of home infusion coverage
- Fraud and abuse issues
- Policy options if the Commission wishes to pursue them