

EMERGING IDEA

for U.S. health care providers

Health system-owned non-hospital infusion suites

Creating a lower-cost option for patients impacted by infusion site-of-care restrictions

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Overview

The idea

A rise in payer-mandated site-of-care policies for infusion services has prompted health systems to explore infusion sites of care outside of hospital outpatient departments. As a result, some organizations have launched infusion suites, which we are defining as sites with 12 or fewer chairs that are owned and operated by the health system but are not billed at hospital outpatient department (HOPD) rates.

The promise

Infusion suites are often developed in response to health plan-mandated site-of-care policies that require patients to receive infused medications in a non-HOPD setting. These requirements often lead to patients being diverted from the health system. Infusion suites provide a lower cost care option that allows health systems to ensure care quality and continuity. Depending on location, these sites can also improve patient convenience and access to care.

Why now

A 2020 Advisory Board survey of infusion leaders found that 91% of respondents agreed that payer infusion site-of-care strategies pose a critical threat to health system infusion services revenue. Beyond financial concerns, site-of-care shifts may lead to gaps in patient care or poorer quality care as patients are diverted out of the health system into lower cost sites of care. Having a health system-owned infusion suite provides health systems with the option to refer patients to in-system care.

Reality check

Non-HOPD infusion suites are one part of an effective health system infusion strategy, but they are not the sole solution to the challenges created by changing health plan requirements. This is especially true for health systems that work with multiple health plans—and therefore manage multiple infusion site-of-care policies—that impact their infusion business line.

Source: Advisory Board 2020 Infusion site of care survey

What is it?

Non-HOPD infusion suites refer to small infusion care sites that are owned and operated by a health system but are not included on a hospital's cost report.

Health systems are experimenting with a variety of infusion suite models. Organizations with a home infusion program may establish suites that are overseen by and billed through the home infusion pharmacy. Other health systems are testing out clinic-based or freestanding infusion suite models overseen by health system pharmacy or infusion leaders.

Common features of non-HOPD infusion suites

- Have a maximum of approximately twelve chairs
- Bill at a lower rate than HOPD infusion care (provider type varies)
- Located in a health system-owned space, either on or off a hospital campus
- Serve a primarily commercially insured, non-oncology patient population

Benefits of infusion suites

Health systems typically develop infusion suites to establish a convenient, low-cost option for patients impacted by their health plan's infusion site-of-care requirements. Infusion suites help health systems ensure that patients can stay within their system for care. Other reported benefits include:

- Lower staffing costs and greater scale than traditional in-home infusions
- Fewer regulations and overhead costs than HOPD infusion sites
- Demonstrates good faith effort to lower infusion costs for health plans, supporting the overall relationship between plans and the health system

Why now?

Health systems are developing infusion suites in response to health plans' increasing infusion-site-of-care restrictions. Unless health systems adapt their strategy and develop low-cost infusion care options for patients, they face the risk of losing infusion business as patients are moved out of hospital-based infusion care.

87%

Of infusion leaders surveyed in 2020 reported an increase in payer required use of non-HOPD settings for infusions across the past year

79%

Of infusion leaders surveyed in 2020 anticipated more than 10% of infusion department revenue would be impacted by payer infusion site-of-care management strategies in the next year

To keep patients within the system, avoid gaps in care, and ensure continued access to quality care, many health systems already have invested in alternative sites of care. For example, 40% of infusion leaders report that their health system owns a home infusion service, 34% own clinic/physician practice-based infusion sites, and 20% reported owning freestanding infusion centers.

However, as health plans apply site-of-care requirements to more patients, infusion leaders report needing to expand and diversify their non-HOPD infusion offerings to meet the needs of all impacted patients. Leaders indicate that the advantages of infusion suites make them a valuable component of a diversified infusion strategy.

Early adopters

WHO'S DOING WHAT

Luminis Health Anne Arundel Medical Center

Non-profit hospital based in Annapolis, Maryland

Leaders at Luminis Health Anne Arundel Medical Center (LH AAMC) launched a 12-chair infusion suite to help address escalating drug costs and provide care for patients impacted by site-of-care requirements.

Application: Use the hospital infusion center as a resource “hub”

In 2018, leaders at Luminis Health Anne Arundel Medical Center (LH AAMC) opened a 12-chair freestanding infusion suite for non-oncology patients impacted by site-of-care policies. When designing the suite, leaders considered improving patient access, revenue generation, and cost savings. The suite is overseen by a medical oncologist, which allows for a physician-supervised infusion center. Additionally, pharmacists at the main infusion center oversee technicians mixing drugs at the infusion suite remotely, which maintains quality standards, lowers staffing costs, and reduces drug waste compared to mixing the drugs off-site.

LH AAMC's Oncology Pharmacy and Therapeutics committee reviews clinical and financial data to recommend where a drug should be administered. To streamline processes, each drug is administered in only one location. Schedulers refer patients to the appropriate site based on the drug they are receiving.

One key to the infusion suite's success is its use of the hospital-based infusion center as a resource “hub.” The infusion suite shares pharmacists, pharmacy technicians, and nurses with the hospital infusion center, and staff rotate on a daily or weekly basis. Infusion suite patients have access to all LH AAMC cancer services, including a symptom management clinic, dieticians, and genetic counselors. LH AAMC infusion leaders are considering adding additional infusion suites that will utilize the “hub” model.



EARLY ADOPTERS (CONT.)

WHO'S DOING WHAT

Froedtert & the Medical College of Wisconsin

Academic Medical Center in eastern Wisconsin

Froedtert Home Infusion expanded their capabilities through opening pharmacy-based infusion suites, providing options for patients who preferred a non-home setting.

Application: Provide efficient, patient-centered infusion options

Froedtert's home infusion business has served patients since 2017. As the program grew, leaders realized that some patients—and the home infusion program itself—would benefit from an additional non-hospital, non-home option for high-quality infusion care. In November 2020, Froedtert's pharmacy team opened a home infusion suite that includes three private infusion rooms. The suite is supported by Froedtert's existing home infusion pharmacy and serves approximately 8 patients per day. Staff includes two infusion nurses (1.8 FTE) and pharmacy support personnel.

The suite provides three key benefits over in-home infusions. First, the suite can serve double the number of patients as could be served by contracted nurses traveling to perform home infusions. Second, nurses are employed by the health system, which reduces contracted nursing expenses and ensures more control over quality and training. Third, some patients and providers may prefer the infusion suite setting for reaction-prone medications as the suites have more available resources than home settings in case of emergency.

Froedtert's home infusion suite has demonstrated high patient satisfaction and provides a convenient location for patients needing or wanting an infusion in an alternative location. Because of its increased safety and cost-effectiveness over in-home infusions, it has become the organization's first option when offering patients infusion services in a non-hospital site of care. The program met its year one goal—to treat 120 patients—within six months of the pilot's launch. Froedtert is now preparing to launch a second, larger home infusion suite with six chairs.

Should you pursue this idea?

Non-HOPD infusion suites that are owned and operated by health systems are relatively new initiatives. As such, most organizations will want to wait to see it develop further. Your organization might benefit from investing now if you...

- Have available non-hospital space that could easily be converted to an infusion suite.
- Work with a large percentage of commercially-insured non-oncology patients.
- Have an existing home infusion program and are willing to try something new (if choosing a home infusion-supported suite, specifically).
- Have a strong relationship between pharmacy and finance to support negotiating for rates for infusion care and to develop new billing requirements.

Pros

- ✓ Provides opportunities to keep infusion patients in system
- ✓ Provides a level of safety in-between hospital-based and in-home infusions for reaction-prone infusions
- ✓ Provides a cost-effective, less staffing-intensive alternative to both HOPD and in-home infusion

Cons

- ✗ Requires extensive stakeholder education to address concerns such as whether the infusion suites will pull revenue away from HOPD infusion offerings or encourage payers to expand infusion site of care policies
- ✗ Requires facility space that may be in high demand
- ✗ Requires collaboration across separate business units, meaning there may be no clear stakeholder to make decisions about infusion suite strategy


What we're keeping an eye out for

As more organizations develop non-HOPD infusion suites, it will be important to monitor how health plans respond to the new market dynamic. They may accept infusion suites because they offer lower rates than HOPD settings; they may use this opportunity to lower reimbursement further for non-HOPD settings; they may choose to expand infusion site of care policies; or they may enter the market to compete with their own payer-owned infusion suites. Providers can make this last scenario less likely by providing favorable pricing for infusion suite services, rather than matching HOPD pricing.

Health systems can take additional steps to make themselves the infusion provider of choice by catering to the needs of patients receiving chronic, non-oncology infusions, such as by offering hours on evenings and weekends.

Things that change the calculus:

- Rise in site-of-care policies for oncology drugs may change the patient profile at non-HOPD sites and increase demand for non-HOPD settings with strong patient safety features
- Ongoing Covid-19 pandemic may drive patients toward traditional home infusion rather than clinic settings
- Competition from independent or health plan-owned sites may drive health systems to create more patient-centric infusion settings or to abandon non-HOPD infusions altogether

Payer site-of-care policies have been on the rise, and infusion leaders at health systems need to adapt accordingly. An increasing number of health systems are testing models of non-HOPD infusion suites to increase patient access to quality care outside of the traditional infusion center, alleviate infusion staffing challenges, and strategically negotiate with health plans. Early results show that these models have been successful, and we will be watching to see if patients, health plans, and health systems continue to support these efforts. 

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