



Reducing Unnecessary Hospital Admissions

Patients in high-quality home health and home-based care programs have experienced:

26%
fewer acute care hospitalizationsⁱ

59%
fewer hospital bed daysⁱⁱ

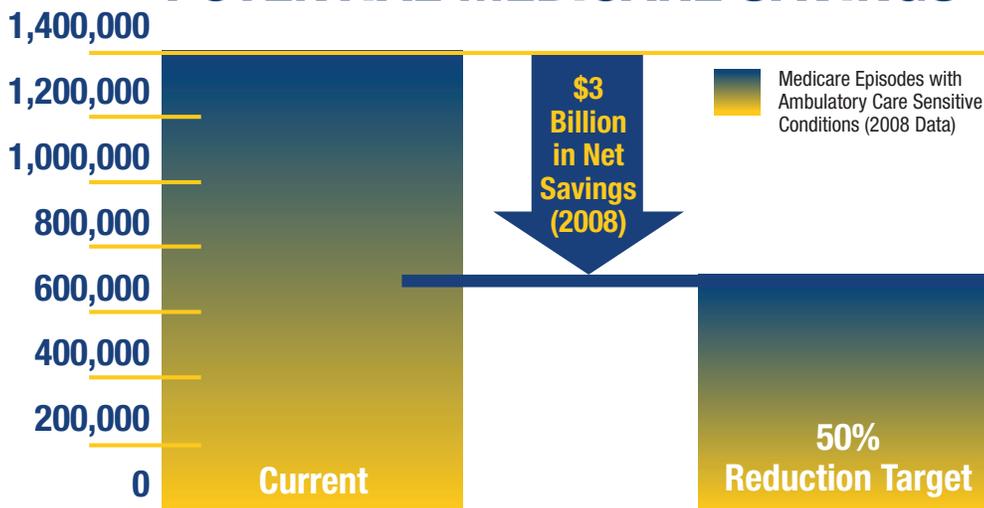
19-30%
total medical cost savingsⁱⁱⁱ

Medicare savings possible over ten years (2014-2023) if investments in care management – that make use of additional home health and ambulatory care services – reduce hospitalizations for patients with ambulatory sensitive conditions by 50%.^v

\$37.7 billion

Many hospital admissions for ambulatory care sensitive conditions can be avoided.^{iv}

REDUCING ADMISSIONS: POTENTIAL MEDICARE SAVINGS



i. Shaughnessy et al., "Improving Patient Outcomes of Home Health Care: Findings from Two Demonstration Trials of Outcome-Based Quality Improvement", *Journal of the American Geriatrics Society*, 50:1354-1364 (2002)

ii. Beales JL & Edes T., "Veteran's affairs home based primary care", *Clin. Geriatr. Med.* 25: 149-154 (2009).

iii. Kaye S. et al., "Do noninstitutionalized long-term care services reduce Medicaid spending?", *Health Affairs* 28(1): 262-272 (2009); Cyer L. et al., "Costs for 'Hospital at Home' patients were 19 percent lower, with equal or better outcomes compared to similar inpatients", *Health Affairs* 31(6): 1237-1243 (2012); Frick KD et al., "Substitutive hospital at home for older persons: effects on costs", *American Journal of Managed Care* 15(1): 49-56 (2009).

iv. McCall N. et al., "Rates of hospitalization for ambulatory care sensitive conditions in the Medicare+Choice Population", *Health Care Financing Review* 2(3): 127-145 (2001); Caminal J. et al., "The role of primary care in preventing ambulatory care sensitive conditions", *European Journal of Public Health* 14(3): 246-251 (2004); Rollow W. et al., "Assessment of the Medicare quality improvement organization program", *Annals of Internal Medicine* 145:342-353 (2006).

v. Source: Dobson | DaVanzo analysis of research-identifiable 5% SAF for all sites of service, 2008, wage index adjusted by setting and geographic region. All analyses are conducted at the MS-DRG level.

The Medicare program could save (in 2008) \$3 billion per year by reducing hospitalizations and subsequent post-acute care for ambulatory care sensitive conditions by 50%.