National Home Infusion Association

Home Infusion: An Overview for Medicaid Programs

Infusion Therapy

Infusion therapy involves the administration of medication through a needle or catheter. It is prescribed when a patient's condition is so severe that it cannot be treated effectively by oral medications. Typically, "infusion therapy" means that a drug is administered intravenously, but the term also may refer to situations where drugs are provided through other non-oral routes, such as intramuscular injections and epidural routes (into the membranes surrounding the spinal cord).

"Traditional" prescription drug therapies commonly administered via infusion include antibiotic, antifungal, antiviral, chemotherapy, hydration, pain management and parenteral nutrition.

Diseases Treated Using Infusion Therapy

Diseases commonly requiring infusion therapy include infections that are unresponsive to oral antibiotics, cancer and cancer-related pain, dehydration, gastrointestinal diseases or disorders which prevent normal functioning of the gastrointestinal system, and more. Other conditions treated with specialty infusion therapies may include cancers, congestive heart failure, Crohn's Disease, hemophilia, immune deficiencies, multiple sclerosis, rheumatoid arthritis, and more.

Infusion Therapy in the Home

For individuals requiring long-term therapy, inpatient care is not only tremendously expensive but also prevents the individual from resuming normal lifestyle and work activities. Consequently, home infusion therapy has evolved into a comprehensive medical therapy that is a much less costly alternative to inpatient treatment in a hospital or skilled nursing facility.

Factors that have contributed to the growth of home infusion therapy over the past 30 years include:

- technological advances that enable safe and effective administration of infusion therapies in the home;
- the desire of patients to resume normal lifestyles and work activities while recovering from illness;
- growth in the number of infusible drugs and the medical conditions that can be treated in the home;
- expansion of the provider-patient partnership that has advanced quality, safe, self-administration practices;
- the cost-effectiveness of care in the home.

Home Infusion Therapy Providers

An infusion therapy provider is most normally a "closed-door", state-licensed pharmacy that specializes in provision of infusion therapies to patients in their homes or other alternate-sites. The infusion therapy always originates with a prescription order from a qualified physician who is overseeing the care of the patient.

Professional Services Performed by Infusion Pharmacies

To ensure safe and proper administration of infusion drugs, infusion pharmacies provide the following services:

- Patient assessment
- Maintenance of appropriate procedures for the compounding and distribution of sterile infusion products
- Drug interaction monitoring
- Patient education
- Care planning
- Patient monitoring
- Laboratory report review
- Maintenance of storage, preparation, dispensing, and quality control of all infusion medications and equipment.

The U.S. Alternate-site Infusion Therapy Market

Driven by heightened emphasis on cost-effectiveness and cost-containment, and the desire of patients to resume normal lifestyles and work activities while recovering from illness, the alternate-site infusion therapy sector continues to expand. It is currently estimated to represent approximately $9 - 11 billion dollars a year in U.S. health care expenditures serviced by 700 to 1,000 infusion pharmacies.

The overall contribution of home infusion therapy to the health care system is certainly much more significant. The cost of infusion therapy administered in the home or alternate-site care setting is far less than the cost of inpatient treatment.

Payment Methodologies

Commercial payors have long understood the value of home infusion therapy and utilize the per diem HCPCS S codes to pay home infusion providers for services, supplies and equipment. The S-code code set includes about 50 HCPCS codes that are specific to the type of therapy being provided, as well as the volume of drug or frequency of dosing. You can access the NHIA National Coding Standard for Home Infusion Claims at http://www.nhia.org/resource/hiec/.

Medicare has limited overage for home infused drugs under the Part B Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) benefit. The few drugs that are covered are only covered

when delivered via an infusion pump (the item of DME) and the patient meets strict medical necessity coverage criteria. NHIA has long maintained that Medicare's restrictive coverage criteria for home infusion therapy drives patients to more costly sites of care and puts patients at increases risk of infection when exposed to other patients in the inpatient setting or frequent trips to a physician's office or hospital outpatient department for the administration of their IV medications. NHIA supports legislation, which would expand coverage of home infusion therapy. For details on the Medicare Home Infusion Site of Care Act (MHISOCA) please visit http://www.nhia.org/resource/legislative/MedicareHomeInfusionSiteofCareAct.cfm, where you can also access a recent Avalere Report that details the Medicare saving related to expanding Medicare coverage of anti-infective infusion therapies delivered in the home site of care.

The Medicare Part D Prescription Drug Program may cover infused medications that are not covered by Part B DMEPOS, but the services, supplies and equipment necessary for the safe provision of home infused therapies are not covered. The out of pocket cost for the services, supplies and equipment are often financially prohibitive and cause patients to choose more costly sights of care.

Medicare Advantage Plans often have comprehensive, commercial S-code, coverage for home infusion therapy that extends beyond the Part DMEPOS limitations.

Medicaid programs' coverage varies form state-to-state. It most cases Medicaid requires that infused drugs are billed through the prescription benefit (NCDPD). Some state utilize the S-code per diem for service, supplies and equipment while others require that A and E HCPCS codes are billed to the DME benefit for the supplies and equipment utilized in the provision of care. The NHIA Payer Advocacy and Relations Committee (PARC) recently surveyed state Medicaid programs to fully document the varying coverage paradigms of the Medicaid programs.

Regardless of the current benefit design, NHIA urges Medicaid programs to review their home infusion coverage criteria to ensure that payment policies are not driving beneficiaries to more costly sites for care. Some common issues/ opportunities identified:

- **Limiting nursing visits.** Applying visit limitations to per diem codes for nursing could result in eliminating reimbursement for needed equipment, supplies and clinical service before the patient's therapeutic goals are met.
- **Limiting coverage for specific items**. For example, limiting coverage for the code A4223, which is used to bill for the use of elastomeric devices, could result in limiting the length of need for a specific therapy because a new device is required for each administration.
- **Delayed authorization.** A timely prior authorization process allows for patients to transition from acute care to home quickly (often within hours). Providers are at risk when they accept a patient and begin providing care while awaiting authorization. At the same time, delaying discharge from an institutional setting is costly for the payer (and patient if copays are involved). Speeding up the process is beneficial to everyone.
- **Administrative simplification processes.** Some Medicaid programs require submission of invoices with every claim (manual), which creates a paperwork burden, especially for chronic therapies. In addition, not all programs have clear billing guidelines.

Proper benefit design can incentivize providers to deliver the right care, at the right time, in the right place. This benefits the health care system as a whole, the state and federal government who are picking up the tab, and patients who can reduce their exposure to pathogens and move closer to recovery.