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# Findings at a Glance

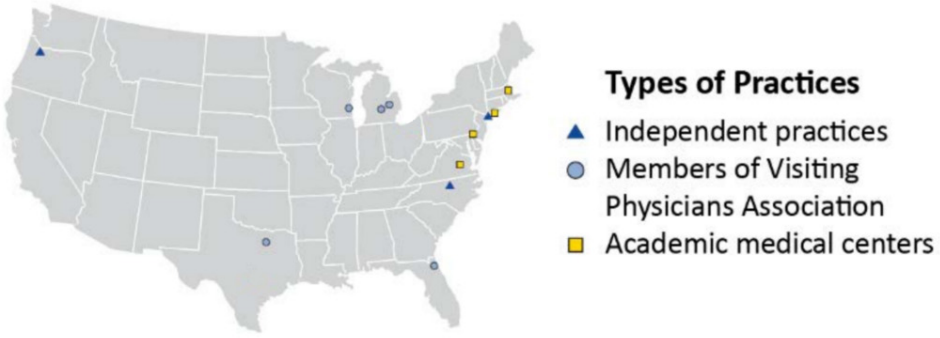
# Independence at Home

## Evaluation of Performance Years 1 to 6 (2012 to 2019)

## MODEL OVERVIEW

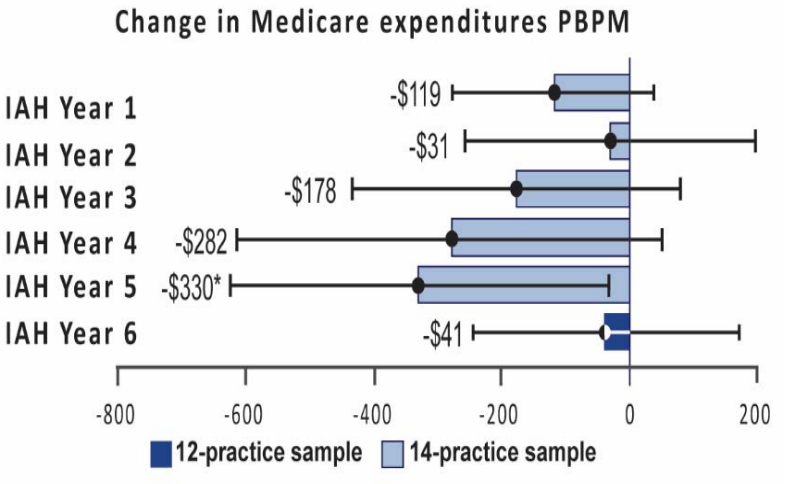
The Independence at Home (IAH) demonstration is a Congressionally mandated test of whether a payment incentive for providing home-based primary care reduces health care expenditures and improves quality of care for eligible fee-for-service Medicare beneficiaries. To be eligible for enrollment in the demonstration, beneficiaries must have had at least two chronic conditions; required help from another person with at least two activities of daily living; have been admitted to a hospital in the last 12 months; and have used acute or subacute rehabilitation services in the last 12 months. Participating home-based primary care practices can earn incentive payments if (1) their patients' Medicare expenditures are less than a given expenditures target and (2) they meet the standards for selected quality measures.

The demonstration began with 18 participants, 12 of which remained in Year 6. Practices varied in size, structure, organization, and approach to providing home-based primary care. Each practice had to serve at least 200 patients per year under IAH. The average practice had 580 IAH enrollees in Year 6.




## FINDINGS ON TOTAL MEDICARE EXPENDITURES

To determine whether the IAH payment incentive affected outcomes, we compared changes in Medicare expenditures and utilization for IAH-eligible patients of IAH practices with IAH-eligible Medicare beneficiaries who lived in the same areas but did not receive home-based primary care.




* $p<0.1$.

- **The estimated effect of IAH on total Medicare expenditures was a reduction of $41 per beneficiary per month (PBPM) in Year 6**, which was not statistically significant. The smaller estimated effect in Medicare expenditures during Year 6 was much smaller than prior years mainly from the absence of a single influential practice that stopped providing home-based primary care after Year 5.
- **There was no compelling evidence that IAH reduced hospital admissions or emergency department visits** in Year 6.
- **Six of the nine practices that earned an incentive payment in Year 6 met required standards for only 50 percent of the quality measures.** As a result, these six practices received only 50 percent of the maximum possible payment.

## KEY TAKEAWAYS

Results of the evaluation of the demonstration's first six years provide no compelling evidence that the payment incentive affected the delivery of care in a way that measurably reduced total Medicare expenditures or hospital use. Many IAH practices did not meet standards for all six quality measures tied to payment, even though doing so would have increased the amount of their incentive payments.

This document summarizes the evaluation report prepared by an independent contractor. To learn more about the IAH demonstration and download the evaluation report, visit https://innovation.cms.gov/initiatives/Independence-at-Home/.

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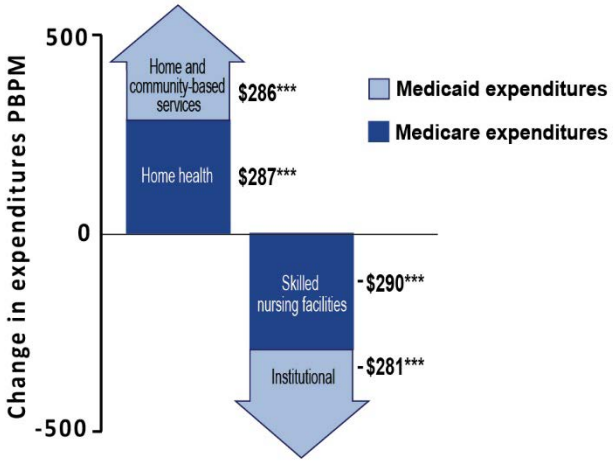
# HOME-BASED PRIMARY CARE FINDINGS FOR SUBGROUPS

We analyzed the spending patterns of fee-for-service beneficiaries dually eligible for Medicare and Medicaid and for Medicare beneficiaries near the end of life. Both groups of beneficiaries met IAH eligibility criteria and received home-based primary care from any primary care clinician, not only those in IAH practices.

## DUALLY ELIGIBLE BENEFICIARIES

Compared with dually eligible beneficiaries who did not receive home-based primary care, those who received home-based primary care had after one year:

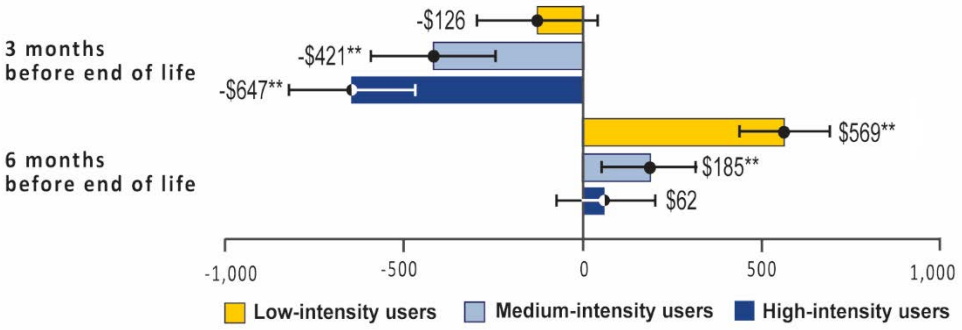
- **An increase in expenditures for home health and home and community-based services.**
- **A decrease in expenditures for skilled nursing and other institutional facilities.**
- **No decreases in total Medicare, total Medicaid, or combined expenditures.**




*** $p<0.01$.

## BENEFICIARIES IN THE LAST THREE AND SIX MONTHS OF LIFE

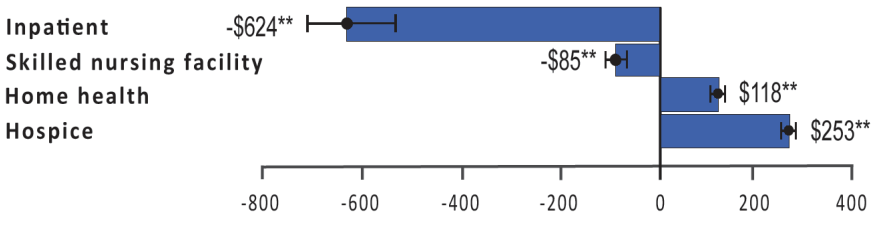
Compared with beneficiaries who also died but did not receive home-based primary care, home-based primary care users had the following differences in Medicare expenditures:




- **Lower Medicare expenditures during the last three months of life.**
- **Higher expenditures during the last six months of life.**
- **For both the last three and six months of life, users with the highest frequency of home-based primary care visits had the lowest expenditures.**

** $p<0.05$. Intensity of use is defined as follows using tercile cutoffs: low (visits every 11 weeks or less); medium (visits more often than every 11 weeks and less often than every 5 weeks); and high (visits more often than every 5 weeks).

**In the last three months of life for all users (regardless of visit frequency), lower total Medicare expenditures of -$391 PBPM were driven by lower inpatient expenditures of -$624 PBPM.**




** $p<0.05$.