



February 13, 2023

## **Independence at Home (IAH) Demonstration Generates Savings to CMS in Performance Year 7**

The American Academy of Home Care Medicine (AAHCM) is pleased to applaud the success of the [Independence at Home \(IAH\) Demonstration](#). Participating practices were successful in reducing expenditures for Medicare beneficiaries by 10.7% during the first year of the COVID-19 pandemic (January 1-December 31, 2020). Participating practices achieved a change in savings of approximately \$459 per beneficiary per month in performance year 7 (PY 7). In PY 7, approximately 5,000 beneficiaries were cared for by 10 participants in the Demonstration (nine practices and one consortium).

Norman Vinn, DO, MBA, President of AAHCM, notes *“The Academy congratulates the ten IAH practices for posting dramatic savings and quality outcomes during the first year of the COVID-19 pandemic. IAH reaffirms the value of a home-based primary care (HBPC) model that serves frail, high-risk beneficiaries and emphasizes an interdisciplinary approach to team-based care.”*

Of note, the effect of IAH in Year 7 was considerably larger than in Year 6, explained by a 4.3% increase in spending for comparison beneficiaries and 1.3% decrease in spending for IAH beneficiaries. Compared with non-enrolled Medicare beneficiaries, the Centers for Medicare and Medicaid Services (CMS) found that IAH beneficiaries had 19% fewer hospitalizations, 8% fewer emergency department visits, and 15% fewer readmissions within 30 days of hospital discharge.

The IAH Demonstration began in 2012 to test a delivery and payment model for Home Based Primary Care (HBPC) teams that focus on caring for ill and disabled patients in the home. IAH tests whether accessible primary care for high-need patients can improve patient and family experience while reducing total costs and hospital admissions. Initially a 3-year demonstration, the IAH Demonstration has been extended three times by Congress due to continued interest and support

for the program's effectiveness. The Demonstration is set to end this year on December 31, 2023.

The Academy applauds IAH's vision, demonstrated high-quality results, and the costs savings for Medicare. The IAH Demonstration has proven to be one of the most successful clinical and payment models supported by CMMI and CMS. For more information, please see the [CMMI IAH Demonstration](#) page or visit the AAHCM website at [www.aahcm.org](http://www.aahcm.org).

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*The American Academy of Home Care Medicine has been serving the needs of thousands of home care medicine professionals since 1988, through an interdisciplinary team of HBPC care providers working with patients' community supports. Our members include home care physicians, nurse practitioners and physician assistants who make house calls, care for homebound patients, act as home health agency and hospice medical directors, and refer patients to home care agencies; home care organizations; medical directors of managed care plans; and administrators of medical groups interested in home care. Their specialties include internal medicine, family practice, pediatrics, geriatrics, psychiatry, and emergency medicine.*

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