



June 6, 2023

Independence at Home (IAH) Demonstration Generates Savings to CMS in Performance Year 8

The American Academy of Home Care Medicine (AAHCM) is pleased to applaud the success of the [Independence at Home \(IAH\) Demonstration](#) and 7 participating practices in reducing expenditures for Medicare beneficiaries by 21.3%, with average savings coming to approximately \$8,222 per beneficiary per year in performance year 8 (PY 8), which spanned between January 1, 2021-December 31, 2021. Of note, practice expenditures were \$32 million below Medicare spending targets despite the impact of the Public Health Emergency (PHE). Over the 8 years of the Demonstration, the Centers for Medicare and Medicaid Services (CMS) has reported total IAH **operational savings of over \$209 million**, an average of more than \$2,957 per beneficiary per year.

Norman Vinn, President of AAHCM, notes “The Academy is proud of the accomplishments of the IAH practices that have saved the Medicare program over \$209 million. IAH reaffirms the value of a home-based medical care (HBMC) model that serves complex, frail elders, and that emphasizes high-touch and high-tech mobile team care.”

In PY 8, a total of 3901 beneficiaries were cared for by 7 participants (six practices and one consortium) in the Demonstration. All 7 participants met three or more of the six quality measures; one of those practices met the performance thresholds for all six quality measures – resulting in improved quality patient care. All IAH participants produced sufficient savings to receive shared savings payments.

The IAH Demonstration began in 2012 to test a delivery and payment model for 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. In the face of the Demonstration set to end on December 31, 2023, the ongoing success makes conversion to a permanent Medicare program, incorporating lessons learned during the Demonstration, an urgent need.

The Academy applauds the IAH model, 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.

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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