



# Site-of-Care Shifts

*FutureScan Exercise for Senior Leaders*



# Executive Session - Site-of-Care Shifts

- Welcome to a Futurescan exercise for executive leaders!
- Here's how it will work: We will introduce the topic for today and pose a few framing questions before we breakout for focused table discussions
- Each table will focus on one of 3 different types of Site-of-Care Shifts:
  - In-person Visits → Virtual Visits
  - Hospital Outpatient → Ambulatory Care Centers
  - Hospital Inpatient → Hospital at Home
- We will then come back together to share key take-aways from the discussion

# Sites-of-Care Overview

- Site-of-care shifts, while not a new phenomenon in health care, are newly evolving considering the pandemic, payment and regulatory policies
- Health care strategists will need to predict the areas of greatest movement for their market and help their organizations actively manage the transformation
- Several factors will determine the pace and extent of shifts in our markets
- As healthcare strategists, we will need to envision different future scenarios for these care shifts, including shifts that disrupt as well as present opportunities for our business portfolio

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## *Learning objectives:*

- *Participate in a interactive discussion with senior leader peers*
- *Identify market conditions that will influence the pace of different shifts*
- *Discuss specific roles for our strategic professions: strategy, business development, marketing and communications*

# Ambulatory Care Centers

**Ambulatory care centers (ACCs)** provide a consumer-friendly alternative to hospital outpatient departments and often benefit from payer steerage. As a result, significant shifts continue to occur from hospitals to alternative outpatient care settings and ***hospitals and health systems will prioritize moving a super-majority (~75%) of non-complex OP care out of hospitals to ACCs in five years.***

## Recent milestones:

- Expansion of CMS' ASC-covered procedures list
- CMS rolled back elimination of inpatient-only list, but agency will still issue more approvals for covered procedures list
- PCI approved for ASC settings in 2022
- Continued interest among payers for site-neutral payment policies

## Key statistics to know:

- Over 50% of hospital revenue originates from payments to hospital outpatient departments
- 50% of orthopedics procedures are performed in ASCs in U.S. markets with the highest degree of overall OP shift, compared to a 29% average
- In 2021, 2% of cardiovascular procedures were performed in ASCs; 73% in HOPDs
- 21% of ASCs are jointly owned by hospitals and physicians; 52% are solely owned by physicians
- Urgent care centers grew 62% in the U.S. from 2014 to 2021 to a total of 10,400 sites



# Virtual Visits

**Virtual visits** allow people to see and talk with their healthcare provider through their smartphone, computer or tablet, allowing them to “visit” with a caregiver from the comfort of their own home. While regulatory barriers continue to impact the degree of adoption, ***policy and reimbursement changes could double the percent of virtual office visits as a category of all office visits by 2028.***

## Recent milestones:

- Not having to go to a doctor's office or sit in a waiting room has been proven to not only offer convenience, but can improve access, decrease no-show rates and prevent exposure to COVID and other contagious conditions
- CMS telehealth flexibilities not tied to COVID PHE order (remaining in place through 2024)
- Virtual visits are covered by most insurers

## Key facts to know:

- Virtual visits are estimated to comprise 15% of office visits for all specialties, post pandemic
- Greatest adoption has been in behavioral health and least in surgical specialties (Ortho)
- Virtual visits can generally be used for exams and diagnosis of common conditions such as sore throat, cough, cold, pink eye and UTI's
- Virtual visits are not useful when in-person intervention or injection of a drug is required
- Associated benefits include strong patient satisfaction and cost savings



# Hospital at Home

**Hospital at home (H@H)** allows for a select cohort of hospital inpatients to receive care in their homes, subject to a CMS reimbursement waiver. While the waiver currently restricts eligible patients based on a narrow list of diagnoses and other factors, that will change. ***In the next 3-5 years, coverage will be more widely available from government and commercial payers, and patients who receive care in their homes could amount to 5-10% of patients who are in hospital beds today.***

## Recent milestones:

- CMS eligibility limits patients to those 65+ with select diagnoses (Pneumonia, CHF, cellulitis, COPD) residing within 30 minutes of hospital
- CMS Acute Hospital Care at Home initiative has been extended through 2024; some commercial payers offer coverage for H@H

## Key facts to know:

- Hospital at Home  $\neq$  Traditional Home Care
- CMS waiver allows acute level care to be provided in the home with support of clinical team (physicians, nurses, respiratory therapists, physical therapists and other caregivers)
- Delivery model integrates in-home and virtual connections to ensure care is provided 24/7; remote technology, including monitoring, is key
- Studies indicate H@H care has comparable clinical outcomes, higher patient satisfaction and a 25%-40% lower cost than in-hospital care



# Table Discussion Instructions

- Do quick roundtable introductions
- Elect a scribe
- Review the table handout with the topic and a few quick facts
- Spend 3-5 minutes on each of the following 5 questions:
  1. ***What catalysts will make this scenario likely?***
  2. ***Which population segments will experience the greatest impact? Why?***
  3. ***Describe the opportunity you envision for this possible future state?***
  4. ***What needs to change at your organization to support that future state from the perspective of our strategic professions?***
    - ***Strategy (target populations, health equity, key service lines and facility implications)***
    - ***MarCom (consumer awareness, trust, expectations and experience)***
    - ***Business Development (ownership - provide/ partner/ outsource? and payer strategy)***
    - ***Physician Relations (physician education/ engagement/ alignment and outcomes)***
  5. ***Identify one action you will recommend to your executive team and board to position your organization for this future – to be shared by scribe at report out***

