

VA Home Based Primary Care Program: A Primer and Lessons for Medicare

Emily Egan

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Since 1972, the Department of Veterans Affairs (VA) has operated an innovative healthcare program that brings services to very ill veterans at home. The Home Based Primary Care (HBPC) program serves veterans with expensive chronic conditions that need comprehensive services. The program not only provides better medical care and coordinates additional social services for eligible individuals, but also delivers a substantial reduction in nursing home stays and hospitalizations. The success of HBPC makes it a potential model for higher quality care and lower costs in entitlement reforms and private healthcare markets.

Background on the VA

The VA's medical system includes 150 medical centers and roughly 1400 community based care facilities, including ambulatory care centers, nursing homes and residential rehabilitative centers. In total, the VA employs over 60,000 medical professionals¹ and serves over 8.3 million veterans annually.²

The VA healthcare system has undertaken a transformation in pursuit of higher quality in the past 20 years. Across-the-board reforms including electronic health records, performance measures, and decentralization have improved the system substantially.³ The agency also moved toward unified eligibility rules for inpatient and outpatient care, created more community health clinics,⁴ and divided into regional service networks intended to reduce duplication and competition for resources.⁵

Executive Summary

Goals of the HBPC

- The VA Home Based Primary Care (HBPC) program provides comprehensive services in chronically ill veterans' homes in order to meet HBPC participants' needs and keep them out of hospitals and nursing homes.

Patient Population

- HBPC participants are among the sickest in the VA health system, with an average of 19 clinical diagnoses and 15 medications.

Strategies

- Promote the veteran's maximum level of health and independence through use of an interdisciplinary team that serves veterans in their own homes.
- Reduce the need for hospitalization, nursing home care and emergency department and outpatient clinic visits.
- Assist in the transition from a healthcare facility to the home using a variety of techniques.

Results

- The VA program has reported a 24 percent reduction in the cost of serving veterans who participate in HBPC as compared with their care prior to entering the program
- The VA also reports higher patient satisfaction and functional status among HBPC participants.

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The VA health system reforms have led to higher satisfaction among patients and staff, as well as measured improvements in care. A study in the *New England Journal of Medicine* compared quality measures such as vaccinations, screening, and treatment for both chronic and acute conditions across inpatient and outpatient settings for Medicare and the VA. Whereas the VA's performance had previously lagged behind Medicare, the results demonstrated that its system-wide reforms enabled the VA to outperform Medicare on every measure by the late 1990s.⁶

VA Home Based Primary Care Program (HBPC)

The VA began using comprehensive home care in 1972 with 6 demonstration sites within the Hospital Based Home Care Program. In 1995, the name changed to the Home Based Primary Care program, and it was expanded during the reforms of the 1990s.⁷

Operated by the VA Office of Geriatrics and Extended Care, the HBPC program serves veterans with disabling chronic conditions for whom periodic doctor visits are insufficient. Participants are selected for the program based on clinical diagnoses, the risk of expensive hospitalizations and nursing home stays and proximity to a VA hospital where a HBPC team is based. Prior to the HBPC program, these veterans would have received care in outpatient settings and, for the very ill, and likely cycled in and out of hospitals and nursing homes. The HBPC program is designed to instead provide comprehensive care in the home setting and prevent additional conditions or complications that would otherwise necessitate further expensive treatment.

Care teams are comprised of a physician, medical directors, nurses, social workers, dieticians, psychologists, pharmacists and rehabilitative therapists. The care team provides integrated care and coordinates with each other, the patient and (if applicable) the patient's family caregivers. The care team also provides referrals to additional services as needed to help the veteran take advantage of a variety of resources in and outside of the VA. The program is not designed for people who need daily intervention or long-term care, as patients receive an average of 3 visits per month.

Currently there are 116 sites serving over 12,000 veterans annually.⁸ Notably, there is neither a requirement that program participants be "homebound" nor that they need skilled rehabilitative care, both of which are required by Medicare for a patient to receive home health benefits. HBPC's focus on home-based care: (a) is generally less expensive than treatment in institutional settings; (b) gives providers a better picture of the patient's environment and any potentially dangerous situations; (c) allows them to form relationships with family caregivers; and (d) reduces missed appointments which can lead to complications and additional costs.

A brief statistical portrait of the Home Based Primary Care population includes:

- The HBPC population is comprised of veterans with an average age of 76.5 years old.⁹
- 96 percent of HBPC patients are male.¹⁰
- Nearly half of the HBPC population has functional limitations and cannot perform two or more activities of daily living (ADLs)¹¹ without assistance.¹²

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- HBPC participants have an average of 19.4 diagnoses and take 15 prescription medications regularly.¹³
- Common diagnoses and their prevalence in the HBPC population are listed below in Table 1.

Table 1: Common Diagnoses and the Percentage of HBPC Participants Exhibiting Them¹⁴

Heart Disease: 72%	Dementia: 33%
Diabetes: 48%	Cancer: 29%
Depression: 44%	Substance Abuse: 29%
Heart Failure: 35%	Schizophrenia: 20%

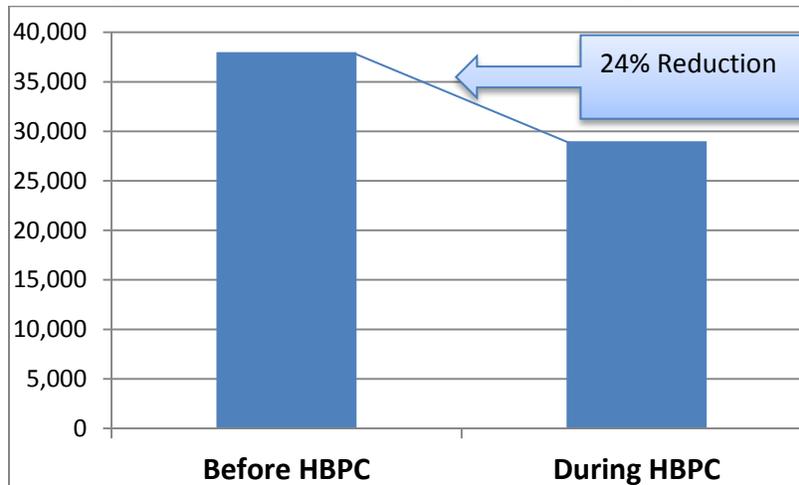
Evidence on HBPC Results

Several studies have examined the HBPC program’s effectiveness, with particular emphasis paid to patient functional status, hospital readmissions, nursing home stays and cost.

One study, commissioned by the Department of Veterans Affairs Cooperative Studies Program and published in the *Journal of the American Medical Association (JAMA)* in 2000, compared quality of life, functional status, and cost between a treatment group of patients enrolled in the HPBC program versus a control group using traditional VA services. The study found that the HBPC program achieved significantly higher scores for “health related quality-of-life” among the subset of terminally ill patients, higher patient and caregiver satisfaction for all treatment patients, and comparable functional statuses between the treatment and control group. This study found that over the one year duration, the treatment group’s aggregate costs were 12 percent higher than the control group.¹⁵

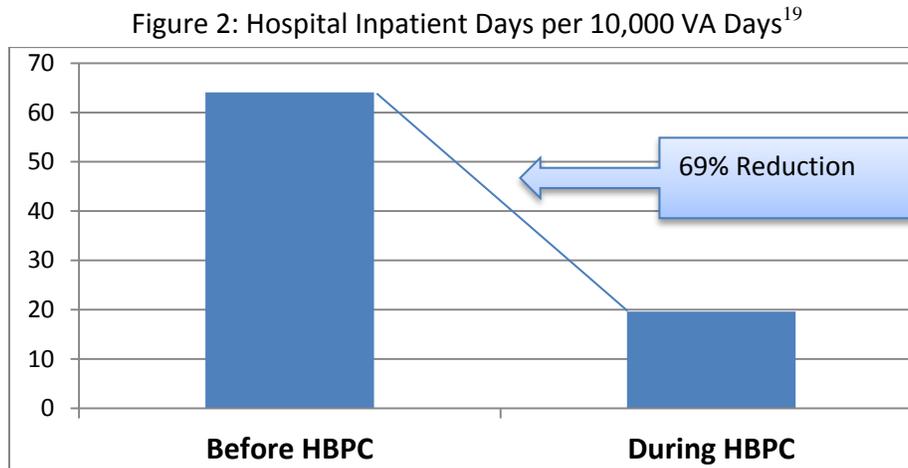
Subsequent research found improvement in outcomes as well as cost-savings. A study conducted by the VA in 2002, compared hospitalizations, nursing home days of care and cost for over 11,000 HBPC patients for 6 months before entering the program against those measures in the first 6 months of enrollment. Hospitalizations, measured in hospital days of care, dropped 62 percent and nursing home days of care dropped by 88 percent. After accounting for the cost of the program, the average cost reduction was 24 percent.¹⁶

Figure 1: Average Annual Cost of Care Prior to and During HBPC Participation¹⁷



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A comparable analysis conducted in 2007 showed very similar results on hospital admissions: the study reported a 69 percent reduction in hospital inpatient days of care, as shown in Figure 2, as well as a 27 percent reduction in admissions.¹⁸ Thus, over time these studies indicate the HBPC program's success in allowing patients to remain in their home and spend less time in the hospital or nursing home, as well as demonstrating the cost effectiveness relative to traditional VA care.



How does HBPC Differ From Medicare's Home Health Benefit?

Medicare also provides in-home medical care to an elderly population that includes those with many complex chronic conditions and functional limitations, but the benefit is quite different HBPC. Medicare's home health benefit is chiefly medical in nature, often rehabilitative, and is rarely fully-coordinated with the patient's other care providers. Medicare home health visits are also structured as short-term episodes, whereas the HBPC program is intended to provide care as long as it is appropriate for the patient. In addition, Medicare-provided home health is only available to homebound beneficiaries, whereas HBPC is able to serve a broader population of high-cost chronically ill patients.

Because patients with complex chronic conditions served by Medicare as well as those dually eligible for Medicaid and Medicare have similar care needs to the VA's HBPC enrollees, it raises the possibility that the use of an HBPC-modeled program could similarly reduce hospital and nursing home stays within entitlement programs. The successful long-term provision of chronic care management services to currently high-cost patients would enable Medicare to prevent them from cycling in and out of hospitals and nursing homes, and has the potential for significant cost-savings.

Conclusion

The Home Based Primary Care program has achieved meaningful improvement in a number of important criteria, not the least of which include: patient outcomes and satisfaction, care coordination and program cost. For

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policymakers seeking similar improvements in the Medicare or Medicaid programs, or private insurers looking to improve their benefits and managed care plans, the HBPC model is worth considering due to the following factors:

- HBPC participants share many similarities high-cost chronically ill beneficiaries served by other programs or commercial insurance.
- HBPC fully utilizes strategies that are attempted but not fully implemented elsewhere including comprehensive service delivery in the home, coordination of services provided by multi-disciplinary care teams, and interoperable electronic health records.
- HBPC's focus on home-based care has been documented to substantially reduce the utilization of expensive institutional facilities, which currently contribute to the unsustainable pace of healthcare cost increases.

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