

New Realities Require New Approaches To Assure Future Success

by **Russ Bodoff**

NHIA President & Chief Executive Officer

I am sure many of our members look back at what's been achieved in our industry over the last several decades with very fond, proud memories. And with good reason, as the ability to provide complicated infusion therapies in the home for seriously ill patients has been transformed from an initial bold, optimistic thought to what has now become routine, accepted practice throughout the health care community in the United States. Additionally, we are also seeing the quality and cost-savings value of home infusion therapy being recognized and implemented in many other countries, as well. Yes, you developed the home-based model for this vital care—and you demonstrated its viable success!

But we cannot construct a thriving future by “living in the past.” Today, the entire health care community is undergoing dramatic changes, and unfortunately many of these modifications do not serve the best interests of your business or your patients. Regardless, we must be prepared to leverage the strengths of our past, while being open minded to adapting to the new realities emerging before us. *Even if those realities are daunting.*

As a nation, we are still digesting the impact of *The Patient Protection and Affordable Care Act of 2010* (PPACA). Clearly, overall judgment on the success or failure of the PPACA will not be evident for many years to come. However, changes being brought about by the Act, along with serious concern in Washington about the future insolvency of Medicare, are already driving alterations to our health care landscape—and those changes are happening now. There is no doubt that the government agencies overseeing health care have moved in a direction where cost savings is becoming a driving force—often at the neglect of patient safety. And this urgency to find savings will significantly impact reimbursements for all health care providers (including those in home infusion), both at the government level and by private payers, as well.

Beyond concerns about reduced reimbursements, we are also seeing dramatic shifts in the very approach to delivering the continuum of care. While Accountable Care Organizations (ACOs) and bundled payments are models presently being tested, most experts believe that some version of these methods is here to stay—as these models are driven by the Centers for Medicare & Medicaid Services (CMS). Undoubtedly, this will be yet another reason to keep providers up at night. Not only do we see reimbursements lessening, but now, in many cases, your reimbursement could be tied to payments received by another entity. Nevertheless, this is not the time for despair—instead, it is again the time for thoughtful, strategic action!

As much as we may want to resist these new changes, we must be realistic in addressing such reimbursement realities and the power being vested in ACO-type approaches. Our future success does not lie in how things were done in the past—but, rather, in our ability to creatively adapt to lower reimbursement levels via operating more efficiently, by taking advantage of developing technologies, and through adjusting our business models to maximize different (even non-traditional) ways of delivering services. Instead of fighting the idea of ACOs and bundled payments, we must both work to ensure that our reimbursements fit into these models *and* develop strategic working relationships and partnerships with ACOs.

When it comes to assuring a positive future amid these challenges, the NHIA Team will continue—through its advocacy work in Washington, education programs, and member support—to help you and your organization in every way possible. Yes, there is much that will keep us up at night, but the one thing that we do not have to worry about as government bureaucrats at times put cost savings over patient care and safety, is that NHIA members do not. For that I am proud—and your patients are grateful. And that consistent commitment to quality is a core strength we will be sure to call upon as we confront our new realities, and forge our future success.

Regards,

