

# Modern Healthcare

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## Rapid growth predicted for hospital-at-home market

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The escalating hospital-at-home market is attracting new players to the space, who are offering turnkey and a la cart services to providers.

The hospital-at-home market is projected to grow 50% from \$200 billion to nearly \$300 billion by 2028, and is a magnet for companies trying to get a foothold in the space.

The in-home acute care sector's expansion will be muted over the next two years due to

rising interest rates and uncertainty over the Centers for Medicare and Medicaid reimbursement for home-based care, according to the report by Chilmark, a Boston-based healthcare research firm. However, Chilmark research analyst Elena Iakoveva predicts more hospitals will begin launching the programs in three years as the economy and technology improves.

"I think hospital-at-home is going to see a real snowball effect starting in 2026," Iakoveva said.

Hospital-at-home care has been around in various forms since the 1970s, but the concept gained traction during the COVID-19 pandemic when inpatient beds became scarce in medical facilities as the virus spread. The Centers for Medicare and Medicaid Services launched the Acute Care at Home waiver program in 2020, allowing providers to treat select patients at home at the same reimbursement rates as patients in hospitals.

Congress extended the waiver program through the end of December 2024 and is collecting data from participating hospitals on costs savings and patient outcomes. The results could help determine the future of the program and how hospitals will be reimbursed by Medicare in subsequent years.

Hospital-at-home programs are offered in 281 hospitals across 37 states. Texas, North Carolina and Ohio have the largest number of programs, according to Chilmark's report, released Thursday.

The report found that growth in hospital-at-home will be largely driven by companies that offer turnkey services and those featuring a la carte offerings such as medical staffing, remote patient monitoring, medical tests and care management. Iakoveva said larger hospital systems could contract with vendors to supplement their services while smaller hospitals may need to partner with full-stack firms.

Companies already offering a full menu of services include Medically Home and

Bioufourmis, both based in Boston, as well as Nashville, Tennessee-based Contessa Health, a division of Amedisys. Those companies offer one-stop shopping to hospital-at-home providers. They coordinate staffing, command centers and a variety of other services offered by many a la carte vendors.

More firms are offering turnkey solutions. Inbound Health is the latest example. Minneapolis, Minnesota-based Allina Health launched Inbound as its Home Hospital Care program in 2020 and spun the unit off last year as a separate company with \$20 million in funding from Flare Capital Partners and McKesson Ventures. Although Allina Health is currently the company's only partner, Inbound Health CEO Dave Kerwar said the company has plans to partner with other providers by the end of the year.

Large retailers, such as Best Buy and Amazon, could also play key roles. Best Buy owns care-at-home platform Current Health and partnered with Atrium Health in March. The collaboration will offer hospital-at-home and potentially other services to patients. Amazon purchased member-based primary care provider One Medical in February. Iakoveva said those retailers could add additional services to fuel growth in hospital-at-home.

Despite the promise of the concept, the report cited potential barriers to growth. Poor internet connectivity in rural communities is one.

Reimbursement uncertainty is another. Still, Kerwar said he expects CMS will continue reimbursing for hospital-at-home after 2024. Even if it does reduce reimbursement rates, Kerwar said providers can still make money because the programs allow them to treat sicker, more costly patients in a facility, while providing lower-cost care to others at home.