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## **AHA Study Shows Hospital Outpatient Departments Treat Sicker, Poorer Patients Than Independent Physician Offices**

*Reimbursing hospitals the same as physician offices could threaten access to care*

Medicare patients who receive care in a hospital outpatient department (HOPD) are more likely to be poorer and have more severe chronic conditions than Medicare patients treated in an independent physician office (IPO), according to a study released today by the AHA. The study also specifically examined the characteristics of Medicare cancer patients seen in HOPDs and IPOs and found similar results.

The findings of this new study, conducted for the AHA by KNG Health Consulting LLC, highlight why actions implemented in the last few years by the Department of Health and Human Services (HHS), as well as other proposals under consideration by Congress to reimburse hospitals the same amount as physician offices, could threaten access to care for the most vulnerable patients and communities.

According to the study, relative to those seen in an IPO, Medicare patients seen in HOPDs are more likely to be:

- From lower-income areas.
- Burdened with more severe chronic conditions.
- Over 85 and under 65 and therefore eligible for Medicare based on disability or end-stage renal disease.
- Previously hospitalized.
- Eligible for both Medicare and Medicaid.
- Previously cared for in an emergency department, thereby having higher Medicare spending prior to receiving ambulatory care.

Hospitals and health systems provide care and emergency services 24/7 to all who come through the door regardless of their ability to pay. In addition, hospitals are held to far higher regulatory standards because of the complexity of caring for these higher-acuity patients. **You can access a full copy of the study of the full cohort of Medicare beneficiaries and of the cohort receiving cancer care on our [webpage](#).**

The AHA, joined by member hospitals and health systems and other national organizations representing hospitals, in February [filed a petition asking the U.S. Supreme Court](#) to reverse an appeals court decision challenging HHS' payment reductions in the 2019 outpatient payment rule for certain hospital outpatient off-campus provider-based departments. A lower court twice found that HHS exceeded its statutory

authority when it reduced these payments; however, in July, a three-judge appeals panel reversed this decision.

### **FURTHER QUESTIONS**

If you have questions, please contact AHA at 800-424-4301.