

Administering Specialty Drugs at Home

By REMINGTON'S EDITORIAL TEAM

A [United Health Group study](#) (UHG) found receiving certain forms of care at home instead of in the hospital can lower healthcare spending. Administering specialty drugs at home or in a provider's office lowered healthcare spending by \$4 billion.

In the UHG's report, the major payer detailed the benefits of changing where patients receive their specialty prescription drugs. "Compared to independent physician offices, hospitals charge more for specialty drugs and their administration, whether treatment occurs in a hospital or a hospital-owned physician practice," [the study found](#).

SAVING OPPORTUNITIES BY SPECIFIC CONDITIONS

Significant to the report was the study of five chronic diseases whose medication therapies contribute over 75 percent of the costs of administered drug healthcare spending. UHG discovered that for members of the private health plan, the cost could be reduced by \$16,000, or from \$53,000 to \$37,000, each year by administering the treatments in the patient's home or at their primary care provider's office.

Administering specialty drugs in physician offices and patients' homes instead of hospital outpatient settings offers the following savings opportunities per privately insured patient per year:

- **Multiple Sclerosis:** \$37,000 savings for four months of treatment.
- **Immune Deficiency:** \$32,000 savings for six months of treatment.
- **Rheumatoid Arthritis:** \$28,000 savings for five months of treatment.
- **Inflammatory Bowel Disease:** \$21,000 savings for five months of treatment.
- **Cancer (Chemotherapy):** \$16,000 savings for four months of treatment.

"For certain administered specialty drugs, treatment at home can improve patients' physical and mental wellbeing and reduce disruption of work schedules and family responsibilities, all without increasing the likelihood of adverse drug events or side effects," the report explained. |

DON'T MISS ADDITIONAL EASY-TO-ACCESS LINKS IN THIS ARTICLE

1. [A United Health Group study](#)
2. [the study found](#)



The Savings Opportunity

Administering specialty drugs in **physician offices** and **patients' homes** instead of hospital outpatient settings **reduces the cost of the drugs and their administration by \$16,000 to \$37,000** per privately insured patient per year for five conditions that account for over 75 percent of spending on administered drugs.



33-52% lower
average monthly cost
in physician offices
and patients' homes



\$16,000 to \$37,000 savings
per patient per year



180,000
patients treated in
hospital outpatient
settings



\$4 Billion
in savings each year