

Site of Care Optimization Lowers Specialty Drug Costs, Reduces Hospital Visits, Ensures Care Quality



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Specialty Infusion Market Overview

Specialty drugs are used to treat complex, chronic or rare conditions and require special administration or handling with infusion therapies. These therapies involve the administration of medication through an intravenous needle or catheter, while others are administered via alternate routes of administration, such as intramuscular, epidural and self-injectable means. Infusion medications are prescribed for both acute and chronic illnesses that are unresponsive or cannot be effectively treated with oral medications alone, or the patient cannot take or swallow pills.

According to a leading advocacy organization, an infusion of Remicade (Infliximab) can cost more than \$10,000 in a hospital, but at an independent, stand-alone infusion center, the average charge is \$4,500. The exact same medication, administered using the same method, is more than two times more expensive in the hospital setting. Other specialty medications can be three to four times more costly in the same scenario. Infusion centers are economical solutions that reduce much of the burden of the cost of specialty medications to the healthcare system.

This has prompted insurance companies and self-insured companies to move forward with Site of Care (SOC)

optimization, a leading strategy for reducing the cost of specialty biologic medications, [products](#) that include a wide range of components, such as vaccines, blood and blood components, allergenics, somatic cells, gene therapy, tissues and recombinant therapeutic proteins.

Gene-based and cellular biologics, for example, often are at the forefront of biomedical research, and may be used to treat a variety of medical conditions for which no other treatments are available by encouraging patients to move from higher-cost settings, like big hospitals and institutions, to lower-cost settings, such as physician's in-office infusion suites, stand-alone infusion centers or in the home with visiting nurses.

In this environment, stakeholders can find significant value in applying a high level of specialty drug expertise to the management of these drugs by working with a specialty pharmacy (SP) healthcare services partner, like [AscellaHealth](#), which offers a Home Infusion Pharmacy Network as part of an overall strategy to cut [costs without compromising quality of care](#).

Specialty Market Landscape

SP is the highest cost center in healthcare benefits with specialty drug spend estimated to reach 47% of pharmacy industry revenue.



Robust Pipeline

- 53 new drugs approved in 2020
- 76 biosimilar drug patents expiring between 2020 and 2024 equating to \$49 billion in opportunity
- Expected growth to **\$505 billion** by 2023



Chronic Complex Disease Management

- Approaching **\$4 billion** industry, expected to grow to over \$10 billion by 2024



Rare and Orphan Disease Market

- Over **7,000** known rare diseases, orphan drug market projected to increase **12.10%** from 2017 to 2025 with net valuation of **\$318.5 billion** globally

Closer Look at Infusion Therapy

Infusion therapy is also provided to patients for treating a wide assortment of often chronic and sometimes rare diseases for which specialty infusion medications are effective. While some have been available for many years, others are newer drugs and biologics. Infusion therapy can also be used to deliver nutrition.

Flexibility of alternate sites also contributes to a higher quality of life by improving patient access to care, reducing time away from work or school, and offering a degree of independence to patients living under otherwise rigid medical parameters.

Convenient and Cost-Effective for Patients

One [study](#) found that, compared to medical setting infusion patients, home infusion patients were no more likely to have adverse drug events or side effects. What's more, clinical outcomes were as good if not better. These sites of

care are not only less expensive than the hospital but can also provide a better overall experience for the patient. Services are covered by Medicare, Medicaid, and most other commercial insurance carriers.

For example:

- Patients with hemophilia had a 40% reduction in the likelihood of hospitalization for bleeding complications.
- Patients overwhelmingly preferred home infusion and reported greater physical and mental well-being, as well as less disruption to daily life and reduction in burden for caregivers.
- Home infusion costs were significantly lower than medical setting infusion costs, with savings between \$1,928 and \$2,974 per treatment course.

Comparing Infusion Centers to Hospital Settings

Clinical teams in the hospital are responsible for multiple health care needs, not just infusion therapy. In contrast, the highly skilled clinical teams in outpatient facilities are focused solely upon personalized injection and infusion treatment plans. These dedicated teams ensure continuation of care and attention from a clinician who knows each individual case.

Also, in the hospital setting, there is high risk to exposure with literally hundreds of people continuously coming in and out, crowded, uncomfortable waiting areas and protracted wait times. This differs dramatically

in outpatient centers, where only staff and scheduled patients are present, there is less risk to exposure and waiting rooms and treatment are comfortably furnished.

Patients appreciate the convenience of accessing care in an outpatient infusion location that is closer to home or work, rather than driving to the hospital, finding a parking spot in an over-crowded hospital garage and locating the hospital infusion room. Outpatient infusion centers typically have convenient parking options and direct entry into the center, making it easier for people to integrate treatment into their daily schedules.

AscellaHealth's Preferred Partners

AscellaHealth recently named leading pharmacies, including [Amber Specialty Pharmacy](#), [AcariaHealth](#) and [BioMatrix Specialty Pharmacy](#), as preferred partners within its Home Infusion Pharmacy Network.



These pharmacy providers were chosen for their national reach, high-touch capabilities and thorough home infusion expertise. Collectively, they exemplify AscellaHealth's SOC initiative to increase care accessibility by encouraging the use of clinically appropriate, lower-cost care settings with the goal to:

- Improve drug affordability for patients and providers
- Increase price transparency
- Reduce disparities in quality of care and safety across care settings
- Enable care delivery in the highest-quality, lowest-cost care setting
- Enhance outcomes via increased compliance rates

Choosing a home infusion service provider with high-quality standards can make a difference in whether a patient has a positive or negative response to treatment. In addition, a smooth transition of care based on advanced planning will improve outcomes and control costs.

From referral management to prescription fulfillment, patient education and other support services, AscellaHealth's preferred partners for infusion therapy effectively implement complex treatment plans while empowering patients to better manage their condition.

While the nurse-to-patient ratio is usually 1:6 or higher in the hospital infusion site settings, the ratio in an outpatient infusion center can be as low as one-on-one – which translates into more focused, personalized attention and care.

Ultimately, AscellaHealth evaluates each patient's situation and needs to determine the best SOC – whether it's in the home or a stand-alone infusion center – to strike a balance that serves the patient's best interests while reducing unnecessary costs.

About AscellaHealth LLC

AscellaHealth is a global Specialty Pharmacy and Healthcare services organization serving patients, payers, life sciences and providers, offering a comprehensive portfolio of customized, tech-enabled specialty pharmaceutical and medical management services. An Inc. 5000 2021 winner, AscellaHealth's unique, patient-centric approach supports

its strategic partnership with [Optime Care](#) and is built upon proprietary technology processes for innovative programs and services optimizing health outcomes and quality of life for patients with complex chronic conditions or rare diseases that require specialty medications and/or gene and cell therapies. Visit www.AscellaHealth.com.