

Out-of-Hospital Care: Savings, Challenges & Future Opportunities



High costs and significant inefficiencies characterise the US healthcare system. One proposed solution to address these issues is shifting care from traditional hospital settings to alternative sites such as ambulatory surgery centres (ASCs), urgent care centres, and even home-based care. This article examines the potential for cost savings and improved care through site-of-care shifts based on a recent study that surveyed over 1,000 clinicians. [A recent study from JAMA Network Open](#) highlights the feasibility of moving a substantial portion of care to these alternative sites without compromising clinical outcomes. It also identifies the potential financial impact, enablers, and barriers to this transformation

Shifting Care to Alternative Sites: An Opportunity for Savings

The study estimates that a significant portion of healthcare services currently provided in hospital settings could be safely shifted to alternative sites. The shift could lead to an annual reduction in healthcare spending by \$113.8 billion to \$147.7 billion, representing a 3.2% to 4.1% decrease. These savings could be achieved without sacrificing the quality of care. For example, procedures such as certain surgeries and diagnostic tests could be performed in ambulatory surgery centres, which generally have lower overhead costs than hospitals. Similarly, non-emergency care could be provided in urgent care centres or even through telemedicine, reducing the need for costly emergency room visits. These shifts are not only cost-effective but can also improve patient access to care by offering more convenient locations and reducing wait times.

Barriers to Implementation: Economic and Structural Challenges

Despite the potential for savings, several barriers could hinder the widespread adoption of site-of-care shifts. The most significant obstacle identified by clinicians is the existing economic incentives within the healthcare system. Many hospitals rely on inpatient revenue, and a shift to alternative sites could threaten their financial stability. Additionally, hospitals have made substantial investments in infrastructure, making it difficult for them to reduce their reliance on inpatient services. Another challenge is ensuring continuity of care. As patients move between different care settings, there is a risk of fragmented care, particularly if electronic health records (EHRs) are not seamlessly integrated across different providers. This could lead to miscommunication and errors in patient management.

Enablers for Successful Transition: Technology and Reimbursement Models

To overcome these barriers, the study highlights several enablers that could facilitate the transition to alternative care sites. The most crucial enabler is the advancement of technology, particularly in telemedicine and remote patient monitoring. These technologies can potentially expand the range of services that can be safely delivered outside of traditional hospital settings. For instance, remote monitoring can allow healthcare providers to track patient vitals and manage chronic conditions without requiring an in-person visit. Another critical enabler is the reform of reimbursement models to incentivise the use of alternative sites. Current payment structures often favour hospital-based care. However, shifting to value-based care models that reward outcomes rather than the volume of services could encourage more providers to adopt alternative care settings.

Conclusion

The shift of healthcare services from hospitals to alternative sites presents a promising opportunity to reduce costs and improve patient outcomes. However, achieving this transformation will require addressing significant economic and structural barriers. Technology and reimbursement reforms will be key to enabling this shift. Still, a coordinated effort among policymakers, healthcare providers, and payers is necessary to ensure that the benefits of this transition are realised. As the healthcare landscape continues to evolve, embracing these changes could lead to a more efficient, accessible, and sustainable healthcare system in the United States.

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