



HOSPITALS MAKE 9 TIMES MORE THAN PHYSICIANS' OFFICES ON PROVIDER-ADMINISTERED MEDICINES



Injectable and infused medicines—such as those for rheumatoid arthritis and oncology—are typically administered in an outpatient setting by physicians (either in a physician office or at a hospital outpatient clinic).



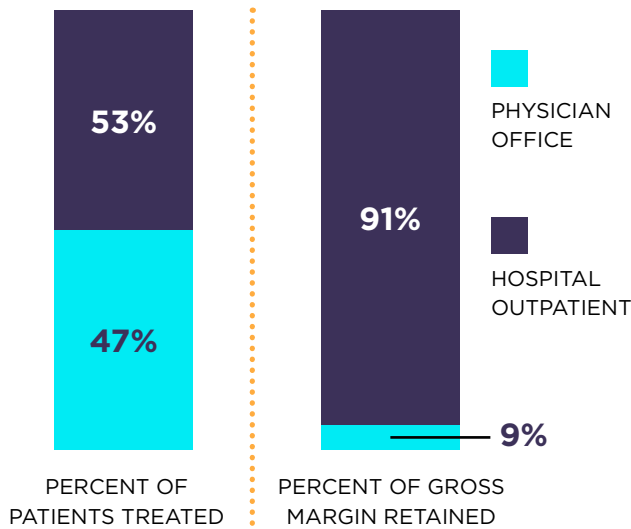
Research indicates that commercial payers reimburse hospital clinics at a higher rate than physician offices.^{1,2}



Hospitals also are eligible for discounts not offered to physician practices, such as the 340B Drug Pricing Program.

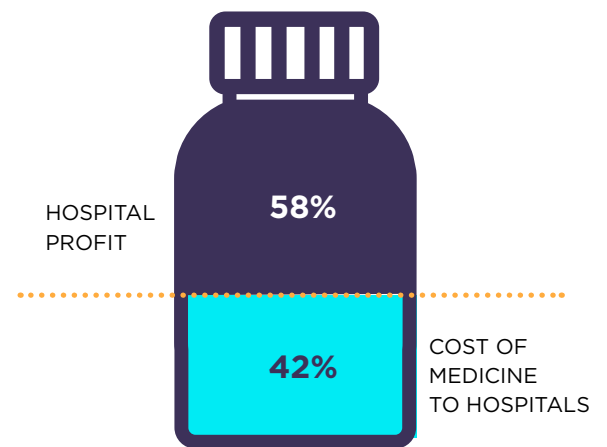
Hospitals Retain Significant Profits from Commercial Payers for Provider-Administered Medicines

Hospitals and Physicians Treat Similar Numbers of Patients but Hospitals Keep a Larger Share of Profit Margin



Hospitals collect 91% of the margin while serving 53% of patients receiving provider-administered medicines.

Hospitals Retain More than the Innovative Manufacturers that Developed a Medicine



For every \$100 spent on provider-administered medicines in the hospital outpatient setting, the hospital retains \$58, while the manufacturer receives less than \$42.³

1 Winn, Aaron N., et al. "Spending by commercial insurers on chemotherapy based on site of care, 2004-2014." JAMA oncology 4.4 (2018): 580-581.

2 Kalidindi, Yamini, Jeha Jung, and Roger Feldman. "Differences in spending on provider-administered chemotherapy by site of care in Medicare." The American journal of managed care 24.7 (2018): 328.

3 Nancy, L. Yu, Preston Atteberry, and Peter B. Bach. "Spending On Prescription Drugs In The US: Where Does All The Money Go?." Health Affairs (2018).