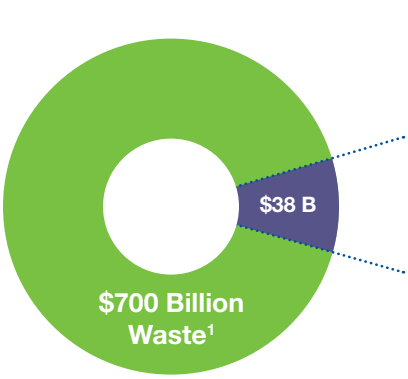
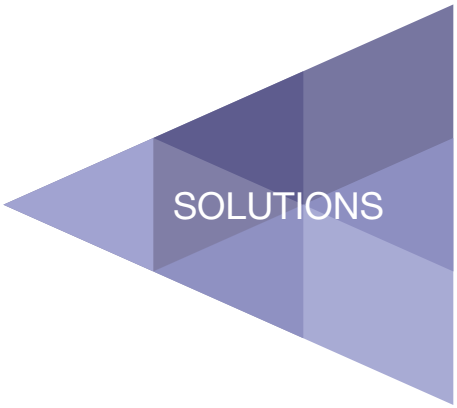
Reducing Emergency Department Overuse: A $38 Billion Opportunity





- Improve Access to Primary Care Services
- Promote Alternative Approaches to Primary Care
- Provide Specialized Services for Vulnerable Populations
- Implement Effective Chronic Disease Management
- Reform Payment for Providers
- Develop Financial Incentives for Patients
- Share Data on ED Utilization

Targeting the $38 billion spent annually on emergency department overuse requires building on proven practices and implementing policy actions that target the root causes of the problem.[2]

The use of hospital emergency departments (ED) for non-urgent care and for conditions that could have been treated in a primary care setting is a significant source of wasteful health care spending. The causes of ED overuse are complex and systemic, resulting from the crisis in primary care and the appeal of the emergency department.

THE PROBLEM

Scope of Emergency Department Overuse

- Nationally, 56 percent, or roughly 67 million ED visits, are potentially avoidable.[3]

Costs of Emergency Department Overuse

- The average cost of an ED visit is $580 more than the cost of a comparable office visit.[4]

Users of the ED for Non-Urgent Care

- All types of patients use the ED for non-urgent care, including all age groups, insurance types and even insured patients with a usual source of primary care.
- One-third of ED visits are made during regular business hours when primary care offices are open.

Drivers of ED Use

- Patients can receive ED care anytime, regardless of the severity of their condition.
- The ED provides patients with immediate feedback and a sense of reassurance about their condition.
- A wide range of health care services are readily available in the ED.

Primary Care in Crisis

- A lack of timely appointments and available after-hours care drive patients to the ED.
- Chronically ill patients without access to primary care, or those with poorly coordinated care, often end up in the ED.
- Many primary care practices instruct patients to seek care in the ED outside of business hours.

Reducing ED overuse requires building on a coordinated set of proven practices in the field coupled with policy actions in both the public and private sectors.

SOLUTIONS

Improve Access to Primary Care Services

- **Proven Practice**: Increasing access to primary care services can reduce ED overuse by up to 56 percent.[5]
- **Proven Practice**: Pilots of the patient-centered medical home model have recorded a 37 percent reduction in ED use.[6]
- **Proven Practice**: Patients receiving care from a primary care practice offering weekend hours use the ED 20 percent less than patients from practices that do not.[7]
- **Proven Practice**: Access to a physician-staffed 24-hour telephone consultation service reduced avoidable ED use from 41 percent to 8 percent of visits.[8]
- **Proven Practice**: Nurse-operated telephone triage programs, which provide patients with prompt

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A number of tested measures already exist for reducing ED overuse, including offering alternative approaches to primary care, specialized services for vulnerable populations and effective chronic disease management.

Reducing the overuse of emergency department services requires policy actions that involve providers, payers and patients.

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medical advice, reduced ED utilization by 4.3 percent and produced annual net savings of nearly $400,000.[9]

Promote Alternative Approaches to Primary Care

- **Proven Practice**: Free-standing hospital-based urgent care clinics have the potential to reduce ED use by nearly 48 percent.[10]
- **Proven Practice**: Patients who had tele-health "virtual visits" with clinicians to diagnose and treat routine childhood symptoms used the ED 22 percent less than patients who did not use these services.[11]
- **Proven Practice**: Retail clinics, which provide services for simple acute medical conditions without an appointment, cost one-fifth as much as an ED visit and up to 10 percent of ED patient visits could be cared for adequately by retail clinic staff.[12]

Provide Specialized Services for Vulnerable Populations

- **Proven Practice**: Services for homeless adults, including housing and case management support, reduced ED use by 24 percent.[13]

Implement Effective Chronic Disease Management

- **Proven Practice**: Chronically ill adults who participated in group visits with other patients who had similar diseases used the ED 17 percent less than patients not participating in the program.[14]

Reform Payment for Providers

- **Policy Action**: Adopt payment approaches that enable providers to invest in primary care improvements, such as extended hours, increased contact with patients via telephone and e-mail, HIT, and additional staff for care teams.
- **Policy Action**: Implement performance-based payment systems that use patient ED utilization or appointment wait times as quality metrics to reward health care professionals who reduce ED overuse.

Develop Financial Incentives for Patients

- **Policy Action**: Reduce co-payments for patients who use urgent care clinics.
- **Policy Action**: Increase patient co-payments for non-urgent ED visits.

Share Data on ED Utilization

- **Proven Practice**: Providing hospital utilization data on avoidable ED visits to patients' primary care providers.
- **Proven Practice**: Providing health plan claims data to health care professionals on the ED utilization of their patient populations.

THE PROBLEM

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