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Health Care Reform: Bridging the Gap Between Emergency Care and Primary Care Via Urgent Care

With health care reform looming, there are numerous questions regarding the future state of the system, especially relating to the provision of emergency and primary care:

- Will emergency department visit rates decline as insurance coverage is expanded under the Patient Protection and Affordable Care Act (PPACA) of 2010?
- Will the supply of primary care physicians increase enough to meet the future demands of health care reform?
- Could alternative strategies, such as urgent care, be used to offload non-emergent cases from capacity constrained emergency departments and help meet the increasing demand for primary care practitioners?

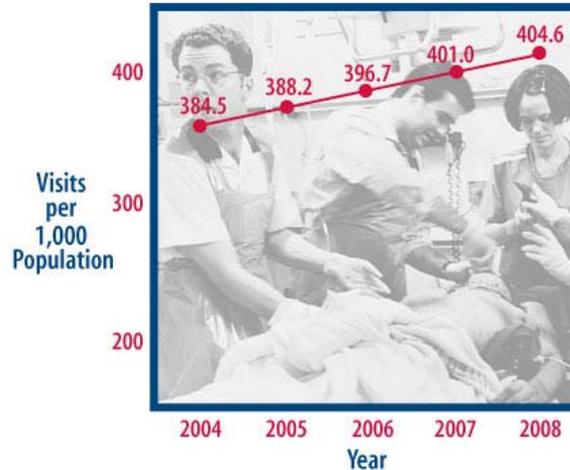


Emergency Department Use Rates Historically on the Rise

Over time, emergency department use rates in the United States have gradually increased; however, emergency department use rates have risen significantly over the past two years as economic conditions and job losses have increased the number of persons without health insurance. According to AHA Hospital Statistics, in 2008, the national

emergency department utilization rate was 405 visits per 1,000 population. Based on the impact of the recession, the rate could be as high as 450 visits per 1,000 in 2010.

Emergency Department Use Rates, United States, 2004-2008



Source: AHA Hospital Statistics 2010 Edition © 2009

Emergency department use rates are highly variable from state to state and from metro area to metro area. In 2008, four states had rates at or below 300 visits per 1,000 population (California, Hawaii, Nevada, and South Dakota) while two have rates above 650 visits per 1,000 population (District of Columbia and West Virginia). Given such dramatic differences in use rates, opportunities exist to reduce the overutilization of hospital emergency departments in some markets across the United States.

Primary Care Physician Shortage as a Contributing Factor

Read an AAMC article on the physician shortage

The shortage of primary care physicians nationally is one factor contributing to the inappropriate use of hospital emergency rooms. Some primary care physicians have closed their practice to new patients. Many do not have evening or weekend hours and have limited numbers of same-day appointments. Stressed by high workloads, some primary care physicians are willing to have their patients evaluated by emergency department physicians and hospitalists, even though the patients' acuity might not warrant such a high level of care. All of these forces drive up emergency department utilization rates, and their impact could increase when an estimated 32 million uninsured persons gain insurance coverage and exacerbate the current shortage of primary care physicians.

The Expected Impact of Health Care Reform

Primary care physicians are likely to have an expanded role as care coordinators under health reform. More time spent on preventive services will be essential to improving the primary care system. In addition, successfully reducing hospital readmissions and better managing chronic conditions will require that care coordinators be empowered to guide patient care decisions across the continuum, and be reimbursed to do so. This expanded role will no doubt make the primary care physician shortage even worse (at least for the next several years), potentially putting upward pressure on emergency department use rates.

The AAMC (Association of American Medical Colleges) recently released new physician shortage estimates based on projections by the Center for Workforce Studies that, beginning in 2015, are 50 percent worse than originally anticipated prior to health care reform. According to the estimates, there will be 45,000 too few primary care physicians in the next decade. As a result, by 2020 our nation will face a serious shortage of primary care physicians to care for an aging and growing population.

It is well known that under the current health care system, the uninsured regularly use the emergency department as their principal source of primary care. Some research indicates that use of emergency departments in uninsured populations is twice as high as insured populations. However, emergency department rates should decline because more people will have access to primary care physicians and to preventive services under health care reform. In addition, new initiatives stemming from health care reform such as medical homes and accountable care organizations encourage the use of primary care and seek to improve access to it.

In the face of these conflicting forces - the shortage of primary care physicians will drive the demand for care up, while better access to care and better managed care should drive emergency department use rates down - what strategies should your health care organization use to deal with this uncertainty?

A Strategy to Bridge the Gap: Urgent Care

Health care organizations across the country are finding that urgent care centers can provide multiple strategic and operational benefits, including meeting consumer demand for quick, convenient, affordable health care services when physician offices are closed or patients are unable to get timely appointments with their primary care provider.

Several urgent care strategies should be considered as options for better serving existing patients and preparing for the effects of health care reform:

- **Offer hospital-based urgent care services:**

Some health care organizations operate an urgent care center within or adjacent to their existing emergency department.

- **Offer or partner with community-based urgent care services:** Other health care organizations have established at least one urgent care center, but more often a network of freestanding centers within their service area. Networks of urgent care centers provide convenient, accessible care to service area residents while establishing a visible presence in the community. In markets where primary care physicians are in short supply or are simply overwhelmed by after-hours calls from patients, developing urgent care centers that assist local practices can be an opportunity to build or strengthen key referral relationships.

In addition, several community-based urgent care centers are owned by physicians or multispecialty group practices. These physician-owned urgent care services provide urgent care during normal business hours or in part of their clinic space as an after-hours service to patients. Other physicians own and operate companies that focus solely on delivering urgent care services in their local communities as well.

- **Shift lower acuity emergency visits to urgent care centers:** Approximately 40 percent of all emergency department visits are typically Level 1 or Level 2 in severity (e.g., minor infections, strains, fractures, lacerations). A recent RAND analysis showed that 13 to 27 percent of all emergency department visits could be treated in alternative care sites such as urgent care centers, which are less costly than treatment in a hospital setting. Diverting lower acuity patients to alternative care sites such as urgent care could also shorten wait times.

For more information about an urgent care strategy for your organization, contact [Anna Steelman](mailto:Anna.Steelman@hss-inc.com) at (215) 399-1865 or asteelman@hss-inc.com.



Anna Steelman

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Health Strategies & Solutions, Inc.
Philadelphia, Pennsylvania | Bonita Springs, Florida | Richmond, Virginia | Parker, Colorado |
Ann Arbor, Michigan | Clifton Park, New York

8 Penn Center
1628 JFK Boulevard, Suite 500
Philadelphia, PA 19103
P (215) 636-3500
F (215) 636-0399
www.hss-inc.com

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