One state’s simple plan for reducing unnecessary ER visits


By Jason Millman October 29 at 7:30 AM

The emergency room is supposed to be just for emergencies, but we know that it isn't always used that way. Depending on the estimate, anywhere between 8 percent and 27 percent of care provided in ERs isn't for medical emergencies and could have been provided in a cheaper setting.

It's a costly problem that's especially relevant as state Medicaid programs expand under the Affordable Care Act. Past research shows that coverage expansions to low-income populations led to a pretty immediate and rapid spike in ER traffic (though there's also evidence the effect was just temporary.)

With this in mind, Utah Gov. Gary Herbert is offering a plan intended to keep down ER overuse. The Republican governor is soon set to unveil a Medicaid expansion plan that will reward people for agreeing to stay out of the ER for non-emergency care, but also penalize them when they wind up there.

Like most Republican governors looking to extend coverage, Herbert isn't supporting Obamacare's straight-forward expansion of Medicaid to all adults below 138 percent of the federal poverty level (or $16,104 for an individual). He's been negotiating with the Obama administration for months on an expansion package that includes program reforms and requires higher-income enrollees to contribute more money to their care.

Under Herbert's expansion plan, known as Healthy Utah, enrollees earning above the federal poverty level will pay a small premium. The price details are still being worked out with the feds, but Herbert's office is expecting the premium to be about $15 per month for an individual. Enrollees will see their premium discounted if they opt into a plan that penalizes them with a $50 co-pay each time they use the ER for a non-emergency — that's much higher than the usual
$8 co-pay allowed under normal Medicaid rules. Utah will also offer a regular coverage plan that doesn't include this extra penalty for overusing the ER.

"By charging a higher co-pay, it is hoped that Healthy Utah can help reduce unnecessary use of the emergency room, which is a costly place to receive basic health care services," said Utah Department of Health spokeswoman Kolbi Young.

Utah and federal Medicaid officials have agreed to this approach, according to Herbert's office. Herbert is expected to release an official proposal within a couple of weeks, though it's pretty uncertain whether the Republican-controlled Utah legislature will back him on this. So far, state lawmakers have been pretty resistant to Obamacare's coverage expansion.

It's also not clear how many enrollees would choose the optional plan with the ER penalty. And more details are needed on how the state would distinguish between emergency and non-emergency care — and how that is then communicated to enrollees.

Joan Alker, a Medicaid expert at Georgetown University, said she's concerned by the complexity of some states' alternative approaches to the Medicaid expansion. And she said it's important to understand what's driving more traffic to the ERs.

"Everyone would like to reduce non-emergency use of the ER — that's a win-win," she said. "I hope such an approach would be data-driven and look at why folks were using the ER if they didn't need to. Is it because other options are not available to them?"

A story from Kaiser Health News on Tuesday helps explain why a new enrollee might seek out care in the ER instead of going to the doctor's office. As 57-year-old Nevada resident Carolyn Oatman explained it, finding a doctor has been challenging since the state's Medicaid expansion took effect this year. From the KHN story:

Sometimes, when Oatman needs to see a doctor in a hurry, she drives to the nearest emergency room — getting care where it costs taxpayers the most.

“I love it on Medicaid because now I can go the emergency room when I need to and don’t have to worry about the bill,” said Oatman.

You could see how a plan like Utah's would change that calculation, since an unnecessary ER visit would cost her $50. But Oatman's story also points to another problem — ensuring timely access to primary care. It's a reminder that you can't fix ER overuse without addressing what's causing the problem in the first place.