

Access, Quality, Cost: Emergency Department Action Plan to Reduce ED Overutilization

The Washington Chapter American College of Emergency Physicians (WA/ACEP) is committed to reducing the cost of healthcare in Washington State, while ensuring that our Medicaid population has adequate access to quality healthcare.

We have developed a plan aimed at reducing the perceived “overutilization” and “inappropriate” use of the emergency department (ED) that **does not** impose an arbitrary cap on emergency room visits. Our solutions are based on the understanding that this inappropriate use results primarily from inadequate access to primary care and from substance abuse issues.

The following tools will work towards the goal of real cost savings for the state and will encompass an effort to coordinate and integrate medical care and wellness within each community.

Access to Care

- Timely (24-48 hour) follow-up care by the primary care provider (PCP)
- Develop a working group for treatment of dental disorders in a cost effective setting
- Cabulance services will not be covered for non-emergent conditions

Quality Tools

- Implementation of a single state-wide, real time data feeds to track emergency department visits¹
- Support Statewide Prescription Monitoring Program²
- Support generic drug use for DSHS patients
- Support enhancing the DSHS locked-in program
- Statewide adoption of opioid prescribing guidelines for emergency physicians to reduce prescription drug abuse³

Case Management

- Notification to patient after each unnecessary ED visit
- Notification of PCP after each visit to the emergency department
- Ensure each high utilize patient has a PCP
- Enhanced care plan utilization with ED tracking system

¹ Emergency Department Information Exchange (EDIE). Collective Medical Technologies LLC, www.collectivemedicaltech.com

² RCW 70.225 Washington State Prescription Monitoring Program, www.wapmp.org

³ Washington Emergency Department Opioid Prescribing Guidelines, July 2011, www.washingtonacep.org/painmedication.htm

Shared Cost Savings Benefit of WA-ACEP Plan

The budgetary impact of the three-visit cap was expected to net a savings of \$72 million per biennium, much of which we believe can be recuperated through the implementation of the WA/ACEP led plan. These savings will be realized as follows:

Approximately \$28 million: Reduction of “abusive” ED visits for narcotic seeking behavior through use of integrated statewide case management program and visit tracking programs.

Approximately \$12 million: Use of next-day or same-day visits in primary care, patient notification of non-urgent visit determinations, and implementation of medical screening exams can potentially reduce “unnecessary” visits to the ED by fifty percent.

Approximately \$20 million: WA-ACEP will support removal of brand name narcotic pain medications and psychiatric medications from the state’s preferred provider list for Medicaid that by state estimations will save \$4 million.

Approximately \$12 million: Additional savings will be realized by removal of cabulance services for truly non-emergent conditions, improved access to care, and visit tracking programs to reduce ED shopping.

Explanation of Savings

The alternative plan proposed by Washington ACEP is based in reasonable savings that improves the quality of care and does not shift the cost of care to the poor inappropriately. Below is an explanation of how these savings will be achieved through the proposed plan based on the data provided by the state

Case Management: The utilization of case managers and pathways for patient care has been shown to lead to substantial savings for recurrent chronic conditions⁴. The state has identified that it will be placing patients with more than 8 ED visits per year on case management. This will affect approximately 30,000 visits per years based on the data provided by the state. If the experience from FHS is applied to this visit frequency, this could result in a 18,600 visit reduction in the state per year. This would represent an approximate 40% savings of the estimated total of \$35-36 million, or \$14 million in savings per year.

Same Day Services: Patients with 4-8 visits per year represent at least a partial lack of timely access to primary care services for enrolled clients. This represents a total of 15,700 visits per year based on the provided data by the state. If one visit per affected client were saved through same or next day access for primary care services, there would be a 7450 visit reduction in visits. This would be a savings of 16.5% percent of visits for \$5.95 million per year in savings.

Generic Medication Utilization: The state indicated that over \$100 million can be saved by utilization of generic psychiatric medications and prescription pain medications. WA-ACEP will support the state on the utilization of generic medications. A 10% reduction in utilization of these name brand medications could represent \$10 million a year in savings.

⁴ Franciscan Health System indicates utilization of case management can reduce ED utilization by up to 62%

Cost of Continuing Down ED Limitations

While the initially proposed budget measure represents an “easy” and “quick” fix, the consequences are potentially devastating to patients, families, and to the long-term health of the Medicaid system. Real costs to the proposal include:

Sicker Patients, More Admissions: Patients who have exceeded their three visit limit that need emergent care (e.g. asthma exacerbations) will wait for care in a broken system that will now not guarantee them access. Their ED visits that would have been “unnecessary” now will be inpatient “necessary” admissions for exponentially higher costs.

Costly Litigation: Expensive litigation against the state for implementing a plan that is on its face in violation of federal and state law will occur if we fail to create a better solution. The prudent lay person standard in the state and now federal law under PPACA prohibits this type of retrospective denial.

Costly Implementation: To establish a program to review, deny, and deal with appeals of denials is an additional administrative cost that provides no patient benefit or actual medical care. A program that is sustainable and improves quality of care as proposed by WA-ACEP is the right answer.

Harm to the working poor: Shifting the burden of emergency care from the state health plan to the working poor that already suffer from problems of lack of access, challenges with employers and excused absences, and limited finances is unjust. We can do better for the citizens of Washington.