

“If You Only
Knew...”

You Can Prevent Emergency Department Visits and Lower Health Care Claims Costs

Most employers are well aware that not all emergency room visits are true emergencies. What employers don't always know is how much is non-emergent, what trends may be evident and what tools to employ to reduce or prevent unnecessary Emergency Department visits and lower health care claims costs.

Cammack LaRhette Consulting (CLC) found that nearly 10% of the emergency department (ED) visits generated by the employees of a large hospital network were later categorized as non-emergency care¹. Utilizing the same methodology, CLC examined other hospital clients and found that results were consistent: employees are receiving unnecessarily expensive non-emergency care in the ED.

Similarly, in a study completed by The Commonwealth Fund, only 14% of those who visited the ED said that they came to emergency department because they thought they had an emergency condition². The study also indicated that 33% of respondents sought ED care because they lack a usual source of care³.

The average emergency room visit costs employers \$1,265⁴, so reducing the rate at which people visit the ED can drastically cut costs.

CLC has developed strategies to move non-emergent care away from the ED and into the domain of primary care. This not only provides better healthcare to the patient but ultimately decreases health care costs for the employer. One Massachusetts hospital, under the Blue Cross Blue Shield of Massachusetts Alternative Quality Contract arrangement, reduced ED visits by 22%, saving the hospital a total of \$300,000⁵. Targeted communications and access to certain resources and tools encourage use of routine and preventative care with primary care physicians.

1. Non-emergent care defined as a claim with a primary diagnosis of general symptoms, bronchitis, acute bronchitis, acute pharyngitis, influenza, acute sinusitis, chronic sinusitis, general medical examination or follow-up examination

2. Billings, J., Parika, N., & Mijanovich, T. (2000). Emergency department use in New York City: a survey of Bronx patients.

3. Billings, J., Parika, N., & Mijanovich, T. (2000). Emergency department use in New York City: a survey of Bronx patients.

4. According to the Medical Expenditure Panel Survey (MEPS) in 2008

5. Blue Cross Blue Shield of Massachusetts. (2011). First-year results of alternative quality contract



Cammack LaRhette provides full service consulting in healthcare, HR, employee benefits, retirement, actuarial and communications services. We build long-term relationships, offering high touch client service that has earned us a 98% retention rate.

For more information on our healthcare practice or any of our other services please contact Frank Lonardo, Practice Leader at 1-212-227-7770 or flonardo@clcinc.com.

