Emergency Medicine in a Value-based World

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Conflicts

I have no conflicts to declare
Objectives

- Describe health system forces that impact emergency care
- Discuss the current state of the characteristics of the ED patient
- Determine present and future directions for ED physicians to meet the needs of the acute patient

Value

- The regard that something is held to deserve – importance, worth, or usefulness
- A person’s principles or standards; one’s judgement of what is important in life.
Macro Health

Consolidation in the insurance market

Centene to acquire WellCare for $15 billion
The deal will enable Centene to build out its Medicare and Medicaid offerings, company officials said.

Healthcare Finance 2019
Consolidation of Insurers

- Five for profit insurers control 43% of the market (Becker's, August 7, 2018).
- The two largest insurers have 70 percent of the market or more in one-half of all local insurance markets (Gaynor, Feb 14, 2018).
- Vertical integration with CVS-Aetna, Cigna-Express Scripts
- WWJ do

Consolidation in Health Systems

- Blue Cross NC, Cambia Health Combine Management Services
  (Jill H. Comings, March 12, 2018)
  The 'strategic affiliation' will share management and
  administrative services with the aim of improving quality,
  lowering costs, and improving the...

- Rush Discussing Possible Merger with Swedish Covenant Health
  (John Staunton, March 11, 2018)
  The reports come after significant mergers and
  acquisitions, such as those by AMITA Health and
  Advocate Aurora Health, have affected...

- Beth Israel Lahey Health Completes Merger: 'Just the Beginning'
  (Seth Berkman, March 11, 2018)
  Some had worried the merger would drive prices higher
  and reduce healthcare access, so state regulators
  imposed a seven-year price...
Health System Mergers and Acquisitions

• Big get bigger – seven transactions in 2018 sellers had revenue > $1 billion, most across state lines
• Not-for-profits are 75% of the acquirers
• Growth is strategic, move toward population health – cost efficiency, care efficacy, care management
  • Kaufman Hall, 2018

Other Entrants into the Health System

• Targeting the "front door" of the hospital
  • Takes away the expense of the hospital facilities
  • Hospitals remain cost centers
  • Health plans are participating
• Boundaries between entities are disappearing
  • Kaufman Hall, 2018
Vertical Integration

- “The arrangement is a different kind for Optum, which has been buying up doctor practices, outpatient clinics, surgery centers and urgent care facilities across the country.”
  - Forbes, July 17, 2019

Consolidation in Emergency Medicine

- Since 2008, 90"notable" transactions in the EM market
- Consolidation is outpacing other specialties
- Many independents likely to be acquired or merge in the next 5 years
  - Swearingen, 2018
Federal Efforts on Payment Policy

“Medicare for All”

- Medicare-for-all, a single national health insurance program for all U.S. residents:
- A new public plan option, based on Medicare, that would be offered to individuals through the ACA marketplace:
  - Keeping Health Insurance Affordable Act of 2019 by Sen. Cardin, S. 3
- A Medicare buy-in option for older individuals not yet eligible for the current Medicare program:
  - Medicare at 50 Act by Sen. Stabenow, S. 470
- A Medicaid buy-in option that states can elect to offer to individuals through the ACA marketplace:

Federal Efforts on Payment Policy

Out of Network

- Senate, House, White House all discussing/addressing
- Three leading theories for action
  - Arbitration
  - Payment methodologies
  - Bundling
- Will cover ERISA plans
Out of Network

House Bill (Ruiz)
- Out of Committee as well (HEC)
- Has arbitration but threshold $1250
- Not passed by August recess

Senate Bill (HELP)
- Passed out of Committee
- Sets payment at median in-network rate
- No arbitration
- Cassidy group continue to work on language
- Not passed by August recess

Micro Emergency Medicine
The EDBA

- Collecting ED operation data since 1994
- A 501c6 Not-for-Profit group to support professionals who manage ED’s
- Promotes operations research and best practice identification and learning

EDBA Membership

Trauma Designation

- Level 1 or 2: 159
- Level 3 or 4: 318
- Non Trauma: 1098

Metro Status

- Urban: 495
- Suburban: 728
- Rural: 568
How are ED’s Performing?

- Lower volume (0-40K) EDs continue to operate efficiently
- The high acuity patients and EMS are bypassing them
- The EDs 40K to 60K are the crux of ED leadership now
- The EDs in the 60K to 100K cohorts are stressed
- Added a cohort for EDs over 120K
The Evolution of Emergency Medicine

<table>
<thead>
<tr>
<th>Your Likes</th>
<th>Your Practice</th>
<th>Your Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you like Trauma</td>
<td>You should have practiced in the</td>
<td>1970's</td>
</tr>
<tr>
<td>If you like Defibrillating and Acute MIs</td>
<td>You should have practiced in the</td>
<td>1980's</td>
</tr>
<tr>
<td>If you like Airways and Peds Injuries</td>
<td>You should have practiced in the</td>
<td>1990's</td>
</tr>
<tr>
<td>If you like reading x-rays and Admitting Patients</td>
<td>You should have practiced in the</td>
<td>2000's</td>
</tr>
<tr>
<td>If you like reading EKGs, geriatrics, urgent care, case management, and palliative medicine</td>
<td>You are practicing in the</td>
<td>2010’s</td>
</tr>
<tr>
<td>If you like Community Unscheduled Care, and out of hospital medicine, and more geriatrics</td>
<td>Wait till you practice in the</td>
<td>2020’s</td>
</tr>
</tbody>
</table>

Boarding is the ED’s Burden

<table>
<thead>
<tr>
<th>ED Type</th>
<th>Admission or Observation, as % of ED Volume</th>
<th>Admitted Patient Median Length of Stay (Minutes)</th>
<th>Median Length of Boarding (Minutes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>All EDs</td>
<td>16.9%</td>
<td>303</td>
<td>117</td>
</tr>
<tr>
<td>Over 120K</td>
<td>21.0%</td>
<td>415</td>
<td>187</td>
</tr>
<tr>
<td>100 - 120K</td>
<td>22.0%</td>
<td>437</td>
<td>164</td>
</tr>
<tr>
<td>80 - 100K</td>
<td>23.6%</td>
<td>403</td>
<td>174</td>
</tr>
<tr>
<td>60 - 80K</td>
<td>21.4%</td>
<td>364</td>
<td>151</td>
</tr>
<tr>
<td>40 - 60K</td>
<td>20.3%</td>
<td>333</td>
<td>124</td>
</tr>
<tr>
<td>20 - 40K</td>
<td>15.7%</td>
<td>273</td>
<td>100</td>
</tr>
<tr>
<td>Under 20K</td>
<td>10.8%</td>
<td>233</td>
<td>69</td>
</tr>
<tr>
<td>Adult</td>
<td>25.4%</td>
<td>387</td>
<td>162</td>
</tr>
<tr>
<td>Pediatric</td>
<td>10.0%</td>
<td>270</td>
<td>83</td>
</tr>
</tbody>
</table>

Boarding as % of Length of ED Stay
Current and Near Future

- Low acuity going elsewhere for care (driven by payment policy, opportunity and consumerism)
- Aging populations bringing higher acuity to ED, mostly medical (higher volumes?)
- Downward pressure on pricing from multiple sites

Aging? Population

- Baby boomers hitting 65 rapidly
- Those over 65 higher utilization of EDs traditionally
- Millennials passing baby boomers in size
- How will they utilize acute care services?
Project Overview
2018/2019 Value & Pricing Study

Research Goals
Identify a framework that provides current and prospective members an opportunity to engage based on what is accessible and affordable and provides the best opportunities to help individuals meet their professional goals.

Multi-phased approach:
Qualitative - discussion with ACEP staff; review of past research; 10 interviews key stakeholders
Quantitative – e-survey sent to member, former members, and never-been-members
- 2,065 respondents; 90% completion rate; 9% response rate
- Overall response rate of 9%. Margin of error of +/-2% at 95% confidence level

Survey Bias and Cross Tabulations
To identify differences within important groups, survey results were cross-tabulated along a number of different survey variables.

Demographics of respondents

- **American College of Emergency Physicians**
- **63%** Attending physician
- **15%** Academic faculty
- **12%** Resident
- **28%** Male
- **79%** Board certified in EM
- **12%** Still in residency
- **8%** Not board certified in EM
- **Up to 5 years in the field**
  - 20% 6 – 10 years
  - 15% 11 – 15 years
  - 11% 16-20 years
  - 33% more than 20 years

- **82%** Member
- **17%** Non-member
- **31%** Female
- **67%** Hospital employee
- **19%** Physician group employee student
- **18%** Physician group owner/partner
- **14%** Ind. Contractor
- **13%** University employee

- **22%** Up to 5 years in the field
- **20%** 6 – 10 years
- **15%** 11 – 15 years
- **11%** 16-20 years
- **33%** more than 20 years

- **82%** Member
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  - 33% more than 20 years
Increasing administrative burden (e.g., EMR/EHR) and too much regulation/paperwork hinder emergency physicians' ability to achieve their own professional goals and best serve their patients.
Opportunities

Reimbursement Strategy

• Optimize performance and reporting under MACRA
• Continue to provide education on reimbursement for emergency physicians at the stats and national levels (reimbursement fellows)
• Develop new payment strategies
  • AUCM – leverages our expertise in decision making with appropriate support systems
    • Extend to other payers – tools in development
  • AACM – extends our expertise outside the walls of the ED
Workforce

• Understand our current workforce needs given additional training program
  • Initial survey done – task force to give preliminary report to Board ACEP19
• Better define the role of PAs and NPs in emergency medicine
  • Task force in progress
• Improve the workplace
  • HIT Summit, Advisory Council in July
• Rural EM

Membership
(Avenue M)

• Leverage and expand advocacy efforts to create more perceived value
• Create and test offerings which are easily accessible and mobile
• Range awareness of the tangible value of ACEP – track KPIs
Population Health

- Our value does not stop with walls or with the acute episode
  - Opioid use disorder
  - High utilizer programs
  - Telehealth and community paramedicine

Advocacy

- Teach someone
- Tell someone your story
- Support those who do
- This may be the biggest opportunity in your career to affect our ability to care for our patients and value our people
- Be civil
References


