URGENT CARE ASSOCIATION

June 5, 2019

The Honorable Lamar Alexander
Chairman
Health, Education, Labor and Pensions Committee
U.S. Senate
Washington, D.C. 20510

The Honorable Patty Murray
Ranking Member
Health, Education, Labor and Pensions Committee
U.S. Senate
Washington, D.C. 20510

Dear Chairman Alexander and Ranking Member Murray:

On behalf of the Urgent Care Association (UCA), we commend you for your efforts to identify ways to reduce consumer out-of-pocket health care costs, and we appreciate the opportunity to comment on the bipartisan discussion draft of the "Lower Health Care Costs Act of 2019." As we stated in our Feb. 28, 2019 letter in response to the solicitation of ideas for driving down the cost of health care, a cost driver is health system failure to incentivize site appropriate health care and the inability of consumers to make informed decisions on where to access care because transparency is lacking.

Table 1. Rank by frequency, percentage of all visits, and mean prices of the most common diagnoses by provider type (2012 to 2015).*

	FSED			HBED			UCC		
Diagnosis and CCS Code	**Rank**	**%**	**Price, $**	**Rank**	**%**	**Price, $**	**Rank**	**%**	**Price, $**
Abdominal pain 251	3	6.6	3,466	1	5.7	2,875	17	1.6	173
Acute bronchitis 125	5	4.0	1,571	20	1.6	1,471	2	5.0	178
Allergic reactions 253	16	2.1	1,373	18	1.6	1,139	11	2.3	159
Calculus of urinary tract 160				13	1.9	3,404			
Chest pain 102	12	2.5	3,497	4	4.5	2,987			
Fever of unknown origin 246	8	3.2	1,579				15	1.8	174
Fracture of upper limb 229	17	1.9	1,783	15	1.8	2,263			
Headache, including migraine 84	9	2.9	2,267	6	3.2	2,231			
Inflammation, infection of eye (except that caused by tuberculosis or sexually transmitted disease) 90							12	1.9	144
Influenza 123							8	2.8	185
Nausea and vomiting 250				14	1.9	2,009			
Open wounds of extremities 236	6	3.9	1,486	8	2.7	1,410	18	1.6	212
Open wounds of head, neck, and trunk 235	14	2.4	1,494	12	2.1	1,721			
Other complications of pregnancy 181				17	1.7	1,835			
Other connective tissue disease 211	19	1.6	1,568	19	1.6	1,585	19	1.3	169
Other ear and sense organ disorders 94	20	1.4	1,123				14	1.9	154
Other injuries and conditions from external causes 244	10	2.9	1,611	10	2.4	1,934			
Other lower respiratory disease 133	13	2.4	2,168	16	1.8	2,178	10	2.3	173
Other upper respiratory disease 134							6	3.3	169
Other upper respiratory infections 126	1	8.6	1,351	3	5.0	1,074	1	28.7	165
Otitis media and related conditions 92	18	1.7	1,062				3	4.1	152
Pneumonia (except that caused by tuberculosis or sexually transmitted disease) 122							20	1.2	200
Skin and subcutaneous tissue infections 197	7	3.3	1,579	11	2.4	1,297	7	3.0	172
Spondylosis, intervertebral disc disorders, other back problems 205	15	2.3	1,716	7	2.8	1,755	16	1.7	160
Sprains and strains 232	2	6.9	1,581	2	5.4	1,523	4	4.1	183
Superficial injury, contusion 239	4	4.6	1,441	5	4.3	1,585	9	2.8	171
Urinary tract infections 159	11	2.5	1,769	9	2.7	2,122	5	3.4	153
Viral infection 7							13	1.9	156

CCS, Clinical classifications software; FSED, freestanding ED; HBED, hospital-based ED; UCC, urgent care center.
*Cells are blank in cases in which a procedure is not in the top 20 for a facility type.

While there are a number of factors that contribute to emergency department overuse, the lack of price and information transparency is a major contributor. Many consumers don't understand the cost for accessing care in a free-standing or hospital emergency department, which both charge facility fees, will be far greater than the cost of accessing care for the same condition in the urgent care center or physician office.

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A comparison, using insurance claims processed by Blue Cross Blue Shield of Texas from 2012 to 2015, of utilization, price per visit, and types of care delivered across free-standing emergency departments (EDs), hospital-based EDs, and urgent care centers found there is substantial overlap in the services provided across these sites of service.[1]

What the Texas study found, as shown in the table below, was a 75 percent overlap in the 20 most common diagnoses at freestanding EDs versus urgent care centers and a 60 percent overlap for hospital-based EDs and urgent care centers. The out-of-pocket costs to patients, however, vary significantly for the same service depending on where it is provided. Prices for patients with the same diagnosis were on average almost 10 times higher at freestanding and hospital-based EDs relative to urgent care centers. What these findings demonstrate is that consumers are confused about what it costs to receive care in a free-standing or hospital emergency department versus an urgent care center.

States are beginning to respond. At the end of May, the Texas Legislature sent a bipartisan bill (HB 2041)[2] to the governor that requires free-standing EDs to post notice that:

- the facility is a freestanding emergency medical care facility;
- the facility charges rates comparable to a hospital emergency room and may charge a facility fee;
- a facility or a physician providing medical care at the facility may be an out-of-network provider for the patient's health benefit plan provider network; and
- a physician providing medical care at the facility may bill separately from the facility for the medical care provided to a patient.

The legislation also requires the free-standing ED to either:

- list the health benefit plans in which the facility is an in-network provider in the health benefit plan's provider network; or
- state the facility is an out-of-network provider for all health benefit plans.

Under the legislation, free-standing EDs would also be required to provide a written disclosure statement to the patient or a patient's legal authorized representative that would, among other things, also require that the facility list its observation and facility fees.

Similarly in Colorado, legislation was signed into law in 2018 aimed at helping health care consumers make informed decisions by requiring consumer transparency and disclosures by free-standing emergency departments.[3] In its findings, the Colorado General Assembly pointed to evidence that utilization of free-standing EDs for non-emergency health care services significantly drives up health

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[1] Ho V, Metcalfe L, Dark C, et al. Comparing Utilization and Costs of Care in Freestanding Emergency Departments, Hospital Emergency Departments, and Urgent Care Centers. Ann Emerg Med. 2017. https://www.annemergmed.com/article/S0196-0644(16)31522-0/pdf

[2] https://legiscan.com/TX/text/HB2041/id/2027564

[3] https://leg.colorado.gov/sites/default/files/2018a_146_signed.pdf

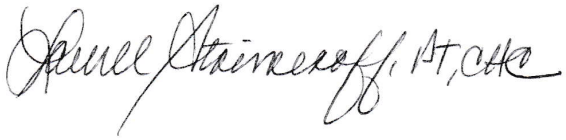
care costs for Colorado residents and that the top 10 reasons patients visited a free-standing ED were for non-emergency services.

The General Assembly responded by requiring free-standing EDs to post in the facility and provide patients upon registration written notice that it is an emergency medical facility that treats emergency medical conditions and that it is not an urgent care center or primary care provider (unless the facility also includes an urgent care center or clinic). After appropriate medical screening or stabilization, the free-standing ED must provide additional price information, including information regarding facility fees.

UCA believes that requiring this type of disclosure for all free-standing EDs is an immediate step that Congress can take to provide consumers with greater price information so they can make more informed health care decisions and avoid surprise bills.

We appreciate your consideration of our suggestions and look forward to continuing to engage in a dialogue with you and the Committee on reducing health care costs and how urgent care centers can be part of the solution. Should you require additional information, please contact Camille Bonta, UCA policy consultant, at cbonta@summithealthconsulting.com or (202) 320-3658.

Sincerely,



Laurel Stoimenoff, PT, CHC
Chief Executive Officer
Urgent Care Association

Richard Park, MD
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Board of Directors Urgent Care Association

Since the early 1980s, urgent care centers have been providing care to patients throughout the United States. Adding roughly 500 new centers each year, the urgent care industry continues to grow and meet patient preference for on-demand access to affordable and convenient care. UCA benchmarking finds as of November 2018, the total number of urgent care centers in the United States reached 8,774, up eight percent from 8,125 in 2017, making them a health care site of service for an estimated 89 million patients annually.