

## Urgent care or ER? With 'one-stop shop,' hospitals offer both under same roof

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Facing an ultracompetitive market in one of the nation's fastest-growing cities, UF Health is trying a new way to attract patients: a combination emergency room and urgent care center.

In the past year and a half, UF Health and a private equity-backed

company, Intuitive Health, have opened three centers that offer both types of care 24/7 so [patients](#) don't have to decide which facility they need.

Instead, doctors there decide whether it's urgent or [emergency care](#)—the health system bills accordingly—and inform the patient of their decision at the time of the service.

"Most of the time you do not realize where you should go—to an urgent care or an ER—and that triage decision you make can have dramatic economic repercussions," said Steven Wylie, associate vice president for planning and business development at UF Health Jacksonville. About 70% of patients at its facilities are billed at urgent care rates, Wylie said.

Emergency care is almost always more expensive than urgent care. For patients who might otherwise show up at the ER with an urgent care-level problem—a small cut that requires stitches or an infection treatable with antibiotics—the savings could be hundreds or thousands of dollars.

While no research has been conducted on this new hybrid model, consumer advocates worry hospitals are more likely to route patients to costlier ER-level care whenever possible.

For instance, some services that trigger higher-priced, ER-level care at UF Health's facilities—such as blood work and ultrasounds—can be obtained at some urgent care centers.

"That sounds crazy, that a blood test can trigger an ER fee, which can cost thousands of dollars," said Cynthia Fisher, founder and chair of PatientRightsAdvocate.org, a patient advocacy organization.

For UF Health, the hybrid centers can increase profits because they help attract patients. Those patient visits can lead to more revenue through

diagnostic testing and referrals for specialists or inpatient care.

Offering less expensive urgent care around-the-clock, the hybrid facilities stand out in an industry known for its aggressive billing practices.

On a recent visit to one of UF Health's facilities about 15 miles southeast of downtown, several patients said in interviews that they sought a short wait for care. None had sat in the waiting room more than five minutes.

"Sometimes urgent care sends you to the ER, so here you can get everything," said Andrea Cruz, 24, who was pregnant and came in for shortness of breath. Cruz said she was being treated as an ER patient because she needed blood tests and monitoring.

"It's good to have a place like this that can treat you no matter what," said Penny Wilding, 91, who said she has no regular physician and was being evaluated for a likely urinary tract infection.

UF Health is one of about a dozen health systems in 10 states partnering with Intuitive Health to set up and run hybrid ER-urgent care facilities. More are in the works; VHC Health, a large hospital in Arlington, Virginia, plans to start building one this year.

Intuitive Health was established in 2008 by three emergency physicians. For several years, the company ran independent combination ER-urgent care centers in Texas.

Then Altamont Capital Partners, a multibillion-dollar [private equity firm](#) based in Palo Alto, California, bought a majority stake in Intuitive in 2014.

Soon after, the company began partnering with hospitals to open

facilities in states including Arizona, Indiana, Kentucky, and Delaware. Under their agreements, the hospitals handle [medical staff](#) and billing while Intuitive manages administrative functions—including initial efforts to collect payment, including checking insurance and taking copays—and nonclinical staff, said Thom Herrmann, CEO of Intuitive Health.

Herrmann said hospitals have become more interested in the concept as Medicare and other insurers pay for value instead of just a fee for each service. That means hospitals have an incentive to find ways to treat patients for less.

And Intuitive has a strong incentive to partner with hospitals, said Christine Monahan, an assistant research professor at the Center on Health Insurance Reforms at Georgetown University: Facilities licensed as freestanding emergency rooms—as Intuitive's are—must be affiliated with hospitals to be covered by Medicare.

At the combo facilities, emergency room specialists determine whether to bill for higher-priced ER or lower-priced urgent care after patients undergo a medical screening. They compare the care needed against a list of criteria that trigger emergency-level care and bills, such as the patient requiring IV fluids or cardiac monitoring.

Inside its combo facilities, UF posts a sign listing some of the urgent care services it offers, including treatment for ear infections, sprains, and minor wounds. When its doctors determine ER-level care is necessary, UF requires patients to sign a form acknowledging they will be billed for an ER visit.

Patients who opt out of ER care at that time are charged a triage fee. UF would not disclose the amount of the fee, saying it varies.

UF officials say patients pay only for the level of care they need. Its centers accept most insurance plans, including Medicare, which covers people older than 65 and those with disabilities, and Medicaid, the program for low-income people.

But there are important caveats, said Fisher, the patient advocate.

Patients who pay cash for urgent care at UF's hybrid centers are charged an "all-inclusive" \$250 fee, whether they need an X-ray or a rapid strep test, to name two such services, or both.

But if they use insurance, patients may have higher cost sharing if their health plan is charged more than it would pay for stand-alone urgent care, she said.

Also, federal surprise billing protections that shield patients in an ER don't extend to urgent care centers, Fisher said.

Herrmann said Intuitive's facilities charge commercial insurers for urgent care the same as if they provided only urgent care. But Medicare may pay more.

While urgent care has long been intended for minor injuries and illnesses and ERs are supposed to be for life- or health-threatening conditions, the two models have melded in recent years. Urgent care clinics have increased the scope of injuries and conditions they can treat, while hospitals have taken to advertising ER wait times on highway billboards to attract patients.

Intuitive is credited with pioneering hybrid ER-urgent care, though its facilities are not the only ones with both "emergency" and "urgent care" on their signs. Such branding can sometimes confuse patients.

While Intuitive's hybrid facilities offer some price transparency, providers have the upper hand on cost, said Vivian Ho, a health economist at Rice University in Texas. "Patients are at the mercy of what the hospital tells them," she said.

But Daniel Marthey, an assistant professor of health policy and management at Texas A&M University, said the facilities can help patients find a lower-cost option for care by avoiding steep ER bills when they need only urgent-level care. "This is a potentially good thing for patients," he said.

Marthey said hospitals may be investing in hybrid facilities to make up for lost revenue after federal surprise medical billing protections took effect in 2022 and restricted what hospitals could charge patients treated by out-of-network providers, particularly in emergencies.

"Basically, they are just competing for market share," Marthey said.

UF Health has placed its new facilities in suburban areas near freestanding ERs owned by competitors HCA Healthcare and Ascension rather than near its downtown hospital in Jacksonville. It is also building a fourth facility, near The Villages, a large retirement community more than 100 miles south.

"This has been more of an offensive move to expand our market reach and go into suburban markets," Wylie said.

Though the three centers are not state-approved to care for trauma patients, doctors there said they can handle almost any emergency, including heart attacks and strokes. Patients needing hospitalization are taken by ambulance to the UF hospital about 20 minutes away. If they need to follow up with a specialist, they're referred to a UF physician.

"If you fall and sprain your leg and need an X-ray and crutches, you can come here and get charged urgent care," said Justin Nippert, medical director of two of UF's combo centers. "But if you break your ankle and need it put back in place it can get treated here, too. It's a one-stop shop."

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