

Researchers examine increased ER reimbursements after ACA insurance coverage expansions

29 October 2013

Researchers at the George Washington University School of Medicine and Health Sciences (SMHS) found that outpatient emergency department encounters could reimburse considerably more after implementation of the insurance coverage expansions of the Affordable Care Act (ACA).

The study, published in *Annals of Emergency Medicine*, examined data from 2005-2010 from the Medical Expenditure Panel Survey, a publicly available dataset from the Agency for Healthcare Research and Quality. Co-authors Jesse M. Pines, M.D., M.B.A., director of the Office for Clinical Practice Innovation and professor of [emergency medicine and health policy](#), and Jessica Galarraga, M.D., M.P.H., a third-year [emergency medicine](#) resident, both at SMHS, looked at how emergency department reimbursements may be impacted as uninsured patients gain new coverage through the Medicaid expansion or health insurance exchanges. Assuming historical reimbursement patterns prevail after the ACA implementation, they found that outpatient emergency department encounters could reimburse more for both previously uninsured patients who will obtain Medicaid insurance and for those who move into private insurance products through health insurance exchanges.

"The motivation for this project was to estimate how reimbursement patterns may change with the upcoming insurance expansion under the Affordable Care Act and to provide insight on its implications on the economic health of emergency departments after [health reform](#)," said Galarraga.

The authors estimated the amount of money that emergency departments might have collected for uninsured patients, had they possessed the insurance they will likely obtain post-reform for encounters where the patient is not admitted to the

hospital. For the uninsured who will be eligible for Medicaid insurance, reimbursement would have been 17 percent higher on average per visit if they actually had Medicaid insurance. For [uninsured patients](#) who will be Medicaid-ineligible (i.e. those who will be expected to obtain insurance on the private market or through health insurance exchanges after reform is implemented), reimbursement would have been 39 percent higher per visit if they had private [insurance](#).

According to Pines, whether the changes that come along with the ACA will impact the financial health of emergency departments and hospitals is the critical question everyone is asking. "Our study sheds some light on this by showing that payments may actually increase for outpatient emergency department visits. Yet, there are still many unanswered questions, such as how visit volumes will change, and how new payment models that move away from paying for every visit, might impact the business model of emergency departments," said Pines.

The paper is titled "Anticipated changes in reimbursements for U.S. outpatient [emergency department](#) encounters after health reform."

Provided by George Washington University

APA citation: Researchers examine increased ER reimbursements after ACA insurance coverage expansions (2013, October 29) retrieved 24 May 2021 from <https://medicalxpress.com/news/2013-10-er-reimbursements-aca-coverage-expansions.html>

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