



Health News From NPR

< Patients Can Pay A High Price For ER Convenience

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RENEE MONTAGNE, HOST:

Hospital emergency rooms can be lifesavers, though most trips to the E.R. are not life-threatening. People are simply looking for immediate medical care, perhaps on the weekend or at night. And that can mean long waits amid chaos and noise. Recently some medical entrepreneurs have reengineered the E.R. experience. They've pulled the emergency room out of the hospital and planted it in the strip mall.

As Carrie Feibel from member station KUHF reports, it's called a freestanding E.R. and it may be coming to a suburb near you.

CARRIE FEIBEL, BYLINE: E.R.s are popping up like Starbucks. Some are actually near Starbucks. Emergency medicine has gone retail. Nowhere is this trend hotter than in Houston. The region already has 41 freestanding E.R.s and 10 more under development. Some are owned by hospitals, but the majority are owned by for-profit companies. Patients love how accessible they are.

LISA BONCLER: It is convenient.

FEIBEL: Lisa Boncler came to the Texas Emergency Center to get stitches on her scalp.

BONCLER: I was bending down picking up something I dropped and I gashed my head on the gate handle.

FEIBEL: In the affluent Houston suburb of Atascocita, Boncler has her choice of six different E.R.s. Two are based at hospitals and four are freestanding, like this one. It has a waiting room worthy of a spa with brown leather armchairs and a coffee station. The waiting room is empty because patients are usually seen right away. Boncler loves that.

BONCLER: This is not the first time I've been in here and - myself or with my daughter. And it's always fast, faster than an E.R. I don't feel like I'm picking up a thousand germs that I pick up in an E.R.

FEIBEL: Texas Emergency Center is a real emergency room. It's licensed by the state and staffed around the clock by a doctor and a nurse. But the true selling points are speed and service. Terri Hardy is chief of clinical operations for Texas Emergency Center, which has two other locations in the Houston area.

TERRI HARDY: We're a service to the community. We give them back the most valuable thing: time. They don't spend five, six, seven hours sitting in a hospital's E.R. They come here and we see them immediately. We perform the same labs, the same X-rays, the same CAT scans, the same ultrasounds. It's convenience.

FEIBEL: In the last four years the number of free-standing E.R.s has doubled to more than 400 nationwide. Vivian Ho is a health economist at Rice University in Houston.

VIVIAN HO: I think these emergency medical centers are springing up like Texas wildflowers in the springtime.

FEIBEL: Ho says the freestanding E.R.s may offer excellent care, but they're also chasing profits. She says they're not being built where they're most needed, in poor neighborhoods, rural communities, or in areas with lots of uninsured people.

HO: They are usually set up in places where there are high income patients who are well insured and who want to see someone quickly. So there is a lot of revenue in terms of healthcare providers making money out of these.

FEIBEL: Freestanding E.R.s can make a lot of money because they charge E.R. prices. A visit that might have cost \$200 at an urgent-care center can cost four or five times as much at an ER. It's just like the E.R. in the hospital. You pay for the treatment, the doctor's fee and something called a facility fee.

That fee is for all the overhead, the fancy equipment like the CAT scanner and the lab. And patients are sometimes shocked when they get the bill. Steve Henderson lives in Spring, a suburb north of Houston. The 41-year-old woke up one morning in March with back spasms so bad he could barely walk. He dragged himself to his car and drove to what he thought was an urgent-care facility.

The sign did say emergency, but it just didn't look like an E.R.

STEVE HENDERSON: Yeah, my idea of an emergency room is attached to a hospital with, you know, crash carts and cardiac arrest and car wreck victims and all that stuff.

FEIBEL: Henderson got a shot in his back, a prescription, and later on a bill for \$1,200; \$900 of that for the facility fee. Henderson has insurance, but since he hadn't met his deductible, he was still on the hook for all of it.

HENDERSON: Again, I knew there would be some kind of fee for this place. But \$900 for just walking in the door is outrageous. They're walking that line between yeah, we're an emergency room, but no, we're just your friendly neighborhood doc in the box. They're in a shopping center and there's a donut shop across the street from them.

They're not having ambulances pull up with heart attack victims.

FEIBEL: Similar consumer complaints can be found online and on file at the Better Business Bureau. The urgent care industry is also concerned. Urgent care centers have a different business model. They focus on treating less critical conditions. Freestanding E.R.s compete with them for patients.

ALAN AYERS: It creates confusion in the marketplace.

FEIBEL: Alan Ayers is a vice president with Concentra Urgent Care, the largest urgent care chain in the country.

AYERS: So when consumers are out, they see this emergency center that's located in a retail shopping center. It looks like an urgent care center. They become confused as to what types of services are offered in that emergency facility.

FEIBEL: Insurance companies are also pushing back. By law they must cover emergency room visits, even if the ER is not in their network. Shara McClure is a vice president for Blue Cross Blue Shield of Texas.

SHARA MCCLURE: For these free-standing E.R.s we've seen our dollars and visits just about double over the past year.

FEIBEL: McClure says if too many people use the freestanding E.R.s for minor problems, like cuts, ear aches and flu, health care costs will rise for everyone and drive up premiums.

MCCLURE: While E.R. is a choice, it's a high-cost choice and it's one that can cost five to seven times more than a typical office visit.

FEIBEL: Executives in the industry say their staffers do their best to educate people when they walk in the door that, yes, this is indeed a real emergency room, and staffers can't give out prices over the phone because it's not clear what treatment patients will need. They have to be examined and stabilized first.

E.R. executives emphasize they treat real emergencies all the time. Brian Orsak is the co-founder of St. Michael's Emergency Room, which has three locations in Houston.

BRIAN ORSAK: The problem with urgent care is if you're having something serious, you go there, they either call 911 or they send you to the emergency department. We're equipped basically to handle anything. During the hurricane, we were open during the hurricane. We saw as many patients as the hospital. Not one patient waited over 30 minutes because we have all the systems in-house to be self-sustaining.

FEIBEL: But that level of care has a price. Vivian Ho, the economist, says the freestanding E.R.s may be adding cost to the entire health care system.

HO: It's a great added benefit to patients, but I think it's going to lead to overall higher costs in the long run.

FEIBEL: Some states have tougher regulations for freestanding E.R.s, like requiring them to be part of a hospital system. And some insurance companies have sued over the facility fees or persuaded the E.R.s to sign contracts and accept lower payments. For now it's up to the medical consumer to figure out where to go for the right level of care at the right price.

Patient Steve Henderson has this advice.

HENDERSON: Just be aware. If it says emergency room, unless you have bones sticking through the skin or a severed artery, I would go to your normal doctor.

FEIBEL: But owners of the E.R. say they are simply responding to demand for quick medical care, a demand that may only increase as more people get insurance under Obamacare. For NPR News, I'm Carrie Feibel in Houston.

MONTAGNE: And that story is part of a collaboration between NPR, KUHF and Kaiser Health News.

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