Options for slowing the growth of Medicare fee-for-service spending for emergency department services

Carolyn San Soucie and Dan Zabinski

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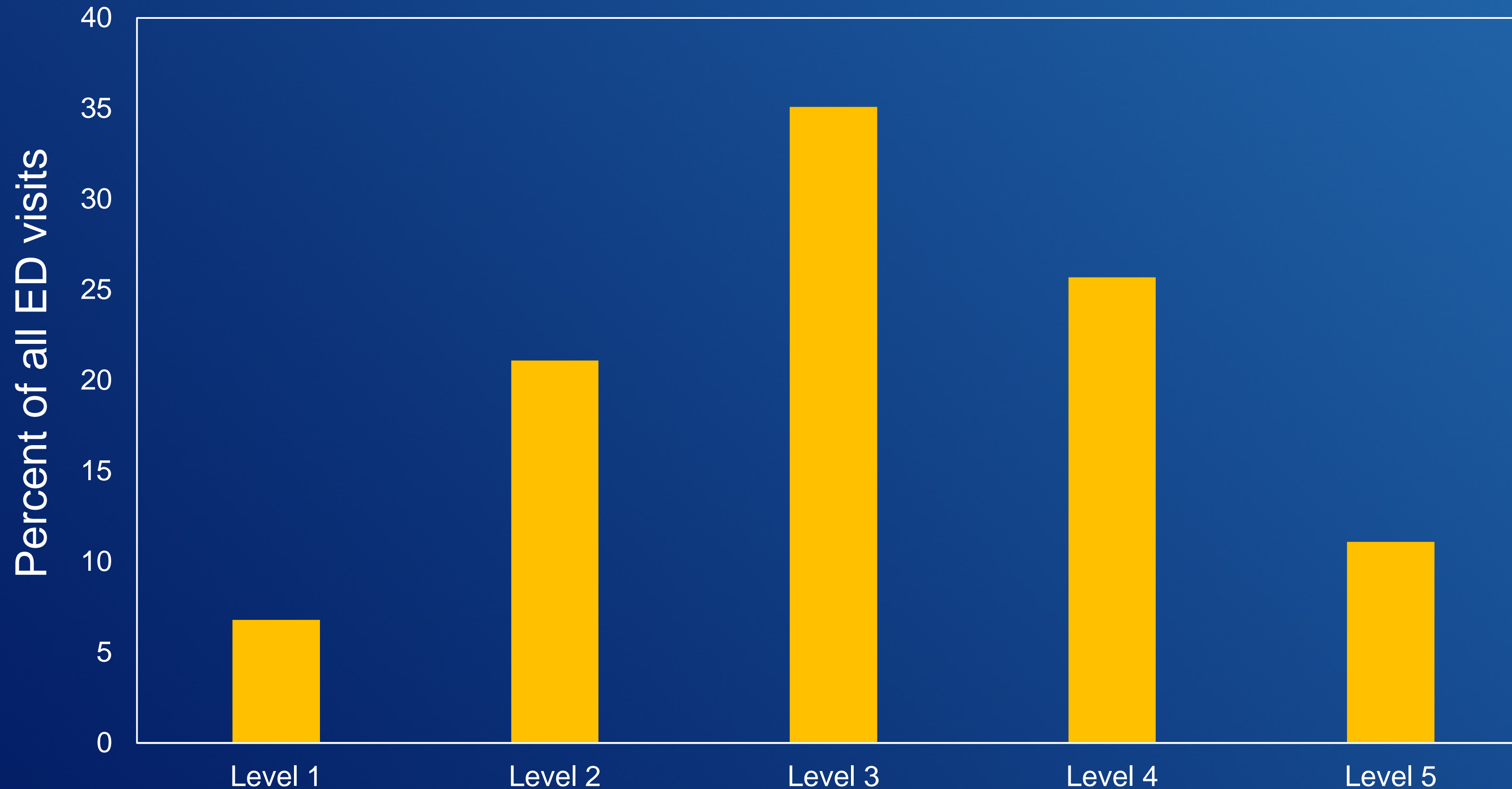
Coding of ED visits approximated normal distribution, 2005

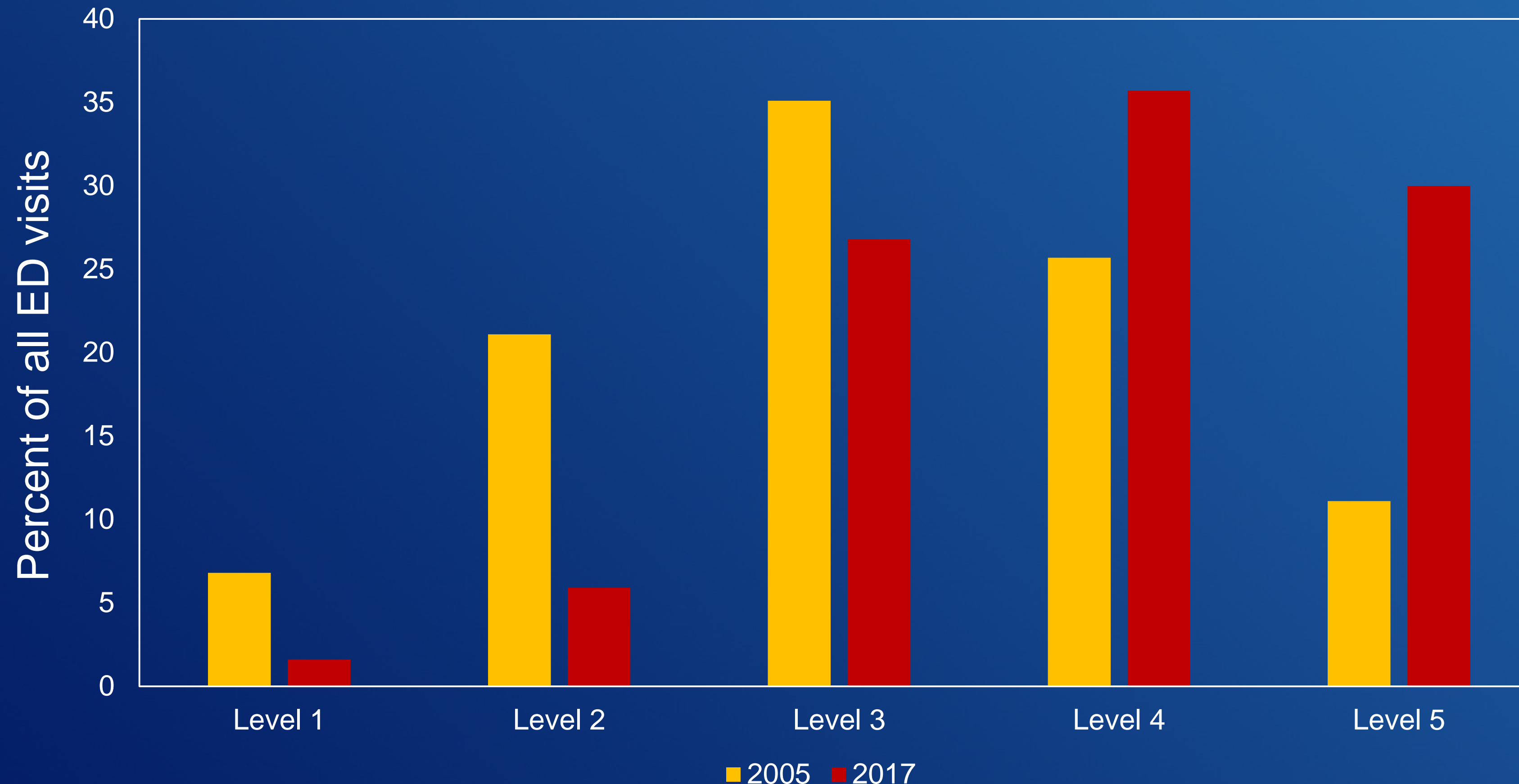


Source: MedPAC analysis of cost-statistics files from CMS.

Results are preliminary and subject to change

MEDPAC

Coding of ED visits shifted to higher levels, 2005 to 2017



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MEDPAC

Why has coding shifted?

- Some argue: Patients are sicker; lower-acuity patients shifted to UCCs; ED care more intensive
- Others argue: Hospitals use internal guidelines; some take advantage of lack of strict coding guidelines
- Data analysis shows:
  - Conditions treated in ED did not change
  - Increased use of UCCs had little effect on coding of ED visits
  - Increased use of services during ED visits (EKGs, CTs) despite no change in conditions treated

National guidelines for coding ED visits

- High concentration of ED visits at level 5 with no change in patient conditions likely means Medicare payments are too high for many patients
- To improve coding of ED visits, CMS could implement national coding guidelines
  - Payments would accurately reflect hospital resources used to provide ED care
  - Hospitals would have clear rules for coding ED visits
  - CMS would have firm foundation for assessing and auditing coding practices