

The Stand Alone ER

"The Rapid Evolution of Health Care"

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Emergency care in the US is at a breaking point. Per data from The *Institute of Medicine*, over 1000 hospitals closed in the past few years because of the enormous cost associated with operation. There has been an increase in the number of visits to emergency rooms (ERs) to more than 120 million mostly due to those who are uninsured who, as a result, have a lack of access to primary care. As the number of those who are uninsured grows because of the recession so, too, does the community who turns to ER services for their health care needs. Clearly, ER provides a safety net for the medically underserved. With the passage of the healthcare law, the shortage of primary care resources will be more noticeable. And, that means people will resort to ERs to seek care since they cannot access their doctors after usual office hours, on weekends or during holidays. In mid-year 2012, there is currently a shortage of 150,000 primary care physicians. And, by 2020, it is projected there will be an additional 50,000 PC physician shortage.

There are about 4,600 ERs nationwide and the numbers are decreasing. Overcrowded and slow ERs are symptoms of deeper problems in our health care system. The *American College of Emergency Physicians* recently gave the nation's ER system a "D-" rating for access of care and "C-" overall.

Stand Alone emergency rooms are like an ER whereby you are greeted by a receptionist or medical Technician. And, then you are taken back to an examination room where a nurse and a doctor take over the care. It is convenient and extremely efficient as there is essentially no wait time at all. Compare this to the average wait in a typical emergency room that is part of the hospital. There you need to wait about 4 hours to see a physician/provider and time is precious.

Stand Alone ERs are full service emergency rooms that are open 24/7 and on-site have imaging equipment such as CAT Scans, X-Ray, and Ultrasound. They can perform laboratory studies that give results in just a few minutes. All imaging readings are provided by Board Certified Radiologists within 30 minutes. Anyone requiring admission will be transferred to a hospital setting...and, many times the patient will be placed directly to the floor if they are clinically stable. Beneficially, this means the patient will not see a double charge for the emergency care they received. On the average, 20% of patients get admitted through the emergency room -- nationwide. But, truly critical patients comprise only about 4% to 5% that actually need to be admitted. The rest is part of the fragmented care in the US that can be characterized as a "defensive medicine" approach. This is because tort reform is a politically sensitive issue that our elected lawmakers are reluctant to touch or address.

Stand Alone ER numbers are growing fast to over 200 nationwide because they offer convenience to patients and ease the overcrowding in the nearby hospital ERs. This growth comes as stiff competition among the hospitals to expand their business in different communities is increasing. Stand Alone ERs are different than Urgent Care Centers. Following are some Stand Alone ER differences since many Urgent Care Practices offer the same services as primary care would except they do so on a walk-in basis:

| Stand Alone ERs | Urgent Care Clinics |
|---|--|
| Open 24/7 | Limited hours |
| Comprehensive radiology resources | X-Ray |
| Administer lifesaving drugs and Intravenous treatment | Oral and some Intramuscular medications on occasion. Some may offer IV fluids, but this is not the norm |
| For patients that need to be admitted, they usually bypass the ER and go directly to the floor | Will refer to ER first. The decision to admit is made in the ED |
| Because they have the resources to do a comprehensive evaluation, they can avoid unnecessary hospital admissions | Funnels through the same overcrowded Hospital ER that admits 20% of their patients |
| | |

There is a disparity in how the reimbursement exists for an urgent care center. The reason that Stand Alone ERs have more staffing and their overhead is higher is because of the additional and sophisticated on-site equipment. For example, Medicare pays \$138.00 for an urgent care visit but for the same care provided in ER they pay \$316.00 and that rate justifies the additional cost to operate emergency rooms.

Although there is no standard to monitor the quality of care, most facilities have come up with their own Quality Improvement processes to monitor the care they render. And, the practice is held to the same of level and standard of care as with any physician in the country.

There is one difference in practice, however. Ambulances generally don't take patients to Stand Alone ERs; they prefer to take them to a hospital-based ER. This could be because of the lack of education that marketing communications provide to the community along with standard operating procedures at fire departments and ambulance service organizations. Their fear is that if the patient needs more care than the Stand Alone ER can handle, the patient will have to be transferred once again. This is true; but all Stand Alone ERs have a process in place that addresses that need and (in actuality) their process is probably more efficient. According to the *Center for Disease Control and Prevention (CDC)*, 85% of patients visiting emergency rooms don't come by ambulance. Two questions remain:

- 1) Have we have done an adequate job of providing information and education to the community at large?; and
- 2) Does the community actually understand the Stand Alone ER difference or not?

Many states have come up with regulations to provide guidelines for these Stand Alone ERs and they vary state by state. For instance, Florida, North Carolina, Texas, Maryland, New Jersey and Washington

State have related guidelines. But, New York does not have any such guidelines. There is a talk that North Shore will build a Stand Alone ER at the old Saint Vincent hospital site in 2014. However, that may come a bit too late as the city emergency rooms are over stretched and cannot handle the growing number of visits. New York is only fourth from the bottom in wait times in the country and there does not seem to be any relief in sight.

Although, Stand Alone ERs are not obligated to comply with the *Emergency Medical Treatment and Active Labor Act* (EMTALA) which mandates that all hospitals provide screening to all patients coming to the hospital and seeking care. That said, they often do the right thing and try to accommodate all within their resources before transferring. But, without any help from the state authorities or the federal government, this can deplete their reserve as many are privately-owned and some are part of hospital system expansion.

New York City has its own dilemma. The once unfathomable idea that a high profile hospital in an affluent Manhattan neighborhood would be allowed to close had become a reality with the Saint Vincent closure. Neither history nor its location helped to keep its doors open.

The financial health of NYC hospitals has been deteriorating and approaching a critical point. Within weeks of *St. Vincent's* closure, *Lenox Hill*, the boutique hospital of choice for residents of the upper eastside, bowed to economic pressure due to years of debt accumulation, increased operating cost and mismanagement and agreed to be taken over by one of the state's largest private hospital systems. A month later *North General* closed. Since 2000, 17 hospitals have closed in the NYC area. In 2008, NYC area Hospitals operated with a 6% loss whereby their counterparts in other areas of the country had a 4% profit margin.

Even most prestigious institutions like *Columbia Presbyterian*, *Mt. Sinai* and alike operate with a thin profit margin and significantly large debt. New York has the highest labor cost in the country and this translates into higher operating costs for hospitals. With insurance companies paying lower reimbursement because they are profit based rather than patient care centric, one of the solutions will be Stand Alone ERs as it is privately owned and perhaps managed more efficiently. These practices may bring some relief to NYC hospitals. Otherwise, the outlook is very grim.

The average wait time in a NYC Emergency Room is about 300 minutes which is the fourth worst nationwide. And, hospital-based ERs received a "D-" rating for their delivery according to data from *Press Ganey* (an Organization that follows patient satisfaction in the hospital setting¹) and ACEP (American College of Emergency Physicians).

In 2010, the first Stand Alone ER facility in New York City opened up with the same conceptual approach but without any help from the state to grant such a designation. This lack of designation can create much disparity in reimbursement. And, as a result, they are compelled to stay out-of-network solely as a survival strategy rather than as a profit motive. The Stand Alone ER cost is higher than the average doctor's office or typical urgent care centers since they have more staffing and resources to provide the same care as emergency rooms. There is no wait time as they guarantee a provider will see patients within 15 minutes of their arrival. In 2011, they only admitted 1% of their patients to *Beth Israel Hospital*. This is in comparison to the average 20-25% admission rate from the local hospital ERs. This

Stand Alone ER has accomplished this efficiency through the solid relationship they have built with *Beth Israel*. An added benefit was that none of the patients had to go to the hospital emergency rooms at all. They all were admitted directly to the floor. As a result, the cost saving to the healthcare system is about \$16-20 million dollars. The Stand Alone ER accomplished these efficiencies through building affiliations with local specialists to access care immediately rather than admit to a hospital bed for the same outcome... and, higher patient satisfaction was an added result.

Perhaps we need to start thinking outside of the box and try to come up with relief for our communities and the city. This is not a new concept in other parts of the country. But it is in New York State and this idea needs the attention of people in Albany to take a leadership role and plan for the unimaginable. Stand Alone emergency departments have their roots in growing healthcare that caters to a patient centric approach. This service will help rebuild healthcare's reputation as a customer service oriented industry. The Stand Alone ERs origins may be a result given birth to by many convenience clinics staffed by nurse practitioners and doctor-owned urgent care centers. But, this solution is somewhat more complete, sophisticated and efficient.



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Dr. Okhravi deep credentials have made him the perfect candidate for creating and leading this novel Stand Alone ER facility--dedicated to the NYC communities that EMC serves. In his professional CV, you'll find an uncanny blend of healthcare practice, process and work flow savvy, along with exceptional hospital, ER and business management skills. This convergence of skills formed EMCs best practices and Stand Alone ER healthcare knowledge based on *practical, progressive, efficient, and compassionate urgent care principles*.

1. <http://www.pressganey.com/index.aspx>