Urgent Care® Association of America

March 23, 2018

The Honorable Bill Cassidy, M.D.
U.S. Senate
Washington, D.C. 20510

The Honorable Michael Bennet
U.S. Senate
Washington, D.C. 20510

The Honorable Tom Carper
U.S. Senate
Washington, D.C. 20510

The Honorable Todd Young
U.S. Senate
Washington, D.C. 20510

The Honorable Claire McCaskill
U.S. Senate
Washington, D.C. 20510

The Honorable Charles Grassley
U.S. Senate
Washington, D.C. 20510

Dear Senators Cassidy, Bennet, Carper, Young, McCaskill and Grassley:

The Urgent Care Association of America (UCAOA) appreciates the opportunity to provide feedback on questions related to health care price and information transparency. The right combination of policies, including better price and information transparency, can lead to more site appropriate care. Urgent care fits squarely into this initiative. This response reflects our interest in engaging with you to craft policies that meet the shared goals of empowering patients, improving the quality of health care, and lowering health care costs.

Since the early 1980s, urgent care centers have been providing care to patients throughout the United States. Today there are an estimated 8,100 urgent care centers in the United States. According to UCAOA's most recent benchmarking survey, urgent care centers provide more than 88 million patient visits per year making these patient-centric destinations a dominant point of service for health care for millions of Americans.

Urgent care centers provide walk-in, extended-hour access for acute illness and injury care that is either beyond the scope and/or the availability of the typical primary care practice or clinic. Many of the same non-emergent conditions treated in a hospital emergency department or free-standing emergency department can be treated in an urgent care center at significantly lower cost. The cost of a care in free-standing emergency centers and hospital emergency departments is routinely at least 2 to 3 times more than the cost of the standard urgent care center fee.

The adequacy of payments to urgent care centers, which provide a level of care beyond a typical primary care practice, should be part of the discussion of how to foster more site-appropriate care. But, for the purpose of this discussion, a number of studies have shown that a large percentage of patients who seek care in the hospital emergency department or free-standing emergency department could be treated in the more cost-effective urgent care center setting. While there are a number of factors that contribute to emergency department overuse, the lack of price and information transparency is a major contributor. Consider the patient who accesses an off-campus free-standing emergency department for an acute, non-emergent condition and unexpectedly receives a bill for the care provided that is twice of what it would have cost in the urgent care center. Many consumers simply don't understand the difference between a free-standing emergency department and an urgent care center and their associated costs.

We believe in transparency of pricing and educating the consumer about disparity in pricing and costs in the health care marketplace, and we believe much can be learned from state-level transparency initiatives. There is also the

fundamental issue of overuse of hospital emergency departments and free-standing emergency departments for care that could be provided in the less costly urgent care center setting. We hope your legislation will use price and information transparency policies as a mechanism for encouraging more site-appropriate care. UCAOA's responses on a subset of the questions you presented are as follows:

What information is currently available to consumers on prices, out-of-pocket costs, and quality?

Most urgent care centers offer discounted and/or flat-fee pricing to self-pay patients who are uninsured, or underinsured, via a medical discount program. Oftentimes, urgent care providers will post pricing information on their websites or inpatient registration areas. Out-of-pocket costs for urgent care services vary widely by health plans for insured patients.

What information is not currently available, but should be made available to empower consumers, reduce costs, increase quality, and improve the system?

As described above, cost, to both the health care system and to patients, varies by the site of care. Consumers are frequently confused by the difference in services/cost by site of care. For some conditions, care could be rendered in a variety of settings — telemedicine, retail clinic, primary care practice, urgent care center, freestanding emergency department, hospital-based emergency department — all with different costs. At the same time, consumers have a very difficult time self-triaging to the appropriate site of service for their condition. Payers, including Medicare and Medicaid, should be compelled to take steps to better educate their consumers about their benefits and coverage levels. For example, insurance policy cards should clearly indicate urgent care center benefits and member financial responsibility.

Whether or not an urgent care center is accredited can serve as a quality indicator to consumers and payers. Accreditation is just one signal that an urgent care center is committed to providing safe, high-quality care.

What are the pros and cons of different state approaches? What is the best quality and price information to collect for consumers and businesses?

From and urgent care center perspective, the key aspect of price transparency is providing consumers with information that allow them to be more aware about the variances in cost by site of service. For example, will the cost of care include a facility fee?

Regarding price transparency across the same site of service, the Virginia model, which publishes average reimbursement of a narrow set of health care services, seems to have merit in that price data is provided to a central repository and averaged but it is our understanding that this information is not well known or utilized by the public. Proxy pricing algorithms exist to protect contractual relationships between providers and insurers, but still provide directionally correct research to direct consumer choice. Having price information available allows uninsured consumers and those with a high deductible health plan or with high co-pays to compare prices prior to care.

We also draw to your attention a bill pending in the Colorado General Assembly is SB 146, the "Freestanding Emergency Departments Required Consumer Notices." SB 146 mandates certain disclosures to patients seeking care in free-standing emergency departments, including providing the chargemaster or fee schedule price for their top 25 treated health conditions and any facility fees that may be incurred.

What current regulatory barriers exist within the health care system that should be eliminated in order to make it less burdensome and more cost-efficient for stakeholders to provide high-quality care to patients?

Among the barriers that inhibit physicians and hospitals from working together to deliver care to common patients are Stark and anti-trust laws. Legislation currently pending in the Senate is the "Medicare Care Coordination Improvement Act of 2017" (S. 2051) which would provide the Centers for Medicare and Medicaid Services the same

authority to waive the Stark and Anti-kickback laws as was provided to accountable care organizations in the Affordable Care Act. The bill would also remove the "value or volume" prohibition in the Stark law so practices can incentivize physicians to abide by best practices and succeed in new value-based alternative payment models. UCAOA supports changes to the Stark law, such as those included in S. 2051, and believe ti will make it easier for providers to provide cost-efficient, high quality care.

We hope that the input provided above will serve as a starting point for future discussions with you on health care price and information transparency. To continue the dialogue with UCAOA, please contact Camille Bonta at (202) 320-3658 or cbonta@summithealthconsulting.com.

Sincerely,

Pamela Sullivan, MD, MBA, FACEP, PT
Chair, UCAOA Board of Directors