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Expensive lesson in using the ER

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Pain from a finger jammed playing flag football prompted Michael Lubas, 15, to ask his mom to call the doctor.

A pediatrician's office that was closed for the day caused his mother to take him to the emergency room.

The \$1,500 paid for that 30-minute ER visit angered his father, who then checked around and discovered that the same treatment at a nearby urgent-care center would have cost \$145.

Was he rooked?

Probably not - but health experts say the Phoenixville family did get a rude introduction to a changing health-care world, in which patients must think more like accountants and also like doctors. Make the right decision, and you could save thousands of dollars. Choose wrong, particularly about the ER, and you could lose your life.

"It is a dilemma for an average person: What is a real emergency?" said Martin Rosen, executive vice president of Health Advocate Inc. in Plymouth Meeting, which helps patients with medical or billing issues.

Rosen deals with a lot of money disputes. The most common, he said, involve insurers' denials of coverage for treatments that are considered "experimental" or simply aren't included, and caps on durable medical equipment and other coverage.

Other complaints involve new types of policies that seek to save money for patients, employers, and, ultimately, the health-care system. By giving people more of a stake in how money is spent - partly through

structures that make them think of it as their money - these plans encourage them to factor price into routine choices: A generic vs. brand-name drug? An ER visit vs. trying an urgent-care center vs. waiting to see the family doctor?

But the learning curve can be steep, even for a jammed finger.

"I was shocked," Michael's mother, Nancy Lubas, said of the bills from Paoli Memorial Hospital's emergency room and affiliated doctors. She had expected "\$200, maybe \$300, the most maybe \$500."

Next time, it's a good bet she'll shop around - or at least call the insurance company for guidance beforehand.

Larry Lubas' plan, called a Health Reimbursement Account, is typical of policies spawned by the movement known as consumer-driven health care. His Cigna policy, which he chose over a traditional Aetna plan two years ago "to better manage my expenses," has a whopping \$4,800 annual deductible for the family. But his employer puts \$2,400 into the account to reimburse all deductibles up to that amount.

Lubas, who works as a multiline insurance agent for Prudential, which does not sell health insurance, has some control over the HRA money by picking where he goes for health care. If money is left at the end of the year, some can be rolled over. If he uses it up, however, he is fully responsible for the next \$2,400 in deductibles, after which his insurance pays 90 percent for in-network providers.



Nancy and Larry Lubas, with son Michael, 15, and all the paperwork. Next time, it's a good bet she'll shop around - or at least call the insurance company for guidance beforehand.

Because there was money in the account when his son went to the ER, Lubas paid nothing for the ER visit. On the other hand, he said, "I will probably by June use up all of my \$2,400, so my next six months are on me."

He was furious at the hospital: "Emergency rooms are cleaning up, they are making a ton of money off of people like me and my insurance."

Actually, said Guy David, a health-care economist at the Wharton School, "emergency departments are usually looked at as loss leaders." They bring in admissions, he said, but typically don't make much if any profit, because of the high costs in running them.

"At the heart of the problem," said Rosen, who cofounded Health Advocate, "the emergency room is not the place to go to for many things people end up going to the ER for."

Hospital emergency rooms have “nuclear weapons in terms of the level of equipment and trauma services” that keep them prepared, 24 hours a day, “if God forbid you come in as a trauma victim or a heart attack victim or a gunshot victim,” he said. You’ll be charged less if you use fewer services, but the overhead is still huge.

And unlike a restaurant, where customers are served according to when they arrive, nonemergency patients in an ER “are going to be sitting around, potentially for hours, while they take care of the urgent cases,” Rosen said.

There are alternatives. If time is not a factor, waiting for a primary-care provider will almost always be cheaper.

More expensive than a doctor’s office but less than an ER is a relatively recent category known as urgent care. These centers are typically open into the evening (but not round-the-clock), see patients quickly, and are equipped to handle cases like uncomplicated sports injuries that require fast treatment but are not life-threatening.

Unlike hospital ERs, they do not maintain super-expensive technology and are not required by law to treat people who cannot pay. They are proliferating in suburbs but not cities.

Premier Immediate Medical Care, which calls itself the largest in the Philadelphia area, operates five urgent-care centers in the Pennsylvania suburbs and one in Cherry Hill. A sixth is scheduled to open in Kennett Square in May.

Its Oaks location, five minutes from the Lubas home, is open from 9 a.m. to 9 p.m. daily and had 10,000 patient visits last year.

For the same jammed finger, Premier would have charged \$379 in a single bill that combined the doctor exam, office visit, X-ray, and splint, said chief executive officer Jeffrey Rafsky, who reviewed Lubas’ bills with the patient’s permission at The Inquirer’s request. But he said Premier’s contract with Cigna would have meant a total of \$145 paid

out of the family’s Health Reimbursement Account.

Main Line Health, which owns Paoli hospital, also has contracts with Cigna, as do the physician groups that work there. Their separate bills by the hospital, ER doctors, and radiology added up to \$2,237. The contracts lowered that to \$1,518, all paid by the HRA.

The tenfold difference in cost for a routine injury can be a compelling case for urgent care. “Everything from a sprained ankle to a broken finger, you are going to be fine coming to us. If somebody wakes up in the morning and they have pain in their jaw and pain in their arm radiating down,” said Rafsky, noting symptoms of a possible heart attack, “they should go to an emergency room.”

Of course, there is a big gray area in between.

About 20 percent of people who walk into Premier require treatment that its centers cannot provide alone, said Rafsky, whose staff redirects half of those to hospital emergency rooms in an ambulance, although not all are life-threatening cases.

“From a parent’s point of view, you don’t know about that injury, how severe it is,” said Doug Hughes, the director of nursing at Paoli, who was not involved with the Lubas case but also reviewed the records. The finger could have been dislocated, he said, and required anesthesia at an ER.

Hughes suggests that everyone plan ahead: “The next time you have an appointment with your family doctor, ask that. Say, ‘An urgent-care center has opened up. How should I use that?’ “ Some doctors, he said, may want patients to wake them up at 2 a.m.

Insurers and big employers do try to offer guidance. Although they, perhaps even more than patients, can save money with cheaper care, the wrong choice can cost a fortune.

Staff at Cigna’s hotline will help patients decide whether an injury they describe

merits an ER visit. It didn’t occur to Larry Lubas to call the toll-free number on the back of his card, which is generically labeled “24-hour health information.”

His son was playing flag football in gym at Archbishop John Carroll High School in Radnor in early February when his right ring finger got stuck in the flag-holder’s belt and bent backward for a few seconds. It swelled up and hurt for a few days. The school nurse taped it, said Michael, a freshman.

Concerned that it might be broken, he persuaded his parents to get it looked at.

The ER visit was swift and routine, although they were unhappy that their son was examined by a physician assistant (many hospitals use them, supervised by a physician) and that the discharge notes recommended he follow up with an orthopedist in case there was a growth-plate fracture (instead they took the X-ray to their family doctor, who told them he saw no evidence of that).

Larry Lubas is still upset he paid the ER far more than he might have elsewhere.

“People should be made aware of the fact that there are alternatives,” he said.