



STATE OF RHODE ISLAND

Office of The Health Insurance Commissioner

Department of Business Regulation

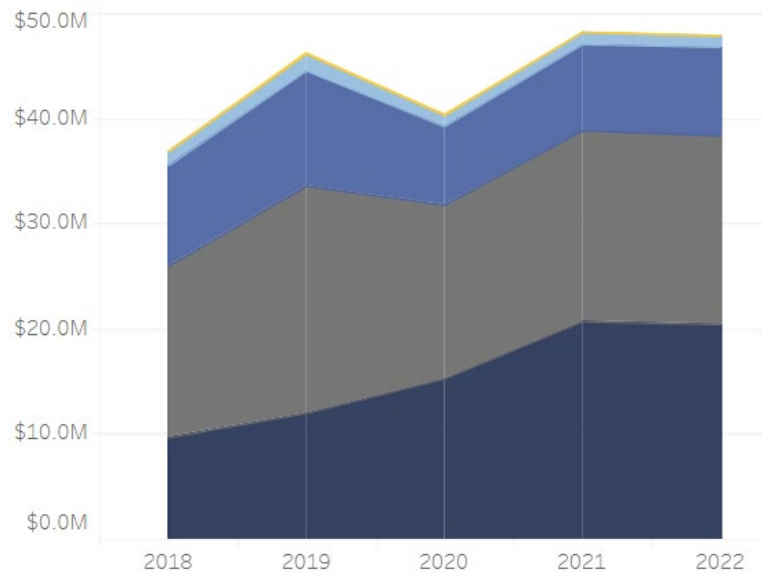
Spending & Use of Emergency Department Services in Rhode Island

Summary

Spending on Emergency Department (ED) visits at RI hospitals for commercially insured residents increased by 30% from 2018 to 2022.

- Spending increased from about \$37 million in 2018 to \$48 million in 2022 (30%).
- The number of ED visits increased from about 40,000 to 41,600 over the same period (4%).
- ED visits and spending were lowest in 2020 during the COVID public health emergency.
- These results were driven by ED visits coded in the two highest intensity categories: CPT codes 99284 and 99285.

Emergency Department Total Spend



Methods

ED visits are grouped by Current Procedural Terminology (CPT)¹ codes that reflect increasing levels of presenting problem severity and required treatment intensity. Code assignments are based on the number and complexity of presenting problems and risk of patient complications, morbidity, or mortality.

- 99281 (lowest intensity)
- 99282
- 99283
- 99284
- 99285 (highest intensity)

Spending estimates based on these CPT codes capture insurance plan and patient payments for the Evaluation & Management (E&M) component of an ED visit and do not reflect total costs. Additional services including surgical procedures, imaging or lab tests may be billed separately or by non-hospital providers.

Data Source

We used HealthFacts RI, the state's all-payer claims database (APCD)² which contains cost and utilization data for RI residents covered by commercial health insurance. The analyses were performed by Freedman HealthCare under the auspices of the Office of the RI Health Insurance Commissioner (OHIC) and the [Health Spending Accountability and Transparency Program](#).

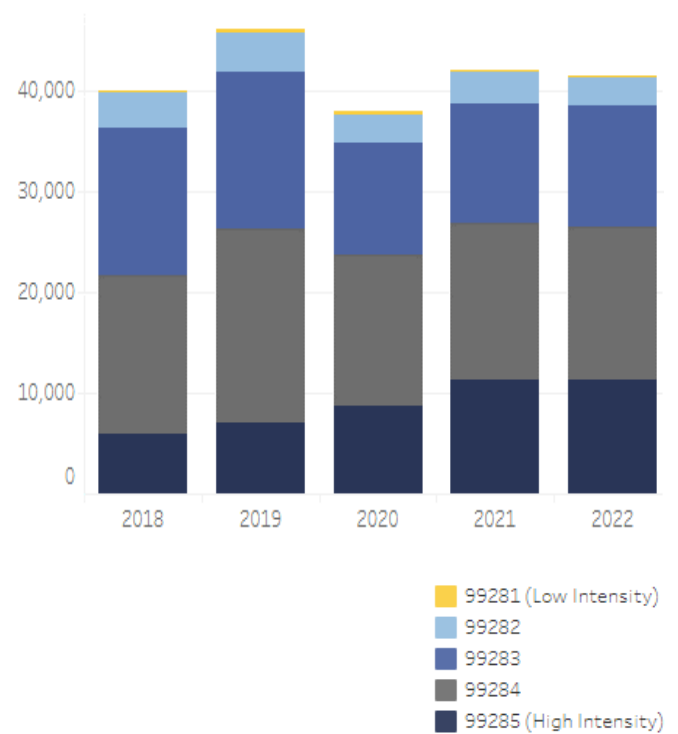
Results

Overall spending on ED visits at RI hospitals for commercially insured residents increased by 30% from 2018 thru 2022. Percent changes in ED visits, spending, and payment per visit by CPT code for this five-year period are summarized below. Based on this analysis, higher intensity ED codes are the main drivers of the observed increase in overall ED spending:

- CPT code 99285 (highest intensity): Visits and spending increased by 89.3% and 110.3% respectively. Payment per visit increased by 11.5%.
- Visits for CPT code 99284 decreased by 3.3%. Spending increased by 10.4% due to an increase in payment per visit of 14.1%.
- Visits and spending for lower intensity CPT codes 99282 and 99283 both decreased significantly despite increases in payments per visit.
- Very little change was observed in visits or spending for CPT code 99281 (lowest intensity).

CPT Code	ED Visits	Spending	Payment per Visit
99281	2.5%	0.0%	1.3%
99282	-20.7%	-15.4%	1.6%
99283	-17.6%	-11.6%	6.9%
99284	-3.3%	10.4%	14.1%
99285	89.3%	110.3%	11.5%

Emergency Department Visits



Why This Matters

The trend of increasing ED visit intensity has important implications for health care spending and may convey information concerning health care system performance. Future analysis could assess whether there is variation in the intensity of ED visits by hospital, or hospital system, what factors account for these differences, and whether trends differ between commercial, Medicaid, and Medicare.

In the future, OHIC and Freedman HealthCare will be evaluating trends in primary care, urgent care, and ED visits.

References

- 1- <https://www.ama-assn.org/practice-management/cpt/cpt-overview-and-code-approval>
- 2- <https://health.ri.gov/data/healthfactsri/>

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The Rhode Island Office of the Health Insurance Commissioner (OHIC) was established through legislation in 2004 to broaden the accountability of health insurers operating in Rhode Island. The Office is dedicated to: protecting consumers, encouraging fair treatment of medical service providers, ensuring solvency of health insurers, and improving the health care system's quality, accessibility, and affordability.