

Study Snapshot:

Assessing the Influence of Medical Group Practice Characteristics on Reducing Inappropriate Emergency Department and Avoidable Hospitalization Rates

August 2014

key findings

- Practices that are physician-owned and practices that use electronic health records have lower non-emergent ED rates and lower emergent-primary care–treatable ED rates.
- Medical practices with more nurse practitioners or physician assistants per physician have higher emergent-primary care treatable ED and higher ACS rates, but their non-emergent ED rates do not differ statistically from those of other practices.
- The ability to provide and manage accessible, coordinated care declines as medical practices grow larger and more complex.

The Question

What medical group practice characteristics influence the reduction of inappropriate emergency department and avoidable hospitalization rates?

Concern is growing over escalation in the improper and avoidable use of emergency departments (EDs) by patients who did not receive appropriate care from their physicians. In a HCFO-funded study,¹ John Kralewski, Ph.D., University of Minnesota and Medica Research Institute, and Bryan Dowd, Ph.D., University of Minnesota, used a national sample of 212 medical group practices to examine practice characteristics influencing patients' inappropriate use of EDs and patients' ambulatory care-sensitive (ACS) hospital admission rates. The findings raise questions about the costs of preventing these incidents at the medical group practice level. The full results of the study are available in the *Journal of Ambulatory Care Management*. An overview and summary of the key findings are available in the related *HCFO Findings Brief*.

The Implications

Lack of insurance is a common explanation for individuals' inappropriate use of EDs and avoidable hospitalizations, yet the researchers point to the supply side of the care equation as similarly determinative. They caution, however, that even though physician-owned practices seem to be most effective at lowering their patients' ED and ACS hospitalization rates, they are unable to conclude how the practices achieve such success or at what cost. The researchers did note that practices with higher net revenue ratios exhibit higher primary care–treatable ED and ACS hospitalization rates and that improved practice-level efficiency may unintentionally increase such rates. Similarly, they found that large, multispecialty practices perform no better than smaller primary care practices on measures of access and care management. The authors posit that the growth of large, integrated health systems could reduce providers' ability to provide and manage accessible, coordinated care. They question whether certain staffing structures lead to fragmentation instead of care coordination, again resulting in inappropriate ED and ACS hospitalizations. The researchers conclude that several questions remain unanswered on how best to structure practices to ensure the most appropriate setting for patient care while controlling health care costs.

Contact Us

For more information on the results of this grant, please contact John Kralewski, Ph.D., M.H.A., at krale001@umn.edu.

¹ The Robert Wood Johnson Foundation Changes in Health Care Financing and Organization (HCFO) Initiative supports timely and policy relevant health services research on health care policy, financing, and organizational issues.

If you would like to learn more about other HCFO-funded work, please contact: Bonnie J. Austin, HCFO Deputy Director | bonnie.austin@academyhealth.org



Robert Wood Johnson Foundation

Changes in Health Care Financing and Organization is a national program of the Robert Wood Johnson Foundation administered by AcademyHealth.