Shifting Common Outpatient Procedures to ASCs Can Save Consumers More than $680 per Procedure: Methodology and Citations

Methodology

UnitedHealth Group analyzed claims for the locations and prices (based on allowed amounts paid for outpatient procedures and surgeries performed during the 12 months ended February 2020) of common outpatient procedures and surgeries (referred to hereafter as procedure) performed for UnitedHealthcare members with employer coverage. Each claim was assessed to determine if there was a clinical reason for the patient to have the procedure conducted in a hospital outpatient department and whether the patient had access to an ambulatory surgery center (ASC) within a reasonable distance from their home. For patients who did not need the procedure to be performed in the hospital outpatient department and had access to an ASC within a reasonable distance from their home, savings were determined by calculating the average cost difference between procedures conducted in hospital outpatient departments and in ASCs. A blended rate for consumer out-of-pocket costs, based on UnitedHealthcare's fully-insured and self-funded employer clients, was applied to the difference in costs across sites to estimate savings for consumers.

Citations

[1] Routine outpatient procedures and surgeries include operations performed on the digestive system, musculoskeletal system, urinary system, nervous system, integumentary system, hemic and lymphatic system, cardiovascular system, respiratory system, endocrine system, nose, mouth, pharynx, eye, ear, and female and male genital organs.

[2] Patients who meet any of the following criteria are considered complex and ineligible for site of service shifts: pregnant; disabled; have cognitive impairment or developmental delays; morbidly obese; have alcohol dependence; have a recent history of drug abuse; have diabetes, poorly controlled hypertension, chronic obstructive pulmonary disease, advanced liver disease, end stage renal disease, uncompensated chronic heart failure or sleep apnea; have a history of myocardial infarction, cerebrovascular accident, or transient ischemic attack; have significant valvular heart disease, cardiac arrhythmia, or ongoing evidence of myocardial ischemia; have recently implanted drug-eluting or bare metal stents; have an implanted pacemaker; have a history or family history of anesthesia complications; have a bleeding disorder requiring replacement factors, blood products or special infusion products; have an anticipated need for transfusion; or require surgery lasting more than 3 hours.

[3] Analysis of claims for UnitedHealthcare members with employer coverage from March 2019 through February 2020.

[4] Ibid. The average savings from shifting outpatient procedures from HOPDs to ASCs could vary based on the service mix of and geographic price differences for these procedures.

[5] Ibid. Common procedures and surgeries performed in hospital outpatient departments for United Healthcare members with employer coverage analyzed to extrapolate volume of procedures and surgeries in hospital outpatient departments for the entire United States population with employer coverage.

[6] Ibid. Reasonable distance from each patient's home determined using ACA's network adequacy standards for primary care access, established by the Centers for Medicare and Medicaid Services for qualified health plans offered on the federally facilitated exchanges.

[7] Blended savings rate, across fully insured and self-funded clients, derived from claims for United Healthcare members with employer coverage from March 2019 through February 2020. Note: while the blended savings rate is 15% for members with employer coverage, the actual savings realized by members will vary based on their plan design.

The brief is available at: http://www.uhg.com/outpatient-surgery-site-research.