

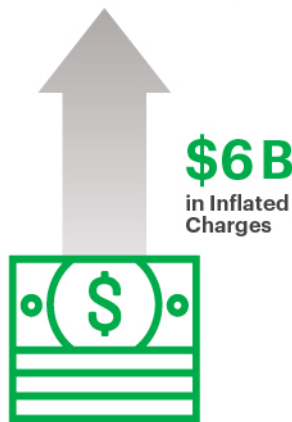
Out-of-Network Emergency Physicians Increase Health Care Prices for Consumers by \$6 Billion Each Year

Individuals with private health coverage in the United States who seek emergency care from in-network hospital emergency departments (EDs) are often treated by out-of-network (OON) emergency physicians.¹ These physicians typically are not employees of the facilities in which they practice. By opting out of the EDs' health plan networks, these physicians retain the market power to inflate prices to captive ED patients who cannot choose which physicians treat them.²

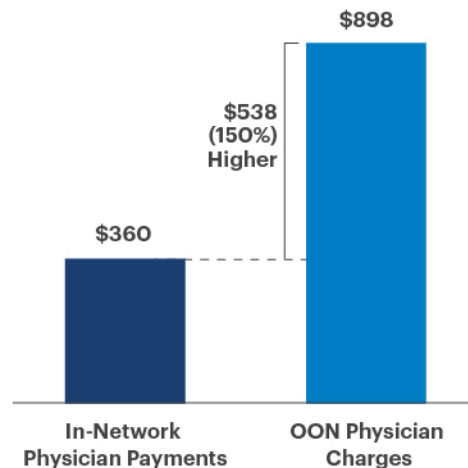
Inflated charges by OON physicians to ED patients – often revealed after treatment in the form of “surprise bills” – increase costs for consumers, employers, and the health care system as a whole. In 2017, for privately insured individuals in the U.S. who visited an ED:

- ▶ Inflated charges by OON emergency physicians treating patients at in-network EDs totaled an estimated \$6 billion.³
- ▶ OON emergency physicians charged an average of \$538 (150 percent) more per ED visit than in-network emergency physicians were paid (\$898 vs. \$360).⁴
- ▶ Over one-quarter of visits to in-network EDs resulted in OON physician charges (12 million out of 44 million).⁵

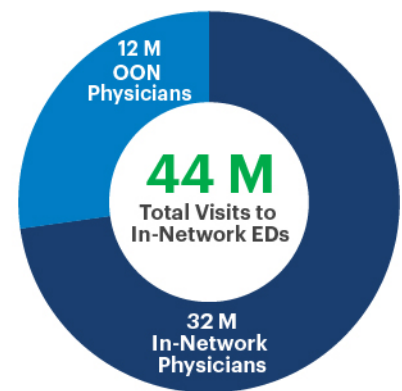
**Inflated Charges by OON
Emergency Physicians at
In-Network EDs Totaled \$6 Billion**



**OON Physicians Charged 150% More per ED
Visit than Payments to In-Network Physicians**



**Over One-Quarter of Visits to
In-Network EDs Resulted in
OON Physician Charges**



UnitedHealth Group analyzed physician charges and payments for ED visits by UnitedHealthcare members with employer coverage in 2017. The share of in-network ED visits in which patients were treated by OON physicians was calculated, as were the severity-adjusted charges by OON physicians and payments to in-network physicians resulting from these visits. These findings were then applied to the annual number of ED visits by all privately insured individuals in the U.S. to generate estimates for the health care system as a whole.

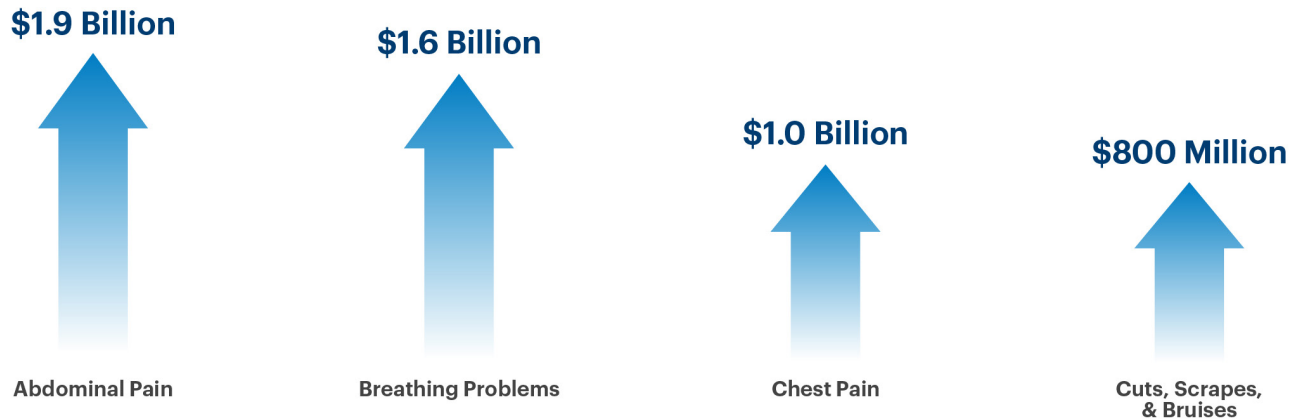
When health insurance plans pay higher prices for services delivered by OON providers, the increased costs put upward pressure on premiums and cost-sharing. When health plans contest inflated OON prices and offer reasonable payments based on in-network rates, providers often “balance bill” patients for the difference and pursue aggressive collection strategies, including the use of debt collection firms who may threaten legal action against patients.⁶ These bills are a key reason tens of millions of privately insured individuals struggle with high out-of-pocket costs.⁷

Inflated Out-of-Network Charges for Common Health Conditions

The greatest total inflated charges by OON physicians during in-network ED visits were for the following common health conditions:⁸

- ▶ \$1.9 billion in inflated charges for abdominal pain: 138 percent more per ED visit (\$1,044 vs. \$439)
- ▶ \$1.6 billion in inflated charges for breathing problems: 158 percent more per ED visit (\$841 vs. \$326)
- ▶ \$1.0 billion in inflated charges for chest pain: 136 percent more per ED visit (\$1,155 vs. \$490)
- ▶ \$800 million in inflated charges for cuts, scrapes, and bruises: 153 percent more per ED visit (\$754 vs. \$298)

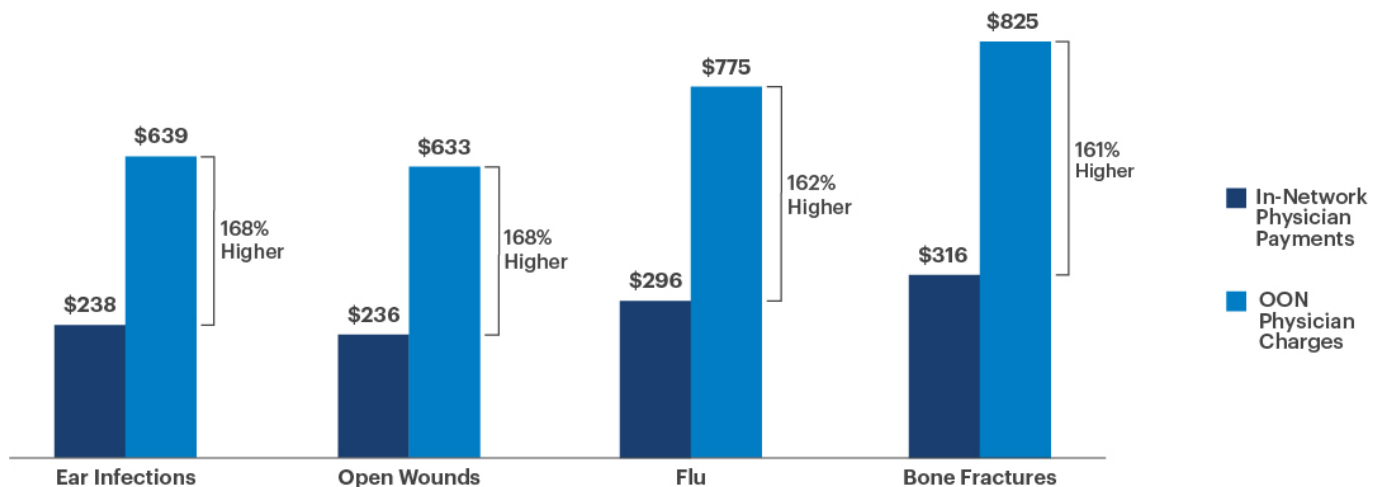
Greatest Total Inflated Charges for Common Health Conditions



OON emergency physicians charged the most per ED visit relative to in-network payments for the following common health conditions:⁹

- ▶ 168 percent more per ED visit for ear infections (\$639 vs. \$238)
- ▶ 168 percent more per ED visit for open wounds (\$633 vs. \$236)
- ▶ 162 percent more per ED visit for the flu (\$775 vs. \$296)
- ▶ 161 percent more per ED visit for bone fractures (\$825 vs. \$316)

OON Physicians Charged over 160 Percent More per ED Visit Relative to In-Network Payments for Several Common Conditions



Citations for this brief are available at: www.unitedhealthgroup.com/affordability