

The Future of Emergency Medicine Reimbursement: Transitioning from Volume to Value

JAMIE SHOEMAKER MD FACEP

&

ERIK BLUTINGER MD MSC

ACEP PARTNER COLLABORATIVE

Introduction

- ▶ Emergency Medicine is at a crossroads.
- ▶ Fee-for-Service (FFS) has dominated, but Value-Based Care (VBC) is emerging.
- ▶ Today: Explore how this shift will affect reimbursement, care delivery, and physician alignment.

Fee-for-Service / RVU Model Overview

- ▶ Reimbursement based on services rendered (CPT codes)
- ▶ Productivity measured in Relative Value Units (RVUs):
 - ▶ Work RVUs (time, skill, intensity)
 - ▶ Practice Expense RVUs
 - ▶ Malpractice RVUs
- ▶ Incentivizes volume and complexity.

Pros and Cons of the FFS Model

▶ **PROS --**

- ▶ Predictable revenue stream
- ▶ Rewards high-acuity, high-volume care
- ▶ Aligns with episodic nature of ED work

▶ **CONS –**

- ▶ No link to patient outcomes
- ▶ Encourages over-utilization
- ▶ Penalizes efficiency and care coordination
- ▶ Vulnerable to insurer denials and downcoding

What is Value-Based Care (VBC)?

- ▶ Reimbursement based on quality, outcomes and cost-efficiency
- ▶ Prioritizes value over volume
- ▶ Models relevant to EM:
 - ▶ Bundled payments
 - ▶ ACO/shared savings (ACEP's AUCM model)
 - ▶ ET3 (Emergency Triage, Treat & Transport)
 - ▶ Hospital quality incentive programs

FFS vs. VBC - A Side-by-Side Comparison

Feature

Payment Basis:

Incentive:

Focus:

Risk:

Documentation:

Fee-for-Service

Per CPT Code

Volume

Individual Encounter

Minimal

Coding-Driven

Value-Based Care

Quality, Outcomes, Cost

Efficiency & Coordination

Episode of Care

Shared Risk

Quality-Driven

Challenges of Applying VBC to EM

- ▶ Episodic and unplanned care limits attribution
- ▶ Lack of follow-up visibility
- ▶ Limited control over downstream outcomes
- ▶ Data infrastructure and interoperability gaps
- ▶ Inadequate EM-specific quality metrics

Opportunities for EM in a Value-Based System

- ▶ Gatekeeper role in hospital admissions
- ▶ Reduce unnecessary testing and admissions
- ▶ Observation units, clinical decision tools
- ▶ Social determinants and case management
- ▶ Participation in ACOs and hospital initiatives

Ways to Enhance VBS in Hospital Systems

- ▶ Real-time analytics (e.g., dashboards, predictive tools)
- ▶ Enhanced EMR capabilities
- ▶ Collaborative care models
- ▶ Risk stratification protocols
- ▶ Ongoing provider education on VBC principles

The Hybrid Future

- ▶ Blended model likely:
 - ▶ Base FFS for encounter care
 - ▶ Layered VBC incentives for outcomes & efficiency
- ▶ Requires: infrastructure, cultural shift and aligned incentives

Conclusion

- ▶ Transitioning from volume to value is inevitable
- ▶ Emergency physicians must adapt or risk being sidelined
- ▶ Strategic alignment, advocacy and innovation are key
- ▶ EM can lead in cost containment and quality if empowered