



● E-BOOK

Urgent Care Cost-Containment Strategies





The Rise of Urgent Care in America

The use of urgent care centers is on the rise in America. Largely due to the COVID-19 pandemic, urgent care visits [increased 58% in 2020](#), with about 28 million people receiving services. While urgent care has its place, it can be costly. Employers need to consider alternative strategies — like increasing access to providers via telemedicine or accessible direct primary care — to ensure their employees only utilize urgent care when it's necessary.

This eBook will explore the current state of urgent care in the U.S. and help you drive down your population's urgent care spend.

What Is Urgent Care?

Urgent care is an essential healthcare resource for those suffering from conditions that do not warrant a trip to the emergency room but still require urgent medical attention. People who experience symptoms such as difficulty breathing or dehydration, or who need laboratory tests, stitches for a small cut, or treatment for minor broken bones can benefit from visiting an urgent care clinic.



Urgent Care and Health Insurance Costs

While urgent care is an important resource for many healthcare consumers, it's one of the most expensive options — second only to emergency departments — for patients and their health plans. Many healthcare consumers overuse urgent care centers due to perceived convenience.

Urgent Care vs. Emergency Room Costs

Expanded availability of urgent care is expected to reduce the number of visits to emergency rooms around the country. Most people understand that visiting the ER costs them more out of pocket than an urgent care clinic appointment.

One survey found that the average ER visit costs consumers around \$1,900, while an urgent care visit costs just \$165.

Debt.org, a consumer protection agency, reports that healthcare consumers as a group stand to save \$18 billion per year by choosing another form of care over a visit to the emergency room. That said, there are still cheaper options that can connect patients with the care they need

Telehealth: A Less Costly Alternative to Urgent Care

Like urgent care, telehealth visits are also on the rise. In 2019, telehealth visits for Medicare members increased from 840,000 to over 52.7 million — a 63% increase. Patient familiarity with telehealth has only grown during the pandemic.

Many symptoms that drive urgent care visits can be resolved over a quick video or telephone call. Telehealth is ideal for patients who need low-risk urgent care, pre-visit health screenings, help with managing chronic conditions, or access to their personal care provider to get a prescription.

Telehealth can decrease unnecessary ER and urgent care visits by 19%. However, while telehealth visits are increasing in popularity, patients will often opt for urgent care if they are not aware of their health plans' telehealth benefits. According to Forbes Magazine, a telehealth visit with a primary care physician (PCP) costs around \$40. In many cases, insurance coverage further lowers the cost, reducing the payment to around \$25.

Urgent Care vs. In-Person Primary Care Visit Costs

A growing population of individuals do not have a primary care provider. Many others are unwilling to wait to see their primary care doctor for non-serious conditions. Instead, they are turning to the more convenient yet costly option of urgent care.

The average in-person visit to a PCP is around \$125, according to Forbes. Typical PCP co-pays are between \$15 and \$25, making an in-person PCP visit a cost-effective healthcare option.

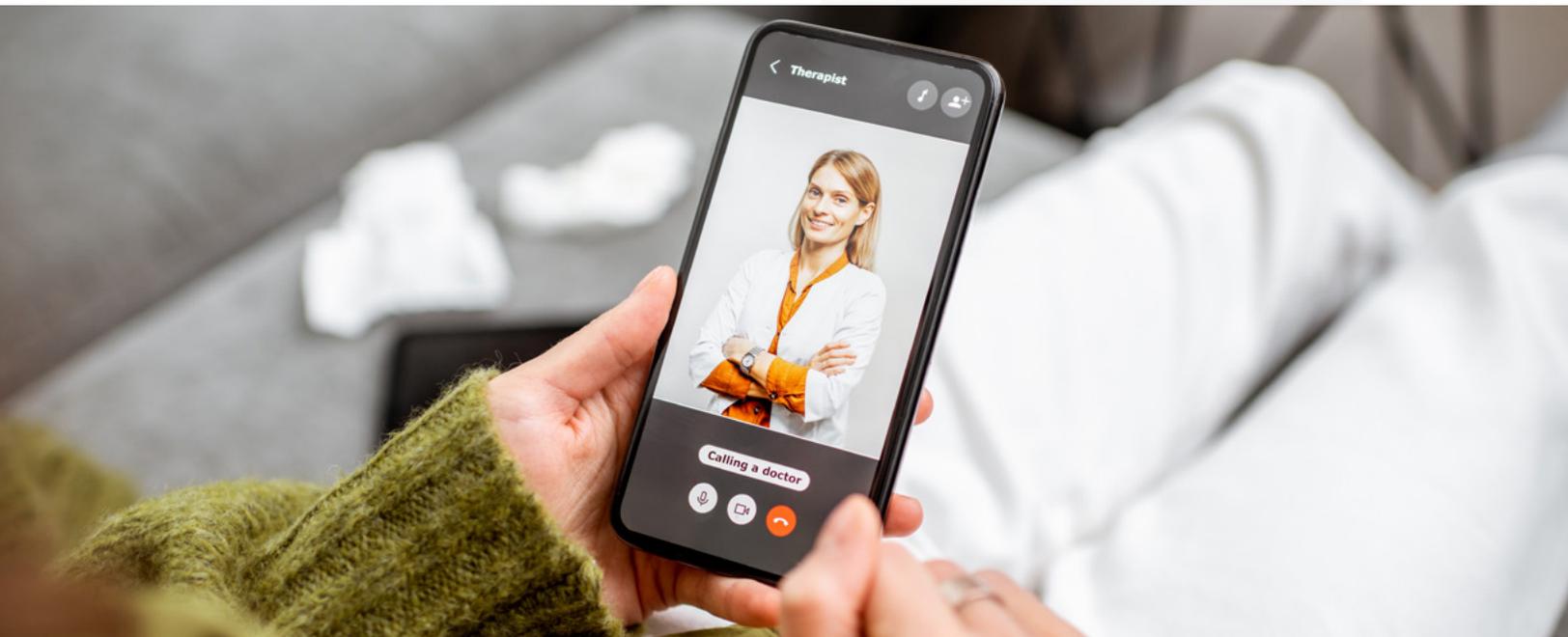
Alternative Care Options Are Vital To Lowering Health Insurance Costs

Emergency room and urgent care visits are more expensive than telehealth and in-person primary care for both patients and health plans.

Fully insured insurance carriers can handle the costs by raising their rates to cover the difference. However, if you are a self-funded business, your bottom line suffers every time a covered employee chooses urgent care over a less costly option like telehealth.

While urgent care is necessary in some cases, patients will often go to urgent care for issues that can be settled over a quick telehealth visit. Various factors affect these choices: lack of knowledge about alternative options, overestimating the seriousness of a health condition, or lack of an incentive to choose telehealth or primary care visits.

As a self-funded business, you must address the misuse of urgent care services to reduce healthcare spending. You can save money and continue delivering value to your employees by offering your members alternative care options and highlighting their benefits over emergency room or urgent care.





Urgent Care Cost-Containment Strategies: Incentives and Access

Urgent care cost-containment is all about prioritizing convenience and primary care. Implementing strategies that redirect your employees to use the most cost-effective level of care can lower your health insurance expenses to benefit employees and captive members alike.

Telemedicine and access to direct primary care are key to driving down urgent care costs, but driving utilization of these services requires a strategic approach. Effective cost-containment strategies to prioritize primary care include building incentives into your plan design, using a direct primary care program, and educating your employees.

Incentivize Through Plan Design

If you are part of a self-funded group captive plan, you have the benefit of designing your health insurance plan. With the advantage of plan design, you can opt for elements that incentivize your employees to use low-cost solutions over convenient yet expensive options.

One plan design element you can implement is low co-pays for services like telehealth and in-person PCP visits. You can build in higher co-pays or deductibles for urgent care and ER services to de-incentivize employees from using these high-cost healthcare options when they don't need them.

Choose the Right Telehealth Service

Different telehealth vendors have different approaches to utilization. A quality telehealth vendor will assist clients in member outreach efforts. Marketing efforts like flyers and brochures along with text and email outreach campaigns can help drive member utilization of telehealth services.

Implement a Direct Primary Care Program

Self-funding in a medical captive allows you to choose healthcare programs that benefit your employees and improve your ROI. Direct primary care (DPC) is one such program.

DPC allows covered individuals access to a primary care provider at a low monthly cost. DPC works like a subscription service; patients pay a fixed fee per month, sometimes as low as \$70, for access to their PCP. Employees can visit their doctor as many times as needed for one monthly fee. This type of plan eliminates costly fee-for-service payments for your company and its employees.

In addition to lower costs, a DPC plan offers a better patient experience and improved health outcomes for your employees. With access to direct care, your employees develop a deeper relationship with their providers that allows for better diagnosis accuracy and follow-up care.

Employees can easily and quickly make an appointment with their PCP and receive care as often as needed. Direct primary care improves employee health while lowering collateral healthcare costs for the entire group.

The rise of virtual primary care represents an ideal opportunity for employers to create cost-effective plans to combine the benefits of direct primary care and telehealth to cut costs.

Educate Employees About Care Options

Employee education is crucial to effective urgent care cost-containment strategies. When your employees understand what their choices are, how to choose the best option for their health concerns, and the impact their choice has on the cost of their health insurance, they are more likely to make cost-effective decisions.

You can create emails, flyers, or other educational materials to convey when employees should consider telehealth or in-person visits over other options. As mentioned earlier, primary care and telehealth vendors often produce these materials for you. Another good option is to make regular posts on the company intranet to keep the information top of mind for your employees.

Relay to your workers that telehealth services are preferable and more convenient for many healthcare needs, such as:

- 24/7 access to a healthcare provider
- Follow-ups after an in-person appointment
- Pre-visit consultations or screenings
- Conditions such as a rash, cold, flu, or sinus infection
- Monitoring chronic conditions such as diabetes or high blood pressure
- Coaching or education related to a recurring condition
- Medication management for chronic conditions

You can also create materials that let employees know why seeing their PCP is preferable to urgent care. Reasons to include are:

- PCPs provide better care and are more familiar with their patients
- Expenses for PCP in-person visits are lower than urgent or ER care
- PCPs offer health guidance and chronic condition management

Let your workers know that high-cost options can also have an adverse impact on their out-of-pocket costs. As members of a self-funded group captive, your employees play a significant role in containing the costs of the plan.

Explain to them that when they choose high-cost options like urgent care or the ER, their health insurance costs are likely to increase. Help them to become smarter consumers of healthcare by making health and wellness a core value and an integral part of your culture.



How Roundstone Helps You Implement Urgent Care Cost-Containment Strategies To Lower Healthcare Costs

Self-funding in a captive arrangement with Roundstone gives you the freedom and flexibility necessary to reduce the costs associated with unnecessary urgent care and ER visits.

With Roundstone's focus on customized plan design, open coverage options, claims data transparency, and cost-containment recommendations, you lower your healthcare costs and save money year over year.

Customized Plan Design

At Roundstone, we work with you to build your health insurance plan from the ground up. This allows you to customize your plan design to include elements that benefit your employees' specific health needs and your company's bottom line.

Designing a customized group captive plan means you can implement urgent care cost-containment strategies from the beginning. You can include elements like higher co-pays or deductibles for urgent care and emergency services to de-incentivize employees from using high-cost care centers when they're not needed.

You can also craft a summary plan description (SPD) that clearly communicates your plan's coverage to your workers. With a focused, concise SPD, you can avoid confusion that causes people to choose high-cost care options over more cost-effective primary care or telehealth visits.

Roundstone's self-funding experts will guide you every step of the way.

Open Coverage Options

Roundstone offers group captive members a high level of control over their coverage options. With a self-funded group captive plan, you have open coverage options that allow you to choose your own network of providers.

For example, with Roundstone, you are free to use a direct primary care program rather than force your employees to use poor-quality, in-network providers. You can also choose your own third-party administrator, pharmacy benefits manager, and specialty drug vendors to lower administrative and pharmacy spending.

Claims Data Transparency

The capstone of Roundstone's group captive insurance plan is the CSI Dashboard, a state-of-the-art analytical tool created by the Roundstone Cost Saving Investigators (CSI) Team.

The [CSI Dashboard](#) provides you with transparent access to your claims data. Having access to your claims data allows you to compare your healthcare spending to industry benchmarks to identify where you are overspending or where you can improve coverage for your workers.

The CSI Dashboard allows you to easily see how much your employees' trips to urgent care and the ER are costing your business. You can also see if they are using other plan elements like access to telehealth visits or a DPC program.

With access to your claims data, you can identify and implement cost-containment strategies that work for your company.

The Roundstone CSI Team Is By Your Side

Coming up with cost-containment solutions can be challenging, especially if you are new to designing your own healthcare plan. That's where the Roundstone CSI Team steps in.

The CSI Team is a multi-disciplinary team of internal experts assigned to help your company find and execute value-driven cost-containment strategies. Our CSI Team includes nurses, underwriters, and other health insurance industry experts.

Your CSI Team will review insights gleaned from your CSI Dashboard data to determine where you can save money. There are several cost-containment strategies they may suggest for urgent care cost-related issues, including:

- Partnering with a DPC program
- Working with your TPA to incentivize non-emergency or urgent care spending
- Implementing an employee well-being program that improves health outcomes and reduces healthcare spending across the board



Lower Your Healthcare Costs With Roundstone Group Captive Insurance

With group captive insurance from Roundstone, you gain the advantages of control over plan design and data transparency. These features allow you to identify and implement cost-containment strategies that lower your healthcare costs and provide better care for your employees.

Discover how joining a group captive insurance plan with Roundstone can save you thousands. Contact us today to learn more cost-containment strategies that you can use to increase the ROI on your health insurance.



The guide that could save you thousands.

Why your group health insurance plan is so high, and how to lower it.

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