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POLITICS

RomneyCare Has Had Little Impact On ER Visits

By DAVID HOGBERG, INVESTOR'S BUSINESS DAILY Posted 05/26/2011 06:38 PM ET



Emergency-room visits increased after the start of former Massachusetts Governor Mitt Romney's health care plan, rising to 3.1 million in 2009 from 2... View Enlarged Image Backers of a health care overhaul have long argued that covering the uninsured would save money by curbing emergency room visits. Yet Massachusetts' law — a model for ObamaCare — has had little impact on ER trips, research suggests.

"There was an expectation after people got insurance (that) all these low-severity visits would disappear from the emergency department, and that was clearly not what happened," said Dr. Peter Smulowitz, a physician at Boston's Beth Israel Deaconess Medical Center and lead author on a forthcoming article about ER visits in Massachusetts

In 2006, Gov. Mitt Romney and the legislature passed an overhaul — RomneyCare — to reduce the number of uninsured via public subsidies and forcing people to have insurance. Since passage, the uninsured in the Bay State has dropped to 2.5% from 10%.

Supporters argued that reducing uncompensated care would help pay for the expansion of coverage. Overhaul fans made the same case at a national level.

"When somebody doesn't have health insurance they're forced to get treatment at the ER, all of us end up paying for it," President Obama said in 2009 as he promoted his plan.

Packed Rooms

Emergency-room visits increased after the start of RomneyCare to 3.1 million in 2009 from 2.9 million in 2006.

The rate of increase slowed somewhat in 2008 and 2009, but Smulowitz warns that ER visits "can fluctuate from one year to the next, so longer-term studies will be needed to determine whether health reform has any attenuation in" ER visits.

Smulowitz did find a decline in low-severity ER visits, those likeliest to be for minor ails that could be treated in a doctor's office. Yet the decline was small, about 2.6% among people with publicly subsidized insurance and the uninsured.

Yet even that couldn't conclusively be linked to RomneyCare, as the drop in low-severity visits may be "due to a 3.2% increase in the number of unclassified visits."

Sarah Miller, a University of Illi nois economics graduate student, found somewhat better results in her research. Her paper shows that increased insurance coverage under RomneyCare resulted in two to three fewer ER visits per 100 residents. The decline was in nonurgent or "primary-care treatable" visits.

She says that suggests expanded coverage encourages people to use health care "more efficiently by seeking care in more appropriate settings and increases their use of primary care."

Yet some argue it's unclear that the drop in low-level ER visits offset the costs of expanding coverage. "There is conflicting evidence as to whether RomneyCare reduced ER visits and whether we should expect ObamaCare to do so," said Michael Cannon, director of health policy studies at the libertarian Cato Institute. "Neither study points to what we want to know, which is whether RomneyCare reduced spending on uncompensated care the way supporters promised it would in order to pay for a massive expansion of coverage."

RomneyCare has cost the state an extra \$4.2 billion the past four years, more than expected.

Dr. Anthony Shih of the Com monwealth Fund, a liberal health care foundation, said the studies suggest ER visits declined due to expanding insurance coverage, but to see savings requires "strong delivery system reforms that build upon a foundation of comprehensive, coordinated, primary care." He says Obama-Care moves us in that direction.

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