Using payment to ensure appropriate access to and use of hospital emergency department services
Summary of how proposed rural and urban policies would change payment
Table 2-A1 presents examples of Medicare’s current payment rates for services provided at different types of emergency departments (EDs) and how those payments would or would not change under the rural and urban policies proposed in Chapter 2. The table outlines current payment rates and potential changes in payment rates for the most common (Level 4) ED visits. For example, Table 2-A1 shows that rural critical access hospitals currently receive a cost-based payment averaging about $400 for an ED visit (second row of the table). That payment would remain unchanged if they remained open. If a critical access hospital converted to a stand-alone ED, then under current law, the base payment would fall to zero. Under the proposed rural policy, payment for these facilities would change to $356 (fifth row of the table). The table also shows that the proposed urban policy would decrease payment rates to urban stand-alone EDs located within six miles of an on-campus hospital ED from $356 to $250 for the most common (Level 4) ED visits.

Note: ED (emergency department), PPS (prospective payment system), CAH (critical access hospital). Payment rates are base facility payment rates for 2018 and would change with the local wage index. The CAH payment rates are from claims data from 2013 inflated forward to estimate the average payment per ED visit in 2018. The number of off-campus EDs are estimates. There is no requirement that these facilities file separate CMS identification numbers.
Map of isolated low-volume hospitals
Map of isolated low-volume hospitals, 2017

Isolated hospitals (35 miles or more from other providers)
- Closed hospital
- Low-volume hospital (Less than 1 admission per day)