

# Rising Facility Fees Drive Emergency Department Cost Growth Relative to Other Outpatient Settings

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## BACKGROUND

ED visits often exceed the amount consumers can pay without borrowing. ED facility fees provide important revenue to support 24/7 services, but are unregulated, not transparent, and contribute to unaffordable ED bills.

## METHODS

- 1. Collected insurance claims from privately insured patients
- 2. N = 237,455,217 claims
- 3. Measured facility fee growth in EDs relative to ED professional fees, urgent care & office claims

## RESULTS

- Facility fees grew 531% from 2004-21, outpacing other services
- Facility fees billed at higher levels over time
- Significant variation in facility fee costs

## DISCUSSION

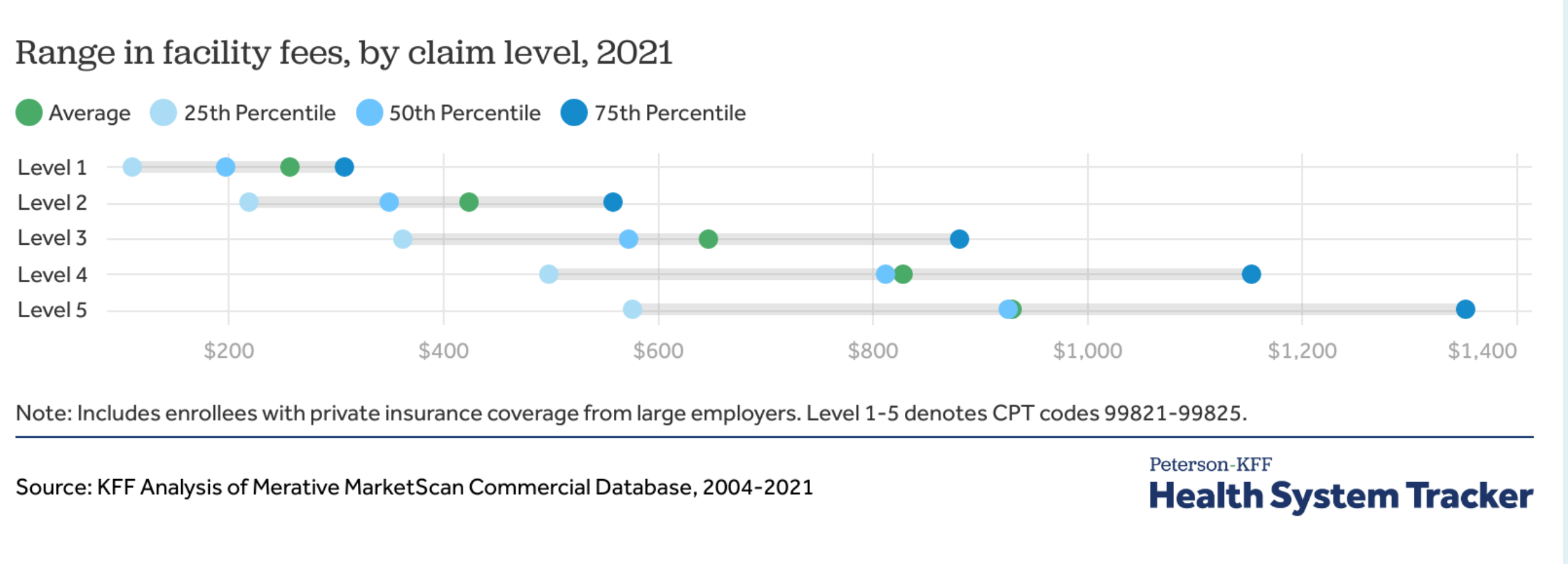
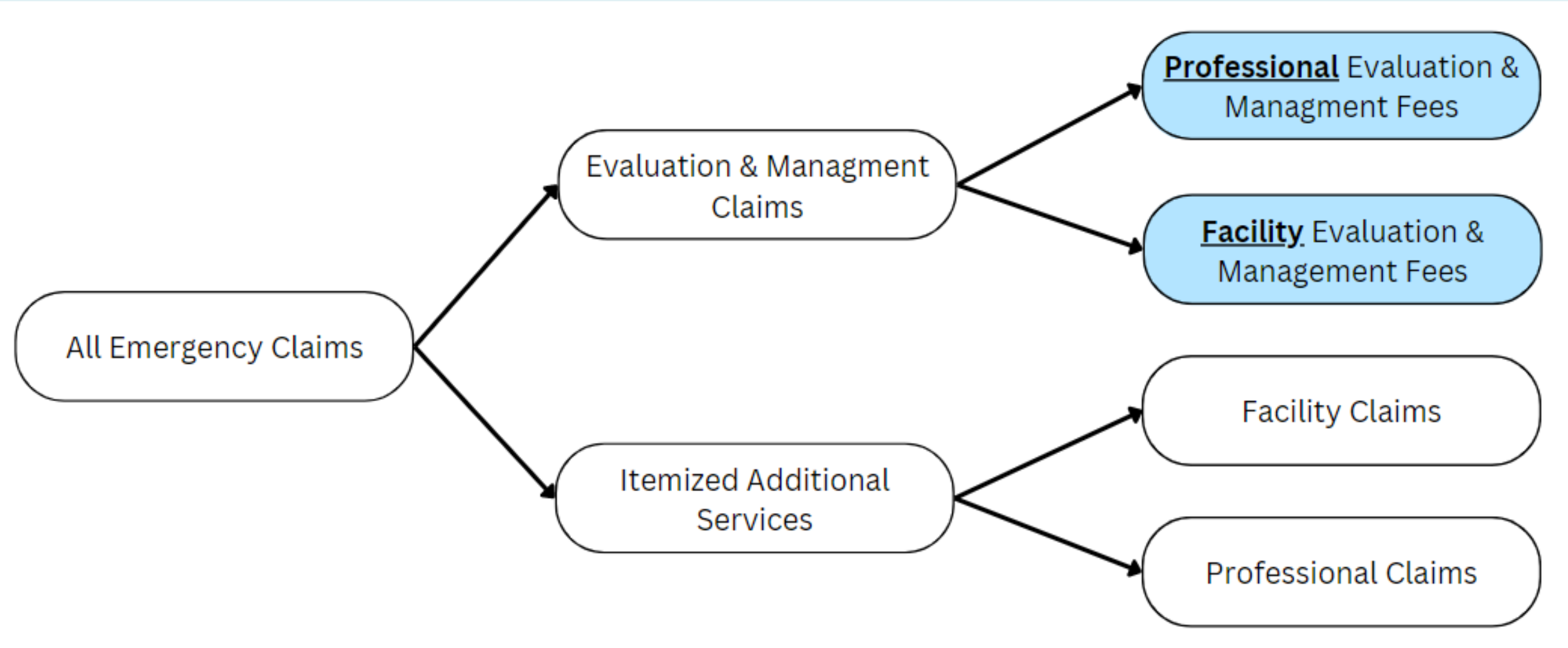
Facility fees are a large, growing and unpredictable component of ED costs, and contribute to divergence in cost between EDs, and other outpatient settings. Regulating facility fees and making urgent and primary care visits more accessible can help protect consumers from unaffordable medical bills.

## ACKNOWLEDGEMENTS

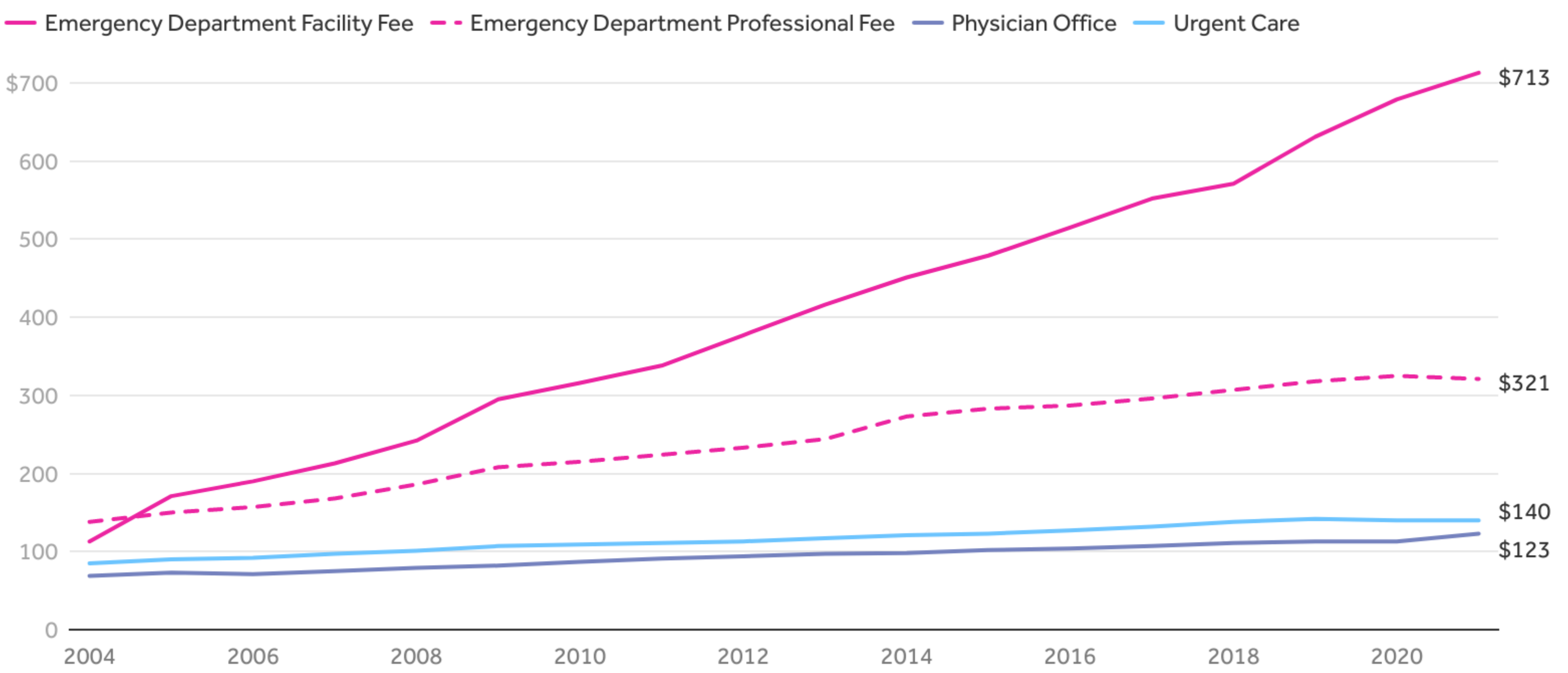
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Emergency department facility fees have **risen over 500%** since 2004, far outpacing other outpatient services.



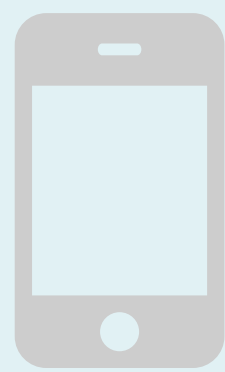
Average cost per evaluation and management claim, by location and professional vs facility fee, 2004-2021



Note: Includes enrollees with private insurance coverage from large employers.

Source: KFF Analysis of Merative MarketScan Commercial Database, 2004-2021

Peterson-KFF Health System Tracker



Take a picture to read the full policy brief at [KFF.org](https://www.kff.org)



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