Understanding the Impact of COVID-19 on Access to Healthcare, Payment and Reimbursement

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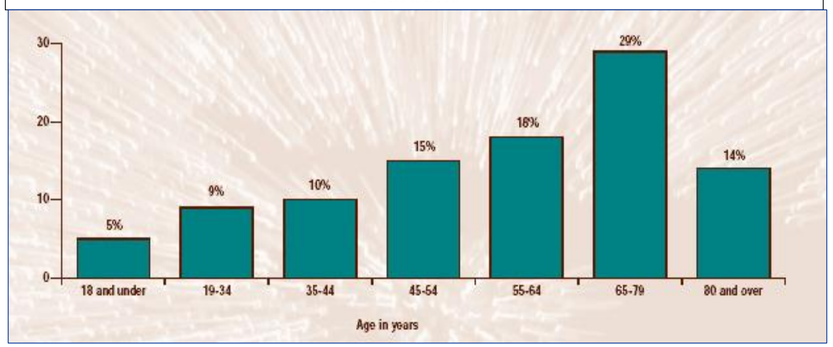
Introduction

The Coronavirus (COVID-19) pandemic has put an unprecedented amount of strain on an already fractured United States (US) health care system. The US has the worst health outcomes compared to international peers, although the US leads the world in dollars spent on healthcare. The US spends 3.8 trillion dollars on healthcare yearly, far above most other countries in the world. Five percent of the population account for 50% of US healthcare expenditures (Figure 1).

Prior to the pandemic, over 87 million people in the US were uninsured or underinsured. The Affordable Care Act was gradually rescinded during the former presidential administration, providing even more gaps in coverage. Coronavirus cases continue to rise and pose new and long-term health consequences for individuals and families. Coronavirus has caused a shift in resource utilization. Changes made to the International Classification of Diseases Clinical Modification Tenth Revision (ICD -10 CM) and Current Procedure Terminology (CPT) coding guidelines by the American Medical Association (AMA) and Centers for Medicare and Medicaid Services (CMS) has provided challenges for coders and the health care system.

Figure 1: Percent of Total Health Care Expenses Incurred by Top 5 Percent



Objectives

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- Examine the impact of coronavirus on the US Health Care System
- Discuss the challenges to accessing healthcare and healthcare reimbursement
- Discuss moving the needle forward in improving health outcomes

Description

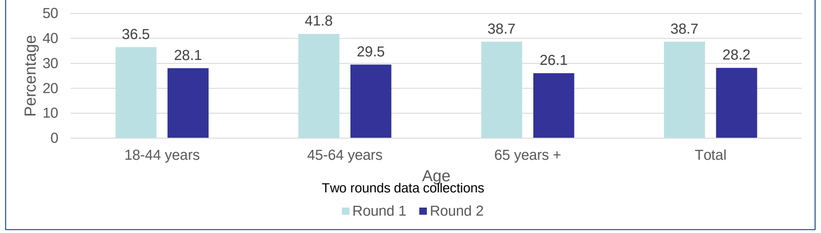
Access to Healthcare: Access to health care means having "the timely use of personal health services to achieve the best health outcomes. Factors that influence access to healthcare include high cost, inadequate or no insurance, lack of availability of services, and lack of culturally competent care. The pandemic has also presented its own set of obstacles that prohibited individuals from accessing health care including cancelled appointments, cutbacks in transportation, fear of going to the emergency room, or an humane desire to not burden the health care system. (Figure 2). Access to care often varies by race, ethnicity, socioeconomic status, age, sex and residential location. It is estimated that over 10 million people will lose their employer sponsored health insurance due to the pandemic.

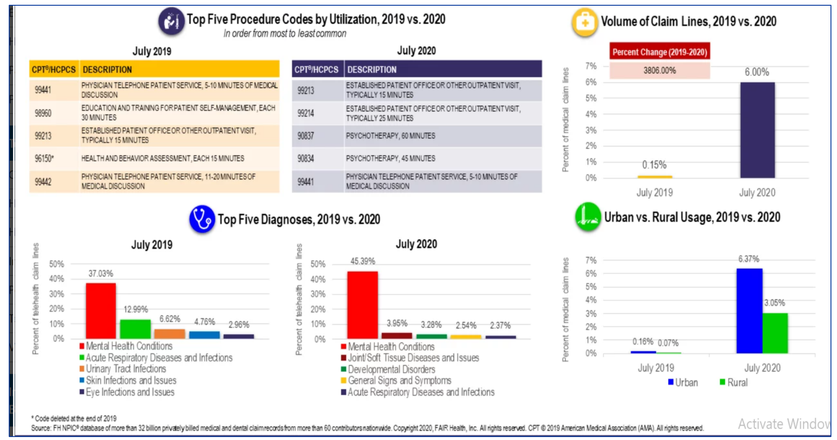
Reimbursement COVID-19 has posed a burden on the health care system which relies heavily on elective procedures to generate revenue. Many of these procedures were negated in effort to free up resources. Hospital expenses remained high. Figure 3, shows a comparison of the most utilize telehealth services between 2019 and 2020. Even with the implementation and expansion of telehealth services, reimbursement is relatively lower than in person visits. Telehealth claims peaked in June 2020 but declined in July of 2020 (Figure 3). The pandemic has left hospitals with negative margins for inpatient and outpatient procedures. The CMS paid $2.8 billion in Medicare fee-for-service claims for COVID-related hospitalizations, or an average of $25,255 per beneficiary.

Discussion

Some may say that the pandemic was needed for the US to see the many gaps in our health care system. Prior to COVID-19, many new patient encounters and test codes did not exist. Many providers had not been trained on adequate documentation for telehealth for coding purposes. The AMA and CMS began introduced new coding guidelines weekly. Payors and providers alike had to rush to make necessary changes to their systems, resulting in delayed or denied claims. To move the needle forward, a greater focus needs to be placed on addressing social determinants and health inequalities. Planning for a new model for health insurance is also necessary. Our current health insurance model was not created to cover health care spending during a pandemic. There is a tremendous amount of patients that are sick and services that can not be clearly delegated to a single patient. Proposed models will need to address off setting some of the cost that hospitals experience due to crisis as well as emphasizing chronic disease prevention.

Figure 2: Percentage of U.S. Adults Unable to Receive One or More Types of Care in the Last Two Months Due to the Pandemic





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