

Harry Nelson Quoted in HealthLeaders Media Article “Medicare Payments Higher at HOPDs than ASCs, Doc Offices”



The February 24th article from HealthLeaders Media titled “

[Medicare Payments Higher at HOPDs than ASCs, Doc Offices](#)” by Rene Letourneau discusses medicare payments for cardiac imaging, colonoscopy, and evaluation and management services and how they are significantly higher when those procedures are done in a hospital outpatient department as compared to an ambulatory surgical center or a physician office.

Cardiac imaging payments are more than triple when a patient receives care at a hospital outpatient department instead of a physician office, roughly \$2,100 versus \$655, respectively, research shows, but quality was not studied.

[Harry Nelson](#), co-founder and managing partner at Los Angeles-based law firm Nelson Hardiman, LLP, says hospital administrators should be concerned about shrinking revenues as CMS continues its push toward value-based care.

“The report should serve as yet another warning sign for hospitals about declining revenues from outpatient services. The past few years have seen increasing proactivity from Medicare about suppressing hospital inpatient utilization in favor of lower cost care settings, and this study gives good reason to think that hospitals can expect similar things in the area of outpatient procedures,” Nelson says.

In addition, he says, hospitals should also be concerned that patients with high-deductible health plans will become savvier about costs when making decisions about where to receive outpatient services.

“The trend of greater patient financial responsibility as well as greater price transparency tools will drive more market-oriented consumer behavior and greater price-shopping, which is good news for lower cost providers,” he says.

“This is good news for everyone who wants to see more responsive market behavior from providers driving towards reduced cost.”

Hospitals, however, should be worried, he says. “They have relied on lack of price transparency and are going to suffer unless and until they become price competitive.”

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