

# The OB-ED: Redefining the Standard of Women's Care While Optimizing Hospital Reimbursement and Operational Efficiencies

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**Fundamentally changing how hospitals care for expectant mothers, the OB-ED model improves patient satisfaction, increases hospital revenue, and enhances patient safety and quality of care.**

The obstetrical emergency department (OB-ED)—one of the most recent innovations in women's healthcare—redefines the standard in women's care in the hospital setting and takes an entrepreneurial approach to strengthening hospital finances while promoting patient safety and satisfaction, improving quality, and reinforcing community provider relationships.

## DEFINING THE NEED

The OB-ED is typically located in the labor and delivery unit, operates around the clock, and is staffed by board-certified physician specialists and advanced practitioners dedicated solely to pregnant women who present to the hospital with obstetrical complaints such as abdominal pain or bleeding. OB-ED staff ensures that expectant mothers receive timely, specialized care without long wait times, which helps reduce the anxiety often associated with traditional labor and delivery department protocols.

Typical hospital protocols dictate that women who are 20 weeks or more pregnant and present with obstetrical complaints bypass the emergency department and go to an obstetrical triage area in the labor and delivery unit.



A nurse usually monitors these patients for several hours while an available physician is located and contacted. If the physician cannot come to the hospital, the physician prescribes treatment instructions over the phone. Under this protocol, patients often report low satisfaction due to the long wait times and/or the inability to see a physician in person, and these patients tend to have higher incidences of complications and higher likelihood to return to the hospital within 24 hours.

The traditional obstetrical triage model also presents financial challenges for hospitals. Because triage services fall into the category of "outpatient" services, the hospital can bill very little, if any, of the costs for these patient

encounters—meaning that the hospital may be unable to recover the cost of resources (e.g., nursing staff, fetal monitors, utilities, laundry, and supplies) expended to provide the service. A woman in her 20th week of pregnancy poses a different financial challenge for the hospital than if she had presented just a week earlier at the emergency department, which can collect facility charges to recoup some of its expenses.

### **OB-ED SOLUTION**

In the OB-ED setting, every qualifying patient presenting at the hospital with an obstetrical complaint receives a medical screening exam by a qualified health professional, in accordance with the Emergency Medical Treatment and Active Labor Act (EMTALA). Unlike in the triage environment, a physician or advanced practitioner evaluates every patient in the OB-ED prior to discharge.

Implementation of an OB-ED brings numerous significant positive results, such as:

- Enhanced patient safety and quality care
- Improved patient satisfaction
- Increased nursing staff satisfaction and retention
- Improved hospital finances

### **SAFETY AND QUALITY**

By eliminating “phone triage medicine” and ensuring that a specialist in high-risk obstetrics evaluates every patient, the OB-ED greatly improves patient safety and redefines the standard of women’s care in hospital settings. This new level of care increases positive outcomes and reduces return visits to the hospital within 24 hours of discharge, and it lowers the number of patients who need transfer to another facility for treatment of a high-risk condition, thereby allowing the hospital to capture revenues associated with those patients.

### **PATIENT SATISFACTION**

The OB-ED typically assesses, treats, and discharges obstetrical patients much faster than a general emergency department or obstetrical triage setting, where wait times can be four to six hours before seeing a clinician. The normal OB-ED visit lasts less than two hours with little to no wait time on the front end. As most hospital leaders know, short wait times help drive high patient satisfaction levels. High patient satisfaction levels can show immediate positive financial impact for hospitals because for patients admitted to the hospital, reimbursement levels are tied to patient satisfaction scores on the Hospital Consumer Assessment of

Healthcare Providers and Systems (HCAHPS) survey. A patient’s high satisfaction level can also generate repeat business as well as the “halo effect” generated when hospital becomes the “hospital of choice” for mothers and their families.

### **NURSING STAFF SATISFACTION**

Hospitals with OB-EDs tend to realize higher job satisfaction levels and lower turnover levels among nurses. In an obstetrical triage setting, nurses who must manage a patient based on a physician phone call may feel that they are practicing at (or beyond) the outer limits of their scope of practice or license. OB-ED nurses, however, typically receive extra training that enables them to have the confidence to assist with emergencies, boosting feelings of job satisfaction and of being a valued and respected team member.

### **HOSPITAL FINANCES**

When hospitals take an entrepreneurial approach and implement an OB-ED, hospital finances can receive benefits to their bottom lines. For example, when nursing satisfaction rises, retention rises. High retention boosts the bottom line because if a nurse resigns, the costs associated with recruitment, training, and overtime to cover hours while a position is vacant can be approximately 1.5 times a nurse’s salary. Another example is that hospitals by law must bill for OB-ED services in the same way as services provided in the main emergency department, meaning that hospitals can collect facility charges that are otherwise lost in the obstetrical triage setting. An added factor is that the OB-ED improves patient satisfaction as well as the likelihood of the hospital becoming a “hospital of choice” among OB patients, thereby possibly increasing the revenues generated from new patients.

An OB-ED also requires little to no structural investment for the hospital. No up-front capital or Certificate of Need (CONs) are required, and an OB/GYN hospitalist partner can usually convert a hospital’s existing obstetrical triage area into an OB-ED at minimal to no additional cost. As a plus, no additional nursing coverage is typically required.

### **MAKING IT WORK**

An OB-ED does require around-the-clock physician coverage, so physician staffing is the most critical component of establishing an OB-ED. Although some large academic medical centers fill this need through resident coverage, the most successful model for OB-ED physician coverage is through an OB/GYN hospitalist program that delivers 24/7 staffing from an OB/GYN physician whose primary responsibility is the OB-ED but

who also provides coverage for unassigned OB patients and call coverage in the main emergency department.

An OB/GYN hospitalist medical director should know how to establish a successful OB-ED that meets Centers for Medicare and Medicaid Services (CMS) regulations as well as the standards of the department of health in the state where the hospital is located. The OB/GYN hospitalist medical director can also develop an implementation plan and an ongoing OB-ED operations and business development plan.

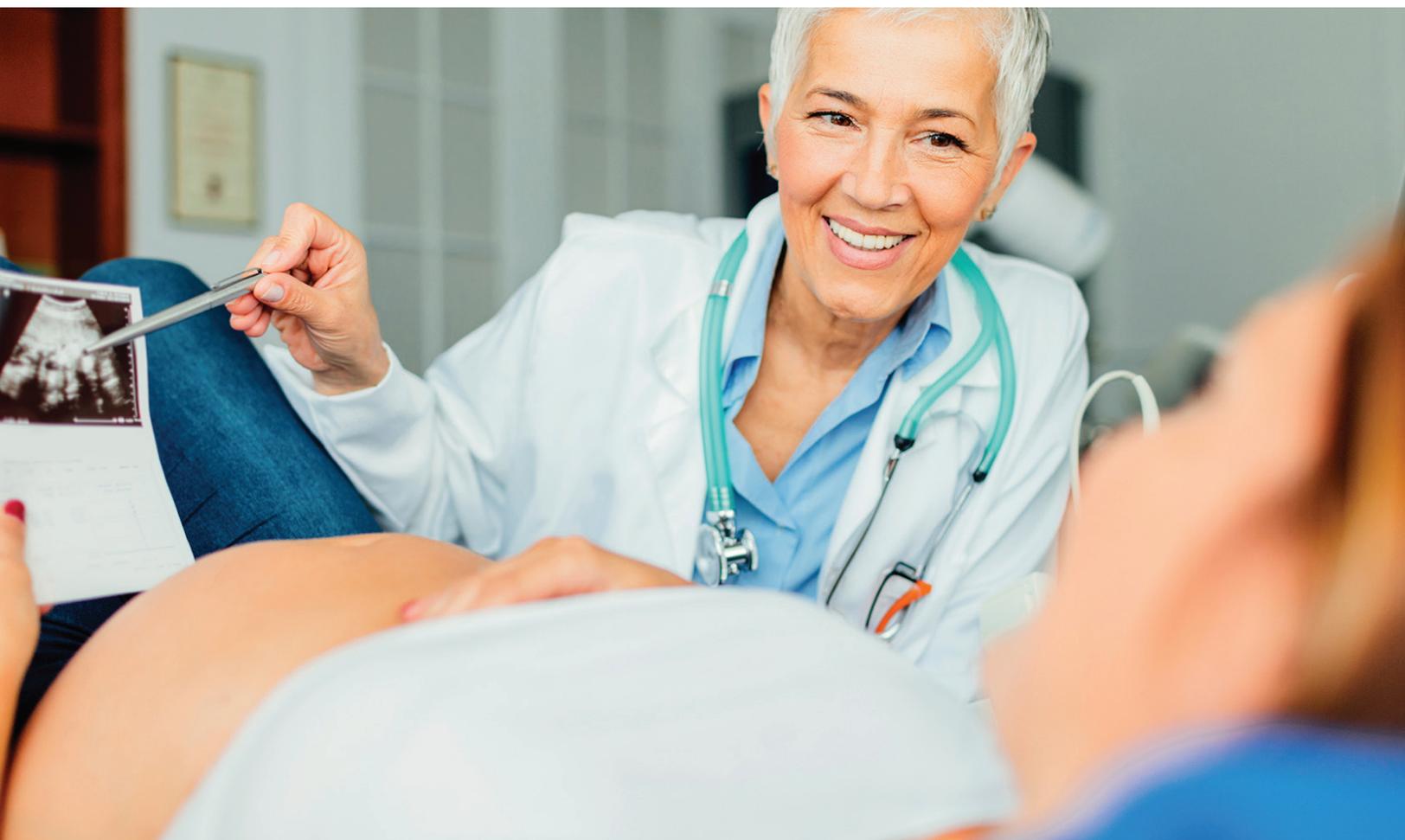
Depending on payer mix, in hospitals with approximately 1,500 deliveries per year, the facility revenue generated by the OB-ED can offset the cost of the OB hospitalist program. For hospitals with a delivery volume greater than 1,500, revenue from the OB-ED may cover more than the cost of the OB hospitalist program, thereby generating a profit. An added benefit is that satisfied patients who leave the OB-ED are more likely to come back to the hospital when they or their families need hospital or emergency care, providing repeat patient revenue.

### **BUILDING RELATIONSHIPS TO CREATE A “WIN-WIN”**

To create a win-win environment, the TeamHealth OB-ED model stresses collaboration with OB/GYN healthcare

professionals who are currently on the hospital's medical staff. Because bringing in an OB/GYN hospitalist program and opening an OB-ED can raise alarms among community physicians who fear being “edged out” or having patients “stolen” by the hospitalists, TeamHealth concentrates first on information sharing, open communication, and bridge building among community OB/GYN practices. By showcasing the benefits of an OB-ED and OB/GYN hospitalist program to the hospital's existing OB/GYN providers, TeamHealth can establish a program that actually helps improve the hospital's relationship with its community physicians. How do OB-ED and OB/GYN hospitalist programs benefit existing OB/GYN clinicians? Just a couple of examples include:

- 24/7 call coverage provided by OB/GYN hospitalists translates to a better work/life balance for community physicians because they are less likely to be summoned to the hospital at a moment's notice to deal with an emergency.
- An effective OB/GYN hospitalist program restricts its providers from having a private practice within a certain radius of the hospital, which removes any risk of competition or “patient poaching.”



## **ATTRACTING PHYSICIANS AND DEVELOPING BUSINESS**

Beyond providing a better work/life balance to community physicians, an OB/GYN hospitalist program and OB-ED can help hospitals with the recruitment and retention of obstetricians to their communities. An OB-ED is an effective business development tool for hospitals that may have sufficient obstetricians but want to attract additional specialists and grow their women's health service line. For example, if the hospital wants to expand its maternal fetal medicine practice, the specialty hospitalist partner can help support the physicians needed to develop the service line. This applies to growing individual service lines as well as women's services overall—with the OB-ED as one important component of those offerings.

## **CONCLUSION**

An innovative model for providing emergency obstetrical care, the OB-ED redefines the standard of hospital-based women's services. In conjunction with an OB/GYN hospitalist program, an OB-ED improves patient care, safety, and satisfaction while boosting hospital revenues and relationships with local providers.

If you would like more information concerning Clinical Integration, please contact our Business Development team today at **800.818.1498** or [\*\*business\\_development@teamhealth.com\*\*](mailto:business_development@teamhealth.com) for more information.



white paper

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