



# Virtual Emergency Department: A Strategic Solution to ED Overutilization

## AMGA Virtual Executive Roundtable Summary

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Emergency Department (ED) visits pose a significant and growing challenge for health systems, marked by high costs, overcrowding, and inefficient resource allocation. With an average ED visit costing approximately **\$1,389**, and **upwards of 50% of visits being potentially avoidable** for low-acuity issues, there's a clear need for strategic intervention. A key driver of this overutilization is often a lack of patient awareness about how to access appropriate alternative care, even among health system employees. Historically, ED utilization has increased by 3-4% annually, highlighting the urgency of effective solutions.

### One Health System's Vision: Right Care, Right Time, Right Place

One large health system developed a Virtual Emergency Department (VED) program as a strategic response to these challenges, with a vision to **"seamlessly navigate individuals to the most appropriate care pathways, ensuring timely, efficient, and high-quality treatment for low-acuity needs."** Launched in October 2024 after an agile five-week development, VED aims to **capture patients upstream from an ED visit**, creating a centralized "hub" for patient care that reduces direct costs, improves throughput, and enhances patient experience.

### The VED Solution: A Centralized Virtual Hub for Optimal Navigation

VED strategically deploys emergency medicine physicians virtually, available **8:00 am to 8:00 pm, seven days a week**, to determine the optimal care setting. This model leverages their expertise to direct patients away from unnecessary ED visits.

Key operational differentiators include:

- **Dedicated ED Physicians:** Provide a **top level of triage expertise**, leveraging system-wide knowledge to make informed recommendations.
- **Fundamental Patient Navigators:** Crucial for success, these navigators **support physicians by swiftly making appropriate appointments** and ensuring patients follow through with recommended care plans, tracking "linkage to care."
- **Multi-point Patient Access:** Patients can enter the VED pathway from various entry points, including the robust nurse triage line, urgent care centers, and primary or specialty clinics.
- **Comprehensive Diversion Pathways:** The VED physician determines the best path, which may include virtual visits, e-visits (asynchronous messaging), e-consults (specialist input without in-person visit), or, if truly necessary, a directed ED referral to the most appropriate



ED based on real-time capacity dashboards. This allows for rapid communication, with first contact in less than 10 seconds and recommendations within 40 seconds.

### Strategic Impact and Measurable Success

The VED program is delivering significant strategic impact and clear ROI:

- **Reduced ED Utilization:** The health system has achieved “**major success**” in lowering ED utilization. Overall senior ED utilization is **down over 7% in the last 12 months**, a remarkable reversal from historical trends. The program successfully cares for **71% of patients outside of the emergency department**, with only a 29% referral rate to the ED.
- **Value-Based Care Alignment & ROI:** VED is a core key performance indicator (KPI) for value-based care programs. Over **40% of patients seen are in value-based programs**, and for these, the system boasts an even higher success rate of **73% in keeping them out of the ED**. By avoiding unnecessary high-cost ED and hospital visits, the program directly demonstrates a positive ROI and contributes to shared savings agreements and capitated payment models.
- **Enhanced Revenue & Throughput:** VED generates sustainable alternative revenue through billable virtual modalities (virtual visits, eVisits, eConsults) and preserves ambulatory throughput by diverting lower-acuity cases to cost-effective settings.
- **Improved Patient and Provider Satisfaction:** It provides patients with timely care, reducing anxiety, and offers providers a crucial resource for rapid communication and support in medical decision-making.

### Operationalizing Success and Future Outlook

Successful implementation has involved effective change management for secure chat adoption by providers (telling the story from a quality perspective) and leveraging existing technology like Epic for seamless workflows and internal capacity dashboards. Crucially, success hinges on continually expanding the “toolkit” of alternative care options available to VED physicians and navigators.

The VED program is a flexible and expandable resource, positioning the health system at the forefront of value-based care delivery by effectively “cracking the code” on ED utilization. Its success demonstrates a clear path to achieving significant ROI in value-based arrangements while enhancing care coordination and efficiency across the health system.

**For more resources on health system strategies, visit [www.amga.org](http://www.amga.org).**