

Our Take on UnitedHealthcare's U.S. Healthcare Crisis Fix

By Corporate Synergies
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Bloomberg Businessweek recently reported on UnitedHealthcare's (UHC) attempt to fix part of the U.S.

healthcare crisis. The insurer is now testing covering the cost of housing and support services for homeless recipients of Medicaid in Phoenix, Milwaukee and Las Vegas.¹

There are more than 500,000 homeless people in the nation and their need is great.² Their use of emergency room services can be seen as a marker of systemic problems, including poor access to nonemergency healthcare.³ When they require medical attention, need a place to sleep or a meal, they often turn to ERs. By law, if a hospital participates in federal health programs, the facility must evaluate and treat any patient who visits the ER, whether or not they are insured.⁴

A homeless person visits an ER an average of five times per year; some visit weekly, and each visit can cost about \$3,700. That's \$18,500 spent per year for the average person and \$44,400 annually for the highest ER users. A homeless person spends an average of three nights per visit in the hospital, which can cost more than \$9,000.

The burden of uncompensated care for hospitals is growing, which threatens the ability of ERs to provide care for all patients,⁵ including those who receive group health insurance through their employers.

The use of ER services by the homeless is part of the U.S. healthcare crisis.

Yet, people with health insurance feel the sting of escalating treatment costs and higher premiums as providers and insurers seek to offset the cost of repeated, unpaid emergency room visits. There's also the impact of narrowing access; when hospitals can't collect on the services they provide, they may be forced to close their doors.

UHC is trying to do something, albeit a radical something, to ease the U.S. healthcare crisis by addressing a problem at its root: providing shelter to the homeless. In an example cited in the Bloomberg Businessweek article, a homeless man named Steve went to the ER 81 times and was hospitalized 17 days with medical costs averaging \$12,945 per month. After UHC got him into an apartment, his medical expenses dropped by 80%.

If UHC's program is financially viable, handles U.S. taxpayer money responsibly, and upholds a high standard of healthcare across the entire national ecosystem, we give their efforts a thumb's up. ■

¹[Bloomberg Businessweek](#), "America's Largest Health Insurer is Giving Apartments to the Homeless"

²[U.S. Department of Housing and Urban Development](#), "The 2018 Annual Homeless Assessment Report to Congress"

³[National Institutes of Health](#), "Emergency Department Use Among the Homeless and Marginally Housed"

⁴[acep.org](#), "Emergency Medical Treatment and Labor Act Fact Sheet"

⁵[U.S. Department of Housing and Urban Development](#), "The 2018 Annual Homeless Assessment Report to Congress"

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