Models for Safety Net Programs

August 21, 2014

INTRODUCTION

Bernalillo County has the opportunity to design a better healthcare system that draws from the best practices of programs from across the country. This document provides a sampling of programs for the uninsured, highlighting those that strive to improve healthcare access and care coordination.

Some key features of these programs include:

- **Resemblance to health plans** – including discounted premiums, annual renewals, and member identification cards.
- **Simple eligibility criteria** based solely on income, residency and not being qualified for Medicaid.
- **Care coordination through medical homes –** each patient is assigned to a primary care physician and/or community health worker to assure continuity of care through case management and referral tracking.
- **Comprehensive services including behavioral health –** healthcare is provided with an emphasis on primary care and prevention.
- **Funding through partnerships** (ex: county, city, state, federal government, philanthropies, and support from local providers and hospitals)
- **Negotiated provider payments** (ex: volunteer services, coinsurance, grants/contracts for services, or capitated payments for all care.)

BERNALILLO COUNTY – CURRENT PROGRAM

The healthcare safety net for Bernalillo County is primarily managed by the University of New Mexico Hospital ("UNMH"). Its main financial assistance program for Bernalillo County residents– "UNM Care" – is undergoing transition and is scheduled to end *in its current form* by December 31, 2014. UNM Care is likely to no longer serve the uninsured, and instead will offer supplemental help only to those who have purchased health plans on the Exchange.

Program	Agency Type	Description	Member Fees & Renewal	Eligibility Criteria	Services	Care Coordination	Provider Payment	Funding Mechanism	# People Enrolled
UNM Care *Bernalillo County*	Hospital at University of New Mexico	Financial assistance program for uninsured *(changing solely to an Exchange supplement program by Dec. 31)*	Copays only; Annual renewal	Income under 300% FPL. Cannot be eligible for Medicaid, Medicare or employer plan. Only citizens and lawful immigrants who are not temporary visa holders.	Comprehensive services through a network of physicians, includes primary, specialty and emergency care.		Fee for service to each provider.	Federal and state funds, as well as about $90 million from county tax ("mill levy"). Most money is mixed with general operating funds.	30,000 people (in 2012) out of 120,000 uninsured = 25% uptake

MODELS FROM OTHER STATES

Program & Location	Agency Type	Description	Member Fees & Renewal	Eligibility Criteria	Services	Care Coordination	Provider Payments	Funding Mechanism	# People Enrolled
Healthy San Francisco *San Francisco, California*	County (San Francisco Department of Public Health)	Health plan to make healthcare available and affordable to uninsured.	No charges for anyone under 100% FPL. For everyone else, quarterly fee based on income ($60 to $450 per quarter), and copays may apply. Annual renewal.	Income under 500% of FPL. Be uninsured for at least 90 days. Cannot be eligible for a public health insurance program (including Exchange).	Patients can access primary, specialty, urgent care, ambulance, and ER services in their medical home network (incl. pharmacy, mental health and substance abuse services), provided by SF Gen Hospital and 4 other hospitals.	Each member chooses one of 30 clinics as a medical home that provides a clinician (ex: physician or NP) and care coordination. Member receives ID card listing medical home.	HSF medical homes get negotiated payments in form of grants. Amount is based on the range of case management and healthcare provided. No payment for participating nonprofit hospitals.	$121 million in expenditures - $90 million comes from City and County. The remaining $36 million from federal government ($19M), employers ($14M), and participant fees ($3M). Also an employer fee.	51,150 people out of 60,000 uninsured (FY 2012) = 80% uptake
Harris County Gold Card Program *Harris County, Texas*	Harris County Hospital District	Indigent Care Program	Co-pays based on income.	Income under 300% FPL. County Resident. No other health coverage.	Patients have access to primary care services, emergency services, specialist care, pharmacy services, and dental services provided by the Hospital District.	Members assigned to community health clinic for primary care. Hospital District is made up of 16 community health centers, six school-based clinics, a dental center and dialysis center, mobile health units, and two full-service hospitals.		Property Tax, DSH payments, and revenue from insurance, Medicaid, and patient payments.	

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Care Link *Bexar County, Texas*	University health system public hospitals and clinics	Indigent care program	Monthly payment plan. Enrollees pay portion of all health costs, based on income (max of 2.5%-6.7% of income).	Income under 200% FPL. A "Plus Plan" with limited benefits is available to people between 201-300% FPL. County residents.	Patients can visit the hospital and various clinics within the UHS as needed, but CareLink rates, services, and protections only apply to providers in the UHS system.	Upon enrolling, members are assigned a primary care provider and are not charged a copayment when visiting this physician.	Physicians and clinics receive Medicare rates while hospitals receive Medicaid rates.		41,252 people
New York Health and Hospitals Corp (HHC) *New York City, NY*	Health and Hospitals Corporation (consortium of four hospital systems)	Hospital charity care programs.	No fees and $15-$20 copays for most care. "Artists to Access" – if uninsured, can paint or sing for patients and receive credits to pay for care.	Income under 300% FPL. uMust be Uninsured and not eligible for Medicaid or Exchange.	Comprehensive network including home health, school based health centers, mobile medical office	Hospitals got waiver through Medicaid to focus on delivery system reform. Found 100 potential partners to focus on care coordination.	Hospitals reduce charges (charity care is required by state law).	Mostly paid by federal DSH funds for hospital ($893M), but hospitals could lose this money due to ACA changes.	
DC Health Alliance *Washington DC*	DC Dept of Healthcare Finance & Human Services	Cover	No charges	Income under 200% FPL. Cannot be eligible for Medicaid or enrolled in third party medical.	Comprehensive services, but does not include vision, dental, behavioral health, non-ER transportation, long term care, open heart surgery or transplants.	Assigned to Managed Care Organization for care coordination		100% local tax dollars	14,454 people

Program & Location	Agency Type	Description	Member Fees & Renewal	Eligibility Criteria	Services	Care Coordination	Provider Payments	Funding Mechanism	# People Enrolled
Hennepin Care, *Hennepin County, Minnesota* **and** **Portico Health Net** *Hennepin, Ramsey and Washington Counties, Minnesota*	*Hennepin Care*: Public teaching hospital (Hennepin County Medical Center is run by Hennepin Healthcare System – "arm of a state or local government"[1] *Portico:* Nonprofit	*Hennepin Care:* discounted care *Portico:* Prevention based, discount care management program	*Hennepin Care:* Copays depending on income level *Portico:* Monthly fee $25-$50, sliding scale. Copays for non-preventive visits. Patient pays 25% coinsurance.	*Hennepin Care:* Income under 200% FPL *Portico Health Net:* Income under 275% FPL	*Hennepin Care*: All services at Hennepin County Medical Center (acute care hospital, primary and specialty clinics) *Portico:* Prevention-based coverage for primary care, urgent, specialty, mental health, and pharmacy, through provider networks aligned with one of nine hospital systems	*Portico*: Care management and navigation for bills, social services, referrals to specialty care, mental health management, and transition to ongoing coverage (help enrolling public programs).	*Portico:* Payment for hospital procedures, such as x-rays and MRIs, at a hospital-negotiated rate (typically 110 % of the Medicaid rate).	*Portico:* Over $2 million in investment by all hospitals, government, health plans, United Way and private and corporate foundations.	*Portico:* 1,429 people (in 2013)
Project Access *Buncombe County, North Carolina*	Nonprofit (run by Western Carolina Medical Society Foundation)	Safety net initiative through physician volunteers	Cost-sharing for doctor visits are $0 to $50. Free for hospital care. Enrollment renewed every 6 months.	Income under 200% FPL. County resident.	Comprehensive services including primary care, screening, labs, specialty, surgery, advanced home care, pharmacy, case management services.	Case management service.	Over 600 volunteer physicians.		6,000 out of 15,000 uninsured county residents (in 2008)

[1] According to Guidestar, the Hennepin Healthcare System is registered with IRS and "not required to file an annual return with the IRS because it is an arm of a state or local government"; http://www.guidestar.org/organizations/42-1707837/hennepin-healthcare-system.aspx

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Nevada Access to Healthcare Network *Nevada*	Nonprofit 501(c)(3)	Discount medical plan for the uninsured.	Monthly fee of $35-$40 for adults and $10 for children. Additional fees at time of service that are capped depending on income. Missed appointment locks you out for 3 months.	Income from 100-250% FPL. Available to anyone "not legally required" to get covered under ACA. Cannot be eligible for Medicaid, Medicare, employer plan.	Greatly discounted services through network of over 2,000 providers including primary care, specialists, behavioral health, clinics and hospitals, dentists, optometrists, radiology, surgery and pharmacy.	Every patient is assigned a Primary Care Physician & "personal care coordinator" to call whenever a service is needed, and is told how much the service will cost.	Hospitals & providers give reduced rates. Walmart is contracted to provide drugs at 30% cost. Plan cannot directly pay providers. Donations taken on behalf of patient.	"Shared responsibility": providers offer reduced rate. State, county, federal funds. Member premiums pay for half of operating costs. A "Patient Care Fund" is set up by donations to pay providers when patients can't afford it.	26,000 people
MaineHealth Care Partners *Cumberland, Lincoln, Waldo and Kennebec counties, Maine*	Nonprofit	Donated health services to uninsured and low-income residents	No fee except providers not affiliated with hospital can charge $10 (most waive fee). Also $10 to $25 copay for pharmacy.	Income under 175% FPL. County resident. Cannot be eligible for employer plan unless it costs more than 5% of income.	Patients can visit hospital-affiliated physicians, NP, and PA, and receive hospital and home care services.	Patients are assigned to participating providers. Only 2 to 3 patients assigned to any given provider at a time.	A network of over 900 volunteer physicians and eight hospitals provide care. Over 2/3 of local providers participate in the program.		1,000 people (capped)

LEARNINGS AND BEST PRACTICES

1. **Inclusive Safety Net**

   - Provide assistance based solely on income, residency and eligibility for public insurance programs (immigration status not a factor)

   - Do not exclude people who are eligible for the Exchang. (Ex: Texas plans and Nevada Access to Healthcare) – There are many reasons why people are not enrolling in the Exchange even when they are eligible – the plans are unaffordable for lower income families, and many individuals are not required to get insurance because they are Native American, nonresident immigrants, face hardships, etc.

2. **Comprehensive Services including Behavioral Health**

   - Offer assistance for mental health and substance use treatment – examples: San Francisco, Healthy Nevada and Portico in Minnesota.

3. **Patient Navigation and Care Coordination:** Safety net programs can improve health outcomes and reduce costs:

   - Reduce costs by reducing emergency room visits and hospitalizations:
     - Healthy San Francisco: The 30 day hospital readmission rate is under 8% (much lower than the California Medicaid rate of 19%), and the percentage of patients receiving diabetic tests exceeded national averages for Medicaid. Patients also reported infrequent ER use, little difficulty accessing care, and high quality of care.[2]
     - Project Access in Asheville, NC: The program is cheaper than Medicaid for patient costs (by 25-50%) and administrative costs.[3]
     - Denver Health: Patient costs are lower than Medicaid and insurance by 25-50%; Administrative costs are lower than Medicaid.[4]
     - CareLink in San Antonio, TX: Patient costs are lower than Medicaid and private insurance by 25-50%.[5]

   - Emphasize primary care and connect patients to community support systems**.** Ex: Portico Healthnet in Minnesota provides intensive patient navigation support to help patients manage their health, medical bills and use of the healthcare system.

   - Develop innovative delivery systems: For example --
     - Co-location of services and clinic design – a range of healthcare and community services are in one location.[6]
     - Mobile health clinics and telemedicine to bring healthcare into communities.[7]

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[2] Healthy San Francisco, Annual Report to the San Francisco Health Commission (Fiscal Year 2012-2013), available at: http://healthysanfrancisco.org/wp-content/uploads/2012-2013-HSF-Annual-Report.pdf.

[3] Hall et al, Model Safety-Net Programs Could Care for Uninsured a One-Half the Cost of Medicaid or Private Insurance; Health Affairs, 30, no.9, (2011): 1698-1707; http://content.healthaffairs.org/content/30/9/1698.full.html.

[4] Id.

[5] Id.

[6] Quan et al. Designing Safety-Net Clinics for Innovative Care Delivery Models, California Healthcare Foundation (March 2011)., p. 4-7.

4. Funding & Payment Ideas

- Seek investment by hospitals to improve primary care - for example, at Portico HealthNet for Minnesota, all hospitals must invest into fund that totals over $1 million (or about $1,000 to $1,250 per person). According to the agency, this benefits hospitals by decreasing ER and inpatient utilization by many who would require charity care.

- Expect hospitals to provide charitable care – Many hospitals receive federal and state funding already to provide charitable care. Nonprofit hospitals must provide "community benefits" to maintain their tax exempt status. Healthy San Francisco includes nonprofit hospitals in the network but they are not reimbursed for services.

- Contract with providers to donate services or discount charges – Ex: In Maine, a network of volunteer physicians and hospitals provide care. Over 2/3 of local providers participate in the program (but note the program serves 1,000 people from three counties). Other programs provide payments at reduced charges. The Nevada program has a deal with Walmart to provide drugs for 30% of costs.

- Consider a "trust fund" for indigent care - Ex: Hillsborough County in Florida has a "Health Care Trust Fund" from a half-cent sales tax for the poor and uninsured (which will remain after the ACA).

- Organize a philanthropic funding entity – Ex: Center for Care Innovations in California provides funding for safety net providers and best practice ideas (including linkage to technological innovations). The organization primarily funds and resources California groups, but it's also available to nonprofits outside CA.[8]

5. Assist Patients with Paying for Insurance Premiums (Exchange)

- Some states are helping people buy coverage in the Exchange, particularly "Silver" plans in order to take advantage of federal subsidies.

  - **Washington Health Benefit Exchange Sponsorship Program (Washington) & Project Access Northwest:** the Exchange Board is required by law to establish policies that permit city and county governments, Indian tribes, tribal organizations, urban Indian organizations, private foundations, and other entities to pay premiums on behalf of qualified enrollees. Project Access Northwest has pilot programs at two local hospitals. The sponsor pays entire premiums for Silver plans and patients pay out-of-pocket costs
  - **UW HealthConnect (Wisconsin):** United Way (supported with payment from University of Wisconsin Health system) is developing a $2 million pilot project to provide premium assistance to residents in Madison, to help them enroll into a Silver level plan with any of carriers on Exchange. It will be available for those with incomes between 100% and 138% FPL (Medicaid not expanded in Wisconsin)
  - **TexHealth Program (Austin, Texas):** This program currently provides premium assistance to small businesses in select counties. It reimburses 1/3 of employee premium (up to $120/month). The agency is working on state sponsored premium assistance program for the Exchange

[7] Id. at p. 7-9 and 12-14. *See also* Keller et al. Promising Practices in Safety-Net Clinic Design: An Overview, California Healthcare Foundation (March 2011).
[8] Center for Care Innovations website - http://www.careinnovations.org/programs-grants/grants/