
Health Care Safety Net for the Uninsured: Accomplishments and Challenges

June 5, 2008
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Growing Number of Uninsured

- More than 1.5 million non-elderly, uninsured North Carolinians in 2006
 - Approximately 60% of the uninsured have incomes of less than \$41,300 for a family of four (200% of the federal poverty guideline)
 - Between 2000-2006, NC experienced a greater increase in the numbers of uninsured, and greater decrease in employer-based coverage than most of the country
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Being Uninsured Has A Negative Impact on Health

- Compared to people with insurance, uninsured are:
 - Less likely to receive preventive services
 - More likely to delay care because of costs
 - More likely to be diagnosed with severe health problems
 - More likely to be hospitalized for preventable conditions
 - More likely to miss work because of health problems
 - More likely to die prematurely

Source: Hadley J. Sicker and Poorer: The Consequences of Being Uninsured. Kaiser Commission on Medicaid and the Uninsured. May 2002. Institute of Medicine. Care without Coverage: Too Little, Too Late. May 2002.

NC Safety Net Primary Care Providers

- NC has a wide array of health care safety net organizations with a mission to provide *preventive and primary care* to the uninsured on a free or reduced cost basis
 - Federally Qualified Health Centers (FQHCs) (i.e.- Community Health Centers)
 - Free Clinics
 - State Funded Rural Health Centers
 - Public Health Departments
 - Hospital Outpatient Clinics
 - Other Non-Profit Organizations
- Some physicians also offer primary care services to uninsured

Primary Care Safety Net Organizations Unable to Meet All Needs

- NC IOM analysis suggested only 25% of uninsured were receiving care through primary care safety net organizations in 2003.
 - More recent data suggests that with newer public-private investments, primary care safety net organizations are able to reach 1/3 of uninsured
 - Other uninsured obtain care through private physicians, but private physicians are unable to meet all the needs
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Accomplishments

Existing Public-Private Partnership to Support Safety Net Infrastructure

- North Carolina General Assembly created **Community Health Centers Grants** program
 - North Carolina foundations have invested in health care safety net organizations
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Community Health Centers Grant Program

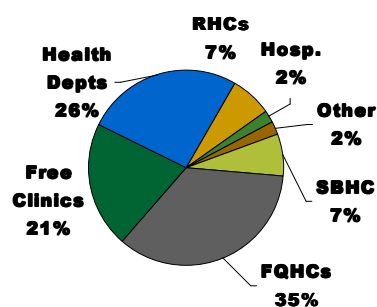
- Funds can be provided to a wide array of safety net organizations to:
 - Increase access to preventive and primary care services
 - Establish centers in counties where nothing exists
 - Create new services or augment services provided to uninsured or medically indigent including:
 - Primary and preventive medical services, dental services, pharmacy, and behavioral health
 - Increase capacity by enhancing or replacing facilities, equipment, or technologies

Sec. 10.6a of Session Law 2007-323.

Community Health Centers Grant Program

- Funded at different amounts over the years
 - \$7 million non-recurring (SFY 2005)
 - \$2 million recurring (SFY 2006)
 - \$2 million recurring, \$3 million non-recurring (SFY 2007)
 - \$2 million recurring, \$5 million non-recurring (SFY 2008)

Community Health Center Grants (SFY 2008)



- Funds distributed across state on competitive basis
- Approximately ½ of funds went to capital needs (due to non-recurring)
- Need recurring funds to invest in staff and program expansion

Other Support for NC Safety Net Organizations

- Primary care safety net organizations
 - Receive some support from Kate B. Reynolds (KBR) and The Duke Endowment (TDE)
 - Free clinics largely supported from Blue Cross Blue Shield of North Carolina Foundation (BCBSNC Foundation)
 - FQHCs receive some support from Bureau of Primary Health Care, US Department of Health and Human Services
 - State support through Office of Rural Health and Community Care for Rural Health Centers and rural hospitals

Other Support for NC Safety Net Organizations

- Pharmaceutical assistance programs
 - Supported largely through Health and Wellness Trust Fund (HWTF), with some help from TDE
- Dental care
 - Receive some support from KBR and TDE
- Behavioral health
 - Primary care and behavioral integration efforts supported through KBR and TDE

Current Funding Insufficient to Meet Needs

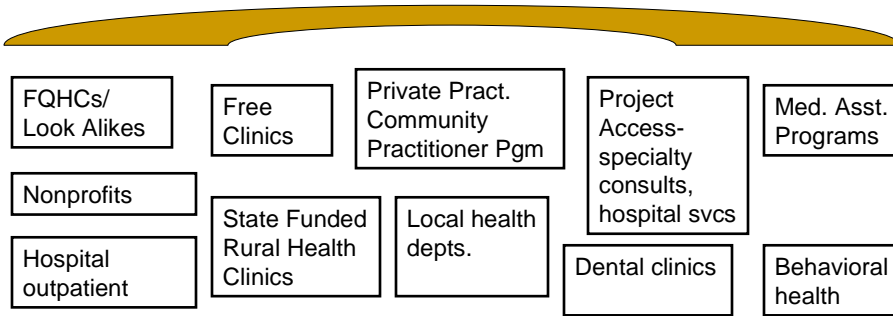
- Current safety net organizations with existing funding only reach approximately 1/3 of the uninsured
- To reach *all* of the uninsured through a primary care safety net would take at least \$150 million
 - Based on \$150/person--which is a conservative estimate of the amount needed to care for uninsured
 - Assumes organization would raise other funds to help offset additional costs
 - On average, it cost \$286/year in 2006 to provide primary care services to uninsured patient through FQHCs

Community Collaboration Efforts

- Generally, uninsured health care needs surpass existing safety net resources
- Care often fragmented across existing organizations and providers
- Need to develop more effective *systems of care* for uninsured

Community Safety Net Collaboration Efforts

- Create seamless system of care
- Leverage community resources
- Include disease and care management
- Use evidence-based practice as basis



Initial Community Collaboration Efforts

- Several communities have organized community-wide care systems for the uninsured that:
 - Build upon existing primary care safety net organizations in community
 - Link the *voluntary* efforts of private providers and hospitals to help meet the diagnostic, specialty care and hospital needs of low-income uninsured
 - Address medication needs of eligible individuals through pharmaceutical assistance programs or other limited drug formulary

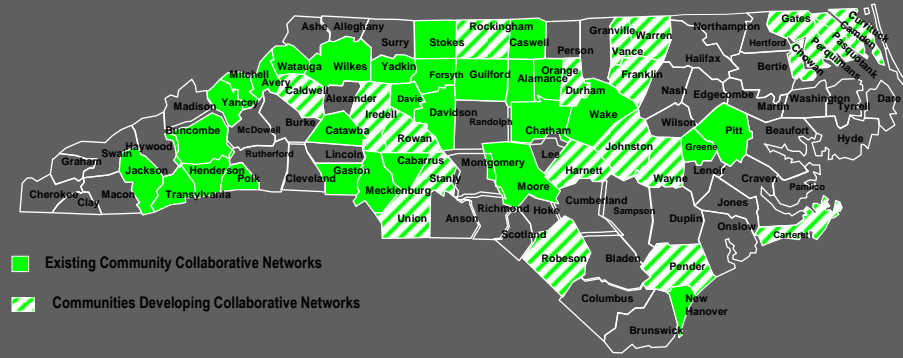
Two New Initiatives Support Community Collaborations

- Low-income uninsured have a medical home and access to needed specialty care, diagnostic services, hospitalization, and care and disease management
 - Care + Share
 - \$4.5 million in TDE funds (annually)
 - NC Health Net
 - \$2.9 million in state funds (non-recurring)
 - Connects to CCNC networks
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Community Collaborative Model

- Comprehensive community board
 - Administrative oversight
 - Eligibility screening
 - Medical home
 - Access to diagnostic and specialty services
 - Inpatient and outpatient hospital services
 - Medication assistance
 - Disease and care management
 - Common outcome measures to demonstrate benefits to individuals, communities, and the state
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Community Collaboration Networks and Communities Developing Networks



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Building Safety Net Infrastructure

- Private foundation funds will create a technical assistance center led by an advisory board to:
 - Provide consultation to local communities
 - Focus on expanding the health care safety net infrastructure and community-based collaborations

Advisory Board Representation

- **NC State Agencies:**
 - NC Office of Rural Health and Community Care
 - NC Division of Public Health
 - NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services
 - NC Office of Minority Health and Health Disparities
 - **NC Foundations:**
 - The Duke Endowment
 - Blue Cross Blue Shield of North Carolina Foundation
 - Health and Wellness Trust Fund
 - Kate B. Reynolds Charitable Trust
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Advisory Board Representation Continued

- **NC Provider and Safety Net Organizations:**
 - NC Association of Free Clinics
 - NC Community Health Center Assoc
 - NC Hospital Association
 - NC Medical Society
 - Old North State Medical Society
 - Prescription Assistance programs
 - NC Association of Healthcare Access
 - Existing Community Collaborations
 - **Others:**
 - Healthy Carolinians Program
 - Local Departments of Social Services
 - NC Institute of Medicine
 - NC Foundation for Advanced Health Programs
 - Uninsured Consumers
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Summary of Accomplishments Since 2005

- Investing public funds in health care safety has:
 - Improved access to care by linking patients to a medical home and helping them manage their chronic health needs
 - Reduced health care cost shifting by reducing the use of the emergency department and preventable hospitalizations
 - Leveraged private foundation funds and provider and community volunteerism
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Ongoing Challenges

- Number of uninsured growing in North Carolina
 - Current array of health care safety net organizations insufficient to meet all the health care needs of the uninsured
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Conclusion (and Challenges For 2008 and Beyond)

- Recurring funding is critical to maintain and expand the health care safety net
 - Technical Assistance to communities is critical in safety net expansion and creation of additional care networks for the uninsured
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Safety Net Task Force Report

Update on Priority Recommendations

Safety Net Data

- *Recommendation 4.1:* ORHCC and Sheps Center should collect data and monitor the safety net on an ongoing basis
 - *Update:* NC IOM and the Safety Net Advisory Council (SNAC) has assumed this responsibility and developed the Health Care Safety Net Website: www.nchealthcarehelp.org
 - Includes information on safety net organizations, hours of operation, services offered
 - Includes some data on numbers of uninsured seen (but better data needed)
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Safety Net Technical Assistance

- *Rec. 4.2.* ORHCC should take the lead in developing a planning package for communities interested in developing or expanding safety net capacity
 - *Update:* The NC IOM and SNAC developed the Technical Assistance manual
 - The Duke Endowment and other NC foundations are helping to fund a technical assistance center through Care+Share, to help communities expand safety net capacity
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Liability Protection for Safety Net Providers

- *Rec. 4.4.* NC Association of Free Clinics should pull together safety net organizations to examine options to expand liability protections to health care professionals who volunteer their time.
 - *Update:* No changes in state law were pursued. However, several free clinics were provided liability protection under the Federal Torts Claims Act, and NC Medical Mutual has developed a low-cost liability policy for volunteers
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Bulk Medication Replacement System

- *Rec. 5.3.* NC Foundations should provide three-year start up funding to NC ORHCC to create bulk medication replacement system.
 - *Update:* After exploring this option, NC ORHCC determined more North Carolinians could be helped by expanding the number of community sites offering prescription assistance.
 - ORHCC oversees 140 MARP community medication assistance programs, an increase of 55% since 2005.
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Community Collaborations

- *Rec. 6.4.* North Carolina foundations should convene a best practices summit to focus on collaboration and integration..
 - *Update:* Both the NC General Assembly (HealthNet) and The Duke Endowment (Care+Share) are funding community collaborations for the uninsured.
 - In addition, NC foundations are helping to fund a technical assistance center to assist communities in developing safety net community collaborations to expand services to the uninsured.
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Ongoing Safety Net Advisory Council

- *Rec. 6.6.* The NC IOM should create an on-going Safety Net Advisory Council to monitor implementation of Task Force recommendations
 - *Update:* SNAC has been meeting periodically since the release of the report. SNAC has worked with the NC ORHCC and other safety net organizations to develop the website, technical assistance manual, and to review Community Health Center grants.
 - The Care+Share Advisory Board is more comprehensive, and will subsume many of the SNAC responsibilities.
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Monitoring Federal Safety Net Legislation

- *Rec. 7.1.* North Carolina health care organizations should monitor federal legislation to ensure that federal policies support, and do not harm, efforts to provide health care services to low-income, uninsured or other underserved populations.
 - *Update:* Many NC organizations have worked to support Medicaid, State Children's Health Insurance, AIDs Drug Assistance programs, and other federal programs that provide care to underserved North Carolinians
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Funding for the Safety Net

- *Rec. 7.4.* The North Carolina General Assembly should provide state funds to support and expand the health care safety net
 - *Update:* The NCGA has provided funding for the safety net (Community Health Grants) since SFY 2005. Last year, it provided \$2.0 million recurring and \$5 million non-recurring.
 - The NCGA also provided \$2.9 million non-recurring to support health care safety net community collaborations (HealthNet)
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Funding for School Nurses

- *Rec. 7.5.* The North Carolina General Assembly should expand the number of school health nurses.
 - *Update:* The NCGA has expanded state funding for school health nurses, reducing the ratio of nurses to students from 1:1897 (2004) to 1:1280 (2007).
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Additional Information about Safety Net Organizations

Federally Qualified Health Centers

- Includes community and migrant health centers
- All offer comprehensive primary care services and some enabling services; most offer dental and pharmacy services
 - Provide services to uninsured on a sliding scale basis
 - In 2007, 26 FQHCs with 125 different delivery sites
 - Federal grants only cover about 35% of costs
- Largely funded through federal grants, Medicaid, Medicare, NC Health Choice, other foundation grants, and some patient fees

Free Clinics

- Most offer primary care services and limited medications. Some offer limited dental or other services
 - Services provided for free to the uninsured
 - Generally have more limited hours of operation than regular health clinics
 - 69 free clinics in different communities across the state (2007)
- Primary support through voluntary (donated) professional services and supplies, community fund raising and BCBSNC Foundation
 - BCBSNC Foundation provided \$10 million over 5 years to expand and support free clinics (2008-2013)

State Funded Rural Health Centers

- Generally limited to primary care services only
 - Provide services to uninsured with incomes <200% FPG on a sliding scale basis
 - Must be located in rural underserved area
 - 30 state funded rural health centers in 2007
- Primary funding for the uninsured comes through state-funds administered through NC Office of Rural Health and Community Care (NC ORHCC)
- NC ORHCC also administers programs to recruit providers to practice in health professional shortage areas with state and federal incentive programs, and provides technical assistance to communities to support safety net activities

Public Health Departments

- Generally offer more limited clinical services focused on prevention and communicable disease control
 - Some health departments offer comprehensive primary care services to low income uninsured
 - 79 single county and 6 district health departments covering all 100 counties
 - Funded largely through county funds, federal grants or Medicaid/NC Health Choice, and state funds
 - Not specifically funded to provide primary care
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Community Practitioner Program (CPP)

- NC Medical Society program helps recruit physicians, physician assistants and nurse practitioners to practice in underserved areas
 - Practitioners must provide primary care services to the uninsured on a sliding scale basis
 - BCBSNC Foundation, Kate B. Reynolds Charitable Trust, The Duke Endowment, Golden Leaf Foundation and others provide funding to the NC Medical Society Foundation for CPP
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Private Providers

- Private providers also provide care to the uninsured in their own offices, or through volunteering at free clinic or other safety net organization
- Approximately half of uninsured nationally reported receiving care from a physician in 2001
 - Nationally, proportion of doctors providing charity care decreased from 76.3% (1997) to 68.2% (2005)
 - Similar NC data not available

Source: Cunningham P. Growing Hole in the Safety Net: Physician Charity Care Declines Again. March 2006.

Other Primary Care Safety Net Organizations

- Non-profit community organizations
- Federally Qualified Health Center Look Alikes (FQHC-LA)
 - 2 look-alikes operating 5 clinical sites
 - Do not receive federal grant funds
- Hospital outpatient clinics and emergency departments
 - Emergency departments are the major source of care for the uninsured
- School based or school linked health services

Project Access

- Project Access organizes private providers and hospitals to expand health care services available to low-income uninsured
 - Services varies across communities, but most include: primary care, specialty care, diagnostic services, hospitalization, and some medications
 - Generally designed to meet health care needs not available through primary care safety net organization
 - Services are provided for free, or for a small fee
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Medication Assistance

- Medication Assistance Programs: Help low-income uninsured apply for free or discounted drugs through prescription assistance programs
 - Funded through grants from Health and Wellness Trust Fund.
 - Medication Access and Review Program (MARF): software that links low-income uninsured to appropriate prescription assistance programs
 - Used by more than 100 groups across the state.
 - Developed by NC Office of Rural Health and Community Care with funding from The Duke Endowment and the NC Foundation for Advanced Health Programs
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Safety Net Dental Clinics

- Generally operated in conjunction with FQHC or health departments
 - Some offer comprehensive services to all, others limit services to specific populations (ie children, people with disabilities)
 - Receive funding through Medicaid, NC Health Choice and grants (KBR, TDE)
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Behavioral Health Services

- Publicly funded behavioral health services arranged through Local Management Entities (LMEs)
 - Services often limited to priority populations
 - Funding through federal and state grants
 - Some primary care providers and/or safety net organizations provide behavioral services
 - KBR and TDE supporting co-location efforts and other efforts to integrate primary care and behavioral health services
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