Who Are the Uninsured?

Growing concern for many health care administrators is where will the 47 million uninsured in the U.S. get health care services?

- Over 50% are below 200% FPL; 25% are below the poverty line
- 41% are between the ages of 18 – 34
- 21% are under the age of 18
- Majority are white; however the uninsured are disproportionately Hispanic (14% of the population – 30% of the uninsured)
- 46% work full time and 28% work part-time

According to the Institute of Medicine:

"In the absence of universal comprehensive coverage, the health care safety net has served as the default system for caring for many of the nation’s uninsured and vulnerable populations."


- Safety Net system has grown
- Varies by community
- Includes various configurations of providers such as public and private hospitals, community health centers (FQHC’s), local health departments, free and school-based clinics and physician charity care.


- Maintain an “open door”
- Provide a significant proportion of the preventive, acute and chronic health care services delivered to uninsured, Medicaid and other vulnerable populations in their region

America’s Health Care Safety Net: Intact, but Endangered”, Institute of Medicine Report, 2000
According to the AAMC, the 400 teaching hospitals at Academic Health Centers represent 6% of the nation’s hospitals.

Last year teaching hospitals accounted for 42% of the nation’s Medicaid discharges.

51% of newborns are delivered at teaching hospitals.

Source: Dr. Sheldon M. Retchin, Testimony to the Committee on Oversight and Government Reform, U.S. House of Representatives, November 1, 2007.

High utilization of services by the uninsured in Emergency Rooms.

Provide specialty care for patients referred from primary care Safety Net facilities (free clinics and federally qualified health centers).

Academic Health Centers continuously struggle with “social admissions”.

Current method for funding care of the uninsured is inefficient and ineffective.

Academic Health Centers can play leadership roles in identifying innovative approaches.

Need to sustain funding for care of the under- and uninsured while novel approaches are explored (i.e., federal waivers).
Throughout the Commonwealth, communities are adopting strategies to address the issue of caring for the uninsured through the development of Safety Net Health Care Delivery Models.

- Established in the late 1970’s to provide coverage to the uninsured
- Virginia’s Medicaid program only covers those who are pregnant, under 18, aged, blind or disabled
- Indigent Care Program marries federal DSH dollars and State General funds (50/50 match)
- Eligibility criteria:
  - Reside in the Commonwealth
  - U.S. Citizen
  - At or below 200% FPL
  - Meet asset test criteria

VCU Health System: only academic medical center in Central Virginia, with 30,000 admissions and > 500,000 outpatient visits annually.

MCV Hospitals: 779 licensed beds, with 80,000 emergency visits each year; region’s only Level I Trauma Center.

MCV Physicians: 550-physician, faculty group practice.

Virginia Premier Health Plan: 107,000 member Medicaid HMO.
A Regional Medical Center

FY 2003 – 2006 YTD Patient Discharges by ZIP Code

Payer Mix

- Medicare: 24.2%
- DMAS/Self Pay: 47.9%
- Wellpoint: 17.0%
- Commercial: 11.0%
- Total Government: 72.1%

Leading Providers of Charity Care

VCU Health System

VHI Definition of Charity Care: Charity Care represents uncompensated charges to individuals at 100% of the federal poverty level.

Sources: VHI 2000 Hospital Financial Data Report, VCU Health System, VCU Health Systems, & Marketing

Percentage of Entire Charity Care for the Commonwealth

- 2000: 34.2%
- 2001: 16.5%
- 2002: 7.0%
- 2003: 6.0%
- 2004: 6.2%

VHI Charity Care: Charity Care represents uncompensated changes to individuals at 100% of the federal poverty level.
VCU Health System is the provider of the majority of health care for the uninsured and underinsured in the Central Virginia region. In FY 2006, the VCU Health System provided over $107 million in indigent care to patients.

**VCU Health System Indigent Care Distribution**

<table>
<thead>
<tr>
<th>FY08 Projected Distribution of $108.5 million</th>
<th>FY2008 Projected Distribution of $108.5 Million</th>
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<tbody>
<tr>
<td>Indigent Care Cost in $</td>
<td></td>
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<tr>
<td>$67,400,000 to $67,500,000</td>
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<td>$17,100,000 to $67,400,000</td>
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<td>$3,600,000 to $17,100,000</td>
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The Ecology of Safety Net Care

Presentation: Governor’s Covering the Uninsured Conference, Dr. Sheldon M. Retchin, 2003
• Virginia Coordinated Care for the Uninsured (VCC)

• REACH

• Perinatal Access Program

• Hayes E. Willis Health Care Center

Virginia Coordinated Care for the Uninsured (VCC)

• Established in the Fall of 2000
• Primary objective was to coordinate health care services for a subset of the patients who qualified for the Commonwealth’s Indigent Care program utilizing managed care principles
• Target population is uninsured in the Greater Richmond and Tri-Cities
- Utilize managed care principles to support a defined population
- Establish primary care home
- Reduce the overall cost per unit of service
- Educate patients regarding access to care
- Improve the health status and outcomes of a population

- Utilized existing Indigent Care program financial screening process to initiate enrollment
- Virginia Premier Health Plan served as third party administrator for the program (TPA)
- Assigned patients to a “medical home”
- Provided intensive education to patients
- Assigned Outreach Workers to the VCUHS Emergency Department to educate patients

July 2001 Geographic Distribution
Emergency Room Visits: Reason for Visit

- Not Emergency: 27%
- Primary Care: 17%
- Emergency/Avoidable: 4%
- Emergency/Not Avoidable: 8%
- Injury: 18%
- Alcohol/Drug: 2%
- Psych: 22%
- Unclassified: 2%

Visits = 30,273

Jenkins Care Coordination Program

- In 1998, received a 5-year grant from the Jenkins Foundation, for $1.3 million
- Collaborated with the Richmond City Department of Public Health (RCDPH) to identify patients who inappropriately sought care in the Emergency Department.
- Program Goals:
  - Coordinate services across organizational boundaries
  - Increase appropriate and cost-effective utilization of health resources

Jenkins Care Coordination Highlights

- Assisted VCC patients with the transition from VCUHS to community “medical homes”
- Reduced ED utilization by 4.6% for the entire population (19% for patients enrolled for more than 18 months)
- Received a grant from the Jesse Ball duPont Fund in 2004 to expand the program to assist Self-Pay “frequent flyers” who visit the ED
• Many admissions were for services that could be provided in community hospital settings
• The CMI for the VCC program in FY01 was 1.22 as compared to the Hospital average of 1.5
• Most prevalent discharge diagnoses for the VCC population were:
  – Psychoses
  – Disorders of the Pancreas
  – Chest Pain
  – Alcohol or Substance Abuse
  – Diabetes

This data led to the development of the idea to partner with a community hospital to provide services for the VCC patients with lower acuity

• In January 2004, VCUHS partnered with RCH to provide inpatient, diagnostic, ancillary and emergency services for the VCC patients
• Goal of the partnership was to reduce the overall cost of caring for the VCC population by providing care in a lower cost setting
• Resulted in a reduction in the avg. cost/discharge (117 admissions) for patients with same diagnoses
• Enrollment in FY06 was approximately 19,000 patients
• 31 Community Physicians and 9 Safety Net Providers participate
• Community partnerships are driving costs down (primary care visits dropped from $180 to $90/visit)
• 20% Reduction in ED visits over a 4-year period
• In the process of requesting CMS approval to utilize DSH funds to support program
REACH
• REACH stands for Richmond Enhancing Access to Community Healthcare

• A non-profit organization whose mission is to enhance access to health care services for the uninsured and underinsured in the Greater Richmond Metro area

• Board comprised of 9 Safety Net provider organizations and 3 Richmond area health systems

• Received a Healthy Community Access Program (HCAP) grant

• Coordinated access to prenatal care for undocumented women

• Developed a low cost pharmacy model

• Worked with RAM to create a model improve access to physician specialty care

• Develop a Community Health Services Plan (CHSP)
Community Health Services Plan Model

Corporations

Insurance Companies

Government

Health Centers

Elected Officials

Health Systems

Health Depts.

Community Physicians

Safety Net to CHSP

Future Model

Perinatal Access Program
The greatest health needs for Hispanic and Asian women were OB/Gyn services and preventative care.

Between 2000 and 2001, there was a 25% increase in births for Hispanic women.

Approximately 20% of all Hispanic births experienced complications between 2000-2001.

Annual cost for uncompensated care for OB patients in 2003 was approximately $1 million.

Over 200 births in 2003 were to mothers with no Social Security Number.

Over 65% of the population were classified as Hispanic.

Patients who are not U.S. Citizens do not qualify for the Commonwealth’s Indigent Care program.

Perinatal Access Program:

- Pilot program developed in 2003 with community partners.
- Cross Over Ministry established a clinic to provide free prenatal care to Hispanic women.
- Volunteer physicians (including VCU faculty) provided prenatal care and ultrasounds.
- REACH Community Health Advocates assisted patients with Emergency Medicaid applications.
- LabCorp provided free prenatal labs.
- Patients were referred to VCUHS for delivery.
• Approximately 850 moms referred from partner agencies to the Community Health Advocate since 2003

• Over 330 Latina women referred from CrossOver for delivery between 2003 – 2006

• Over 70% of the mothers had their deliveries covered by Emergency Medicaid
Hayes E. Willis Health Center
of South Richmond

- SJR179 - assessment of primary care in localities
- 1994 - Partnership between Richmond City Department of Public Health and VCUHS
- Community-based primary care center operated by VCUHS with a Community Advisory Board
- Arthur Ashe Early Intervention Program

- Major provider of primary care in South Richmond
- Approximately 4,000 patients with over 10,000 annual visits
- Approximately 45% of the patients have no insurance; another 34% are Medicaid recipients
- Serves a large Hispanic population (approximately 10% of the patients)
Conclusion

- The role the Academic Medical Center plays is critical in a Safety Net System due to the resources (financial, human, clinical) available
- Communities in Virginia continue to create opportunities to enhance access to care for the Uninsured
- Providers in the Greater Richmond Metro area are amongst those working to develop a Safety Net Health Care Delivery System

“University-based urban academic medical centers... function most effectively and for the greater good when their care is a complement to, and not a substitute for, community health care providers.”