

2009

ACCESS FOR ALL: Delaware

Access., Quality and Cost of Federally
Qualified Health Centers



PREFACE

Access for All: America is a bold new plan launched by the National Association of Community Health Centers (NACHC) which shows exactly how increasing funding for the Community Health Centers Program by 15 percent annually over the next 8 years would allow Community Health Centers to serve 30 million patients by 2015. It includes nearly 12 million of the nation's uninsured and others who may have insurance but no health care home. Under this plan, millions more people would have access to the care they need, when they need it, regardless of ability to pay.

In order to reach this goal, NACHC asked each state to submit a plan on how FQHCs in their state plan to reach their projected goal of increasing access. While this is not a requirement, PCAs across the country in the spirit of cooperation have been asked to participate in the plan. The ALL ACCESS plans are intended to be used as powerful advocacy tools. By using the information sent to them by the PCAs, NACHC's strategy is to make a compelling argument for expanding the nation's community health centers and to obtain funding increases for CHCs on the state and federal levels.

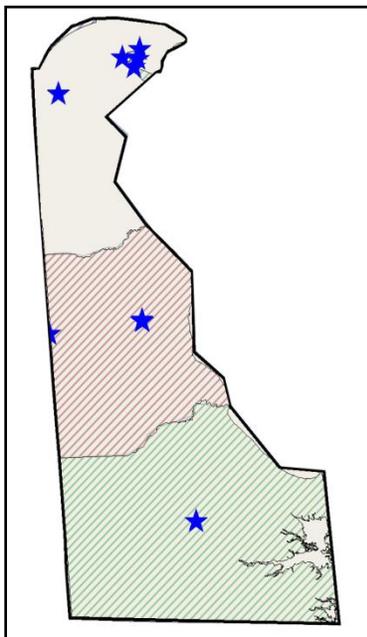
What has been submitted by MACHC is a briefing on the state of affairs present in Delaware related to healthcare and access to care along with a strategy for increasing access to care. The plan also describes the challenges FQHCs currently face in accomplishing this goal.

Overview

Federally Qualified Health Centers (FQHCs) have done an outstanding job in meeting the needs of America's medically vulnerable patients. They play a critical role in providing health care to over 15 million Americans, particularly those who are uninsured or experience other barriers to accessing health care. The Federal Office of Management and Budget has ranked Community Health Centers as one of ten most effective federal programs. Despite serving high-risk and vulnerable populations, FQHCs through high quality, cost-effective care, reduce health disparities, improve birth outcomes, effectively manage chronic diseases and stimulate economic growth in the communities they serve.[1] By focusing on prevention, FQHCs save a significant amount in dollars in avoided emergency room visits, medical treatment and hospitalization. Patients who receive their care at health centers have 41% lower total medical expenses compared to those whose receive care elsewhere.[2]

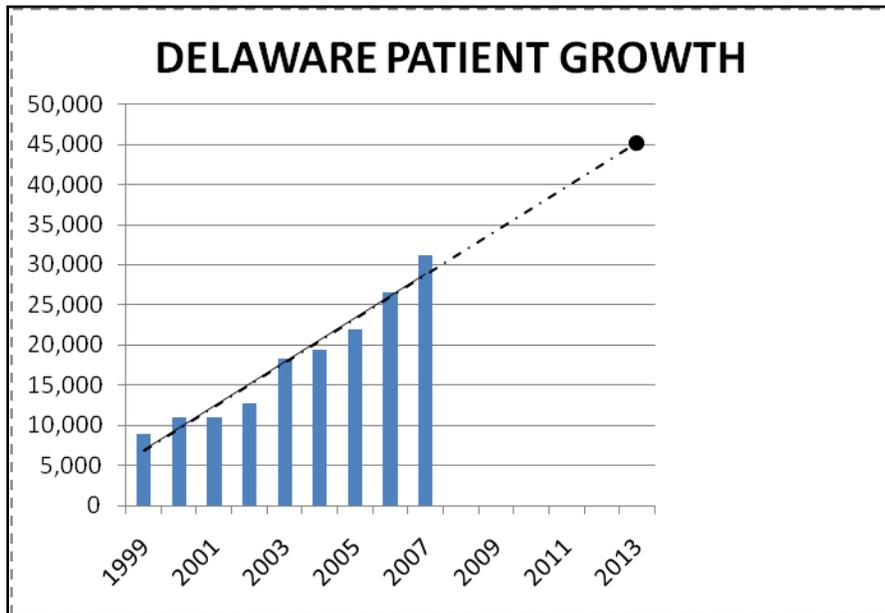
Delaware's FQHCs started with no initial formal planning process for geographic placement; rather they formed through grassroots initiatives in various high need pocket areas throughout the state that eventually evolved into ambulatory health center operations. In Delaware, there are four FQHCs with 9 site locations, including: five in New Castle County, three in Kent County, and one in Sussex County. One of these four organizations is also a migrant health center, and another is also a homeless service provider.

According to 2007 Uniform Data System reports, these four FQHCs delivered accessible, affordable, cost-effective, quality health care to approximately 31,135 unduplicated users in urban and rural communities throughout the state. Though a small state, Delaware's FQHCs have experienced significant growth within recent years. Over the last 5 years, the FQHCs in Delaware have seen a tremendous growth (77%) in the scope and reach of services; 9 New Access Point applications from Delaware were submitted to the Bureau of Primary Health Care resulting in creation of 3 New Access Points. The chart below indicates Delaware FQHC actual and projected patient growth.



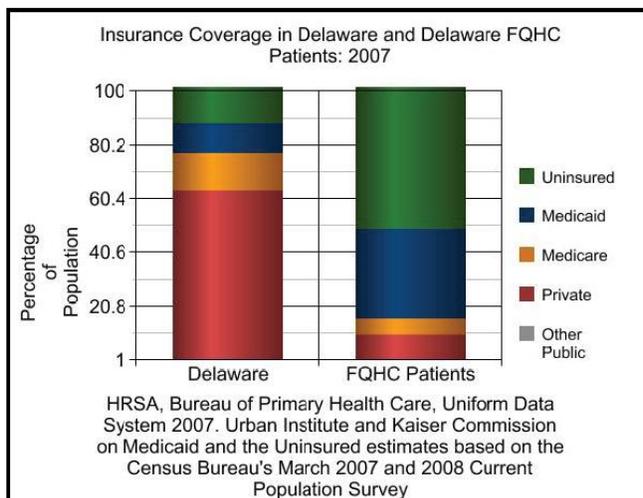
1 Proser, m. "Deserving the Spotlight: Health Centers Provide High Quality and Cost Effective Care." *Journal of Ambulatory Care Management*. 28(4): 321-330. October-December 2005.

2 National Association of Community Health Centers, Robert Graham, and Capital Link, "Access Granted: The Primary Care Payoff, 2007

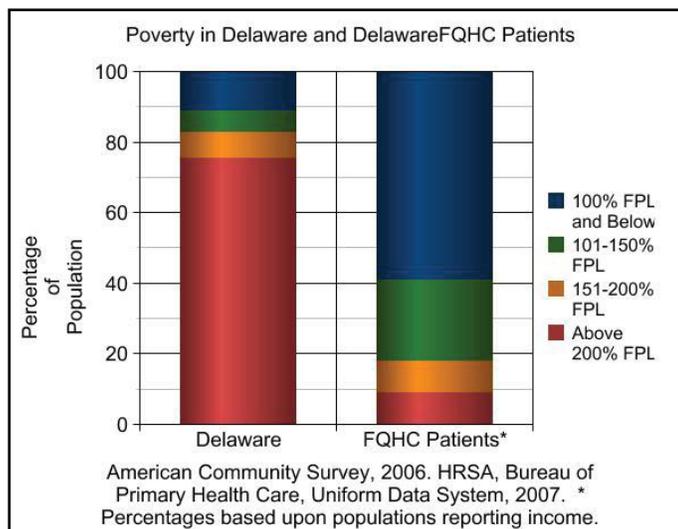


Recognizing the need to expand access to care, NACHC has called upon PCAs around the country submit their individual plans for growth. Nationally, the **Access for All America Plan** aims to reach **15 million additional underserved Americans by 2015**. Based on projected growth, overall Delaware FQHCs patient growth should result in an additional **11,000 patients in five years**. The caveat to this, however, is that Federal and State programs that help to support FQHCs must grow as well to help meet the growing needs of the underserved, particularly the uninsured.

According to the 2007 Kaiser Commission on Medicaid and Uninsured, between 2002 and 2007, the number of uninsured in Delaware has increased by 25,000 representing a 15% increase. Specifically, 2007 HRSA UDS data indicated that FQHCs saw a 45% increase in the number of uninsured from 2006 to 2007. Federally Qualified Community Health Centers' growth mirrors the increase in the number of uninsured during the same time periods of 2002-2007, in response to the growing need by the community for affordable quality primary care services. The graph below indicates the insurance categories and how they are represented among Delawareans.



From 2003-2008, three new BPHC supported access points were created in Delaware, (one new organization, and two satellite operations), for a total of 9 service sites including a mobile as well as migrant site. To explain a large reason for the recent significant growth in patients in Delaware, one must examine the typical patient profile. The Delaware user profile is a 20-34 year old Latina female. Approximately 48% of Delaware health center users identified themselves as Hispanic or Latino. The Delaware Hispanic population is disproportionately uninsured, low-income, and ineligible for public coverage. They are 30% more likely to lack a regular source of health care and to delay treatment. According to 2007 HRSA UDS data, 59% of Delaware health center users were at or below 100% of the federal poverty level. The number of people living in poverty in Delaware has increased by 27.7% since 2003 though the overall population has only grown by 9% in that same time period.



Delaware Community health centers understand the special populations in their service areas, how to best serve them; given their utilization and behavioral trends and they are working to improve their knowledge of the technical requirements of other federal programs that are available to help meet those needs. However, the dramatic growth of immigrant and emerging populations in Delaware requires that health centers acquire knowledge more actively than passively. For instance, the combination of population growth, housing laws, and national recession could result in more homelessness and/or individuals residing in public housing. That said, there are opportunities for community health centers and other stakeholders to think strategically about how to best plan for service delivery and resource development for these emerging populations. MACHC's strategy for increasing access to care in Delaware calls for:

- Increased marketing to broaden payor mix
- Support and advocacy of federal/state programs to ensure expansion and new access points
- Strengthening existing Health Centers

1) Increased marketing to broaden payor mix

MACHC completed a formal Environmental Assessment (EA) process for Delaware in 2007. The process involved MACHC staff, MACHC members and their Board members, and other key stakeholders. The process is an integral gauge of the external environment in which our health systems are operating. The (EA) process engages members, their Board members, and other stakeholders to examine critical healthcare indicators impacting the underserved, market penetration, process measures such as website hits by and strategies for increasing market share. As an outcome of the (EA), a recommendation made was to enhance the external reputation and credibility among the FQHCs. This resulted in a market survey being conducted which has yielded very useful information for Delaware FQHCs to build upon their marketing strategy. Due to the increase in the number of uninsured, it will be critical to develop an appropriate payor mix strategy that will achieve the outcomes necessary for health center financial sustainability. Partnering with state government and other stakeholders that have a common interest will be needed.

2) Support and advocacy of federal/state programs to ensure expansion and new access points

Federally Qualified Community Health Centers must have their community needs officially recognized and validated through State and Federal designation processes such as Health Professional Shortage Area (HPSA), Medically Underserved Area (MUA) and Medically Underserved Population (MUP). These designations are required for community health providers to procure BPHC funds or partake in federal resources and programs; for instance the placement of National Health Service Corps providers. MACHC has and will continue to provide a liaison role to communities as they seek State and Federal designations for specific geographic areas. The Delaware Health Care Commission has been a staunch supporter of Delaware FQHCs, however severe budget deficits at the state level could have a detrimental impact on future funding.

3) Strengthening Health Centers

CHCs require training and technical assistance that optimizes their operating processes, patient flow, and administrative policies and procedures. Informed consumers, increased demand for services, ongoing staffing changes, and the need for conducting business in constant regard of the “bottom-line” contribute to the need for community health centers to access training and TA for basic operational improvements. The following are operational training and TA needs identified by FQHCs for Delaware;

- Create a marketing strategy
- Development of Business Plans and effective business case
- Understanding Relative Value Units-(RVUs) relative to enhancing revenue

Delaware Community health centers' through strategic planning, annual survey, training feedback, and the Environment Assessment processes have unequivocally identified concern for the growing number of uninsured that their organizations serve. Based on the results from the Environmental Assessment it was determined that a strong marketing strategy was needed to grow health centers patients.

This marketing campaign will have two tiers, one locally in each service area that the health centers serves, the second is a statewide campaign utilizing existing statewide networks for communications. As part of the marketing strategy and outreach plan that is targeted to underserved populations, a market/patient survey has already been conducted. Specifically MACHC, in coordination with the FQHCs and selected partners, seeks to accomplish the following:

- (1) Identify partners to help leverage limited resources for marketing to similar consumer bases and linking programs;
- (2) Develop a branded image for FQHC's as an 'industry' in Delaware;

- (3) Identify strategic markets of underserved populations for marketing;
- (4) Develop and implement communications /marketing program.

MACHC's objective with the marketing campaign is to increase the access to primary medical care for underserved populations in Delaware by increasing awareness of what FQHCs can do for them, where they are located, and when/how they can access them. MACHC will utilize the Marketing Studies completed by John Snow, Inc. in 2007 & 2008 for the health centers to help develop the communications strategy and marketing brand. Pending the establishment of external partnerships to assist in funding the project, MACHC anticipates this project's development and implementation to be completed in October 2010.

Business and Health Plans and the associated marketing strategy developed by community health centers must clearly describe the service area and target population needs that will be addressed and satisfied through community health center programs, activities, and services. By collecting and understanding relevant data that accurately describes who lives in their service area(s), what barriers to care they face, and prevalent health issues and disparities, health centers can better plan to address individual and community needs more effectively.

Delaware's FQHCs require training & technical assistance in regards to management of payor mix, optimizing their use of existing resources, and effectively using a sliding fee scale as a method of controlling accounts receivables. The managerial and financial acumen required to serve a patient base that is often times over 50 percent uninsured is complex and specialized. The need for an effective senior management trio of chief executive officer, chief medical officer, and chief financial officer is basic, yet critical in this complex maze of service delivery, state and federal requirements, reimbursement complications, and data management.

Management and financial reporting is needed to create compelling business cases that will protect community health centers' market share(s). In the end, this core and uncompromised ability is mandatory to maintain the financial viability of community health center organizations. The need for these activities to enhance external CHC reputation and credibility was identified during the EA process.

Finally, community health centers, as service providers require the ability to clearly articulate and demonstrate to policymakers and stakeholders how they ameliorate or mitigate that need. MACHC is committed to continue its provision of staff expertise, data analysis and surveillance support, training and technical assistance on BPHC programs and requirements, training and technical assistance on how to serve special populations, and interface with State and federal officials to continuously assess and applicably designate communities marked by high need.

Challenges that may impede access to care

Economic Crisis and state budgetary deficit

According to the Delaware Online, Delaware's unemployment rate, which began 2008 at 3.5%, has soared to 5.6% by November, as businesses in the state shed workers in response to a battered economy. Chrysler, a major employer shut its Newark auto assembly plant, putting more than 1,100 workers out of work, and General Motors and Chase Card Services each laid off workers numbering in the hundreds. As of November 2008, more than 25,000 Delawareans were unemployed and actively seeking work -- a record number, up from about 16,000 at the end of last year. With more cuts planned in 2009, economists expect unemployment to continue to rise through much of next year, staying high even after the economy begins to rebound. The sudden rise in unemployed and, inevitably uninsured, individuals threaten to swell the ranks of those seeking healthcare beyond the capacity for most Delaware FQHCs.

The daunting budget shortfalls almost guarantee that no new money will be placed in the budget for FQHCs for 2009, and in fact, existing state contracts and grants are at risk of being eliminated or severely cut back. With a new Administration, it will be important that Delaware FQHCs educate state high level stakeholders on the important role health centers play within the local health care system to assure that FQHCs remain in the forefront of the health care agenda.

Workforce Shortages

Delaware faces a general nursing shortage over the next decade, but it also faces a specific shortage: nurses who can communicate with the growing number of Spanish-speaking immigrants. The fear is, that with few Spanish-speaking health care workers, those who speak Spanish only, or little English, will be less likely to seek medical treatment. According to the Governor's Consortium on Hispanic Affairs in Delaware, which commissioned a recent survey, 22.3 percent of Hispanics won't seek out a doctor or nurse for a checkup because they are not proficient in English. More than one in four Hispanic adults in the United States lack a usual healthcare provider, according to the Pew Hispanic Center.

Delaware saw the country's 19th highest rate of growth in its Hispanic population from 2000 to 2007, rising 51 percent to about 56,000, according to Pew Hispanic Center tabulations of U.S. Census data. These numbers accentuate the need for additional bi-lingual primary care providers, yet a report by the Delaware Health Care Commission on the First State's nursing shortage found that fewer than 1 percent of nurses were Hispanic.

Like its sister state Maryland, Delaware's FQHCs also require assistance with their workforce(s) in terms of recruitment and retention for both provider and paraprofessional staff. Feedback from MACHC's Environmental Assessment process indicates that Health Centers consider "recruitment" to have a pivotal relationship with brand image. They want to improve brand image and do so by highlighting the skills and attributes of their workforce. Conversely they seek to promote FQHC "brand image" as a key component of broad recruitment strategy. The following are staffing training and technical assistance needs identified by Delaware's FQHCs;

- Development of recruitment and retention plans,
- Understanding of State and Federal resources such as State Loan Repayment and National Health Service Corps programs,
- Strategies to enhance recruitment from the community,
- Address turnover and training efficiencies.

Conclusion

Delaware community health centers (CHCs) are regarded as reliable, effective, and integral components of the overall health care delivery system and key components of the "safety net". Community support has been demonstrated in the form of favorable health policy and funding opportunities. MACHC has been instrumental in facilitating these positive conditions through our relationships with policymakers. However, the stark reality of the national economy, coupled with State budget deficits, the inauguration of a new United States President and a new Governor for Delaware will, with certainty, impact the role and functioning of health centers and safety net providers.

Delaware's FQHCs look forward to working with NACHC on the *Access for All America Plan* and is committed to achieving a healthier Delaware. We recognize the importance of staying vigilant in our efforts to increase health care access for all people and we appreciate the efforts of NACHC to ensure that our voice is heard. During tough economic times the value of FQHCs are even more relevant. It is only through collaborative efforts, strategies and the political will that we can realize the goal of

increasing access to care. We must work together at the state and federal level as well as public and private sector to ensure that this very important part of the health care delivery system flourishes.