

Expanding The Public-Private Partnership Program (PPP) to Meet the Needs of the Medically Underserved

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SUMMARY

This case study describes the Community Clinic Association of Los Angeles County's (CCALAC) successful advocacy and education efforts to increase access to primary care through expanding the Public Private Partnership (PPP) Program. In 2009, the Los Angeles County Board of Supervisors unanimously voted to increase funding to clinics by \$46 million, increasing their capacity to provide an additional 401,163 primary and specialty care encounters to the county's medically underserved. Key findings that emerge from the analysis of this policy initiative include:

- Targeting the approval and allocation of local public funding requires tenacity as well as consistent involvement through all phases of the process;
- A combination of ongoing advocacy and expertise in health care financing was critical to CCALAC's success in shoring up county's health care safety net; and
- Due to its demonstrated leadership and partnership with county agencies and stakeholders, CCALAC is now well-positioned at the local, state and federal levels as the "go-to" group on a host of policy issues, including health care reform, the 1115 Medicaid waiver, and state budget cuts.

INTRODUCTION

From 2001-2010, The California Endowment (The Endowment) provided funding to 15 local and regional community clinic associations and four statewide community clinic organizations (referred to as "consortia") through the Clinic Consortia Policy and Advocacy Program to strengthen the capacity of consortia to engage in advocacy on behalf of their member clinics. Clinic consortia are statewide, regional, and local associations of primary care clinics that strive to identify and address the collective needs of their members at the local, state and federal levels through policy advocacy, education and peer support. The consortia connect clinics, share and leverage

resources, increase organizational capacity, and raise a unified voice on behalf of clinics. To achieve their goals, many consortia focus on policies and issues at the federal, state, and local levels to increase or maintain clinic financial stability and increase access to care for community clinic target populations. Additionally, many consortia engaged in multi-year initiatives during the grant period to:

- Expand coverage (insurance and/or services) to low-income adults and/or children;
- Expand their expertise in new services and areas of activity; and
- Strengthen the local or regional health care delivery system.

The Community Clinic Association of Los Angeles County (CCALAC) represents the non-profit community and free clinics that operate primary care sites throughout Los Angeles County. Its 45 members operate over 132 sites countywide. In 2008, CCALAC member clinics provided 2,452,331 patient visits to 784,706 clients, 63% of whom were uninsured (23% of the County's total uninsured).

This case study is an example of a successful local policy initiative to expand and improve the distribution of public funding, resulting in increased access to care for the medically underserved in Los Angeles County.

METHODS

To characterize this effort, UCSF staff conducted open-ended interviews in 2010 with decision makers, clinic consortia staff, and partner organizations that were involved with the initiative. Informants were asked to describe their involvement in the initiative, the stakeholders involved, challenges encountered, and benefits to clinics and their target populations. *(Please note that lobbying activities were not funded under this program and are assumed to be funded by other funding sources.)*

Grantees:

*Community
Clinic
Consortia*

A Program of:

 The
California
Endowment

Prepared by:

 UCSF
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FINDINGS

ISSUE: UNDERFUNDED COUNTY SAFETY NET PROGRAM

The Public-Private Partnership (PPP) Program is an organized system of primary health care clinics in Los Angeles County. The PPP Program began in 1997 as the central initiative of a Medicaid 1115 waiver approved by the federal government through 2005. The Los Angeles County Department of Health Services (LAC DHS) proposed the PPP Program to link private and public health clinics and hospitals throughout the county. Los Angeles residents that earn up to 133% of the Federal Poverty Level (\$24,352 per year for a family of three) may enroll into the PPP program and access primary, specialty and dental services. The PPP program is an effective system for preventing morbidity and mortality, including the overuse of emergency rooms and hospitals.

From 1997-2003, the program served 1.3 million people, and provided almost 4 million medical visits^a. With 38 of its members participating in the PPP program, CCALAC represents 97% of the PPP Strategic Partners. CCALAC was successful in preserving funding for the PPP Program with county-only funds following the expiration of the 1115 Waiver in 2005. In 2006, CCALAC also obtained a 12 percent provider rate increase. However, with the downturn in the economy and anticipated local and state budget cuts, clinics throughout the county found it increasingly difficult to stretch their PPP dollars to serve the uninsured. By 2008, only 584,343 of the 700,000 visits PPP clinic visits were reimbursed by DHS, costing the clinics over \$17 million annually. In addition, clinics had to subsidize each visit at an average cost of \$56 per visit, costing them nearly \$33 million annually. Therefore, clinics funded by the PPP found themselves subsidizing the program over \$50 million annually^b. Finally, clinics could not enroll all of their uninsured patients into the program. Instead, they served these clients on sliding fee scale, further constraining the clinics' already tight resources.

While no part of the county had adequate resources to meet the demands of the uninsured, certain geographic areas had much larger gaps between available PPP funds and demand for services. Some advocates pushed for a reallocation of the PPP funds, to take funds from clinics funded by the program and redistribute them to areas deemed to be in higher need. This push to redistribute existing resources, coupled with the county's mounting deficit, threatened to destabilize the PPP program and its providers. In 2008, the LAC DHS proposed closing its county-run clinics and transferring all primary care services to the PPP-funded clinics, with no investment in their capacity nor recognition of the additional funds these sites would need to subsidize the program.

PROMISING SOLUTIONS: SUSTAINING AND AUGMENTING THE PPP PROGRAM

Given the increasing unmet need for services, CCALAC had to ensure that the PPP program was seen as an integral part of the county system of care. CCALAC worked tirelessly to advocate for expanded PPP funding by

educating stakeholders about the importance of this vital resource for community clinics. It conducted the background research, developed fact sheets and reports, met countless times with county leaders, and mobilized its clinic membership to engage in advocacy. While the initial vote, which began the process of the PPP expansion, happened in September 2007, it was not until January 2010 that the Supervisors approved the contracts for this funding. Together with its county partners and member clinics, CCALAC developed formal recommendations to the Board of Supervisors advocating that the county maintain current levels of funding for existing PPP providers, expand funding for services in all areas of need, make capital investments to expand PPP sites, and improve the coordination of care and access to specialty services.

MAJOR MILESTONES:

In 2007, the Board of Supervisors tasked a five-member PPP Allocation Workgroup, of which CCALAC was a member, with developing an equitable, countywide funding allocation methodology to best meet the health care needs of the uninsured and underinsured residents of Los Angeles County. In October 2008, the Board of Supervisors approved the allocation of \$44.8 million in Tobacco Settlement funds to PPP clinics to provide care to uninsured residents in under-equity areas of the county. The Board also instructed the county CEO to reconvene the PPP Allocation Workgroup to develop recommendations on the strategic use of these funds. In response, the Workgroup worked with CCALAC's Compensated Care and Public Policy Advisory Group to conduct detailed analyses of the needs and resources in various parts of the county. They engaged a consulting group to develop a countywide expansion report with their conclusions and recommendations.

In January 2009, the Workgroup recommended that the county utilize funds for: a) capital projects and renovations, b) a health information exchange to improve coordination of care, and c) expansion of primary and specialty care visits. In mid-2009, LAC DHS issued the Community Clinic Expansion Program (CCEP) RFA. Under the RFA, clinics could apply for funds for primary care services, including ancillary and pharmacy services that are provided as part of the visit; specialty care services, including but not limited to office visits and procedures, outpatient surgery or consultations, support services, charting to medical records and administrative management; and capital projects and/or renovations to add new clinic capacity. School health center sites were specifically noted as an area for expansion.

In January 2010 the LA County Board of Supervisors voted to approve the CCEP contracts for the period January 1, 2010 through December 31, 2012, for a total cost of \$46 million. They also authorized the renewal of the existing PPP contracts (totaling \$54 million per year) through June 2011.

Resources required for this policy initiative include a fully staffed Governmental Affairs division to spearhead and support the initiative. (A fully staffed division includes some

portion of the CEO's time, a full time VP of Governmental Affairs, a policy specialist, a policy analyst, and an administrative assistance, or 4.25 FTE.) CCALAC expertise in health care policy and financing, resource allocation, as well as data mapping and analysis is critical.

Partnerships and Coalitions: CCALAC is organized in its approach to finding collaborative solutions with LAC DHS to better meet the health care needs of the county's uninsured population. CCALAC's leadership meets monthly with LAC DHS to address issues related to the PPP program. CCALAC's Compensated Care & Public Policy Advisory Group, which consists of clinic CEOs, meets monthly to strategize on how to work with county. CCALAC also meets quarterly with each of the Board of Supervisor health deputies to discuss various issues impacting the clinics, from PPP administration to mental health integration. CCALAC has also engaged the private health sector, including Kaiser Permanente, L.A. Care Health Plan, and private foundations, to achieve common goals. CCALAC also partnered with its member clinics throughout this process by soliciting their input on proposed changes to the PPP allocation formulas, as well as getting their feedback on the importance of this funding. In addition, CCALAC worked on behalf of their member clinics to correct contract language that had made it difficult for clinics to access their PPP contract dollars.

Partner Perspective: It makes sense to support the "natural alliance" between public entities, private non-profit clinics, and private for-profit inner city practices, and create a cohesive network of care for low-income families and the uninsured. These entities are mission-oriented and would end up being the providers of last resort anyway, so why not help them coordinate their efforts in order to optimize the use of limited dollars? CCALAC has also parlayed its significant role with CPCA (California Primary Care Association) to coordinate a statewide safety net strategy. This is reflected in federal policy changes and statewide policy changes that are favorable to the PPP community and supportive of LAC DHS efforts through the Waiver, health care reform, etc. - **Private Practice Physician**

Overcoming Challenges: Although there were few direct opponents to increasing PPP funding, there were several "behind the scenes" issues that influenced the tenor of the PPP negotiations. For example, LAC DHS proposed to mitigate its budget deficit by closing its primary care facilities and transferring these patients to PPP funded clinics. This proposal was rejected; organized labor was concerned about possible displacement of jobs to the private sector where might not be union representation. Second, providers and stakeholders countywide are all facing huge demand for limited services and were concerned about whether the geographic allocation methodology would limit or enhance their access to limited county resources. Further, PPP partners were concerned that without improved administration, adequate funding and reimbursement, the PPP program would falter. Last, another major area of contention was achieving equity between the districts in the midst of an economic crisis and skyrocketing demand for services.

ACCOMPLISHMENTS AND BENEFITS

CCALAC achieved a major local policy win and greatly expanded PPP funding, benefiting member clinics and their target populations. Using the grant Logic Model, the short and long-term outcomes of planning and advocating for funding for community clinics include the following:

Expanded advocacy capacity: The ability of CCALAC staff and clinic members to respond to the challenges presented by the PPP enabled it to achieve policy gains in other arenas. CCALAC expanded its expertise in developing health care delivery models that it can pursue in future safety net initiatives.

Increased policymaker awareness of safety net and clinic policy issues: CCALAC increased policymaker awareness through its detailed analysis of the relative need and resources across the county. CCALAC released a countywide expansion planning report, mapped need across various geographic areas, provided testimony at Allocation Workgroup and Board hearings, and met regularly with the health deputies of the Board of Supervisors and other key stakeholders.

Increased policymaker support of safety net and clinic policy issues: From 2007 to 2010, the LA County Board of Supervisors demonstrated an increasing commitment to clinic policy issues, such as ensuring clinics impacted by the closure of MLK Hospital received funds to offset the increased demand for indigent services. In January 2010, the Board voted to approve contracts for the Community Clinic Expansion Program for the period January 1, 2010 through December 31, 2012, to expand clinic capacity for the PPP Program to new and existing sites for a total cost of \$46 million. They also authorized the renewal of the existing PPP contracts (totaling \$54 million) through June 2011.

Strengthened clinic operations: As a result of the new investment, 18 PPP funded clinics will expand their operations with over \$8.2 million in infrastructure funding, and 30 PPP funded clinics will expand their capacity for primary and specialty care by 401,163 visits with \$37.7 million in new service dollars. Further, as a result of their ongoing engagement on the issue, CCALAC improved the capacity of its member clinics to engage in advocacy.

Member Clinic Perspective: CCALAC has created a united front for the uninsured and clinics throughout Los Angeles. It has been instrumental in increasing the amount of funding to clinics and increasing the reimbursement rate. Over the past decade, our clinic has opened two new sites and has expanded from providing 35,000 to 75,000 visits per year over past 10 years. The PPP was the impetus to develop and strengthen our infrastructure. We have expanded from being a free clinic with volunteer medical director and mid-level practitioners, to being an FQHC with a full-time on-site medical directors as well as physician and pediatricians on staff. - **South Bay Family Healthcare Center**

Increased services for the underserved and uninsured: The PPP expansion will allow clinics to provide serve more uninsured at more sites across the county. It is anticipated that

during the 36 months of this expanded program, clinics will provide over 400,000 additional encounters to patients that were either not accessing care, or getting care. This could not have come at a more critical time: in 2009, a one-week survey of new patients at member clinics showed 44% of new patients were uninsured, and nearly 25% of new patients had become uninsured in the last year.

PPP-Funded Clinic Patient Perspective: After she lost her job in 2002, Lavonne Barbury was left without health insurance. A temporary position as an in-home health aid gave her income but she had no medical coverage. In 2006, a friend recommended she try South Bay Family Health Care in Inglewood. Suffering from what she thought was heartburn, Lavonne made an appointment. Her “heartburn,” however, turned out to be heart disease, and Lavonne needed triple bypass surgery. Through a partnership with Mary Medical Center Torrance, SBFHC was able to arrange successful surgery for Lavonne. Additionally, SBFHC was able to assist her with her Medi-Cal eligibility, and get Lavonne insured. Three years after her surgery, Lavonne still calls SBFHC her “medical home”. **SBFHC Annual Report 2008-09**

Improved health outcomes for targeted communities and populations: With the expansion of the PPP program it is expected that patients will demonstrate improved health outcomes, benefiting the community. During the first several years of implementation, the PPP Program served an unexpectedly high number of adults with chronic disease. These users made an average of 4.6 visits, compared with an average of 2.1 visits for PPP users without these chronic diseases.^c

FACTORS FOR SUCCESS

To succeed in its efforts, CCALAC staff leveraged its technical skills—policy and financial analysis, GIS mapping, etc.—along with its advocacy skills—convening, facilitation, relationship-building, and negotiations—to serve as a trusted resource and collective voice of the PPP clinics. From the Supervisors’ approval of its recommendations to the RFA process for the expansion dollars, CCALAC remained engaged, analyzing the impact of various funding scenarios, and providing input on the language of contracts and the RFA. Second, CCALAC served as the PPP “expert,” maintaining a presence. Last, CCALAC was an important liaison with member clinics and successfully represented their interests throughout the process.

Partner Perspective: CCALAC made it much easier for us to work with the clinics. Because it represented all of the clinics, we didn’t have to talk to individual clinics to get their input. In the absence of CCALAC’s representation of all member clinics, the most vocal and politically connected clinics would have been heard while the others would have been left out. --**Los Angeles County Health Services**

LESSONS LEARNED

CCALAC played “quarterback” by staying the course through years of negotiations with county stakeholders over how to best serve the uninsured in Los Angeles County. CCALAC worked to educate all of these stakeholders about

the needs, the benefits, and how to “manage expectations” about the eventual distribution of the funds. Participating in conversations and discussions about the needs of community clinic populations helped to increase policymaker awareness of the serious plight of the uninsured.

THE FUTURE

CCALAC’s close partnership with county agencies and stakeholders has positioned CCALAC at the county, state and federal level as the “go-to” group on a wide host of policy issues, such as health care reform and state budget cuts. This could not come at a more critical time as LA County again faces record deficits, along with the imperative to implement federal health care reform. LA County now plans to use the PPP program as its springboard for the 2014 Federal Medicaid expansion. CCALAC will work in the coming years to ensure that the program is re-tooled to meet the requirements and expectations of reform, as well as the critical needs of the county’s underserved.

CONCLUSIONS

CCALAC’s advocacy and technical expertise helped it convince key stakeholders that increased PPP funding would better meet the needs of consumers and health care providers. In addition to stabilizing the county’s health care safety net, low-income, uninsured Los Angeles residents will have increased access to primary care and specialty care access.

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