Health Services
LOS ANGELES COUNTY

June 5, 2009

Los Angeles County Board of Supervisors

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

John F. Schunhoff, Ph.D.
Interim Director

Robert G. Splawn, M.D.
Interim Chief Medical Officer

313 N. Figueroa Street, Room 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To improve health through leadership, service and education.

TO: Each Supervisor

FROM: John F. Schunhoff, Ph.D.
Interim Director

SUBJECT: **HEALTH CARE COVERAGE INITIATIVE CONTRACT REVENUE PROJECTIONS AND STRATEGIES FOR INCREASING HEALTHY WAY LA ENROLLMENT**

On May 19, 2009 your Board requested that the Department of Health Services (DHS) provide a detailed written report on how the revenue projections for each year of the Health Care Coverage Initiative (HCCI) contract were developed, and the strategies being pursued to increase enrollment to meet the revenue targets.

The HCCI, implemented locally as Healthy Way LA (HWLA), provides an important opportunity to provide healthcare coverage and enhanced services to up to 90,000 enrolled patients, while bringing in much-needed additional federal revenue. Additional primary care and specialty care visits have been funded through the program. Patients who enroll are assigned to a medical home and receive access to a 24-hour toll-free Nurse Advice Line, referral to next-day appointments when clinically indicated, health education and other preventive care benefits.

To date, approximately 30,000 patients have been enrolled in the program. The methodology for establishing revenue projections for this program and efforts to increase enrollment to meet revenue targets are detailed below.

Strategies to Increase Enrollment

A number of approaches are being employed to increase enrollment in Healthy Way LA: 1) marketing the program to patients who may be eligible; 2) providing incentives for enrollment; 3) expanding the program to additional sites; and 4) working with staff to facilitate the enrollment process, which can be time-consuming.

Marketing the program

Since program eligibility criteria require prior visits to DHS or Public-Private Partner (PPP) facilities, DHS has used administrative data to identify patients who are "potentially eligible" for the program. Introductory letters in English and Spanish have been mailed to over 60,000 potentially eligible patients with valid mailing addresses, describing the program benefits and encouraging patients to bring the required enrollment documents to their next visit.

Brochures describing the program and eligibility requirements have been developed in both English and Spanish. Over 65,000 of these brochures have been distributed to patients at DHS and PPP sites. An additional 60,000 brochures in each language were included in the mailings to

www.dhs.lacounty.gov

potentially eligible patients. Posters and large banners, also in English and Spanish, advertise the program and the toll-free customer service number to call for more information. Over 300 posters and 130 banners are posted at DHS and PPP facilities.

In addition, individual DHS and PPP facilities have developed local approaches to encourage enrollment. Examples include the development of a video in which health center staff describe the benefits of the program and explain eligibility and enrollment requirements, which is played in the clinic waiting room in English, Spanish, Korean and Vietnamese. Other facilities have sent letters and conducted health fairs targeting potentially eligible patients.

DHS has also partnered with the Department of Public Social Services (DPSS) to explain the program to participants at General Relief (GR) Opportunities for Work workshops. This group is targeted because GR recipients meet the income eligibility requirements for Healthy Way LA, and the majority of GR recipients obtain their medical care at DHS and PPP facilities. DPSS also provides monthly GR enrollment listings to DHS.

Enrollment Incentives
In accordance with federal and State requirements, the enrollment process requires patients to provide photo identification, documentation of citizenship or legal residency for the past five years, verification of income and a signed attestation form. Since DHS and PPP sites routinely provide no-cost care to patients who meet residency and income guidelines for programs such as the DHS Outpatient Reduced-cost Simplified Application (ORSA) program and the Certificate of Indigency (COI) used by the PPPs, some eligible patients choose not to enroll in Healthy Way LA. DHS has been exploring ways to incentivize patients to provide the required documents and enroll in the program.

Recently, DHS purchased 10,000 grocery store gift certificates in $10.00 denominations to give patients who meet eligibility requirements and bring in all required documents. Gift certificates and flyers promoting the gift certificate opportunity to patients were distributed to DHS and PPP facilities during April and May 2009, and an increased rate of enrollment has already been seen at many facilities.

Other incentives provided to patients to promote the program include pill boxes imprinted with the HWLA toll-free number. These are provided to patients who attend presentations on the program benefits and eligibility requirements.

Additional influenza vaccine was purchased for DHS and PPP facilities (15,000 each year for the past two years). Flyers were distributed to promote the free vaccine for members. The vaccine was also administered to enrollees at health fairs.

Program Expansion
Beginning in April 2009, DHS expanded Healthy Way LA medical home sites to include outpatient primary care clinics at LAC+USC Medical Center, Olive-View/UCLA Medical Center, and Harbor-UCLA Medical Center. Hospital staff have been trained on program benefits, eligibility criteria, enrollment processes and data systems. These new sites have only been enrolling new members for a few weeks, but they have already reported taking over 100 completed applications. Rancho Los Amigos National Rehabilitation Center has also begun enrolling new members. Based on recent conversations with State Coverage Initiative staff, inpatient care at DHS hospitals will likely be added to the program.

When the program began, Strategic Partner PPP clinics were prioritized for participation. DHS is in the process of expanding HWLA to the Traditional Partner PPPs. DHS plans to bring these contracts to your Board early next fiscal year for approval. This will add an additional seven medical homes to increase the total number of medical homes to 121.

Facilitating the Enrollment Process
A significant amount of work is required on the part of staff at the facilities in order to enroll a single patient. The enrollment process includes screening the patient for eligibility, explaining the program benefits and eligibility requirements, identifying the necessary documentation and instructing the patient to bring in their original documents (e.g., birth certificate, green card, paycheck stubs, income tax forms), logging onto the web-based enrollment system and scanning documents into the database, and completing the attestation form and obtaining both staff and patient's signatures on the form. Additional steps are often necessary to remind patients to bring in their documents, answer questions about the program or the enrollment process, and provide incentives.

We have attempted to mitigate the amount of work required to enroll patients as much as possible. These efforts include:

- Additional staff were allocated and hired at the DHS facilities to promote Healthy Way LA and to perform the enrollment functions
- PPP reimbursement was increased by $15 per visit for every enrolled patient
- Trainings were conducted for DHS and PPP staff
- HWLA Administration staff have made numerous site visits to evaluate processes, answer questions and assist with problem-solving
- Technical assistance conference calls are held weekly for all interested participants with questions regarding technical difficulties or eligibility questions
- Monthly meetings are held with DHS facility staff to provide updates, share best practices and answer questions
- A web-based application allows staff to view a patient's enrollment status in "real time"
- California Birth Registry files have been purchased and made available to staff so that patients born in California do not need to provide their birth certificates
- DPSS provides monthly GR enrollment files which are used to flag patients who are likely eligible for the program; confirmed GR patients do not need to provide income verification
- A web-based application available to DHS facility staff flags patients with scheduled appointments who are potentially eligible for HWLA
- Quarterly meetings are held with participating PPP agencies to provide updates, share best practices and answer questions
- A quarterly HWLA newsletter with program highlights is distributed to DHS and PPP staff
- Weekly administrative meetings are held to track enrollment progress, program elements, IT strategies, etc.
- An enhancement to DHS information systems is being implemented which will enable pop-up windows to alert registration staff that the patient they are registering is potentially eligible

Revenue Projections

The revenue projections included in the Fiscal Outlook are based on the actual expenses of the current enrollees of Healthy Way LA in addition to estimates of the amount of utilization DHS expects from recent changes made to the services covered under the program. To capture the maximum possible expenditures in order to reach the annual allocation of $54 million, DHS has approached the State regarding allowing the addition of hospital inpatient and outpatient

services to the Healthy Way LA program. The Department believes that the addition of these services, combined with the recent change in the Federal Medical Assistance Percentage (FMAP) that reduces the level of expenditures necessary to draw down the full allocation, will allow us to reach our targets in the second and third years of the program. For the first year of the program, our revenue estimate is $30 million. Although it will be challenging to enroll patients retroactively for the first year due to difficulties in locating patients and obtaining the necessary citizenship and income verification, DHS believes additional revenue may result from these efforts.

We will continue to explore additional opportunities to increase enrollment and maximize revenue for this program. Please let me know if you have any questions or require additional information.

JFS:id
905:002

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors