



Health Care Appropriations Committee

Meeting Packet

**March 4, 2010
9:00 a.m. – 12:00 a.m.
212 Knott**



AGENDA

Health Care Appropriations Committee

March 4, 2010

9:00 a.m. – 12:00 p.m.

212 Knott

- I. Call to Order/Roll Call
- II. Opening Remarks
- III. Budget Workshop/Discussion of Agency's 15% Reduction Proposals
- IV. Presentations on Florida's Not-For-Profit Aging Network
 - Randy Hunt, Executive Director, Area Agency on Aging for Central Florida
 - Terri Barton, Executive Director, Cathedral Foundation/Urban Jacksonville
- V. Presentations by the Florida Association of Community Health Centers
 - Andy Behrman, President and CEO, FACHC
- VI. Budget Workshop
 - Department of Elder Affairs 15% Reduction Exercise, Tonya Kidd, Chief Financial Officer
 - Department of Health 15% Reduction Exercise, Kim Berfield, Deputy Secretary for Advocacy and Policy
- VII. Closing Remarks/Adjournment

Florida's Not-For-Profit Aging Network

Serving Frail Seniors at HOME for 45 years

Presented to the House Health Care Appropriations
Committee

by

Randy Hunt, Florida Association of Area Agencies on Aging &
Florida Council on Aging

Terri Barton, Community Care for the Elderly Coalition &
Florida Association of Aging Services Providers

March 4, 2010

Florida's Not-For-Profit Aging Network

- We are a 45 year-old not-for-profit service delivery system providing home care services to frail seniors
- Comprised of:
 - 11 Area Agencies on Aging
 - 58 Community Care for the Elderly Lead Agencies
- We effectively and efficiently plan, manage, and coordinate the delivery of care needed by seniors to help them remain at home.

Florida's Not-for-Profit Aging Network

We Are A Proven Solution

Our Primary Goal:

To ensure the wisest use of tax dollars to serve Seniors at home through appropriate placement in the least costly home care program possible.

Florida's Not-For-Profit Aging Network

- Florida's **Home Care Programs** for seniors **REDUCE** Florida's long term care costs:

<u>Program</u>	<u>Annual Per Client Cost of Care</u>
Local Service Programs	\$ 235
Alzheimer's Respite Care	\$ 1,963
Home Care for the Elderly	\$ 2,140
Community Care for the Elderly	\$ 6,134
Aging & Disabled Medicaid Waiver	\$ 8,844
Assisted Living Medicaid Waiver	\$ 9,802
Nursing Home Diversion Program	\$18,336
Program of All Inclusive Care for Elderly	\$18,688
Nursing Home Care (GR & Fed \$'s only)	\$50,000

Your Area Agencies on Aging

Coordinating, Planning, & Administering Services

Chapter 430, Florida Statutes directs Area Agencies on Aging to:

1. Develop, coordinate, plan, and administer a comprehensive and coordinated service system to serve older individuals
2. Administer Aging & Disabled Resource Centers (ADRCs)
 - Integrated information & referral for seniors and families
 - Initial client screening & program eligibility determination
 - Client referral to most appropriate program based on resource availability
3. Quality Assurance – monitor and ensure service quality

Your Community Care for the Elderly Lead Agencies – The Backbone of Service Delivery for Frail Seniors

- Chapter 430, F.S. directs Community Care for the Elderly Lead Agencies to:
 - Prevent unnecessary institutionalization of functionally impaired elderly persons through the provision of community-based core services.
 - Provide care management and other in-home and community services as needed to help elderly persons maintain independence and prevent or delay more costly institutional care.
 - Determine an order of prioritization for all functionally impaired elderly persons seeking community-care-for-the-elderly services which is based upon the potential recipient's frailty level and likelihood of institutional placement without such services.

Florida's Not-For-Profit Aging Network

- Examples of Services Provided Include:
 - Personal Care – help with bathing, dressing, eating
 - Meals, nutritional supplements, and homemaker services
 - Medical transportation
 - Adult day care & caregiver respite
 - Skilled nursing
 - Respite Care

Florida's Not-For-Profit Aging Network

- Lead Agencies help reduce the cost of long term care by:
 - Keeping frail seniors at home and helping them avoid or delay the need for institutional care.
 - Ensuring seniors are served by the most appropriate program.
 - Client Needs Assessment determines program referral
 - Care plans determine services provided

How We Determine Who We Serve

Priority Score:

- **Measures client’s need for services**
 - Does client live alone or have a primary caregiver?
 - How much assistance does client require to bathe, dress, toilet, eat, walk, etc.?
 - Does client have transportation?
 - Does client require assistance to take medications?
- **Frailty adds to score; client resources subtract from score**
- **Used for client prioritization – “determine who gets served”**

Comparing Client Priority Scores Across Long Term Care Programs

<u>Program</u>	<u>Average Priority Score</u> (higher score = higher priority)
Medicaid Nursing Home clients:	33.52
Alzheimer's Disease Program:	35.57
Home Care for the Elderly:	31.11
Community Care for the Elderly:	29.26
Nursing Home Diversion Program:	28.45
Aging & Disabled Medicaid Waiver:	27.93

Who Are the Seniors We Are Serving?

A Comparison of Clients Served Across Programs

	Nursing Home Diversion	Aging & Disabled Medicaid Waiver	Non-Medicaid Home Care Program (CCE, HCE, etc.)
Average Age:	83.8	82.2	81.2
# of Activities of Daily Living requiring total help:	.7	1.2	1.1
# of Instrumental Activities of Daily Living requiring total help	5.5	5.2	5.5
Average # of serious health conditions:	2.7	2.8	2.6
% with Dementia:	53%	55%	53%
% with Incontinence:	78.3%	66.2%	65.9%

Comparison of 'Like Groups' – Cost Savings

(Exhibit 7, OPPAGA Report February 2010 Report # 10-23)

<u>Medicaid Waiver Program</u>	<u>Monthly Costs Compared to Traditional Medicaid</u>
1. Channeling	\$994 less
2. Aging & Disabled Adult	\$852 less
3. Assisted Living for the Elderly	\$677 less
4. Alzheimer's Disease	\$511 less
5. Nursing Home Diversion	\$263 less

Clients for every program above meet nursing home level of care

Florida's Not-For-Profit Aging Network

- What we are asking:
 - First – don't cut home care programs that keep seniors out of more costly institutional care. **Cutting these services will immediately increase institutional care costs.**
 - Second, don't shift the 11,000 seniors served by the not for profit Aging Network under the Aging and Disabled (ADA) Medicaid Waiver program to managed care as has been recommended. **Costs could more than double!**

ADA Medicaid Waiver:	\$ 8,844 cost per client
Nursing Home Diversion:	\$18,336 cost per client

Florida's Not-For-Profit Aging Network

- What we are asking:
 - Third, provide funding for 6,090 seniors who are at the highest risk of nursing home placement and who are waiting for home care under Community Care for the Elderly, Home Care for the Elderly, Alzheimer's Respite and the Aging and Disabled Medicaid Waiver Program.

In 2008, over 4,900 seniors on the waiting list for these home care programs instead entered a nursing home at an additional cost to General Revenue estimated at \$77 million dollars annually.

Waiting Lists INCREASE Medicaid Costs

Florida's Not-For-Profit Aging Network

Concluding thoughts:

- 4.2 million seniors call Florida their home.
- Only 68,000 of these seniors, (1 ½ %), required nursing home care last year, paid for by Medicaid, at a cost of \$2.6 Billion.
- Florida has over 1,000,000 seniors, age 80 years old and older – those most at risk of nursing home care.
- Florida's budget depends on its cost-effective home care programs to help seniors remain at home safely and with dignity.



Federally Qualified Health Centers: A Return on Florida's Investment

Health Care Appropriations

March 4, 2010

**Andrew R Behrman, MBA
Florida Association of
Community Health Centers, Inc.**

The logo for FACHC (Florida's Federally Qualified Health Centers) is displayed in a white, double-bordered rectangular box. The text "FACHC" is centered within the box in a bold, sans-serif font.

FACHC

- Florida's Federally Qualified Health Centers (CHCs) serve as safety-net providers for all Floridians, delivering health care services to the state's most vulnerable citizens regardless of their ability to pay.
- CHCs Provide quality, cost-effective care in an ethnically and culturally responsive manner.

Florida's FQHC Stats*

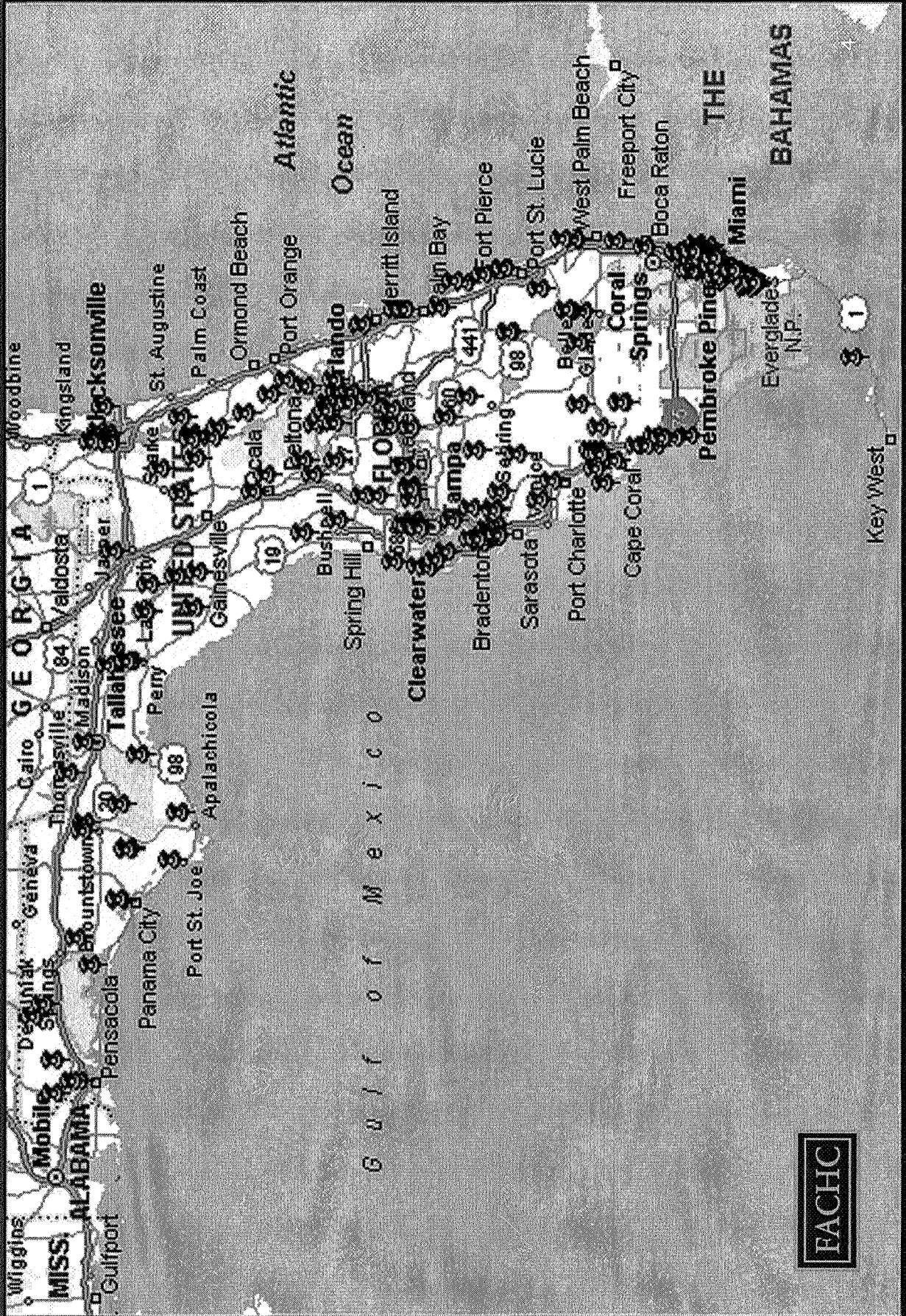
(Latest data 2008)

- 44 FQHCs operating in Florida.
- >280 locations (100 additional sites since 2004).
- 98,872 new patients (877,322 total patients).
- Since 2004, FQHCs have seen nearly 300,000 new patients, more than half uninsured.
- 355,155+ new patient encounters (3,329,238 total encounters).
- Among the most critical shortages of providers, we expanded our dental staffs by nearly 16%.

* 2008 HRSA UDS Reports



FQHC Service Locations





	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>Total Patients</u>	588,799	645,379	702,188	778,450	877,322
<u>Total Uninsured Patients</u>	334,284	359,660	386,137	413,420	463,147
<u>Total Patient Encounters</u>	2,351,108	2,568,526	2,799,489	2,974,083	3,329,238
<u>Total Clinical Providers</u>	1,802	1915	2,055	2,266	2,528
<u>Number of service locations</u>	179	193	219	221	>280
<u>Dental Service FTEs</u>	207	214	247	273	305
<u>ER Diversion Projects</u>	-	1	3	6	10*

*10 are fully operational and 10 are under development; 3 additional "unofficial" ER Diversion Programs⁵

New FQHCs: Community Development

- FQHCs growth must be controlled and monitored to prevent overlap and poor use of state/federal resources.
- Community Development is a process that utilizes needs assessment tools, market analysis, community input on resource inventories. Communities must meet MUA/MUP and HPSA criteria. There can be more than one FQHC in a county. Population based.
- BPHC requires an in-depth needs assessment of the geographic area including all services available. PCA provides input to Bureau regarding assessment outcomes.
- Local community organizations must be a major part of the planning group.
- BPHC also required a "State-wide Strategic Plan" be completed and included in the application.
- Applications for FQHC status are limited and time released by HRSA. Funds are NOT always available throughout the year.



Funding Opportunities

- **Communities & existing FQHCs can apply (if available from BPHC):**
 - New Access Point – Expansion of existing FQHC to add locations
 - New Starts – Requires turn key in 90 days, limited funding, limited release
 - Expanded Medical Capacity – funds for expansion or new services
 - Planning Grants – one year grants to look at developing FQHC status
- Florida has had some success in gaining access to these funds. Florida still needs to expand the FQHC program.

Stimulus Funds

- Last year Florida's FQHCs received one time stimulus funds:
- 8 new access point grants (three were completely new starts).
- \$17M was spread over all 280 sites which helped to assist on increased demand.
- HRSA made available, through a competitive grant process, "Facility Improvement Program" funds.
 - 600 applications nationally, 100 funded, 3 successful from Florida.



CHD FQHCs

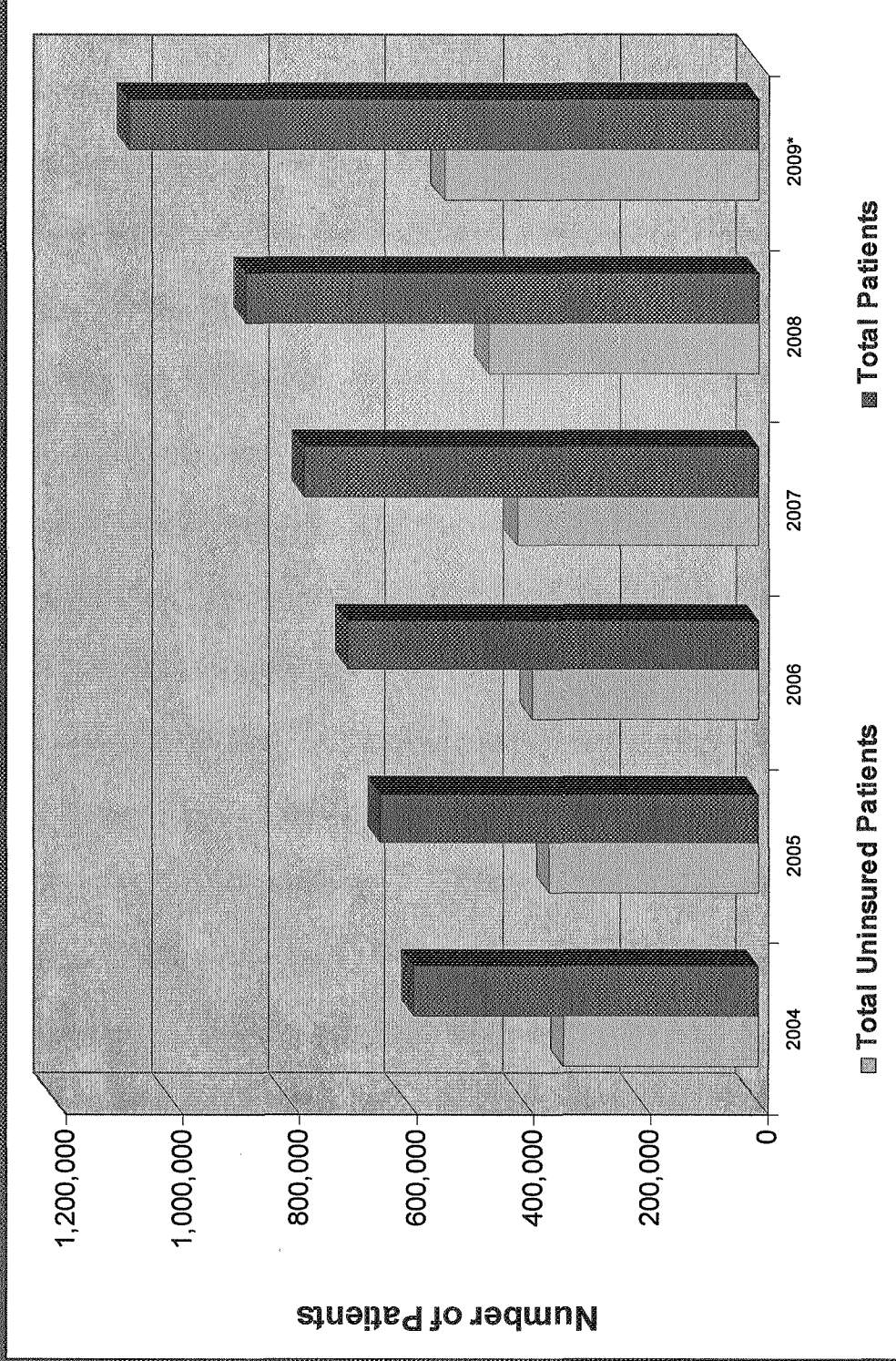
- Public entity models generally must meet all criteria standard FQHCs meet.
- There can be issues relating to the governance/management that can be problematic.
- Florida has 8 CHDs that are BPHC funded FQHCs (Citrus, Duval, Gulf, Liberty, Hernando, Osceola, Palm Beach, Sarasota).

FQHCs- Clinical Training

- FQHCs provide clinical training for over 3,000 in all health disciplines.
- Residency training should be a critical component of FQHC workforce development.
- FQHCs operate as “academic health centers” in others states. Florida should consider same to reduce primary care shortages.



Community Health Center Patient Numbers 2004-2009*



* 2009 data are conservatively projected, based on historical data

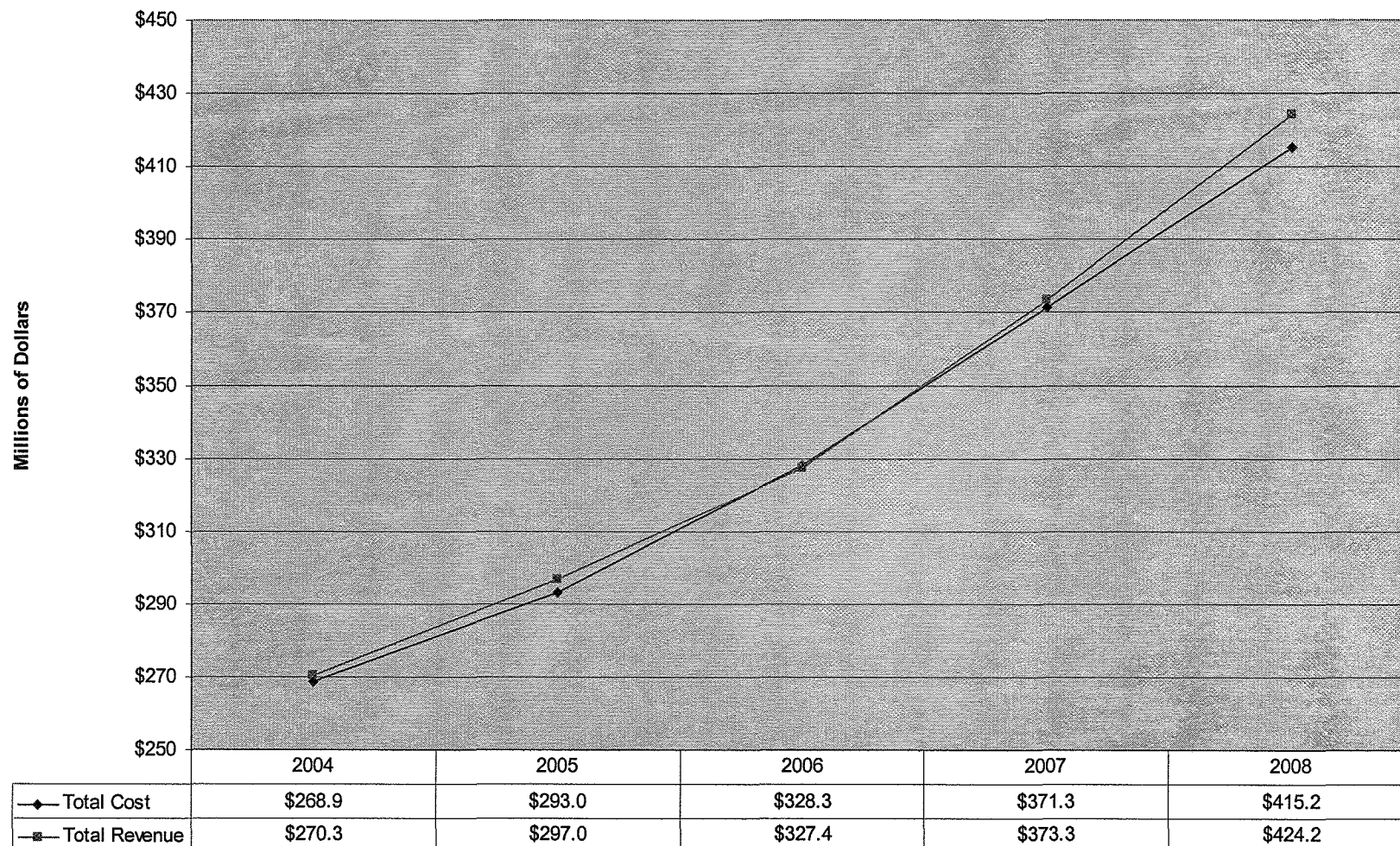


Medicaid Patients and FQHC Costs

	2004	2005	2006	2007	2008
Total Cost	\$84,616,767	\$99,085,740	\$115,460,158	\$127,973,097	\$151,246,473
Collected	\$74,449,252	\$89,018,275	\$98,128,217	\$106,411,330	\$125,311,246
Patients	147,454	164,071	178,136	211,519	245,184
New Medicaid Patients	5,661	16,617	14,065	33,383	33,665



FQHC Funding Breakdown



Stable Cost of FQHC Service Provision

	2004	2005	2006	2007	2008
FQHC Cost Per Patient	\$457	\$454	\$468	\$477	\$473



Primary Care Savings for Florida

- Studies of medical home/primary care demonstrations conducted nationwide have resulted in cost reductions, resource improvements, and better patient outcomes.
- A study conducted by the George Washington University School of Public Health and Health Services* revealed increased investment in Florida FQHC community based primary care could result in mitigating \$4.7 billion in emergency room expenditures.
- Implementing Patient-Centered Medical Home**:
 - \$189.3 - \$567.8 million in savings due to improved access.
- A FACHC analysis has determined that FQHCs in Florida produce savings at a rate of \$5 to \$1.

Both publications available on FACHC website:

*Published in January of 2009

**Published in December of 2009



Utilization of FQHCs to Reduce Costs: An ER alternative

- According to the Broward Regional Health Planning Council, in 2008 Florida hospital ERs had:
 - 5,475,366 ER encounters with total charges of \$14,215,931,897.
 - 630,389 minor severity ER encounters.
 - 45% of these specific encounters were rated as non-emergent.
- These lowest level encounters had a range of charges as follows:

Medicaid	\$ 623
No Charge	\$ 723
Private Pay	\$ 773
Other	\$ 826
Medicare	\$1,114
Private/HMO	\$1,117
- **These ER encounters could have been served at a FQHC and incurred a average cost of less then \$120.**



Utilization of FQHCs to Reduce Costs: An ER alternative

- 45% of 630,389 encounters is 289,979.
- If these non-emergent ER encounter patients were served at a FQHC, then a conservatively estimated savings of \$500 per encounter would equate to \$145.9M.
- If the 162,969 non-emergent MEDICAID ER encounter patients were served at a FQHC, then a conservatively estimated savings of \$500 per encounter would equate to \$81.48M.



Looking at Avoidable Admissions for Chronic Disease Management

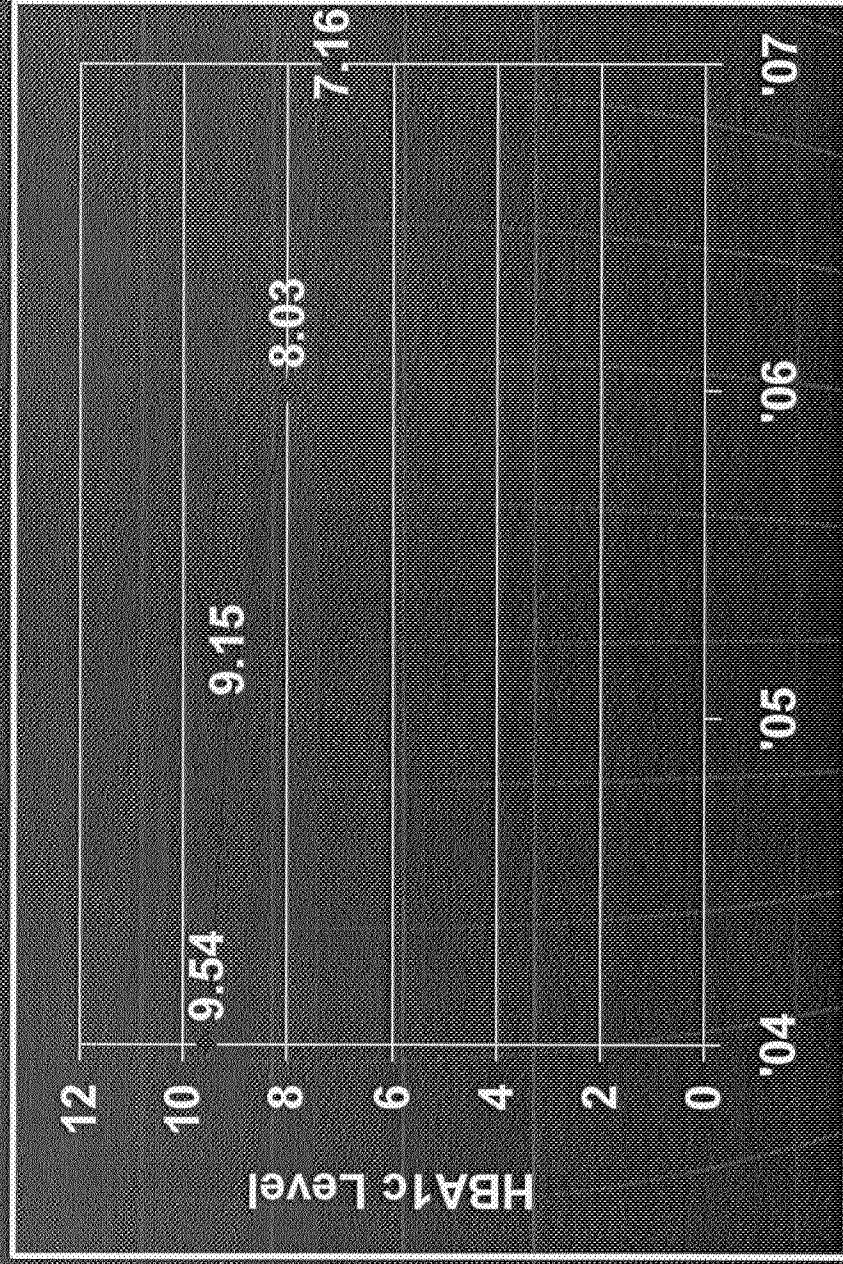
- 2008 Data* shows (Medicaid data):

Diabetes	6,792	generated \$186.4M (\$27,441 PP)
Hypertension	11,255	generated \$242.9M (\$123,588 PP)
Low Birth Rate	11,143	generated \$902.9M (\$80,941PP)
- If they are truly avoidable costs, then these would be costs NOT incurred at the ER or at the hospital with prior primary care.
- To generate the savings for these key issues you must:
 - Show a reduction in A1c levels indicating patient is getting continuous care.
 - Provide proof that disease management is effective in reducing high blood pressure and patient's condition is under control.
 - Show reductions in the number of low birth weight babies in the system to show an effective program.

* Broward Health Planning Council



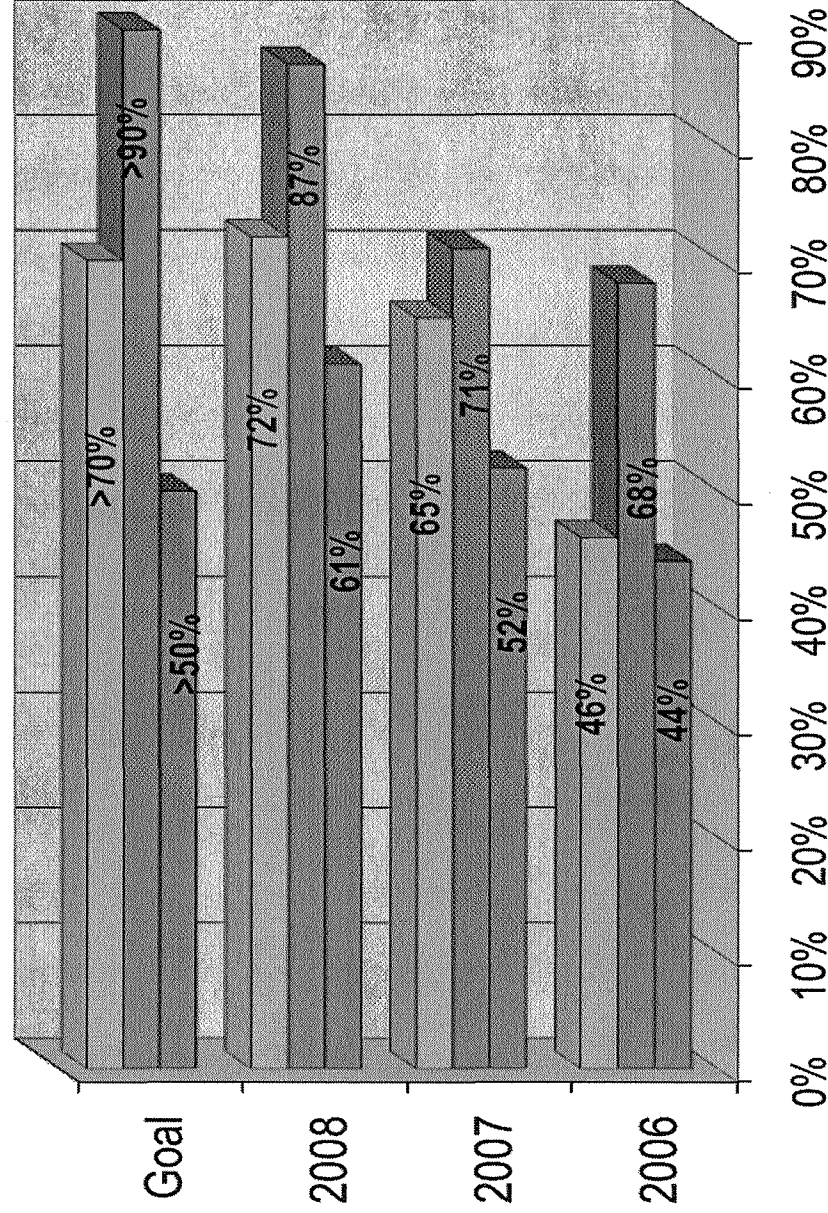
Average A1c Rates For Florida's FQHC Collaborative Patients



Represents over 15,000 patients in DM Collaborative



Cardiovascular Disease Management through Health Disease Collaboratives

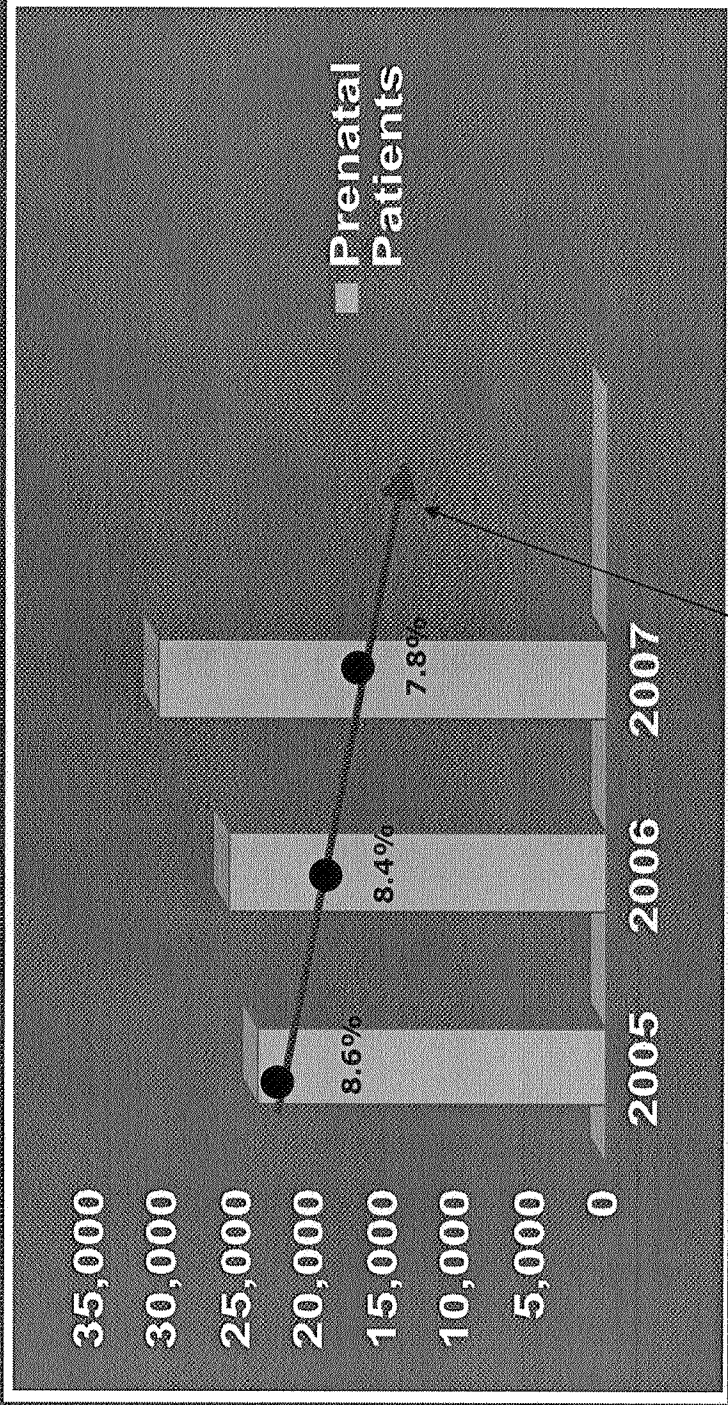


Patient Education/SM Goals
 Patients with 2 BPs in 12 months
 Patients with BP in Control



U.S. Dept. of Health and Human Services National Results Sharing Site, Patient Electronic Care System, & Network Electronic Health Records

Measuring Prenatal Care vs. Low Birth Weight Rate: Florida's FQHCs



**An Increase in 1st Trimester
Patient Visits Impacts Low
Birth Weight Rate**



Florida FQHC Emergency Room Diversion Programs

- BREVARD CHC: Saves the hospital partner approximately \$6 million dollars a year in re-admissions and inappropriate ED utilization.
 - approx 1,200 patients a year that can be tracked directly from the ERs to the CHC.
- Central Florida Family Health Center: In 2009, as part of the Emergency Diversion, an estimated 7,200 uninsured patients received primary care at one of the four Orange County locations – reducing unnecessary emergency room utilization.
- PREMIER CHC: 81% of all patients seen at the New Port Richey Site that were referred by North Bay Hospital are uninsured (July 1-Sept 30, 2009).



Samples of specific LIP fund successes at Florida FQHCs.

- Camillus Health Concern expanded primary care services at 2 new locations for the homeless in Miami-Dade County, specifically adding dental and mental health services. There was an increase of 5.7% in total patients served and 13.2% in total patient encounters. The funds also purchased supplies, support for a Dental Director.
- The uninsured served at Lakeland Primary Care increased from 60% to over 75%. The health center recruited new providers, expanded service hours, and maintained services (lab, x-ray, pharmacy, etc).
- C.L. Brumback Community Health Center added Saturday hours at 3 clinic locations and now provide financial counselors at all sites to assist uninsured clients with insurance applications.
- Manatee County Rural Health Services, Inc. created a new access point in Arcadia for optometry services, expanded hours of operation for dental services, added OB/GYN services and a mid level family practitioner at the Edgar Price Family Health Care Center, added gastroenterology services, and added a general surgeon.
- PanCare Community Health Center in Bay County started a pharmacy program to give uninsured patients better access to prescription drugs. PanCare expanded services by adding evening hours and two medical providers.
- North Florida Medical Centers, Inc. added a new primary care location in Baker and added a pediatrician in Crestview.



Samples of specific LIP fund successes at Florida FQHCs, continued

- Trenton Medical Center added 3 new locations: Williston, Chiefland, and Gainesville. The medical center also added seven new providers.
- Community Health of South Florida, Inc. added 7074 patients, added 2 more physicians, added OB/GYN hours at 2 locations, added 11 more school based locations, increased dental staff by 10 more FTEs, and added dental services at several elementary schools.
- Florida Community Health Centers added another pediatrician to the Port St. Lucie Children's Health Center and added an adolescent health program at that site. The health center is seeing an additional 600 teens/adolescents.
- Community Health Centers, Inc. added 4 providers to serve in 4 different communities in Orange County.
- Northeast Florida Medical Services opened a new location in Deltona. It also launched a pharmacy program and extended hours of service in two locations.



FQHC PSNs

- Florida's FQHCs own and operate two PSNs.
- PRESTIGE Health Choice
 - 39,000 members in Lee, Dade, Hillsborough, Pinellas, and Orange.
- Integral Quality Care
 - Will begin operations in Collier, Manatee, Polk as of March 1st.
- FQHC PSNs will continue to see patients even if they lose Medicaid or other coverage.



Recommendation

- Current recommendation is for FQHCs to receive \$22.3M in LIP funds. FQHCs request is for \$31M. FQHCs can provide the required IGT. FQHCs provide local match from 23 counties. Local buy-in.
- These funds will be used to increase access throughout the state via expansion of services, locations, providers and to assist centers in the implementation of a model medical home.
- FQHCs should have access to any unused funds, as long as they can provide the local match.



HEALTH CARE APPROPRIATIONS

FISCAL YEAR 2010-2011

DEPARTMENT OF ELDER AFFAIRS

15% BUDGET REDUCTION PROPOSAL

FY 2010-2011 REDUCTION													
LINE	DEPT	D3A Issue Title	FTE	SALARY RATE	GENERAL REVENUE	TOBACCO	STATE TF	FEDERAL TF	ALL FUNDS	MOE	MATCH	DESCRIPTION	LINE
1	Department of Elder Affairs												1
2	DOEA	Community Care for the Elderly	0.00	0	(4,021,252)	(26,609)	0	0	(4,047,861)	Y	Y	This represents a 10% reduction to the Community Care for the Elderly Program. This will impact 660 individuals.	2
3	DOEA	Home Care for the Elderly	0.00	0	(7,903,357)	0	0	0	(7,903,357)	N	N	This represents a 100% reduction to this program. This will impact 2,772 individuals.	3
4	DOEA	Alzheimer's Disease Initiative	0.00	0	(1,179,015)	0	0	0	(1,179,015)	Y	Y	This represents a 10% reduction to Alzheimer's Respite, Memory Disorder Clinics and Alzheimer's Projects.	4
5	DOEA	Local Services Program	0.00	0	(1,999,506)	0	0	0	(1,999,506)	N	N	This represents a 28.5% reduction in the Local Services Program.	5
6	DOEA	Respite for Elders Living in Everyday Families	0.00	0	(909,034)	0	0	0	(909,034)	N	N	This represents a 100% reduction to the RELIEF program. This would impact 510 individuals.	6
7	DOEA	Aged and Disabled Medicaid Waiver	0.00	0	(282,170)	(2,821,706)	0	(6,487,830)	(9,591,706)	N	Y	This represents a 11% reduction to the Aged and Disabled Waiver and will impact 1,085 individuals.	7
8	DOEA	Assisted Living Medicaid Waiver	0.00	0	(1,435,147)	(954,567)	0	(4,995,064)	(7,384,778)	N	Y	This represents a 21% reduction to the Assisted Living Waiver and would result in 753 fewer individuals being served.	8
9	DOEA	Alzheimer's Disease Medicaid Waiver	0.00	0	(812,270)	0	0	(1,697,835)	(2,510,105)	N	Y	This represents a 50% reduction to the Alzheimer's Waiver. This waiver is set to sunset at the end of this session.	9
10	DOEA	Nursing Home Diversion Medicaid Waiver	0.00	0	(11,671,894)	0	0	(24,397,001)	(36,068,895)	N	Y	This represents a 11% reduction to the Diversion Waiver. This will impact 1,967 individuals.	10
11	DOEA	Adult Day Health Care Medicaid Waiver	0.00	0	(630,003)	0	0	(1,316,885)	(1,946,888)	N	Y	This represents a 100% reduction of this waiver. There are 26 individuals being served in this program.	11
12	DOEA	Channeling Waiver	0.00	0	(523,288)	0	0	(1,093,796)	(1,617,084)	N	Y	This represents a 11% reduction to the Channeling Waiver. This will impact 140 individuals.	12
13	DOEA	Program for All Inclusive Care	0.00	0	(365,880)	0	0	(764,775)	(1,130,655)	N	Y	This represents a 11% reduction to the PACE Program. This will impact 50 individuals.	13
14	DOEA	Public Guardian	0.00	0	(342,069)	0	0	0	(342,069)	N	N	This would result in a 18% reduction to 10 Public Guardianship contracts.	14
15	DOEA	Administrative Costs	0.00	0	(137,180)	0	0	0	(137,180)	Y	Y	This represents a 10% reduction to Other Personal Services and Expense for all areas except CARES.	15
16	TOTAL DOEA		0.00	0	(32,212,065)	(3,802,882)	0	(40,753,186)	(76,768,133)				16