San Joaquin County

Health Care Services

General Policy Guidelines

for

Health Care Reform

Adopted by the San Joaquin County Board of Supervisors
July 10, 2007

Overview – County Obligation

California counties are required, under Welfare and Institutions Code Section 17000, to provide health care services to the medically indigent. Each county may define a medical indigence standard appropriate to their own local community in terms of income and assets. Counties furnish medical care either directly or by contract through a variety of delivery mechanisms.

The provision of health care services is only a portion of the obligation counties have in promoting the health of their communities. The San Joaquin County Health Care Services (HCS) Agency also provides mandated and state and federally sponsored public health, mental health, and substance abuse services that benefit the central valley region as a whole. In addition, San Joaquin County HCS Agency provides county-mandated jail health care, including dental and other services which may not be considered and/or covered under a health care expansion/reform, as well as care to a significant number of undocumented adults (a number difficult to estimate).

Key Principles Regarding State Health Care Reform / Universal Health Coverage

Although San Joaquin County supports universal access to affordable health care, the current reform measures need to address specific issues to protect the County from unforeseen liability and/or unfunded service obligations. Otherwise, the County may be left with new and undefined mandates, subjected to new litigation and case law, insufficient funding for new and undefined populations, and increased requirements to fund these new obligations.

The following 8 concepts (defined in detail on pages 2-5) regarding health care reform which must be addressed in order to avoid disruption in the provision of essential health care services, and to ensure the protection of health care safety-net services during the transition to and after universal health care/health care reform are:

1) Financing
2) Coverage
3) Access
4) Affordability
5) Prevention
6) Streamlining
7) Health Care Delivery System
8) Primary Care and Chronic Disease Management

1) Financing

A. Any transfer of indigent medical services funding away from the county should be accompanied by a corresponding reduction in responsibility under the health care provisions of Welfare and Institutions Code Section 17000. Any remaining county responsibilities for indigent medical care or care for residually uninsured populations must be sustainable by adequate funding, including the provision of non-county sources of funds to provide reasonable access to quality services.

B. Adequate and secure funding must be assured for other county health services, especially those State-mandated. Funding for core local public health activities (communicable disease control, epidemiology, public health laboratories, public health nursing, etc.) must not be diminished.

C. Health coverage proposals must consider the development of partnerships with the existing county health care systems in recognition of the important resources counties provide for serving specialized segments of the population and the populations presently being served.

D. Oppose new taxes, transfers, contributions, or fees upon counties or county facilities to fund coverage expansions, unless the proposal also includes an equivalent reduction in county costs, and the counties have sufficient ongoing funding to meet the newly defined responsibilities.

E. Require that any new obligations and related funding of county health care programs be equitably distributed.

F. Oppose automatic increases in county contributions, such as CPI, without adequate review and reconciliation of demographic and utilization data.

G. Oppose mechanisms which require the counties to pre-pay contributions to the State without recognition and resolution of the cash flow implications for counties of such a mechanism.

H. Oppose provisions where the County is left with the obligation to care for the most difficult, most complex, and least manageable and compliant populations, unless that responsibility is commensurate with adequate, dedicated, and ongoing sources of funding.

I. Any universal coverage proposal must be fully funded to meet the promise of ensuring universal access to health care for all Californians. Public hospitals are required to ensure that low income, uninsured, and vulnerable patients have access to health care in their communities. However, as a result of federal and policy changes encompassed in the Hospital Payment Waiver, counties are shouldering an increasing share of the responsibility for this care. Increased resources from the State and federal governments will be needed to expand access and build upon existing service delivery models. The counties should not be the source of funds to be used for federal matching unless the counties are the direct and sole beneficiary of these contributions.

2) Coverage

A. Ideally, Californians will be assigned to a medical home. This assignment should ensure regular checkups, preventive care, and case management of chronic health conditions. (This population of covered individuals will have identifiable costs, and their care should be case managed in the most cost-effective manner.)

B. Coverage is needed for patients with complex issues – such as the homeless, the mentally ill, and those with complex medical and social problems, including substance abuse. This population may remain uninsured, or if covered, may require special attention to access care. Due to the acuity, range, and complexity of their needs, these patients have not been well served by a traditionally managed care model and many have continued to rely on the public health care safety-net for their care, even when enrolled in managed care. County-based coverage for this complex patient population through targeted funding for health care coverage, including clinical treatment and care coordination, should be considered. Similar to California Children's Services, targeted funding for vulnerable and chronically ill adult patients would ensure that this population receives appropriate, cost-effective care.

C. Provide coverage for mental health and substance abuse services at parity with the level allowed for other diagnoses.

D. Coverage should be extended to incarcerated persons and/or those under the custody of the county sheriff and chief probation officer – or should have their eligibility secured under the appropriate programs.

3) Access

A. Health care coverage without adequate access to hospitals, physicians, and other professional services is no coverage at all.

B. Reimbursement rates should be adequate to attract sufficient providers to serve the newly covered populations and ensure the reimbursement covers the cost of care and provides quality incentives.

C. Coordination with and participation by counties for outreach activities for any new or expanded program should be maximized. This coordination would permit the State and uninsured individuals to derive maximum benefit from such existing and expanded programs as at local health departments. The staff at the local county agencies is intimately knowledgeable regarding local neighborhoods, families, and cultures.

D. California's public hospitals must play an important role in providing comprehensive care under a new system of universal coverage. This new system must be structured to support public hospitals and other safety-net institutions so that all Californians have access to care.

4) Affordability

A. Any mandated system must ensure that health care coverage is affordable.

B. Any patient Cost sharing should be tied to state defined income and asset levels.. Individuals and families with incomes greater than 300 percent of the Federal Poverty Level who are required to obtain basic insurance may forgo chronic disease services and costly elective procedures in the face of high costs. For patients who do receive care but are unable to pay, public hospitals could face increased uncompensated deductions and net out-of-pocket costs.

C. Minimum benefits package deductibles should be set at levels that ensure affordability for patients and not act as a barrier to care.

D. Include an affordable safety-net coverage option both within and outside of the purchasing pool.

E. In order for health care reform to be successful, at a minimum, catastrophic care must be a covered benefit and financially addressed through re-insurance, risk pools, and other options.

F. No individual should be driven into bankruptcy or defer seeking needed medical care due to health care costs.

5) Prevention

A. Health care reform should include incentives for individuals to access regular preventive, health promotion, and primary care services, and recognize healthy behaviors and choices by consumers.

B. Incentives should be included for health care practitioners to provide case management and promote prevention, screening, and primary services to reduce the incidence and to ensure that medical conditions and illnesses are caught and treated at the earliest and least costly stages.

6) Streamlining

A. Existing state coverage programs should be consolidated with a streamlined application and enrollment process, with minimum, necessary, required documentation.

B. Enrollment should be available through community-based providers and point-of-service facilities. Self-enrollment through the internet and mail should also be an option. Penalties and/or fiscal sanctions should not be imposed upon counties for applications received from community-based sources that may contain inconsistencies.

7) Health Care Delivery System

A. Effective health care reform can only be achieved through a strong and stable delivery system which is able to provide high quality services when and where they are needed. This delivery reform is of particular concern, as the newly-covered will seek services and place new demands on an already strained delivery system. For a health care delivery system that is already at capacity in geographic areas and for specialty care services for safety-net patients, these new pressures must be addressed.

B. It is critical that health care reform include an expansion of the delivery system to ensure that people have both coverage and access to care. This expansion will require significant investments in local education to increase the supply of physicians and professional staff. Capital investment in equipment, technologies, and facilities may also be required.

C. A comprehensive health care services capacity needs assessment should be conducted before any health care reform proposal is implemented. Once the shortfalls are identified, significant investments must be made in the delivery system to ensure access to care.

D. Investments in public hospitals must be made to maintain specialty-care services, community-wide services, and improved care coordination for all patients.

E. Public hospital providers must receive adequate rates, including acuity adjustments, to account for patient populations with greater health and social needs.

8) Primary Care and Chronic Disease Management

A. Public hospital systems have related clinic systems that understand the importance of early and effective treatments that can prevent acute episodes and costly procedures (and manage chronic illness such as HIV, asthma, diabetes, and high blood pressure on an outpatient basis).

B. Legislation should include targeted funding for chronic care prevention and treatment. These dollars should, in part, fund Medi-Cal reimbursement for services such as basic nutrition, patient self-management support, and care management services provided by non-licensed personnel. The State should continue its efforts in this vein, as demonstrated with a Medicaid Transformation Grant to CMS in 2006 for a chronic care services, Medi-Cal reimbursement pilot project.

C. Legislation should also support health information technology improvements in safety-net institutions, to enable public hospital clinics to utilize patient registries, electronic medical records, and other tools to more efficiently manage patients with chronic conditions.