



Safety Net Providers After Health Reform: Lessons from Massachusetts

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Archives of Internal Medicine 171(15):
1379-84, Aug. 8, 2011

Dual Systems for Health Care Subsidies

- Insurance for patients – Medicaid, CHIP, etc.
- Provider grants/subsidies – FQHCs, DSH, etc.
- Affordable Care Act (ACA) greatly expands health insurance. Increases FQHC funding, but cuts DSH.
- **When insurance expands, what is the role of the safety net?**
- Many assume patients will shift to other providers. No further need to support safety net.

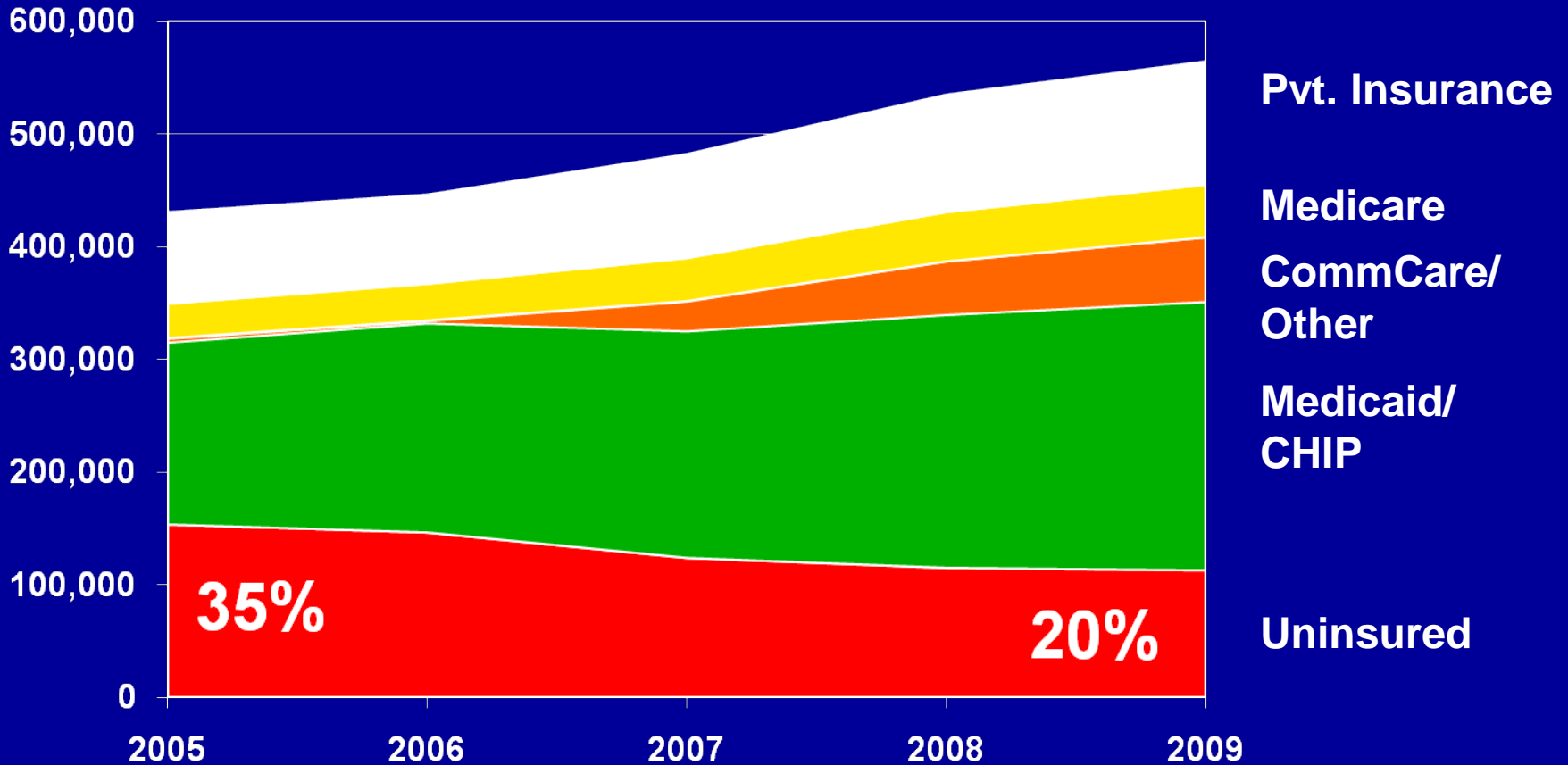
Chapter 58 – the MA Health Reform Law

- In Massachusetts, Chapter 58 enacted in 2006. Similar to ACA. Increases in Medicaid, Commonwealth Care, health insurance exchange, individual insurance mandate.
- Insurance coverage expanded. For non-elderly adults, insurance coverage rose from 87.5% in 2006 to 95.2% by 2009. (Numbers differ by source, but trends are consistent). Access to care improved.
- Well documented by MA Health Reform Surveys (Sharon Long)

Mixed Methods

- Follow-up on earlier study of FQHCs
- Administrative Data about Caseloads and Finances
 - Uniform Data System for FQHCs, 2005-9
 - Hospital Administrative Reports to State, 2006-9
- 2009 Massachusetts Health Reform Survey
 - Phone survey of 3041 nonelderly adults. Part of 2006-9 series.
- Case study site visits to Boston, Springfield, Fall River and Pittsfield, MA. Interviewed CHC, hospital staff, local experts. Conducted focus groups. IRB approved.

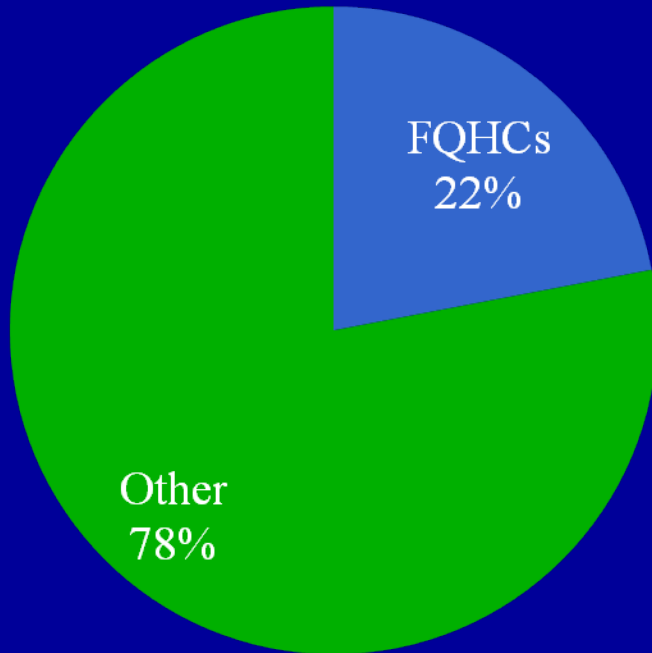
Massachusetts CHC Caseloads. 31% Growth from 2005 to 2009.



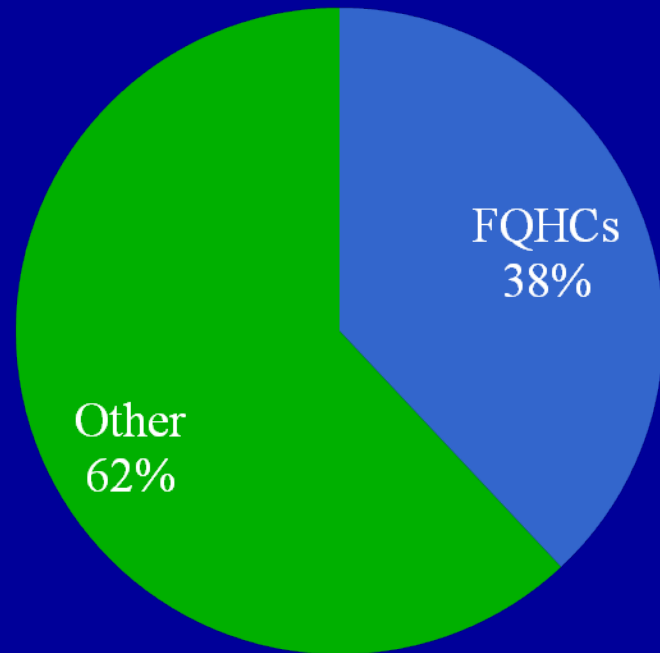
Source: UDS data

% of State Uninsured Residents Receiving Care at FQHCs

2006



2009



Changes in FQHC Funding

- Medicaid and other insurance sources grew rapidly.
- Grant funding, esp. state grants, grew less. Became lower share of total revenue.
 - Also gained federal economic recovery funds
- Total revenue per patient grew 6.3%/yr from 2005-9, but total costs grew 6.4%/yr .
- FQHCs had some additional costs to grow and to compete for clinical staff.

Massachusetts Hospital Utilization, 2006-9 **(in 1000s)**

Safety net = 20%+ revenue Medicaid, CommCare, HSN	2006	2009	Change
Inpatient Admissions			
Safety Net Hospitals (17)	248	253	+2%
Not Safety Net (48)	596	609	+ 2%
Non-ER Ambulatory Visits			
Safety Net Hospitals (17)	4633	5060	+9%
Not Safety Net (48)	6350	6613	+4%

Health Care Utilization of Safety Net vs Other Adults, 2009

	All Low-income Adults	Low-income Safety Net Pt
Health Insurance Coverage		
Employer Sponsored Insurance	40%*	24%
Public insurance	51%*	67%
Uninsured	9%	9%
Health Utilization		
Any general physician visit	84%	82%
Preventive care visit	75%	75%
Any specialist visit	49%	51%
Any dental visit	61%	59%
Any emergency dept visits	46%*	62%
Most recent ED visit for nonemergency reason	22%*	33%

Reasons for Using Safety Net Provider

Reason	Percent
Convenient	79%
Affordable	74%
Available of Other Services	52%
Problem Getting Appointment Elsewhere	25%
Staff Able to Speak Patient's Primary Language	8%

Source: 2009 MA Health Reform Survey

Conclusions

- Despite major reductions in uninsured following health reform, demand for care at safety net stayed strong, especially ambulatory care
- Newly insured patients continue to go to safety net providers. Not because they are their last choice, but because they appreciate the services received.
- Need to continue policies and resources that help safety net providers
- Safety net providers need to make sure they offer services patients want in a more competitive environment.

Acknowledgment

- Funding provided by Blue Cross Blue Shield of Massachusetts Foundation
- Follow-up of earlier study supported by Geiger Gibson Collaborative and Kaiser Commission on Medicaid and the Uninsured