

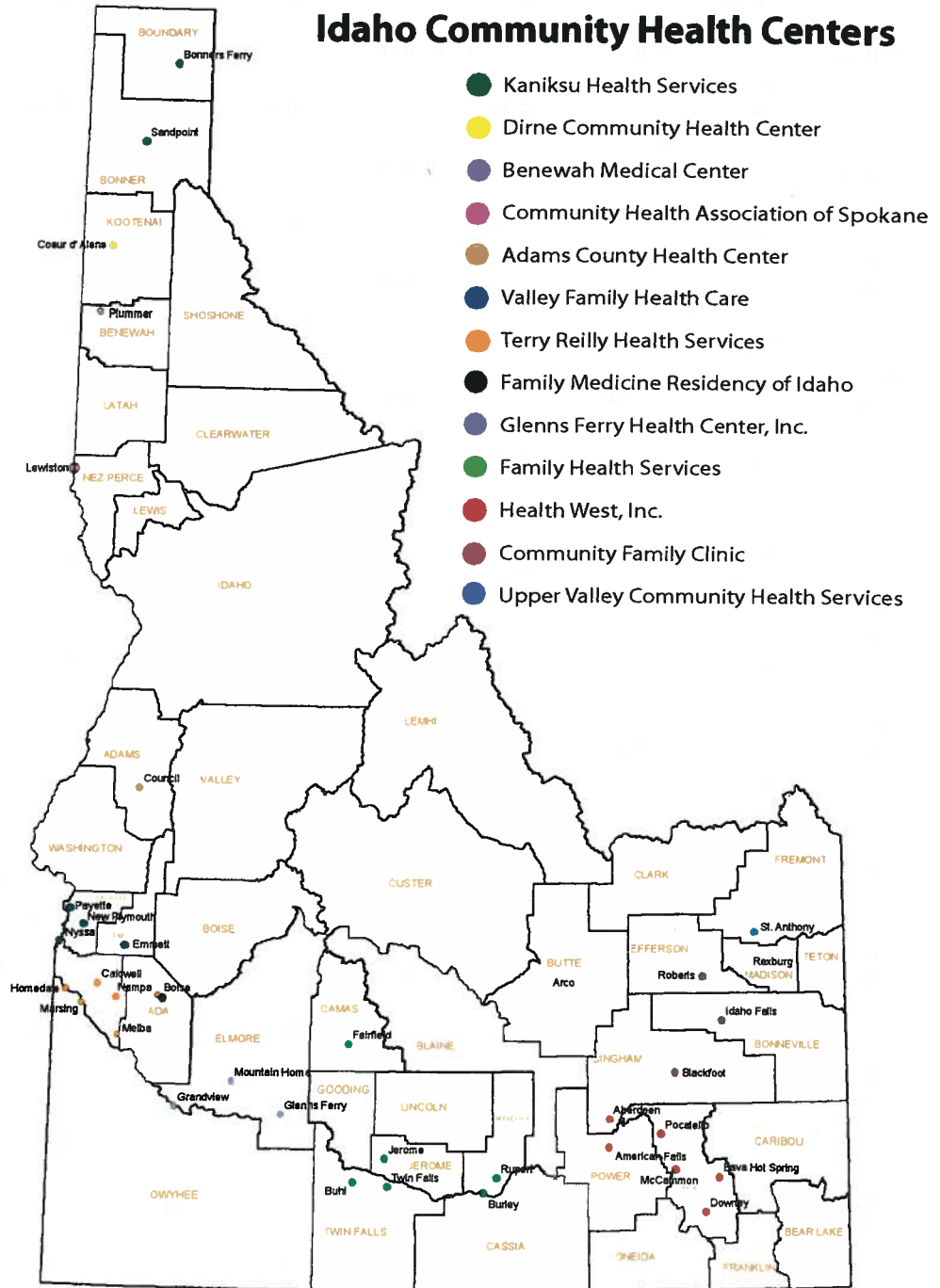
# IDAHO COMMUNITY HEALTH CENTERS

For over 35 years, Idaho Community Health Centers (CHCs) have played a vital role in our state's safety net, currently providing high-quality, affordable primary and preventive care to almost 1 in 11 Idahoans. CHC patients include those with Medicaid, Medicare, the uninsured and those with insurance.

## IDAHO CHCs ARE THE SOLE SOURCE OF PRIMARY MEDICAL CARE FOR MANY RURAL COMMUNITIES.

- Idaho CHCs are locally owned not-for-profit businesses governed by a community based board of directors.
- Idaho CHCs currently serve 12% of all Medicaid beneficiaries at a TOTAL cost of only 1.1% of Medicaid spending.
- Idaho CHCs are in the process of transforming to Patient Centered Medical Homes.
- CHCs are located in high-need areas identified as having elevated poverty, higher than average infant mortality, and fewer physicians in practice.
- CHCs are open to all residents, regardless of insurance status, and provide reduced cost care based on ability to pay.

## Idaho Community Health Centers

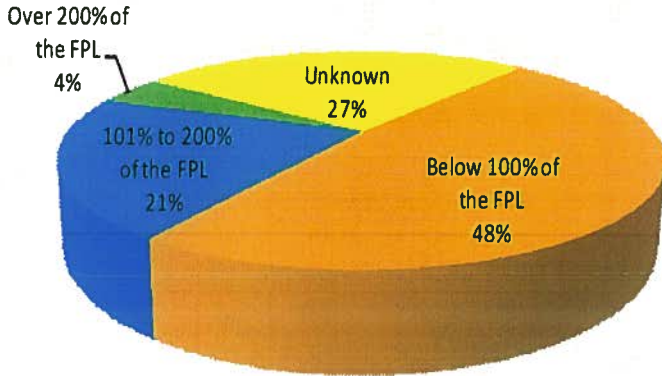


# Idaho Community Health Center Statewide Patient 2010 Data

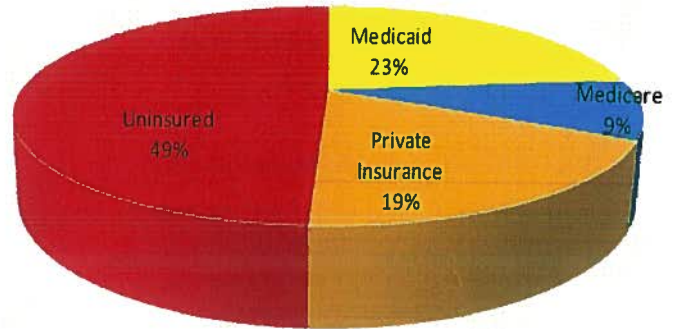
**133,355 Patients**

**518,246 Visits**

**Idaho CHC Patients by FPL**

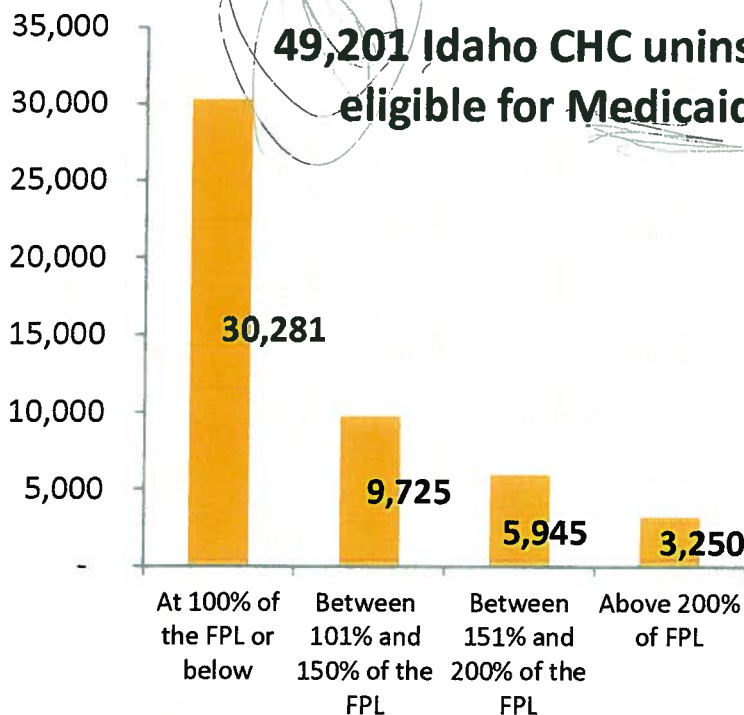


**Idaho CHC Patients by Insurance Status**



Idaho CHC Patients by Federal Poverty Level (FPL)	
Below 100% of FPL	64,428
Between 101% to 200% of FPL	27,899
Over 200% of FPL	5,795
Unknown	35,233
<b>Total</b>	<b>133,355</b>

Idaho CHC Patients by Insurance Source	
Medicaid	30,909
Medicare	11,742
Private Insurance	25,307
Uninsured	65,397
<b>Total</b>	<b>133,355</b>



**49,201 Idaho CHC uninsured patients would be eligible for Medicaid/Exchange coverage**

■ ID CHC patients eligible for Medicaid/Exchange coverage



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Oct 4, 2011

Idaho Legislative Health Care Task Force

Comments from Denise Chuckovich, Executive Director, Idaho Primary Care Association

## **GENERAL COMMENTS REGARDING COMMUNITY HEALTH CENTERS AND THE INSURANCE EXCHANGE:**

### **WHAT SERVICES DO WE PROVIDE?**

- Idaho's 13 community health centers, located in 35 communities, served 133,000 patients in 2010. That's almost one in every 11 Idahoans.
- Our health centers provide primary and preventive care, dental, and mental health services.
- All 13 of our health centers are transforming their model of care into a patient centered medical home, providing high-quality, team-based care that focuses on keeping patients healthy and keeping health care costs low.

### **WHO DO WE SERVE?**

- 49% of the patients we serve are uninsured.
- 48% are below 100% of poverty
- Most of our uninsured patients are adults between 20-64 years old and very low-income.
- We are the heart of the health care safety net in Idaho and have expertise in serving people who are often difficult to care for, are disenfranchised from the system, or have not sought health care services until their conditions are serious and costly.

### **IMPACT OF HEALTH INSURANCE EXCHANGE ON COMMUNITY HEALTH CENTERS?**

- We anticipate that in 2014, when the insurance exchange is in place and Medicaid eligibility extends to include all Idahoans up to 138% of poverty, we will see an estimated 35,000 current uninsured health center patients become eligible for Medicaid coverage, and an estimated 14,000 current uninsured health center patients become eligible for coverage through the Exchange. Many of these patients are likely to shift back and forth between Medicaid and Exchange coverage, based on shifts in income.
- With current clinic sites located in 35 communities, including many rural communities, the health centers anticipate that when more people have coverage in 2014 there will be significant growth in the overall number of patients served, above the 133,000 patients we served in 2010.
- Anticipating this significant shift in insurance status for our existing patients, along with growth in demand in 2014, we understand the critical role CHCs will play as primary care providers for Medicaid and in the Exchange and appreciate the opportunity to provide input into the Exchange design.

## RESPONSE TO QUESTIONS POSED BY TASK FORCE

### 1. What is your organization's stance on the conceptual idea of insurance exchanges?

--In Idaho, we see the impact of lack of insurance on health outcomes and health care costs. Uninsured Idahoans are sicker, more likely to go to the ER, or end up hospitalized because they did not receive preventive or primary care. The costly County Indigent Fund and State CAT Fund illustrate the very high costs of health care when individuals do not have access to primary and preventive care.

--We favor the creation of insurance exchanges as an opportunity for many currently uninsured Idahoans to access quality medical care, which can help keep them healthy. At our health centers, almost 50% of our patients are uninsured. Although we are able to take care of their preventive and primary care needs, accessing needed specialty care, prescription drugs, or hospitalization can be difficult for uninsured patients.

### 2. Do you favor a state exchange or a federal exchange and why?

We favor a state exchange that can be designed by and for the people of Idaho, rather than having a federally designed and directed exchange. We believe a state-based exchange will be more responsive to the needs of our population. We also anticipate that a state exchange will have more flexibility than a federal exchange and can be responsive to needed adjustments as we learn what works and what doesn't for Idaho.

### 3. What provisions do you feel would be important in a state exchange?

**We have three recommendations that focus specifically on the role of Community Health Centers (CHCs) in a state exchange:**

#### a. **RECOMMENDATION: Require Qualified Health Plans to contract with all interested CHCs as essential community providers**

- i. All CHCs are considered **essential community providers**—defined as providers who serve predominantly low-income, medically underserved individuals. In setting up the Idaho Exchange each Qualified Health Plan (QHP) will establish a network of providers who provide care to the patients insured by the QHP. The state can require that QHPs contract with all interested essential community providers in the plan's service area. We would urge that the Idaho Insurance Exchange require that a plan's provider network **must include all health centers** that are interested in participating in that provider network.
- ii. This will ensure that health centers, which are often the ONLY source for care in predominately low-income, medically underserved rural areas, will be included as a provider option for the newly insured in all areas of the state. Health centers are experienced in serving low-income populations and are presently providing a medical home for many Idahoans who will be eligible for the Exchange.

#### b. **RECOMMENDATION: Require Qualified Health Plans to reimburse health centers no less than the amount of their Medicaid payment**

- i. Health centers rely heavily on their Medicaid cost-based payments to cover most of the cost of their Medicaid patients' care. Paying CHCs a cost-based reimbursement for Exchange patients will allow the CHCs to continue to operate, serving patients in rural and medically-underserved communities across the state.

**c. RECOMMENDATION: Include at least one individual representing safety net providers, such as the Idaho Primary Care Association or a health center director, on the Insurance Exchange Board of Directors**

- i. The draft federal rules require that a majority of the Exchange governing board members are consumer representatives. That term is defined as including a customer of an Exchange plan or a representative of a non-profit organization that serves or advocates for constituencies served by the Exchanges.
- ii. Safety net providers representation on the Exchange board is important because they will be familiar with the issues related to serving this newly insured population. This will include issues of coordination between various coverage programs and systems such as Medicaid. They will also be familiar with issues related to access for this population including language barriers, transportation, outreach and related barriers.

**4. What things should the state avoid?** Related to our three recommendations above, we would urge the state to avoid the following:

- a. Do not allow health plans to limit the number of health centers they include in their provider network. In a state with significant provider shortages and many rural communities with limited health care access, all willing health centers should be included in any qualified health plan network.
- b. Qualified health plans should be required to reimburse health centers at their Medicaid payment rate, which is cost-based. Paying CHCs at reduced levels could threaten the financial viability of these not-for-profit organizations.
- c. Do not exclude representation of the consumer's voice on the Exchange Board. Including health center representation on the board will allow a well-informed discussion of aspects of care to low income populations in rural communities that will strengthen the operations of the Exchange.

**5. Conclusion:**

The network of community health centers in Idaho recognizes that we will play a key role in providing primary and preventive care to many thousands of Idahoans who currently do not have health insurance and will either become eligible for Medicaid or for coverage through the Insurance Exchange in 2014. We look forward to the opportunity to work with the legislature, state officials, insurers, and other care providers to build an Idaho Insurance Exchange that will provide access to quality health care, keep Idahoans healthy and reduce overall health care costs.