

Statement of Legislative Intent 53-3-A-1

# **HEALTH OUTCOMES IN COMMUNITY HEALTH CLINIC CONTRACTS**

# Health Outcomes in Community Health Clinic Contracts

## HSD Response to Statement of Legislative Intent 53-3-A-1

- City Investment: Community Health Clinics
- Current City investment \$6.6 million
- City funding represents approximately 5.3% of total Community Health Clinic budget
- Original City contract designed to fund visits for the ‘uninsured’. Medial performance measures have historically been collected and reported, but not comprised an element of performance pay.
- Community Health Clinics serve highest risk/highest cost residents
- Public Health’s Community & School-Based Partnerships Unit provides oversight of Clinic contract

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### **Mandates from Council SLI**

- Work with Public Health to require health outcomes as part of performance pay in 2013 contracts for medical and dental services for uninsured Seattle residents
- Report back to Council's Housing, Human Services, Health and Culture Committee with proposed changes
- Extension granted to HSD in 2012 in order to allow for recruiting/on boarding of Public Health Strategic Advisor

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### Impacts of Affordable Care Act

- While the expansion of Medicaid in 2014 is anticipated to create overall system savings, the Community Health Clinic system has some unique challenges will require further analysis
- Many clinic clients will not benefit from Medicaid expansion
- Approximately 40,500 Seattle residents will remain uninsured despite Medicaid expansion including:
  - The undocumented
  - Individuals earning more than 138% FP (approximately \$22,000/yr)
- Dental Care remains an ‘uncovered’ gap

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### Recommendations

- HSD, Public Health & representatives of Community Health Clinics met extensively to discuss SLI. Recommendations include:
  - Retain existing ‘enrollment’ commitment
  - Retain and expand definition of ‘uninsured visits’
  - Adopt one new medical and one new dental performance measure
  - Allow high performing clinics to access an ‘alternative measure’ if they meet or exceed national best practice measures

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### Recommendations

- Standard HSD performance-based contract:
  - 75% base pay
- New Performance Pay Structure (25% performance)
  - 5 % Enrollment commitment
  - 8% Medical visits to uninsured residents
  - 8% Dental visits to uninsured residents
  - 2% Medical (Diabetes) measure
  - 2% (Dental treatment plan) measures

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- Next Steps
- New contract implemented January 1, 2014
- Public Health and the Clinic Workgroup will continue to meet in support of the strategic use of performance standards and system collaboration and communication
- Continue to explore ways to support the Community Health Clinics as a 'system', including consideration of 'aggregate' scoring
- As impacts of Medicaid Expansion unfold, HSD will continue to monitor these impacts and make contract recommendations according to changing funding and service environment
- Contract will be revisited annually to ensure contract structure & deliverables continue to meet City goals and objectives

# Questions and Comments

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