San Luis Obispo County Public Health Department

ACA Planning Group
MEETING NOTES

Tuesday, August 14, 2012
3:00 p.m. – 4:30 p.m.

In Attendance

Larry Bacus, CHC
Bob Black, SVRMC
Gill Blonsley, Health Commission
Marsha Bollinger, Consumer
Penny Borenstein, Health Agency
Leslie Brown, County Administration
Lee Collins, DSS
Joel Diringer, Diringer & Associates
Raye Fleming, Health Prevention-CAPSLO
Amy Gilman, Supervisor Patterson
Tom Hale, ER Physician
Jeff Hamm, Health Agency
Diane Jay, Health Agency
Edie Khan, AIDS Support Network
Bob Lotwala, CHC
Theresa Merkle, CenCal Health
Hans Poschman, Senator Blakeslee
Jean Raymond, Adult Svcs Policy Council/Health Comm
Juan Reynoso, ER Physician
Jennifer Shay, Health Agency
Tracy Shiro, DSS
Scott Smith-Cooke, Health Commission
Mike Stevens, Health Agency
Natalie Walter, DSS
Carsten Zieger, ER Physician

Handouts Provided

- Presentation of Key Provisions of the ACA and meeting outline
- Summary of the Supreme Court decision on the ACA
- CenCal Health Strategic Plan 2012-2015

The meeting convened at 3:10 p.m.

Welcome and Introductions

Diane Jay, Public Health Division Manager of Health Care Services, welcomed the stakeholder representatives to the first meeting of the ACA Planning Group and began the introductions.

Key Provisions of the ACA

Dr. Penny Borenstein, County Health Officer, presented an overview of key provisions of the Affordable Care Act (ACA) that most relate to local transition planning (see presentation handout). She began with a summary of the timeline of events. She noted that the ACA is large and complex containing 10 individual titles and advised stakeholders to visit www.HealthCare.gov if they would like to learn more. Dr. Borenstein focused on a few of the key provisions including the Medicaid (Medi-Cal) expansion; the health insurance exchange; and provider reimbursements.

The ACA law requires that most legal residents not covered by an employer plan or a public program must obtain private health insurance. Fines, or taxes, will be assessed for non-compliance, although they are quite minimal the first year and will gradually increase in subsequent years. Insurance exchanges will serve as an all-in-one private insurance marketplace for consumers to research, compare, and purchase the various plans available. In response to a question by Dr. Hale as to how providers will interface with these plans, Dr. Borenstein stated that the plans will operate much as they currently do in the private market and that providers should not expect significant changes. Insurance plans must offer a minimum core set of benefits. Federal subsidies, or tax credits, will be available for qualifying families (up to 400% FPL) and small businesses (up to 25 employees). The state plans to open their exchange in October 2013. More information about the California Health Benefit Exchange (CAHBEX) is available at www.healthexchange.ca.gov.

Dr. Borenstein noted that starting in 2013, the ACA will temporarily increase Medicaid rates paid to providers up to the Medicare rate, but the funding for the increase will not continue in 2015. She added that it remains to be seen how this temporary federal rate increase will affect Medi-Cal providers in SLO County since our Medi-Cal is in a managed care plan that mostly pays providers capitated rates. The Healthy Families program pays higher reimbursements than Medi-Cal and its transition into Medi-Cal will also affect provider reimbursements and, consequently, may further strain our provider capacity.

Dr. Borenstein concluded the presentation by reminding the group that while the Health Agency is convening the meeting, it is not the driver or owner and that this is a collaborative effort. She then asked the stakeholders for their comments and concerns regarding the potential impact of the ACA to their organizations and clients, focusing on provider network adequacy, Medi-Cal enrollment capacity, engaging locally with CAHBEX, transition/discontinuation of the County Medical Services Program (CMSP), and the residually uninsured.

Potential Impact on Local Health Care System

Joel Diringer, health policy consultant with Diringer and Associates, added that while the ACA's expanded coverage does not include undocumented individuals and families, they will retain Medi-Cal coverage for emergency care and pregnancies.

Various participants shared rough estimates of SLO County's Medi-Cal expansion with figures anywhere from 10-19K new enrollees starting in 2014. The broad range is reflective of different data sources which vary in their statistical robustness. Further, historically, actual enrollment in Medi-Cal is something far less than all of those eligible. Lee Collins, Director of the Department of Social Services, noted that case loads are increasing and the Department currently handles over 12,000 Medi-Cal cases. Tracy Schiro clarified that one case could represent an individual or several family members and that there are currently close to 30,000 individuals enrolled in Medi-Cal.

Dr. Borenstein asked the group in general how they plan to provide care for 10 to 20 thousand newly insured patients, most with pent-up health care needs. If a single full-time primary care physician (PCP) typically manages 1,700 patients, then we need on the order of 6-10 more primary care physicians (or mid-level providers), not to mention specialists. Dr. Borenstein proffered that the County at large already has a shortage of PCPs and a further dearth of primary and specialty providers who accept Medi-Cal.

Theresa Merkle, of CenCal Health, distributed copies of the *CenCal Health Strategic Plan 2012-2015* (see attached handout). The Plan stated the organization's primary goal for 2012-2015 was "To actively prepare our systems and providers for expansion of newly eligible and insured low-income populations in Santa Barbara and San Luis Obispo Counties." CenCal is working on a network analysis to determine capacity needs. They have also been participating in Hospital Round Tables educating physicians regarding the upcoming changes with ACA. They are offering assistance to new physicians in how to

setup practices, business services, and electronic health records as an added incentive to get physicians to the area. They are also looking at adding telehealth to meet some of the specialty needs. Ms. Merkle added that CenCal monitors network capacity and reports to their board quarterly.

In this county approximately 85% of the primary care services for Medi-Cal patients, which includes adult, pediatric, and OB care, is provided by Community Health Centers of the Central Coast (CHC). The remainder is mostly provided by private practice pediatricians. Dr. Borenstein added that it has been a challenge to engage the private practice community in discussion around access concerns under ACA.

Bob Lotwala of CHC stated that they are expanding physical capacity with the new larger clinic in Nipomo and have recently added space to clinics in Arroyo Grande and SLO. They plan to recruit more health care providers as demand necessitates.

Jean Raymond asked if key stakeholders were looking at care management, stating that health care resources could go further if patients had assistance in navigating the health care system. Bob Lotwala noted that CHC does have health educators and case managers and are working on a Patient-Centered Medical Home (PCMH) project; Theresa Merkle mentioned that CenCal is working on a hospital re-admissions reduction plan.

Lee Collins stated that the Department is currently involved in statewide systems development (IT, training, etc.) Staff expansion is limited primarily by space available, and also by the amount and timing of federal/state funding allocation. The upcoming transition of enrollees from the Healthy Families program into Medi-Cal will serve as a ”dry run” for the 2014 expansion.

The group discussed the need to get the word out to the people who need these services. Jennifer Shay responded that there are plans at both the federal and state level to conduct marketing campaigns to inform people about the health care coverage opportunities. Mr. Diringer stated that our county currently has Certified Application Assistants and the ACA requires these be available at various locations, and by phone and online. Mr. Collins said that DSS currently has people in some CHC offices to assist patients with their applications. Mr. Lotwala stated that CHC will do some marketing closer to that time.

The group discussed the mental health and dental care services included in the ACA’s core benefits. Mr. Diringer said the ACA does not mandate adult dental care services, but plans must offer pediatric dental care. Mental health is currently a carved out benefit in Medi-Cal, with basic mental health integrated into primary health care services. The group’s questions about mental health remain, such as who will provide the services, if there will be significant changes to the current delivery of care, and what is being done about provider capacity in this specialty area.

In January 2014, CMSP is expected to shut down with approximately 2,000 enrollees being moved into Medi-Cal and the remaining 1,600 becoming eligible for subsidized enrollment in private insurance through the exchange. The biggest concern for the Health Agency is remained adequately staffed to continue mandated services until that time.

Objectives of the ACA Planning Group

Time was running out so this discussion was tabled until the next meeting.

Next Steps

Jeff Hamm, Health Agency Director, suggested and the group agreed to continue communications via email and plan to meet again in January. Mr. Hamm noted that by January, the elections will have given us a better idea of the ACA’s future and both CenCal and DSS will have begun their Healthy Families to Medi-Cal transitions.

The meeting was adjourned at 4:35 p.m.