NATIONAL ACADEMY for STATE HEALTH POLICY®

FACT SHEET

# Providing Coverage for the Remaining Uninsured:

## *Strategies from States and Localities*

by Chiara Corso

The number of uninsured nonelderly adults fell by an estimated 10.3 million between September 2013 and early March 2014 because of provisions in the Affordable Care Act for private insurance reforms, the establishment of the Health Insurance Marketplace, and Medicaid expansion.[1] Yet the remaining uninsured population is expected to reach 30 million by 2017.[2] Uninsured adults are more concentrated in states that chose not to expand Medicaid. They are more likely to live in the South, speak Spanish, have less than a high school education, and have a family income at or below 138 percent of the federal poverty level.[3] Immigration status, financial barriers, and lack of knowledge about health insurance, including the individual mandate and marketplace subsidies, also contribute to uninsurance. While the health care safety net is able to provide care to many of the remaining uninsured, a number of public and private initiatives at the state and local levels have sought to find additional solutions. This fact sheet, supported by a cooperative agreement between the National Academy for State Health Policy and the Health Resources and Services Administration (HRSA), describes a number of such examples.

## Local Programs

- The Restaurant Opportunities Center of Los Angeles started a low-cost health care cooperative for low-income, uninsured restaurant workers. Services covered under the program are provided by the St. John's Well Child and Family Center, a federally qualified health center (FQHC) with clinic sites throughout south Los Angeles, and include annual physicals, urgent care for common illnesses, basic oral health care, and up to seven sessions with a therapist. Workers pay a monthly fee of $25 to participate in the cooperative. This fee can be waived for three months for restaurant workers who do not qualify for public programs such as Medi-Cal or Healthy Families. Grant funds from Kaiser Permanente Community Benefits and The California Wellness Foundation are used to cover the cost of those waived fees. See more at this blog post from the Insure the Uninsured Project.
- The Virginia Commonwealth University (VCU) Medical Center created a program called Virginia Coordinated Care for the Uninsured (VCC), which subsidizes coverage for qualifying individuals receiving care at VCU Medical Center and participating community health centers and hospitals. While not an insurance product, this program helps uninsured patients pay less for certain services, including primary care. Qualifying individuals must have family incomes below 200 percent of the federal poverty level, live in the Richmond area, and have no other coverage options. The VCU health system pays primary care providers 110 percent of Medicaid rates plus a $5.00 per-member, per-month (PMPM) Care Management fee for VCC patients, supported by the VCU Health System operating margin. The medical center uses state Indigent Care funding to cover inpatient, outpatient, and Emergency Department services at the VCU Health System. More information can be found in this presentation by the VCU Medical Center.
- Montgomery County in Maryland partially subsidizes a program called Montgomery Cares, which provides primary care to uninsured, low-income adults. To qualify, individuals must have residency in Montgomery county and an income at or below 250 percent of the federal poverty level, as well as documentation of any income, such as unemployment stubs or a letter from a friend or family member providing financial help. Because many clinics set their own fees, which vary by location, individuals may have to pay for certain services. While the county partially funds this program, Montgomery Cares is administered by the Primary Care Coalition, a nonprofit organization that works to increase access to health care vis-à-vis a network of clinics organized under Community HealthLink. More information about this program is available in a five-year evaluation (2006–2011) of the Montgomery Cares initiative.
- The San Francisco Department of Public Health operates Healthy San Francisco (HSF), which provides primary care to San Francisco residents living at or below 500 percent of the federal poverty level, regardless of pre-existing medical conditions or employment status. Clinics participating in HSF finance care for the uninsured through a range of funding sources, including self-pay, third party revenues, and grants from federal, state, and local sources. Care services are free or paid for on an income-based sliding scale. Services covered include emergency care, primary and preventive care, specialty care, mental health services, alcohol and drug treatment, family planning, and more. You can find more information in this NASHP blog post.

## Statewide programs

- The Health Safety Net (HSN) provides free or low-cost medically necessary health care at health centers and hospitals in Massachusetts, including but not limited to coverage of medical visits, family planning, surgical procedures, mental health and substance abuse treatment, dental services, vision care, and inpatient and outpatient services. Coverage varies by age and income. The HSN also covers services received up to six months before an individual's application date. Individuals with limited income can qualify as Low Income Patients – or, if they have large medical bills, as Medical Hardship Patients. Individuals must be residents of Massachusetts without health insurance, or with health insurance that fails to pay for all medically necessary health services. This program is funded by a Health Safety Net Trust Fund established by the Massachusetts State Legislature. More information is available in the Health Safety Net Overview.
- The Community Healthcare Access Program (CHAP) in Delaware provides medical home and discounted medical services to low-income uninsured individuals. CHAP screens individuals to find those who are ineligible for Medicaid but have a family income below 200 percent of the federal poverty line. A network of community care coordinators links CHAP-eligible individuals to resources and medical services. Services are provided through community hospitals, health centers and more than 500 private physicians volunteering their services through the Medical Society of Delaware. Initially funded through a grant from HRSA, CHAP has also received funding from the state's tobacco settlement, and from Delaware-based pharmaceutical company AstraZeneca. For more information, see this article.
- Launched in 2006, Illinois All Kids blends funds from Medicaid and CHIP with state funding to provide comprehensive insurance coverage to all uninsured children residing in the state. Services covered include primary care services, hospital stays, oral health care, vision care, prescription medications, and additional special services such as medical equipment or speech and physical therapy. Costs vary for families enrolled in All Kids according to income and family size. A brochure produced by the State of Illinois Department of Healthcare and Family Services provides more information.
- The South Carolina Department of Health and Human Services operates a statewide initiative called the Healthy Outcomes Plan (HOP), which provides free care to chronically ill, uninsured South Carolinians. HOP targets low-income individuals with chronic conditions who do not fit the criteria for Medicaid. The program was specifically put in place to assist individuals who have made several trips to the emergency department due to a lack of resources for managing their chronic condition. The Healthy Outcomes Plan covers hospital costs for management and treatment of 17 chronic conditions. Each hospital received a 2.75 percent increase of their Medicaid reimbursement as an incentive to develop a plan to preserve their entire share of funding from the state Medicaid agency. Hospitals would have received a 10 percent penalty on their disproportionate share funds had any elected to opt out of HOP. More information can be found in this article from *The State (Columbia, SC)*.

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1 Sommers, Benjamin D. M.D., Ph.D., Thomas Musco, B.B.A., Kenneth Finegold, Ph.D., Munira Z. Gunja, M.P.H., Amy Burke, Ph.D., and Audrey M. McDowell, M.S. "Health Reform and Changes in Health Insurance Coverage in 2014". The New England Journal of Medicine. July 23, 2014. Available from: http://www.nejm.org/doi/full/10.1056/NEJMsr1406753

2 Congressional Budget Office. Insurance Coverage Provisions of the Affordable Care Act— CBO's April 2014 Baseline. Washington (DC): CBO; 2014 Apr. Available from: http://www.cbo.gov/sites/default/files/cbofiles/attachments/43900-2014-04-ACAtables2.pdf

3 Shartzer, Adele, and Genevieve M. Kenney, Sharon K. Long, Katherine Hempstead, and Douglas Wissoker. *Who Are the Remaining Uninsured as of June 2014?* The Urban Institute Health Policy Center: Health Reform Monitoring Survey (June 29, 2014). Brief. p.1-14.

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