ClinicNET

Advancing health equity, health care access and innovative care delivery

To: Colorado Commission on Affordable Health Care

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Thank you for requesting information to increase the knowledge of each commissioner about influencers and efforts related to health care costs in Colorado. ClinicNET is pleased to share feedback from Community Safety Net Clinics (CSNCs) and to offer our insight as the centralized voice for Colorado's CSNCs. ClinicNET was incorporated in 2007 in response to a collective, growing need to support and advocate on behalf of safety net clinics that are not Federally Qualified Health Centers (FQHCs) yet provide access to health and health care services for uninsured, underinsured and publicly insured Coloradans. Our commitment to serving forty-three (43) CSNCs is also a pledge to help reduce health disparities and enable health equity for all Coloradans regardless of their life circumstance. In 2014 this commitment helped enable CSNCs to serve approximately 150,000 unduplicated patients and provide an estimated 495,000 patient visits.

Since its inception ClinicNET has placed a high priority on helping affiliate clinics understand the health care landscape and its related influencers. With the implementation of the Affordable Care Act there has been even greater need to help providers sort through and make sense of the multitude of patient care initiatives, reimbursement and payment reform programs, and practice transformation initiatives in which they may participate. ClinicNET is steadfast in our commitment to maximize opportunities for ClinicNET affiliates to increase access to quality care for people in need and minimize confusion for these safety net providers. Responses to your questions follow:

1. **What do you think are the fundamental cost drivers and why?**

    - The actual of cost of care is not necessarily what is driving costs within health care system. For patients with high deductible insurance, negotiated insurance prices are a big problem because they end up losing programs they would have had if they were uninsured. Insurance with an affordable premium that someone cannot afford to use because of high deductibles, co-pays and limited covered benefits for prescription medications and the like does not really help patients and families.

    - Ongoing costs related to implementing, maintaining and optimizing the use of electronic health records and enabling health information exchange. The lack of ability to share data easily leads to unnecessary health care costs.

    - For Medicaid insured patients, the inefficiency in processing prior authorizations.

- State requirements that don't enable optimal care, for example, a requirement that two approved formulary medications are tried and both are unsuccessful before the originally prescribed/requested medication can be given.

- Ordering appropriate testing but not having a specialist to care for the patient in a timely manner resulting in repeat, costly tests.

- Volunteerism is prevalent in safety net clinics. Patient needs are outgrowing the number of volunteers which means having to budget for and compensate clinical and administrative staff.

2. **What are the barriers to reducing cost?**

   CSNCs deliver meaningful results and value to their communities despite limited funding for general operations, workforce challenges, *growing reporting and accountability requirements* and payment models that don't necessarily enable integrated care. In addition, ClinicNET affiliates highlighted:

   - Many of the newly insured have gone without care for a long time. They may have multiple diagnoses and the team needed to fully care for the individual is significant and often includes behavioral health support.

   - There are a lot of resources required to assist even one complex patient and providers are rarely paid for related and necessary care coordination, patient navigation, assisting patients/families with social needs and related follow-up.

   - Not enough time or resources to focus on health literacy with patients, which would help them better understand their health care, keep appointments, and become a more active participant in creating and sustaining their own health and wellbeing.

3. **Can you list up to three things that you are doing to address cost that are unique?**

   CSNCs have grown organically across Colorado due to forward thinking civic-minded individuals, heath care professionals and systems, churches and other community organizations that recognize that despite the presence of other safety net providers in their communities, there are many individuals, children and families still in need of timely access to health care services. Because CSNCs operate on extremely tight budgets, they are naturally flexible, creative, innovative, nimble and resourceful.

   CSNCs have implemented many unique approaches to manage costs including staffing models that rely on volunteers for clinical and administrative roles, tapping into the charitable capacity of health care systems, and as standard operating procedure, giving patients copies of x-rays and labs to take with them to a specialty visit in hopes of reducing duplication.

   - "I'm keeping my overhead low, charging a flat rate per month so costs for patients are predictable and income for me is stable, and I'm helping my patients learn to be good healthcare consumers."

- "We utilize a nurse practitioner (NP)/medical assistant (MA) model as the first provider interaction. We also only hire MAs for front desk work so they can room patients if necessary. We also keep the administrative level to only one person to minimize overall costs and to maximize the amount available for direct patient care."

4. **Is there any supporting data that demonstrates a reduction in cost?**

   Data from Accountable Care Collaborative may reflect cost saving within the Medicaid system.

5. **Where do you see waste in the system?**

   - Health Information technology that is not current or fully optimized.
   - Laboratory tests can be very expensive and the duplication of diagnostic tests is a significant concern.

6. **What are the principal barriers to transparency?**

   Despite the fairly new presence of the All Payers Claims Database, it is still difficult to know what a procedure or health care service will actually cost and health insurance literacy is a barrier even with full transparency. The newly insured struggle to understand the cost-sharing elements of their new coverage.

   - "Patients don't have home computers in my area and we have no broadband."
   - "Inability or unwillingness of providers/systems to share data. Costs associated with building a solid infrastructure and then the costs associated with sharing the data."

7. **What would you change to make things better related to cost?**

   - "I'd switch to a universal health care system in which administrative overhead would be minimized and we could all just focus on getting people healthy."
   - Increased support so health information technology is fully optimized so that cost savings are realized.
   - Maintain current enhanced Medicaid rate for primary care and additionally pay for patient navigation and other work related to the social determinants of health that ultimately help improve health outcomes overall and should lower costs.
   - "Eliminate prior authorizations! Are there any studies that show prior authorizations reduce healthcare costs? There are studies that show, managed care actually increases health care costs between 11-13% not decrease costs as many believe. "
   - "Equip clinics to run more labs on their own. We would be doing more in-house if the cost of the equipment was covered."