Establishment of Alternative Non-Emergency Services Providers

Haywood County Clinic Project

APPLICANT PREFERENCE

Consideration for applicant preference is requested based on the fact that the project will serve a rural and underserved area. The project is a partnership between a TennCare MCO (Memphis Managed Care Corporation/ TLC), the Hardeman County Community Health Center and Haywood Park Community Hospital. Through the project, Hardeman County Community Health Center will establish a satellite clinic on the grounds of Haywood Park Community Hospital. Hardeman County Community Health Center has received section 330 federal grant funds to operate clinic sites in medically underserved areas in rural West Tennessee for the past 15 years. Hardeman County Health Center currently operates a clinic site in Haywood County in the town of Stanton. Stanton is approximately 20 miles from Brownsville (also located in Haywood County), where the Haywood Park Community Hospital is located. Many people in Brownsville have trouble getting transportation to Stanton.

Haywood County has an estimated population of 19,797 and over 50% of the population lives in the city of Brownsville. Haywood County is designated as both a Health Professional Shortage Area (HPSA) and a Medically Underserved Area (MUA). The HPSA Primary Care score is 14. Over 50% of the county population is below 200 percent of the federal poverty index. The county has a large minority and low income population. The population of the county has poor health status indicators. Many people have diabetes, hypertension, and are at risk for stroke and cancer. By establishing an “Alternative Non-Emergency Services Provider,” these patients would not only receive care for their immediate problems, but also be linked with a medical home for delivery of preventive care and ongoing management of chronic health conditions.

ABSTRACT

Hardeman County Community Health Center, Haywood Park Community Hospital, and TennCare Managed Care Corporation / TLC (TLC) are interested in partnering together to apply through the State of Tennessee for grant funds to establish an "Alternate Non-Emergency Services Provider" in Haywood County, Tennessee. This grant opportunity will allow the partnering organizations to better serve the Medicaid and uninsured populations who present at the emergency room for non-emergent primary care needs. This partnership will establish a community health center clinic site in close proximity to Haywood Park Community Hospital and be available to provide primary care services for TennCare patients presenting to the emergency room at Haywood Park Community Hospital for non-emergent medical care. Because of the scope of service that community health centers must offer, Hardeman County Community Health Center will establish agreements with other agencies including dental, mental health, translation, and transportation to ensure financial arrangements for patients needing such services.

The proposed project site would be a vacant space leased from Haywood Park Community Hospital. Services would be provided at the community health center site four (4) days or thirty-two (32) hours per week. The site would be open at times when the traditional physician's office is closed. Hardeman County Community Health Center will employ the staff that will include three (3) full-time and two (2) part-time employees. Hardeman County Community Health Center management will provide program and financial direction, budget management, and other administrative functions. The total budget being proposed for this project for Fiscal Year 08 is $400,000, while the budget total for Fiscal Year 09 is $350,000, for a grand total of $750,000.

The goals for this project are to open a community health center site at or near the Haywood Park Community Hospital emergency room and provide non-emergent care to patients. The community health center site will provide services to patients referred by the emergency room. The community health center site hopes to reduce the number of non-emergent visits to the emergency room by 50%. The community health center site hopes to reduce the expense to TLC and the State Medicaid for TennCare patients by $7,000 - $10,000 per year. The site will appropriately serve at least 500 patients with 1,000 visits that presented to the emergency room for non-emergency care needs.

PROJECT NARRATIVE

A. STATEMENT OF PROJECT/NEED

Haywood Park Community Hospital has approximately 10,000 Emergency Room visits per year. Approximately 44% of the visits are by patients with Medicaid/TennCare. Patients with TLC coverage make up about 39% of patients with Medicaid who use the Emergency Room. The other 5% of TennCare users of the ER consist of other TennCare managed care organizations (Unison, UAHC, and TennCare Select). A significant number of patients coming to the Emergency Room use the ER for non-emergency care. These patients could be served by a less costly service provider (primary care clinic), and get more appropriate (comprehensive medical care with continuity of care) medical services for non-emergency and traditional health care needs.

Emergency Room visits have increased over 20% in recent years. ER use is rising and is saturating the capacity of ERs. Not only are ERs more crowded because some patients use them inappropriately for non-emergency programs, but also because there are an increasing number of patients with serious illnesses coming in for treatment. Some individuals rely more on Emergency Rooms than primary care doctors' offices because ERs are open 24 hours a day, they do not turn people away, and people do not have to make an "appointment" to be seen. Some people are sick after the "regular" working hours of doctors' offices (weekdays from 8 a.m. – 5:00 p.m.). But Emergency Room use is relatively high cost (at least twice as high a cost as a doctor's office), and ERs usually only address the most urgent medical complaint. Primary Care doctors' offices are much better at providing health education and treatment services for patients with numerous health problems that may be chronic and may need follow-up visits. Primary Care Clinics have the capability of serving as "medical homes," which would help to ensure that

patients have complete physical examinations and on-going appropriate medical care for various medical conditions. Primary Care Clinics can also effectively handle low-acuity complaints for which patients sometimes go to the ER. The Primary Care Clinic will give timely interventions so the complaint does not escalate to high-acuity.

Hardeman County Community Health Center would operate a primary care clinic in unused clinic space on the grounds of Haywood Park Community Hospital. They would provide primary, preventive and urgent medical care, but not provide any "emergency medical care." The clinic would be staffed four days a week (32 hours a week), during many of peak times and days of usage of the Emergency Room.

<u>The clinic would be open for patients as follows</u>:

- Tuesdays: 3:00 p.m. – 11 p.m.
- Thursdays: 3:00 p.m. – 11 p.m.
- Saturdays: Noon – 8:00 p.m.
- Sundays: Noon – 8:00 p.m.

Staffing of Clinic:

1) 1.0 Medical Provider (most likely a full-time Physician, or a part- time Family Nurse Practitioner and a part-time Physician).

2) 1.0 Licensed Practical Nurse - to assist medical provider and track clinical measures

3) 1.0 Medical Receptionist – to check in patients, collect payments, answer phones

4) 0.4 Medical Assistant – to help make referrals to other needed services and assist patients with prescription assistance programs, etc.

5) 0.6 Program Manager – to supervise staff and manage clinic

Haywood County Clinic

Administrative Staffing/Overhead of Clinic:

1) Executive Director of HCCHC (10% of time for program direction)
2) Finance Director of HCCHC (10% of time for financial direction and budget management)
3) Billing Coordinator of HCCHC (10% of time for billing insurance and patients)
4) Administrative Assistant of HCCHC (10% of time for payroll and accounts payable)

HCCHC will lease vacant clinic space from the hospital. They will use the same type equipment and supplies as they do at other clinics and the same administrative supplies and equipment.

Given the mission of Community Health Centers, they will also have to be accessible to all patients regardless of insurance or payment ability. They will have a Sliding Fee Discount Program for those patients who qualify for federal poverty guidelines by income and family size. They will have to offer a comprehensive array of services, including some basic mental health, dental, transportation, and translation services. Many of those services will be through referral arrangements with local agencies.

Hospital ER and Community Health Center staff will work cooperatively with each other to try to best serve those patients showing up at the ER for non-emergency care. Patients at the ER with non-emergency needs will be referred to and seen at the "Alternate Non-Emergency Services Provider.

B. PROJECT JUSTIFICATION

This project will facilitate appropriate access to primary care for Medicaid patients by offering non-emergency medical care at a Community Health Center in lieu of using Emergency Room for non-emergency care. Community Health Centers are highly rated by the Office of

Management and Budget for their high quality, comprehensive medical care and cost-effective services. Hardeman County Community Health Center has fifteen (15) years of experience in operating primary health care services for the medically underserved residents of Hardeman County, Haywood County, and neighboring counties in West Tennessee. HCCHC offers a full-range of primary and preventive health care services, and the majority of their patients has TennCare coverage or are uninsured.

Haywood County has an estimated population of 19,797, and over 50% of the population lives in the city of Brownsville. Haywood County is designated as both a Health Professional Shortage Area (HPSA) and a Medically Underserved Area (MUA). The HPSA Primary Care score is 14.

Approximately 54% of the population is below 200 percent of the federal poverty index. Haywood County has a large minority and low income population. The racial mix of the County is 51% Black, 47% White, and 1% Hispanic. The population has health disparities issues because of the level of poverty and because of the large minority population, as both factors are indicators for health disparities. The County also has poor health status indicators. Many people have diabetes, hypertension, and are at risk for stroke and cancer.

Having a Community Health Center in close proximity to the Hospital Emergency Room will enable patients to get high quality primary and preventive care services, and demonstrate to the patient that many of their medical complaints and problems can be addressed if they would regularly come to a “medical home” like a primary care clinic. CHCs will work with patients to educate and treat their medical problems, and also help them understand what medications and specialty care they may need.

C. PROJECT GOALS AND OUTCOMES

1. To open a Primary Care Clinic (Community Health Center) on the grounds of Haywood Park Community Hospital to be available beyond typical doctors' office hours to provide care to patients that have been referred from the Emergency Room.

   (Projected Opening Date: Within 180 days of Notice of Grant Award)

2. To reduce by 50%, Haywood Park Community Hospital's Emergency Room use by patients with non-emergency care needs.
3. To reduce the expense to TLC and State Medicaid for TennCare patients by $7,000-$10,000 per year.
4. To more appropriately serve at least 500 patients (1,000 visits) in Community Health Center each year that presented at ER for non-emergency care.

D. ESTIMATE OF IMPACT TO BENEFICIARIES

A minimum of 500 – 1,000 individuals who would have used ER services in Haywood County will be directly affected by the project each year.

They will receive more comprehensive quality healthcare, and have better clinical outcomes based on the care offered at Community Health Centers. The Community Health Center Alternative Non-Emergency Service Provider can be their "Medical Home" or we can refer patients to HCCHC's other Community Health Centers or other primary care providers in the community for on-going primary care. By lessening the patients dependence on the Emergency Room for all their medical health needs, we can get them connected with more appropriate medical care and other needed non-hospital services.

E. DESCRIPTION OF MAGNITUDE OF THE IMPACT TO MEDICAID

The Hospital Emergency Department has 44% Medicaid/TennCare visits as a percentage of the total ER visits per year. This is a significant number of patients compared to the total Emergency Department volumes seen.

F. DESCRIPTION OF SUSTAINABILITY OF THE PROJECT:

Community Health Centers nationally have a long history (40 plus years) of sustainability as they were started in the 1960s. Hardeman County Community Health Center has 15 years' experience (with growth and sustainability) in operating primary care clinics in West TN. Haywood Park Community Hospital has been open since 1974. TLC has been operating for 13 years.

HCCHC has received Prospective Payment System funds for Medicaid patients for many years, and in the past few years receive some Safety Net funds for uninsured patients they serve. These special payments will help enable the Community Health Center to sustain the project over the long haul.

G. EVALUATION PLAN

TLC will contract with the University of Memphis to help us evaluate this grant project. HCCHC's new satellite clinic near Haywood Park Hospital ER will track and record the number of patients (users) and encounters (visits) they have served from referral by hospital ER each day, month, year, and year-to-date. They will also track and report any other patients served by the clinic, and any clinical outcomes they measure with primary care patients they serve. Haywood Park Community Hospital will track the number of patient visits each year in the Emergency Room, what number and percent are seen for non-emergency care, and what the insurance (payor) type of each patient served for non-emergency care. TLC will track the

number of their patients who had been seen at the Haywood Park Community Hospital Emergency Room and at the HCCHC satellite clinic providing "alternate non-emergency services" for HPCH. TLC will also record their costs in providing care at both locations.

H. DESCRIPTION OF PROJECT IMPLEMENTATION READINESS

Hardeman County Community Health Center and Haywood Park Community Hospital have had several discussions the past three years about the need for an alternate non-emergency provider in Haywood County to help reduce the ER use for non-emergency care and to better serve the primary health care needs of the patients seeking services in Brownsville. Though HCCHC has been operating a primary care clinic in Haywood County for five years, that clinic is located in a very small town (approximate population 700) which is rural and somewhat isolated from the city (Brownsville) where the hospital is located. Though the need is great, they had not yet found funding for such a program. This CMS grant opportunity would enable both entities to partner together with TLC to more appropriately and cost-effectively serve the people of Haywood County.

Haywood Park Community Hospital has vacant clinic space in a building on their grounds that could be made ready and available to Hardeman County Community Health Center. They would lease the clinic space (approximately 1,265 square feet) to HCCHC.

Hardeman County Community Health Center has opened satellite clinics before, and has the experience to do so again. They would hire staff for the Alternate Non-Emergency Clinic and manage that clinic in a very similar way to other satellite clinics. Generally it takes them no longer than 120 days to open a satellite clinic if they have located a suitable space.

TLC is a large Managed Care Organization which has worked with HCCHC and HPCH for over 12 years.

With these three entities partnering together, this Project will be readily implemented in 120-180 days from Notice of Grant Award.

TASK TIMELINE

A. Maintain well-qualified staff for HCCHC's Alternate Non-Emergency Clinic to implement services needed by patients of the clinic.

A.1. Hire qualified staff for the CHC satellite clinic within 8 weeks of Notice of Grant Award.

a. Advertise all positions in the local (Brownsville) and regional (Jackson) newspapers within 2 weeks of receiving Notice of Grant Award.

b. Set up and conduct interviews for all positions within 2 weeks of the ads being run and due date for applications to be in.

c. Call and check references for the top two candidates for each position and make job offers within 2 weeks of completing interviews.

A.2. Provide orientation and comprehensive training for all staff prior to opening the CHC satellite clinic for patients, as well as for hospital ER staff who will be giving patients with non-emergency needs the choice of going to satellite clinic for medical care.

a. Do a 2-day training meeting with all satellite staff with HCCHC Corporation Managers to go over Corporate and Grant expectations.

b. Do a 1-day training meeting with all hospital ER staff with HPCH to go over hospital and grant expectations and procedures regarding telling patients about the "Alternate Non-Emergency Service Provider" (HCCHC satellite clinic on the grounds of the hospital).

c. Have newly hired staff read all HCCHC Policy and Procedure Manuals, and sign a statement showing they read, understood, and intend to follow all policies and procedures.

A.3. Have new staff on-site at satellite clinic actually performing the job they were hired to do and under very close supervision for the first three months.

a. Have at least one Corporation Manager on-site at least 50% of the time at satellite the first month they are open for patients.

b. Have other Corporation employees in similar positions to those of satellite staff assigned to satellite clinic for the first week to observe, assist, and provide instruction when needed to staff at the satellite.

c. Have Program Manager trained and working at least one month in other HCCHC clinics prior to opening the satellite clinic.

d. Have Program Manager on-site supervising full-time at the satellite clinic for the first three months the clinic is open, and after that Manager will drop in unannounced at least 16 hours a week.

A.4. Do regular periodic performance evaluations with staff to assess how well they are performing duties and to identify and point out areas they need to improve on or need more training on.

a. Do a six-month probationary period performance review with all newly hired employees to give them time to adjust to the job and feedback as to their job performance.

b. Do formal annual performance evaluations on all employees

B. Get Clinic and Medical Provider established/approved for seeing patients, able to bill for services, and operational for seeing patients.

B.1. Get clinic and new Medical Provider established with effective agreements/contracts with all TennCare Managed Care Organizations, with other third party payors in the area, as well as with required Medicaid and Medicare clinic and provider numbers.

a. Get the clinic established with a Medicare facility number prior to seeing any Medicare patients.

b. Get Medicaid applications completed and submitted for State Medicaid Number if the Medical Provider hired for the satellite clinic does not already have a TN Medicaid number.

c. Notify all TennCare insurance plans in West TN (currently there are 4), that there is a new clinic and a new provider in Haywood County and get provider numbers and get added to their provider panels.

B.2. Have new clinic site leased, fully set-up, and equipped for operation.

a. Get facility in good order maintenance-wise and aesthetically by 1 month before opening clinic for patients.

b. Get Lease Agreement signed between HCCHC and HPCH for clinic space near hospital ER.

c. Get equipment and supplies purchased and set up within 12 weeks of receipt of Notice of Grant Award.

d. Get phones and computers in working order and connected to the HCCHC computer network before opening clinic for patients.

C. Have partnership agreements worked out and signed regarding the Alternate Non-Emergency Service Provider (satellite clinic) within 90 days of receipt of Notice of Grant Award.

C.1. TLC sign agreement with State of Tennessee for Grant Funds through CMS.

C.2. HCCHC and HPCH sign agreement with TLC regarding payment mechanisms and billing procedures related to this grant.

C.3. Have HCCHC and HPCH sign agreements with each other detailing how they will work together to implement the Alternative Non-Emergency Grant.

C.4. Have HCCHC establish agreements with a local dental, mental health, translation, and transportation agencies to ensure referral arrangements for patients needed such services.

C.5. Have an evaluation contract signed with a state university to help in evaluation component of grant.

D. Operate a financially sound clinic that is maximizing the available resources.

D.1. Establish benchmarks regarding productivity (number of visits and patients served).

a. Provide care to at least 500 patients diverted from the Haywood Park ER each 12 months of operation.

b. Provide care to any other individuals needed primary care at clinic

c. Track patients seen by payor source, ER-diversion, and other demographic criteria as required for grant sources.

D.2. Have Haywood Park Community Hospital track number of patients they diverted to the Alternate Non-Emergency Clinic, and any subsequent cost savings on monthly and annual basis.

D.3. Have TLC track and report the cost savings relative to ER visits diverted to Alternate Non-Emergency Clinic.

BUDGET

BUDGET TOTAL for Two Year Period: $ 750,000

Funding by year:	**FFY 08**	**FFY 09**
Contracts*	$400,000	$350,000
Total`	**$400,000**	**$350,000**

* Funds will be conveyed from the State Medicaid Agency to the MCO via contract
Detail regarding the MCO spending plan is included on the next page

Haywood County Clinic Spending Plan

	Year 1	Year 2
REVENUE:		
PATIENT SERVICES INCOME	$ 22,696.86	$ 36,584.87
GRANT	$400,000.00	$350,000.00
TOTAL : REVENUE	**$422,696.86**	**$386,584.87**
EXPENSES:		
PERSONNEL: (i.e., Salary and Wages)	$231,437.07	$240,694.55
FRINGE BENEFITS:		
FICA	$ 17,704.94	$ 18,413.13
Medical Insurance	$ 18,000.00	$ 19,800.00
Workers Compensation Insurance	$ 1,214.00	$ 1,500.00
Retirement	$ 8,976.00	$ 9,335.04
TOTAL: PERSONNEL AND FRINGE	**$277,332.01**	**$289,742.72**
TRAVEL:		
Providers CME ($2,000 per full-time provider)		$ 2,000.00
Nursing CME ($500 per full-time nurse)		$ 500.00
Local Travel:		
52 trips @.485 cents per mile	$ 1,765.40	
26 trips @.485 cents per mile		$ 882.70
TOTAL TRAVEL	**$ 1,765.40**	**$ 3,382.70**
EQUIPMENT:		
Computers, Cabling, and Connectivity	$ 15,000.00	
TOTAL EQUIPMENT	**$ 15,000.00**	$ -
SUPPLIES:		
Office & Printing Supplies - $.99 per enc	$ 990.00	
$1.19 per enc		$ 1,190.00
Medical Records - $.84 per encounter	$ 840.00	
$1.05 per encounter		$ 1,050.00
Medical Supplies - $3.19 per encounter	$ 3,190.00	
$3.39 per encounter		$ 3,390.00
Laboratory Supplies - $.50 per encounter	$ 500.00	
- $.75 per encounter		$ 750.00
Various Minor Equipment for outfitting patient rooms, lobby, physician office, supply rooms, laboratory	$ 35,000.00	$ -
TOTAL SUPPLIES	**$ 40,520.00**	**$ 6,380.00**

Haywood County Clinic

CONTRACTUAL		
"Patient Care Contracts"		
Outside Reference Lab		
Lab Corp for any test that cannot be performed in house (# proc @$10.51)	$ 7,304.45	$ 7,304.45
Local Pharmacy (# prescriptions @ $10.12)	$ 8,855.00	$ 8,855.00
Haywood Park Community Hospital for x-rays (# procedures @ $75)	$ 3,750.00	$ 3,750.00
Dental Services (# patients @$100)	$ 8,500.00	$ 8,500.00
Mental Health/Substance Abuse Services (contracted rate)	$ 18,000.00	$18,000.00
Transportation for uninsured patients (# trips @$30)	$ 540.00	$ 540.00
Subtotal: Patient Care Contracts	**$ 46,949.45**	**$46,949.45**
"Non-Patient Contracts"		
Housekeeping Services - $600 / month	$ 7,200.00	$ 7,200.00
Stericycle for Biohazard Waste $365/month	$ 4,380.00	$ 4,380.00
Subtotal: Non-Patient Care Contracts	**$ 11,580.00**	**$ 11,580.00**
TOTAL: CONTRACTUAL	**$ 58,529.45**	**$ 58,529.45**
EVALAUTION:		
By State University	**$ 5,000.00**	**$ 5,000.00**
OTHER:		
Insurance on Building Contents $200 per month	$ 2,400.00	$ 2,400.00
Telephone Service	$ 1,440.00	$ 1,440.00
Postage	$ 360.00	$ 360.00
Marketing/Advertising	$ 4,000.00	$ 3,000.00
Linen Service	$ 1,170.00	$ 1,170.00
Occupancy/Lease	$ 15,180.00	$ 15,180.00
TOTAL: OTHER	**$ 24,550.00**	**$ 23,550.00**
TOTAL: ALL BUDGET	**$422,696.86**	**$386,584.87**