

**TEXAS ONE VOICE: A COLLABORATIVE FOR HEALTH AND HUMAN SERVICES  
FEDERAL HEALTHCARE REFORM PROPOSALS  
HEALTHCARE DELIVERY SYSTEM - ISSUES OF CONCERN**

As healthcare reform makes its way through the legislative process in the United States Congress, there is a broad spectrum of changes being considered. With over 1.2 million uninsured currently in Harris County, Texas, the current healthcare system is endangering our community's economy as well as the health of our community. The issues are complex, the populations diverse, and the delivery system needs to be multi-faceted. The membership of One Voice: A Collaborative for Health and Human Services, has created and approved these recommendations in an effort to present the facts and the realities we see every day. These issues are presented in no specific order of priority.

- ★ **System Accessibility, Availability, Affordability, Comprehensiveness** – Houston is the fourth largest city in the nation with a population of approximately 2,000,000. In spite of the fact that the city has the largest medical facilities system in the world, it also has the highest number of uninsured in the nation. One-third of Houston residents are without health coverage. Many continue to use hospital emergency rooms for primary care needs. According to a 2009 report from the Greater Houston Partnership, local emergency rooms are on divert status more than 30% of the time.
  - New healthcare systems must include streamlined application and enrollment processes to make it easy for individuals to get enrolled and stay enrolled in the public benefit programs for which they qualify.
  - Healthcare benefits must be comprehensive. A service delivery system must guarantee individuals access to all medically necessary health and behavioral health services. With end of life care accounting for a substantial portion of overall healthcare expenditures, any adopted plan should include access to acute therapies as well as a balance of palliative therapies through community based, home based, and institutionally based settings.
  - Coverage must be affordable. Legislation must make provisions for federal poverty levels when determining cost sharing protections, subsidies, and options for buy-ins that are affordable to middle income Americans.
  - The nation's shortage of primary care and behavioral health providers is hitting medically-underserved communities especially hard and must be addressed by federal loan assistance and other programs that encourage providers to enter these fields.
  
- ★ **Community Providers** - Protecting patients' access to community providers and creating medical homes is fundamental to resolving the overwhelming provider access issues that can so easily come with expanding coverage to 45 million individuals. Currently, when health insurance companies contract with community providers there are multiple issues that prevent individuals from receiving care – provider capacity issues that limit the number of patients and/or result in long waiting periods for access, limited access to conveniently located and culturally and linguistically appropriate doctors, nurses, and other healthcare professionals, etc.
  - Any plan must put protections in place to ensure patients can access essential community providers. The current law requires that any patient presenting to an emergency room receive treatment or care. As a large segment of the population will remain uninsured or without a medical home under the existing healthcare reform proposals, there will continue to be inappropriate and unnecessary reliance upon emergency rooms, contributing to their existing overcrowding conditions and diversionary status. Reform must guarantee that everyone – and especially those who are medically underserved – has access to a medical or health care home where they can receive high quality, cost-effective care for their health needs
  - Reform must ensure that as uninsured patients gain coverage through new health insurance exchanges, community health centers not lose revenue when treating them. Reform must provide for appropriate, predictable reimbursement through Medicare/Medicaid and all other healthcare exchanges.
  - Federally Qualified Health Centers (FQHC) are a cost effective method of providing medical homes in our communities. Reform must include resources that would go toward bringing new health centers to communities in need, enhancing capacity at existing centers, and ensuring that every health center offers comprehensive services.
  - It is imperative that adequate Medicaid and Medicare Disproportionate Share Hospital (DSH) funds which currently support only hospital costs in facilities serving large numbers of Medicaid and uninsured individuals be available to create new venues for primary care outside of hospitals and emergency departments.
  
- ★ **Behavioral Health Services (Mental Health and Substance Abuse)** - Harris County is in a crisis in terms of its ability to deliver mental health and substance abuse treatment to its population. The Harris County Jail is now the largest provider of mental health services in Harris County and the State of Texas. Twenty-five percent of those in the jail have a mental health diagnosis. Considering the recently enacted parity legislation by Congress, which requires that mental health/substance abuse benefits be provided on par with other medical/surgical benefits, reform must address all aspects of disease states and behavioral health conditions.

Legislation must recognize and address those who frequently and unnecessarily use emergency room services by improving integration of mental health, substance use, and primary care treatment.

- An integrated system must be available and accessible to provide early identification and intervention as behaviors may indicate that a mental health or substance abuse issue may be manifesting. This can only be accomplished through the expansion of provider capacity to engage the individual/family and deliver the necessary and authorized services and supports.
  - Any legislative proposal should clearly delineate and define the behavioral health services/programs to be covered. Reform must include aggressive case management and outreach services/provisions, along with early access to appropriate diagnostic, treatment (including psychotropic medications), and support services commensurate with the acuity of the behavioral health condition for both adults and children, at the level medically justified.
  - Furthermore, the federal Medicaid law that prohibits payment to Institutions for Mental Disease (IMD) for services provided to patients between the ages of 21 to 64 must be revisited. An IMD is defined as a hospital or other institution of more than 16 beds that is primarily engaged in providing services for persons with mental diseases. Denying access to free standing psychiatric facilities to adults on Medicaid places an unwarranted constraint on a special needs population.
- ★ **Wellness Services** – According to the Texas Department of State Health Services, 3 out of every 4 deaths are caused by chronic illness. Many of these diseases are preventable through education and primary preventative services. A focus on wellness is imperative in order to improve the health of Texans and prevent unnecessary disease and death.
- The House Energy and Commerce and the Senate HELP Committee health reform bills have important provisions related to prevention, wellness and public health workforce that strengthen the mission of local public health departments. Any enacted plan should have aggressive, integrated public health and prevention initiatives to adequately address future healthcare cost inflation.
- ★ **Funding Issues** - There remains major concern in year six of reform and beyond when states would be expected to pick up their share of the new costs. It has been estimated that the state share for Texas, under current federal financial participation matching proposals, would require \$2.4 billion in new state general revenue dollars to sustain this expanded medical coverage. It is unlikely that Texas will have access to that amount of new general revenue, which, if not sustained, would result in a rapid deterioration of the benefits achieved through healthcare reform.
- Support of Medicaid expansions that are financed through 100% federal financial participation is necessary.
  - With the diversity and complexity of the population of Texas, it is uncertain that a 50% reduction in uninsured trigger will be met through the current proposals. Therefore, Texas needs legislative assurance that adequate DSH funds will be maintained in the future. Triggers that will reduce DSH funding must include benchmarks for increasing Medicaid coverage as well as the reduction in uninsured.
  - Failure to maintain adequate DSH funding will stress all current recipients' providers but it is anticipated to especially compromise those hospitals addressing specialty services for children as well as those providing Level I and II trauma services. With the lingering effects and future threats of natural disasters on the Gulf Coast, fiscal and operational strains are placed on inland healthcare providers for months after an event as they pick up the volumes of patients from coastal facilities such as the Galveston Shriners Hospital and University of Texas Medical Branch-Galveston (UTMB). Years after the event, Harris County continues to provide healthcare and other services to a substantial number of transplanted Hurricane Katrina evacuees who are unable to return to New Orleans due to inadequate living options.
  - Preservation of the Medicaid and Medicare DSH program is imperative. The National Governors' Association membership has already expressed concern that the current healthcare reform proposals may result in unfunded federal mandates, and that contemplated increases in eligibility levels (as a percentage of Federal Poverty Level), benefits, or payments to physicians would impose additional burdens on the great majority of states that are already experiencing fiscal crisis. Healthcare reform must reasonably address sustainability to have a long term, positive impact on the health status of the residents of the United States, the viability of the healthcare providers, and the moderation of increasing healthcare costs.
  - It is critical to the stability of all healthcare systems that legislation includes federal reimbursement for uncompensated care resulting from the *Emergency Medical Treatment and Active Labor Act* (EMTALA), and which is currently available to eligible healthcare providers for emergency health services provided by hospitals, physicians, and ambulance services.

**Approved by One Voice Texas membership: October 16, 2009**