2009 National Assembly on School-Based Health Care Convention

Not A Quick Fix: Building Support for School-Based Health Centers

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U.S. Department of Health and Human Services
HRSA
Health Resources and Services Administration

Children's Health Insurance Program Reauthorization Act of 2009

- Section 101 reauthorizes CHIPRA for 4.5 years
- States will be able to strengthen existing program
- Provide coverage to additional low-income, uninsured children and pregnant women
- Adds approximately $32 billion for allotments to states and territories

Allotment Levels

- FY 09: $10.6 billion
- FY 10: $12.5 billion
- FY 11: $13.5 billion
- FY 12: $15.0 billion
- FY 13: $ 5.7 billion (in 2 semi-annual allotments, $2.9 billion for Oct. 1, 2012 – March 31, 2012; and $2.9 billion for April 1, 2013 – Sept. 30, 2013).

Allotment Levels

- An additional one-time appropriation of $11.7 billion for FY 2013
- Total Funding - $43.9 billion over five years

Key Provisions for SBHCs

- States can provide benefits and services through school-based health centers
- Demonstrations to Reduce Childhood Obesity
- Establish Child Health Quality Improvement Activities
- Increased reimbursement to FQHCs and RHCs

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Not a Quick Fix: Building Support for SBHCs
Health Plan Perspective

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June 27, 2009

Back to the Future
SBHC and Health Plan Relationships

- SBHC relationships based on payment for services through contracts with health plans
- Extenders of Primary Care and Mental Health services
- Confidentiality related to billing practices and information sharing are traditional challenges in negotiating relationships with plans and their network providers.
- Capitated (risk based payment) was a big obstacle in relationship development

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Today's Environment

- Affordability is key driver
- Customer expectations are changing
- "Capitation" days are over
- Product designs favor open access
- Experience differentiates--and there is room for improvement
- Health and wellness programs are results driven
- Health care reform brings opportunities and threats

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School Based Health Center (Value Proposition)

- School based targeted disease management
  - Asthma
  - Diabetes
  - Depression
- Programs addressing children with or at risk for obesity
  - Health risk assessments
  - Healthy eating
- Reducing unwarranted Emergency Department visits
- Reducing health disparities – National Health Plan Collaborative – America's Health Insurance Plans (AHIP)

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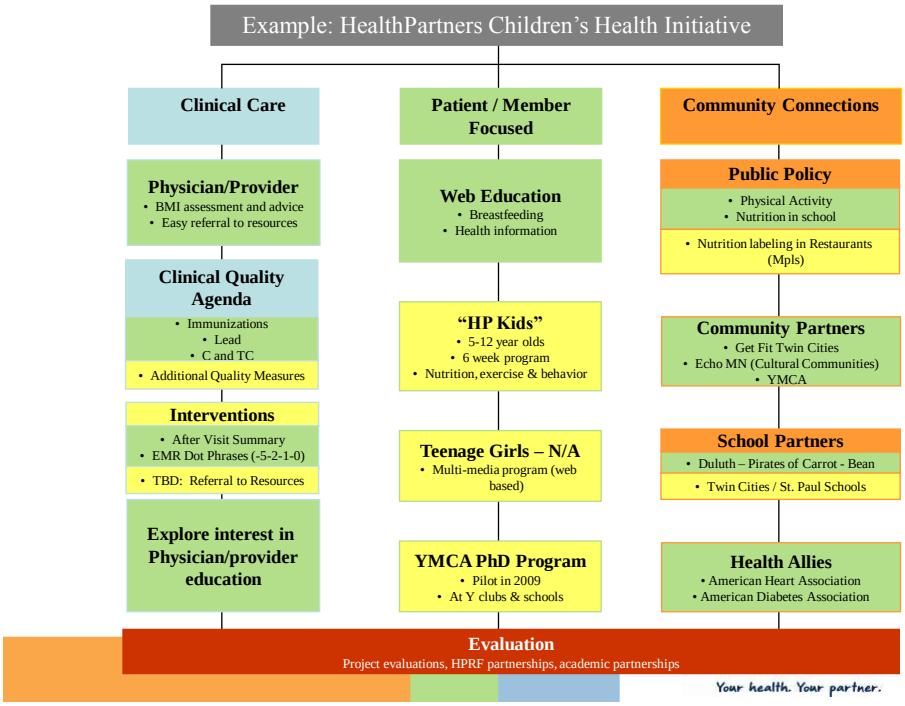

Building a Strong Relationship

New York State
And
School-Based Health Centers

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New York State Department of Health

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What is a New York State School-Based Health Center

- A delivery system for comprehensive primary and preventive health and mental health care located in a school;
- All young people in school are eligible to receive services;
- Services are provided by a Hospital or a Diagnostic and Treatment Center (D&TC);
- Clinic licensed under Article 28 of the New York State Public Health Law;
- Considered an extension clinic of that facility.

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Milestones

- **1978** Establishment of school-based clinics through legislation.
- **1982** SBHC services can be billed to Medicaid using a special SBHC Medicaid rate through legislation.
- **1992** SBHCs are considered hospital and diagnostic and treatment center extension clinics and can bill the facility's Medicaid threshold rate which was in most cases substantially higher.

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Milestones

- **1996** Access to mental health services either onsite or by referral becomes part of the core services offered by an SBHC.
- **2000** Temporary mechanism established allowing SBHCs to bill fee-for-service Medicaid for those students enrolled in Medicaid Managed Care. In 2004 this became a permanent process.
- **2008** Legislation is enacted allowing Medicaid reimbursement for mental health services provided by a licensed Social Worker in the clinic setting, including SBHCs.

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NYS SBHC FACTS

- There are 57 Health Facilities that sponsor SBHCs in NYS:
  - 29 hospitals
  - 28 diagnostic & treatment centers
- Currently there are 217 SBHCs located in NYS providing access to care to more that 166,000 students. Of those sites:
  - 133 (61%) are located in New York City
  - 84 (39%) are located the rest of state
- Demographics:
  - 169 (78%) located in urban areas
  - 30 (14%) located in rural areas
  - 10 (5%) located in upstate small cities areas
  - 8 (3%) located in suburban areas

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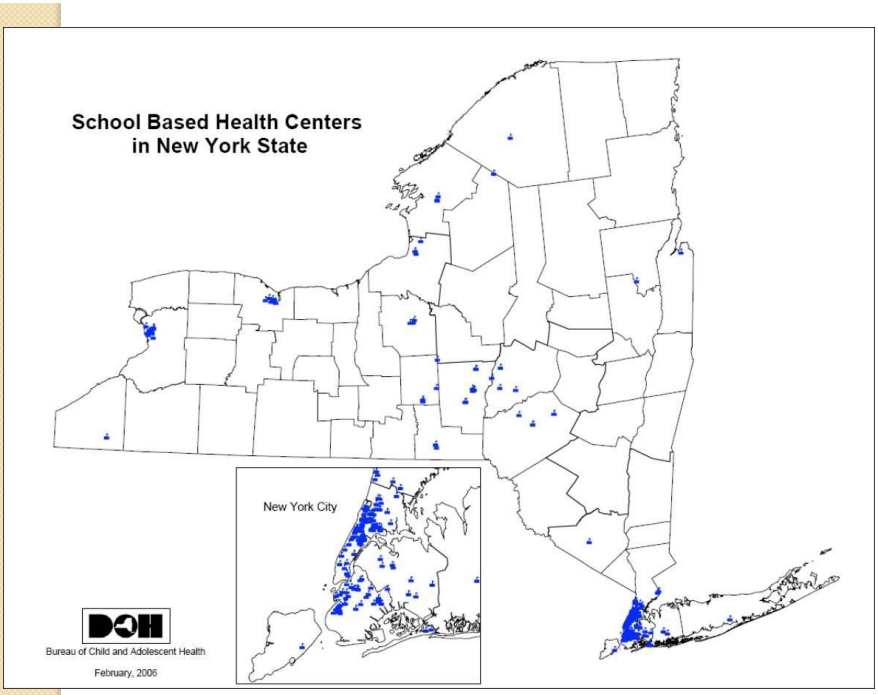

NYS SBHC FACTS (continued)

- Two-thirds of SBHCs are in schools with grades Pre-K to 8 with the remaining one-third located in high schools;
- SBHC enrollment percentage is approximately 87 percent;
- Racial/Ethnicity Enrollment Breakdown:
  - African American/Non-Hispanic 30%
  - Hispanic/Latino 40%

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Financial History

New York State has a long history of providing financial support to School-based health centers both through funds appropriated annually in the State's budget and through reimbursement granted for their services through the State's Medicaid program.

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Financial History

STATE FUNDING APPROPRIATION

- **1981** - The first appropriation of **$2 million** was included in the NYS budget to support grant funding for School-based Health Center projects.
- **2009** - Today, New York continues to provide financial support with approximately **$23 million** annually in state budget appropriations.

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Financial History

- The current funding appropriations are distributed in two ways:

Competitive Grant Funds

→ $12.8 million to fund annual grant awards to 50 of the 57 approved SBHC sponsors in a five-year grant cycle that runs from 2007 – 2012.

Non Grant Funding (All 57 SBHC Sponsors are eligible)

→ $6. 9 million in Health Care Reform Act (HCRA 1) and in State Local Assistance (SLA) funds distributed annually to eligible SBHC sponsors based on their **proportional number of visits**;

→ $3.2 million in HCRA 2 funds distributed annually to eligible SBHC sponsors based on their **proportional enrollment**.

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Financial Future

In 2008 Ambulatory Care Payment Reform began in New York. Key elements of this reform include:

- Ambulatory Payment Groups (APGs) - new outpatient payment methodology replaces threshold visit payment system;
- Additional investments in primary care; and
- Primary care enhancements.

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Ambulatory Patient Groups (APGS)

- APGs
  - A patient classification system designed to detail the amount and type of resources used in an ambulatory visit.
  - Patients in each APG have similar clinical characteristics and similar resource use and costs.
  - Developed to encompass the full range of ambulatory settings including same day surgery units, hospital emergency rooms, and outpatient clinics.

APGs (continued)

- Implementation of APGs is the first major change to the New York Medicaid outpatient reimbursement methodology in more than 20 years and will result in higher payments for higher intensity services and lower payments for lower intensity services across all settings.

- APGs is just one component of the Department's larger, multi-year agenda to transition funds from inpatient to outpatient services to support quality outpatient care and to address the problem of avoidable hospitalizations.

APG Implementation

- Phasing: APG payments will be phased-in over a four-year period through blending;
- Blending: The Medicaid payment for a visit will include a percentage of the payment amount based on APGs and a complementary percentage of the payment amount based on the average facility clinic rate in 2007 as defined by DOH.
  - Year one: 25% APG/75% Facility rate;
  - Year two: 50% APG/50% Facility rate;
  - Year three: 75% APG/25% Facility rate;
  - Year four: 100% APG.

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Impact of Ambulatory Payment Reform on SBHCs

- Billing using the required coding system (APGs) vs. a general rate code will allow SBHCs to be better reimbursed for the individual primary care services provided.

- In addition to payment reform for outpatient services, additional targeted investments to improve primary care access began January 1, 2009. These "Primary Care Enhancements" provide reimbursement for certain key primary and preventive health care services (e.g. mental health) that were previously not covered.

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Primary Care Enhancements

(New targeted investments to improve primary care)

The Medicaid Primary Care Enhancements include:

- New coverage for diabetes and asthma education by certified educators in clinic and office based settings;
- Enhanced payment for weekend and evening hours access in both clinic and office based settings;
- New coverage of smoking cessation counseling for pregnant women; and
- Expanded coverage of psychotherapy counseling by licensed social workers for children, adolescents and pregnant women*.

* *This is expected to be of particular benefit to SBHCs since the majority of mental health professionals in SBHCs are social workers and their services were previously not billable*

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*Mental Health Counseling

- Provides expanded coverage of psychotherapy counseling by licensed social workers for children, adolescents and pregnant women.
  - Children and adolescents under 19 years of age and pregnant woman up to 60 days post-partum are now eligible;
  - Services provided by a Licensed Clinical Social Worker (LCSW) or Licensed Master Social Worker (LMSW) are now covered;
  - The three categories of counseling now covered are:
    - Individual Brief Counseling : $41
    - Individual Comprehensive Counseling : $62
    - Family Counseling : $70

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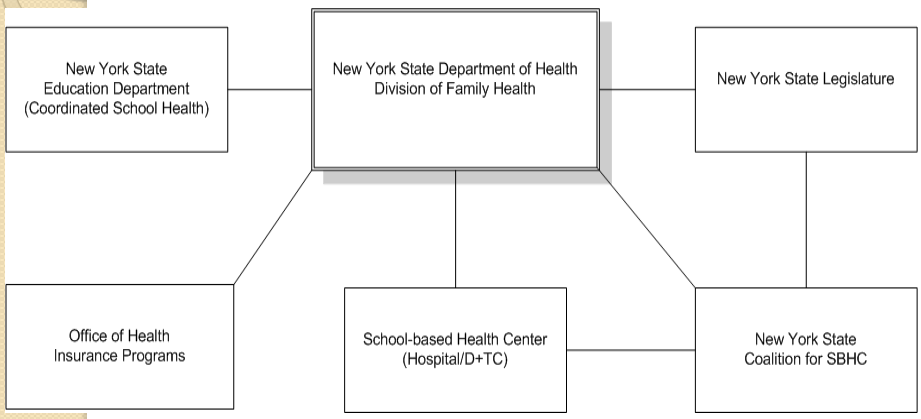
Key Partnerships



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Conclusion

- New York has been involved in support of SBHCs since their inception.
- Support for the SBHC program from more than just NYSDOH has been key in efforts to sustain our program:
  - Executive level support;
  - Intra-departmental collaborations;
  - Legislative support;
  - Federal, state and local grant programs;
  - Sponsoring Hospitals and Diagnostic & Treatment Centers;

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Conclusion (continued)

- Collaborative support from NYS Education Department, NYC Department of Education as well as Schools/Districts across the state;
- Strong advocacy from the New York's SBHC coalition (and partners at the national level); and
- Private foundation support.

- Continued collaboration and partnerships are vital.

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