Local Coverage Initiatives: Solution or Band-Aid for the Uninsured?

A Discussion Featuring:

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Location
Reserve Officers Association of the United States  
One Constitution Avenue, NE  
Congressional Hall of Honor  
Fifth Floor  
(Across from the Dirksen Senate Office Building)

Registration Required
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OVERVIEW

This Forum session will provide an overview of a range of locally based health care delivery strategies designed to improve access to care for the uninsured. Speakers will consider the successes these communities have had in expanding access and improving the health of their citizens and weigh the challenges that have curtailed opportunities for broader-scale replicability. The discussion will center on balancing a community’s desire and ability to design approaches to improve access to health care with the need for sustainable financing sources. The need for federal support and technical assistance in order to have a lasting impact over time will also be explored.


SESSION

The Census Bureau recently released its annual report, titled Income, Poverty, and Health Insurance Coverage in the United States. Derived from Current Population Survey (CPS) data, this report provides estimates on the number of individuals with health insurance coverage, as well as the source of that coverage. The CPS data for 2004 showed that although the number of uninsured did not increase significantly from 2003 (45 million) to 2004 (45.8 million), the proportion of individuals with employer-based health coverage declined from 60.4 percent to 59.8 percent and the Medicaid population increased by 1.9 million. This information reflects the continuing health care environment that leaves many low-income working families without realistic access to health coverage outside of the Medicaid program.

In the absence of any major solution at the national level, dozens of communities across the country have taken it upon themselves to provide health care options for their citizens. These so-called “local coverage initiatives” have ranged broadly from safety net coordination activities to small indigent care programs to major expansions of health insurance coverage financed by foundations, health plans, local tax revenues, and specially earmarked funding sources. The structure of these initiatives...
varies substantially, depending on the political climate, the extent of community leadership, the state and local fiscal situation, and the overall demographics of the target population, yet they share the common goal of increasing access to health care in their respective communities.

Many of these communities have had success in improving the overall health of their citizens, and several models have emerged with varying levels of community involvement. Buncombe County, North Carolina, served as a bellwether for the physician volunteerism movement; Muskegon County, Michigan, is home to the “three share” model that blends employer, employee, and community contributions toward health coverage for low-wage workers; and California has become a laboratory for county-based efforts to achieve universal health care coverage for children, regardless of immigration status, through a model called Health Kids. Each of these approaches has been studied over the years and the community leaders have received accolades for their accomplishments.

Further examination shows that the success of these approaches has depended at least in part on targeting a specific segment of the uninsured population or on a specific area for improvement. Indeed, many of the local initiatives are not actually providing expansions of health coverage. Instead, working within available resources, these communities have focused their efforts on goals within reach, such as strengthening the safety net or improving coordination among providers by using electronic health records for the uninsured.

While some have argued that solving the problem of uninsurance in the United States should be left to the individual states and communities and their innovative leaders, it is important to consider the challenges, particularly with respect to financing, that these locally based initiatives have encountered. Rather than viewing them as potential solutions, it might be more instructive to view local coverage efforts as case studies. Local coverage initiatives provide invaluable opportunities for learning, both about the effectiveness of particular strategies and about the elements that are needed to successfully execute, finance, and sustain these approaches. They also offer insights into the limitations of expanding health care access and coverage in absence of a major federal investment.

One common trait shared by each community is the presence of what one leader has called “willing co-conspirators” that converge around a common goal. Once that goal is agreed on, there are a number of dimensions that must be considered. In conducting a feasibility analysis for a local coverage initiative, community leaders must address several questions, including:

- What is the scope of the uninsurance problem in the community?
- What is the current fiscal climate? What populations are most affected by the lack of health coverage?
What is the composition of the employer market: large employers, small employers, low-wage workers? What percentage of businesses offers health coverage? Is that coverage affordable, based on the average employee’s income?

How will the initiative be financed? Is there political will in the state and/or community to establish a dedicated tax as a funding source? Will employers consider contributing to the cost of coverage if other subsidies are also available?

Are there foundation funding opportunities locally and/or through broader foundation initiatives (for example, The Robert Wood Johnson Foundation’s Communities in Charge or the Kellogg Foundation’s Community Voices)?

What federal funding sources (such as Medicaid or disproportionate share hospital funds) can be leveraged to help establish and sustain the initiative?

What are the long-term goals for the project? What will be the impact if the program is no longer sustainable after three or five years?

In the first half of this Forum session, the speakers will share how they initially answered these questions, how those answers have evolved over time, and where their respective programs stand today. The second portion of the meeting will be in the form of a facilitated discussion among the speakers and with the audience to explore the role of local coverage initiatives in the overall context of the health coverage debate. Panel members will offer their insights into the prospects of replicating their programs on a multi-state or even national level and will consider some of the barriers that have emerged.

**SPEAKERS**

The Forum session will feature Jean Fraser, JD, the chief executive officer of the San Francisco Health Plan (SFHP), a licensed health plan providing affordable health coverage to lower-income San Franciscans. SFHP is a local, not-for-profit public entity, designed for and by the nearly 50,000 residents it serves. Before joining the Health Plan in 2000, Ms. Fraser was with the San Francisco City Attorney’s Office, where she served as the managing attorney of the team advising the San Francisco Departments of Public Health and Human Services. Ms. Fraser will share her experiences in spearheading the Healthy Kids & Young Adults program in San Francisco County as well as her efforts to extend health plan membership to other populations, including home health care workers and taxi drivers.

Vondie Woodbury, executive director of the Muskegon Community Health Project (MCHP), will describe the history and political context of Access Health, which is one of the first and most successful examples of
the “three share” concept of health coverage. Under the three-share model, the employer and employee each pay one third of the cost of health coverage, and the remaining 40 percent is financed by the community. This concept has received a great deal of statewide and national interest in broader scale replication. Ms. Woodbury has been with MCHP since 1995. Under her direction, the Health Project has initiated a health coverage program for 400 uninsured small businesses (Access Health), undertaken local management of health care for over 2,000 low-income uninsured community members (Muskegon Care), and implemented a variety of community-based health improvement programs.

Paul Gionfriddo was named executive director of the Palm Beach County Community Health Alliance (PBCCHA) in April 2005. He has had over 25 years of experience in a variety of public health and health care policy and administrative roles, nonprofit management, and state and local government. Before accepting the position at PBCCHA, he served for four years as executive director of the Indigent Care Collaboration of Austin, Texas. In that role, Mr. Gionfriddo oversaw the development of a community health alliance that resulted in some of the most extensive implementation of shared health records, integrated eligibility processes, and primary care expansions for uninsured patients in the nation. Mr. Gionfriddo will provide insights into his experiences in both locations and will highlight the successes and challenges he encountered in Austin in the context of identifying best practices.

Peter Long is a senior program officer for The California Endowment’s Access to Health Services program, which aims to increase access to quality and affordable health care and services for the state’s underserved populations. Mr. Long oversees the activities of the program, with a particular focus on children’s health coverage issues, and monitors the developments in local coverage initiatives in California. Before joining The Endowment, Mr. Long’s work focused on health policy issues more broadly. Most recently he served as an independent health policy consultant for local and national clients, including the Medi-Cal Policy Institute, Partnership for Prevention, Kaiser Commission on Medicaid and the Uninsured, LA Care Health Plan, and Insure the Uninsured Project. Mr. Long will discuss the role of county-based coverage initiatives in a statewide context and will provide an illustration of how the broad-scale replication of the Healthy Kids concept that began in Santa Clara County has furthered the goal of universal coverage for children in California.

Eric Baumgartner, MD, currently serves as program planning and policy specialist for the Louisiana Public Health Institute, technical assistance team leader for the Georgia Health Policy Center’s Rural Health Network Technical Assistance Program, and a national coach for communities in action around health and health care. He works with urban and rural community health collaboratives and serves on the Leadership
Council of Communities Joined in Action (CJA), a member association for leaders in community health initiatives. Dr. Baumgartner will provide an overview of the Project Access model that was developed in Buncombe County, North Carolina, and has since been replicated in several communities across the country. He will also offer an overarching perspective of the potential for local coverage initiatives to serve as a model for national coverage proposals and will highlight some of the challenges that must be considered in implementing such proposals.

ENDNOTE