

BOLSTERING SAFETY NET PROVIDERS CAN ENSURE THAT HEALTH REFORM LEAVES NO ONE BEHIND

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U.S. health care is in the midst of a major transformation. With the implementation of the Affordable Care Act, tens of millions of Americans are getting health insurance coverage for the first time. Expanded coverage will bring a tsunami of new demand, and current transformations underline the truth that insurance is not the same thing as access to appropriate health care. Across the nation, front-line providers of primary care – safety net providers – risk becoming overwhelmed by the arrival of millions of people newly insured or enrolled in Medicaid, including many vulnerable people with special needs. As happened after the start of Medicare in 1965, the United States faces the prospect of tremendous strain on the vital primary care infrastructure – with the risk that many people could still go without adequate care.

Bolstering safety net services will be essential to meet the needs of the newly insured – as well as the needs of millions who will still remain uninsured (either because Affordable Care does not include them or because they live in conservative states that refuse to expand Medicaid).

New Challenges for Safety Net Providers

Safety net providers include community health centers, local and regional health departments, school-based clinics, and free clinics that provide care regardless of patients' ability to pay. Many of them operate in regions where private physicians are few and far between, and they may help disabled people or patients with behavioral health problems get access to a variety of services. As many as two-thirds of the patients helped by such organizations are people who have coverage through Medicaid, or else no health insurance at all. As expanded coverage through Affordable Care is phased in for many though far from all of the uninsured, the effectiveness of safety net providers will be the key to adequate and continuous care for many Americans. This point is reinforced by recent research, including national surveys conducted by the Commonwealth Fund and studies of the evolution of basic health care following the enactment of health reform in Massachusetts in 2006.

Essential as they are, safety net providers are facing major challenges in this time of transition in American health care. Thus far, many safety net providers have relied on grants from private charities and government agencies to cover the costs of caring for uninsured patients. Under the Affordable Care Act, however, many safety net organizations will need to serve large numbers of patients whose care will be reimbursed through Medicaid or fees paid by various private insurance plans. Without good billing systems in place, many of the safety net providers will face hurdles getting paid. Furthermore, many clinics and centers will need to buy and install new information systems and pay for experts such as technology staffers, attorneys, and accountants to make the new systems work well. As of now, many of these organizations lack the staff and financial resources to assess their new organizational needs, craft solutions, and manage the

transitions while continuing to care effectively for their patients. Additional public support is certainly needed, and unless it is forthcoming, the resulting strain on health facilities vital to vulnerable communities could prove overwhelming.

Reengineering the Provider Infrastructure

The federal government can take three key steps to assist safety net providers in adapting to the new demands and possibilities of Affordable Care:

- Facilitate access to public health data and offer interpretations of the data to help community-based providers anticipate the needs of the new patients they are likely to see as reform unfolds.
- Help providers develop strategies to deal with people who remain uninsured or patients whose insurance is too skimpy to pay for needed treatments and services.
- Provide technical assistance and support to handle the new challenges of billing and payment under health reform.

The principal challenge for today's safety net providers is the need to change from a business model based on grants to one that relies on billing Medicaid and commercial insurers. To facilitate this major shift, the federal government should provide a comprehensive technical assistance program to help safety net providers build new capacities and be ready to use them. Based on the specific communities they serve, providers will need to estimate growing patient demand for 2014 and beyond, to add staff and information systems to serve patients, to collect payments, and to keep track of various practitioners involved in each patient's care. Government authorities might, at times, be able to provide pooled technical services to a number of safety net provider organizations. They might also be able to offer pre-negotiated or model contracts to help providers work with major health insurance companies or public health insurers.

Advice and technical assistance will not always be enough. New investments in equipment or information technology systems will be needed in some cases, especially because a billing-based model to pay for care often depends on good electronic medical and health records. The federal government should provide opportunities for safety net organizations to apply for grants to support this kind of infrastructure development.

The Way Forward

As Affordable Care moves forward, safety net providers will continue to provide front-line access to basic care, especially for low-income people and those who live in areas without other providers. But these vital safety net organizations will need to adopt new modes of operation and participate more fully in community-based, integrated systems of care. With robust technical assistance programs and strategically targeted resources, the federal government can help safety net providers make a smooth transition to the new dawn of health reform.

Research and data for this brief were drawn from The Commonwealth Fund, "After Health Reform, Safety Net Providers Still Play Crucial Health System Role, Experts Say," August 8, 2011; Leighton Ku, Emily Jones, Peter Shin, Fraser Rothenberg Byrne, and Sharon K. Long, "Safety-Net Providers after Health Care Reform: Lessons from Massachusetts." *Archives of Internal Medicine* 171, no. 15 (2011): 1379-1384; and Anthony G. Brown and John M. Colmers, "Health Care Reform Coordinating Council: Final Report and Recommendations," Maryland Department of Health and Mental Hygiene, January 2011.