GRANT MAKERS IN HEALTH

Safety Net in the Era of Health Reform:

A NEW VISION OF CARE

Grantmakers In Health (GIH) convened a group of grantmakers and safety net experts on November 3, 2011, for an Issue Dialogue to discuss the challenges and opportunities for the safety net system as the Affordable Care Act is implemented.

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The collection of services and providers making up the safety net system plays a crucial role in providing health care to the nearly 50 million uninsured adults and children nationwide (Kaiser Commission on Medicaid and the Uninsured 2011a). Passage of the Patient Protection and Affordable Care Act (ACA) presents both opportunities and significant challenges for this system. The health reform law will extend health insurance coverage to more than 30 million individuals by 2014. At the same time, it will invest significantly in building provider and clinic capacity, as well as in more coordinated and integrated care delivery systems (Summer 2011). This influx of patients will place increased demands on a system that is already experiencing capacity, financial, and workforce stressors.

WHAT IS THE SAFETY NET?

Sometimes referred to as a "patchwork of providers," the health care safety net is an array of primary care and specialty services, hospital-based programs, and emergency services that delivers care in a variety of public and private settings. It is supported by federal, state, and local funding streams. The Institute of Medicine (IOM) defines "core safety net providers" as having two distinguishing characteristics: 1) either by legal mandate or explicitly adopted mission, the provider offers care to patients regardless of their ability to pay for services, and 2) a substantial share of the provider's patient mix consists of uninsured or underinsured people, Medicaid recipients, and other vulnerable populations. Many different types of health care providers meet the IOM criteria, including community health centers (CHCs), emergency departments, public and community hospitals, local health departments, school-based clinics, and private office-based providers.

WHO IS SERVED BY THE HEALTH CARE SAFETY NET?

The safety net primarily serves low-income patients who are uninsured, publicly insured, or underinsured. Data show that in 2007, 70 percent of health care safety net users had family incomes at or below 100 percent of federal poverty level, and more than 90 percent had family incomes at or below twice the federal poverty level (Rosenbaum et al. 2009). In 2009 nearly 40 percent of patients who visited CHCs lacked health insurance coverage, and one in eight were Medicaid beneficiaries (NACHC 2009). One in seven rural residents receives care from safety net providers. Racial and ethnic minorities are disproportionately represented among CHC patients. In 2009, 27 percent of health center patients were African American and 35 percent were Hispanic/Latino (HRSA 2011a). Health centers also provide care to special populations, including migrant and seasonal farm workers and their families, individuals experiencing homelessness, and residents of public housing.

CURRENT CHALLENGES

The safety net system contends with myriad challenges on a regular basis. In addition to caring for the most vulnerable citizens, safety net providers must manage multiple funding sources, each with their own requirements; compensate for staffing shortages; manage complex patient referrals and follow-up care; and continually operate in a countercyclical environment in which economic downturns generate both an increased demand for services and increased attempts to reduce Medicaid expenditures.

An added challenge is preparing for changes that will come with the ACA, while continuing to meet the significant increase in demand for services that has accompanied the recent recession. The decline in employer-sponsored health insurance, exacerbated by the loss of jobs offering health insurance, has swelled the ranks of the uninsured and others who rely on the safety net (Summer 2011). In 2010 almost 50 million people were uninsured (DeNavas-Walt et al. 2011).

A NEW VISION OF CARE

The ACA provides opportunities to re-orient the safety net system to focus on the delivery of prevention and primary care services in a more accessible, patient-centered, and compre-

hensive fashion. The development and expansion of health, or medical, homes is a centerpiece of the law. The patient-centered medical home is a care delivery model for providing comprehensive preventive and primary care services to children and adults. The approach facilitates partnerships between patients and their providers. Studies demonstrate that this model improves access, increases patient satisfaction, decreases mortality, and lowers health spending, among others (Beal et al. 2007).

RECENT PHILANTHROPIC ACTIVITIES

Foundations and corporate giving programs have dedicated their resources to prepare the safety net for health reform implementation and enhance the performance of the safety net system. These activities include establishing and evaluating patient-centered medical home models; building capacity within CHCs; assessing innovative payment models and delivery system reforms; monitoring the impact of health reform on the safety net; and developing new technologies to improve care delivery and reduce costs.

FUNDER OPPORTUNITIES

The ACA presents an opportunity to make significant improvements to the health care system through incentives that focus on patient-centered care, on reinforcing and building the capacity of CHCs, and on directing dollars to preventive care. There clearly are roles funders can play to help safety net providers take advantage of these opportunities.

- ***Building Bridges*** – While many safety net systems work well together to provide integrated care for patients, in some communities tensions exist. Funders can create neutral forums for safety net providers to come together to find common ground in delivering patient-centered care. In order to achieve the vision of fully integrated care that the ACA embodies, this convergence will need to occur.
- ***Research/Data Collection*** – Philanthropy vigorously supports qualitative and quantitative research on many aspects of the safety net. As health reform unfolds, it will be important to monitor and evaluate the numerous changes that occur. There is also a role for philanthropy to help safety net systems improve the quality of the data used to assess their performance and capacity. Philanthropy can also help communities establish uniform reporting systems.
- ***Training and Fostering the Next Generation*** – Without effective leadership, safety net systems may not make it through what is perhaps both the most critical and the most promising transformation they have ever experienced. Philanthropy can help train and prepare the next generation of safety net system leaders, pave the way for the full range of health care providers to have a role in integrated models of care, and support all levels of the workforce in navigating these uncharted waters.
- ***Understanding the Patient Experience*** – As health reform becomes a reality, many more people with health insurance will flow into CHCs and other safety net settings. As this happens, safety net providers may want to enhance their practices and position themselves as providers of choice. Developing an understanding of patient satisfaction and preferences will be essential. With the support of foundations, providers can use web-based tools and research to truly appreciate the patient experience and hone "the perfect practice."
- ***Building on Successful Models*** – Safety net providers have much to offer the broader health care system, particularly as it tries to adapt to changes stimulated by the ACA and broader calls for system reform. For years, safety net clinics have been doing more with less, and there are many opportunities to export their models of care and care coordination out into the broader community. It is possible that the safety net could become a model for broader system reform. Philanthropy can help disseminate promising practices both within the safety net system and to the wider health care community.

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