Bridge to health care reform strained in Kern

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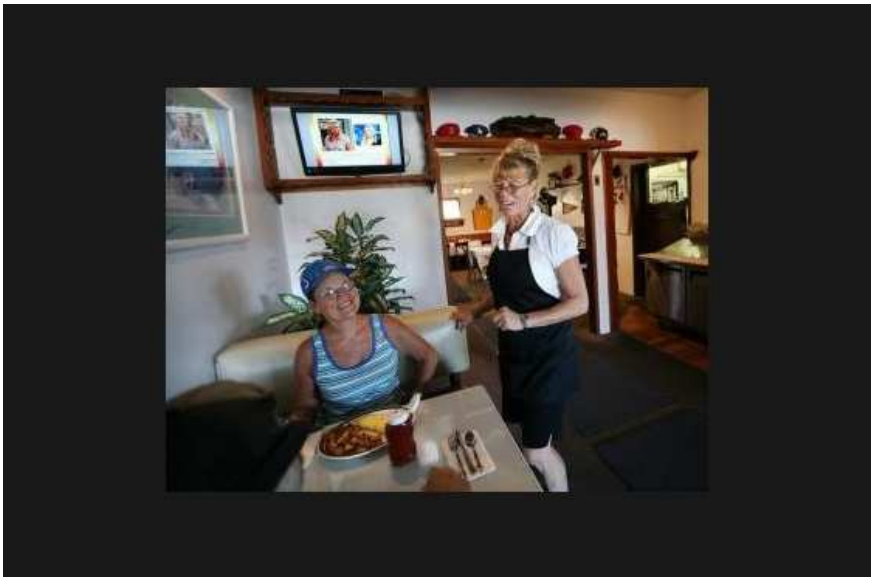
By John Gonzales



Jessica Slone and her son Mike Stevenson live in Lake Isabella. Slone is one of thousands of Kern County residents who will newly qualify for Medi-Cal under health care reform legislation. (Casey Christie/ The Californian)

For Sharon Vermillion, life in Weldon has always meant a winding trip through the Kern River Canyon to gather life's essentials; everything from aspirin to sensible shoes can be bought more cheaply 55 miles away in Bakersfield.

But with chronic pain through much of her body and a sky-high cholesterol count, health care is one thing the 57-year-old waitress would rather not owe to a twisting drive along the rapids.

"Life would be so much easier if I could see a doctor near home. My entire physical being would change," said Vermillion, who is uninsured, like many in the town of 2,300 east of Lake Isabella.

Vermillion's burden could be eased by an innovative project that is not only attempting to make her local clinic a publicly funded "medical home," but transform the health profile of Kern County, which has some of the highest rates in the state for diabetes, heart disease and obesity.

With Kern as its only inland county example, the state has asked the federal government to expand the so-called Health Care Coverage Initiative throughout California by 2014, envisioning a new public health apparatus to implement sweeping federal health reform measures scheduled that year.

"This is the state's bridge to health care reform," said Toby Douglas, chief deputy director of health care programs for the California Department of Health Care Services. "It's a strong bridge."

On Aug. 31, county, state and federal health officials expect to formally begin construction, having tested the premise.

Kern's demonstration project, co-financed by county and federal funds, has shown significant cost reductions and improvements to patient health by providing 5,510 lower-income enrollees a medical home -- a nearby health facility with a primary care doctor and a coordinated health plan similar to an HMO. Three-year demonstration projects in nine other counties have produced their own promising results for a total patient enrollment of 192,715.

"Providing necessary services early saves money later," said Dr. Jennifer Abraham, medical director of Kern's pilot program, called the Kern Medical Center Health Plan. The employee of COPE Health Solutions, a Los Angeles contractor that implemented the program, said costs of providing care were cut by 22 percent.

Despite the clear successes, implementation of the plan faces enormous challenges.

In the next four years of expansion, Kern is obligated to set the bar more than 11 times as

high and provide for an estimated 62,600 qualified applicants, according to state-contracted evaluators of the initiative at the UCLA Center for Health Policy Research.

California-wide, the scale is equally daunting, with 1.6 million people estimated to qualify, according to the UCLA Center. The estimates are based on pre-recession health surveys, so the numbers are likely higher, according to the Center.

Obstacles that officials see in Kern are a reality check on how difficult it will be to build the public health care system in lower-income, far reaches of the state.

"Kern County from the beginning was facing major challenges trying to build their provider system," said Nadereh Pourat, co-principal investigator of the program for the UCLA Center. She recommended the program expansion for California but also cautions: "There will be smaller counties, even more rural with bigger distances to cover."

Rubber Hits The Road

The rubber hits the road in Kern with a shortage of doctors who accept publicly insured patients. There is also a hand-off of the program from private contractor COPE to the county -- potentially difficult without an increase in specially trained health coordinators who evaluate the sickest, most frequent emergency room users, and assign them a primary doctor.

Perhaps most significantly, there is a dispute between the local Clinica Sierra Vista group and program administrators that blocks a crucial increase in facilities, most of them in isolated pockets of the county.

"We were able to reduce the costs of care, and provide better care," said Kern County Supervisor Ray Watson. "The question we have at this point: Is there a way to extend that to a larger population?"

The demonstration project was convincing enough for Watson and the rest of the supervisors to vote unanimously on Aug. 9 to spend $5.6 million in county funds on administrative costs for the effort over the next five years. Fifty percent of that will be matched by the federal government, with the Obama Administration expected to rubber stamp California's request to implement the President's signature health reform legislation.

The request is referred to as a "waiver" in bureaucratic circles because it is a formal request by the state to develop and implement changes to their current Medicaid state plan.

"This waiver will be approved," said state health official Douglas.

The federal action and the county handoff are both scheduled to begin Aug. 31. Then the program unfolds in layers of health care coverage for lower-income Californians. Undocumented immigrants and legal permanent residents for fewer than five years do not qualify.

All counties will begin to enroll as many lower-income adults as possible who are at zero to 200 percent of federal poverty level -- a limit of $21,660 in annual income for an individual. The poorest of those enrollees, those under 133 percent of federal poverty level, or $14,403, will be funneled to Medi-Cal in 2014.

"I can't tell you how much that would help. I can't afford the $80 I have to pay for a clinic visit now," said Jessica Slone, 38, an uninsured fast food worker in Lake Isabella who has anemia and meets the lowest income requirements.

Enrollees above Slone's income will likely be funneled to the insurance company exchanges established by health care reform.

Dylan Roby, a research scientist who was part of the UCLA evaluation team, said this group will be required to buy their own private insurance. But federal health reform limits their out-of-pocket costs from 2 percent to 6.3 percent of income. The government will subsidize the rest, Roby said.

California also has the option to create a permanent basic health plan for the group, instead of funneling those people to the exchanges. But the state budget crisis has dampened that prospect, said Roby.

Income requirements aside, all enrollees will need an accessible place to go for their care.

(http://centerforhealthreporting.org/sites/centerforhealthreporting.org/files/media/photo_bridge_1.jpg)

Jessica Slone and her son Mike Stevenson live in Lake Isabella. Slone is one of thousands of Kern County residents who will newly qualify for Medi-Cal under health care reform legislation. (Casey Christie/ The Californian)

Coming to Agreement

In Kern, that means repairing the relationship between Clinica Sierra Vista and county administrators of the program.

Clinica signed on as a co-applicant to participate in the pilot three years ago, bringing with it 15 facilities in Kern, which would have more than doubled the existing network and spread coverage through much of the county.

But Clinica backed out over disagreements on patient reimbursement fees that were half of what it anticipated; and when the federal government did not provide expected funding for new medical equipment.

Equally important, according to Clinica Chief Executive Steve Schilling, there was supposed to be funding for dozens of care managers who would evaluate patient needs and teach them how to use the system for regular checkups instead of intermittent care.

When the program ended up with funding for just two care managers, Schilling said he couldn't be a part of it because its chances at success were at risk. He has been approached since about participation, but remains non-committal.

"We are having ongoing, regular, repeated conversations about it," said Schilling.

Paul Hensler, the chief executive of Kern Medical Center, which will take the baton from COPE in implementation of the program, called Clinica's participation "critical."

Hensler said he doesn't blame Schilling for backing out of the agreement, but is ready to lobby him anew.

"It's my job to talk to Steve Schilling," said Hensler.

Nancy Puckett, program coordinator for the Kernville Union School District Family Resource Center, said she sees people in the area everyday suffering from a lack of health care. She said Schilling and Hensler must come to an agreement for their sake.

"They need to just sit down, have a beer in the backyard, and talk it over and make it work," she said. "People have been hurting for so long, and they need options."

Abraham said the three-year demonstration project in Kern cut costs by providing patients an ID card that grants them access to a program affiliated primary doctor who is conveniently located.

Doctors, along with care managers, formulate and document a plan for ongoing treatment, all with the goal of improving so called "health outcomes," lowering cholesterol for instance, or blood pressure. The result: patients are less likely to wait until their symptoms become unbearable, and go to the emergency room, where costs skyrocket.

Robert Garcia, 57, of Frazier Park, was enrolled in the demonstration project a year ago, after an ongoing liver problem forced him to the emergency room to have his stomach drained. He also has high blood pressure.

Garcia lost his health coverage with Blue Cross two years ago, when he was laid off from his 20-year job with a Valencia book manufacturer.

He is now a seasonal worker for the state, earning $9.98 an hour performing maintenance at Hungry Valley Park. It's significantly reduced Garcia's income and insurance does not come with the work.

"Basically, it was a life saver. Through the program, everything's free," he said of the coverage initiative, which provides him regular follow up visits and medications that he could not otherwise afford.

Garcia was able to follow the plan because he had a care manager, the staff Schilling believes are crucial. They called Garcia to make sure he went to his appointments, and answered any of his questions.

Gloria Sierra and Maria Moreno were hired by COPE a little more than two years ago for the job. They help patients manage their health care, especially those who had long relied on emergency rooms.

Obstacles remained. Some patients could not read; others had no transportation.

"A lot of people don't understand the medical terminology," Sierra said. "Some of our patients told us they have called ambulances to get to the hospital, not because it was an emergency, but because they had no other way to get there."

Hard Work

The work per patient was so time-intensive that just 131 received direct care management from Sierra and Moreno. Kern Health Systems workers are supposed to take over those duties in the expanded program, but system administrators said they won't have the time to go out into emergency rooms or attend appointments with patients as Sierra and Moreno did.

Without enough coordinators, or undertrained ones, patients may be left adrift in one of the least healthy counties in the state.

According to a 2010 study by the Robert Woods Johnson Foundation, the county ranks 51st out of 56 counties for overall health. It has high rates of adult smoking, obesity, binge drinking and diabetes, the study found.

The county also suffers from one of the worst doctor-to-resident ratios in California. According to 2008 Rand Corporation statistics, Kern has 1.4 doctors to every 1,000 residents, 36th out of 50 counties examined.

Not all take publicly funded patients. A 2008 study by the California HealthCare Foundation (the foundation funds the Center for Health Reporting, which partnered with the Californian on this report) shows only 54 percent of primary care doctors are accepting new Medi-Cal

recipients.

Supervisor Watson believes the greatly expanded pool of patients created by the program, whose coverage will generally pay doctors better reimbursement rates than today's Medi-Cal, will create a new incentive for doctors to come to Kern.

"It's very difficult for a doctor to go into an underserved neighborhood and set up an office and survive," he said. "There needs to be some kind of funding stream available."

Meanwhile, residents like Vermillion are waiting. Her pain stems from a 1995 accident that killed her 2-year-old grandson and broke her back and hip. Her cholesterol makes her a strong candidate for heart disease.

She was a longtime patient of Clinica's facility in Wofford Heights, near her home. But she can no longer afford fees there because her hours and tips have dwindled in the recession.

She would easily meet the new program's income requirements, but the initiative must bring her clinic into the fold.

"The doctor I've seen all my life is there. I would love to go back to see him," Vermillion said. "He already has all my records and history since I was a child. If that's not a medical home, I don't know what is."