



**NACO** *National Association of Counties*  
  
*The Voice of America's Counties*

# Assessing America's Health System:

County Solutions  
for National Reform





# Assessing America's Health System: County Solutions for National Reform



Produced by the Community Services Division of the County Services Department

November 2008



## About NACO – The Voice of America's Counties

The National Association of Counties (NACO) is the only national organization that represents county governments in the United States. Founded in 1935, NACO provides essential services to the nation's 3,066 counties. NACO advances issues with a unified voice before the federal government, improves the public's understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACO, visit [www.naco.org](http://www.naco.org).



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# Introduction

America's counties form the foundation upon which the nation's health care system is built. They set the local ordinances and policies which govern the built environment, establishing the physical context for healthy, sustainable communities.

County governments are responsible for both the financing and delivery of a comprehensive array of health services through public hospitals and clinics; local health departments; coverage programs for the uninsured; long term care facilities; mental health services; and substance abuse treatment, contributing more than \$52 billion to the nation health system annually.<sup>1, 2</sup>

Ensuring the health and wellbeing of the public is one of the core responsibilities of county government. As the elected body closest to the people, county government is able to respond quickly in times of crisis and to adapt to a community's changing needs.

But America's health system is broken. The number of uninsured residents has risen to over 46 million, with an additional 25 million underinsured. Health care costs have risen to more than two trillion dollars per year. Nearly half of Americans have been diagnosed with one or more chronic diseases<sup>3</sup> and more than 160 million Americans are overweight or obese. Adults receive recommended care only 55 percent of the time<sup>4</sup>, seven hundred billion dollars is wasted each year on unnecessary tests and procedures that do not improve patient outcome<sup>5</sup>, and \$8.8 billion is spent treating medical errors<sup>6</sup>.

The artery's that should connect America's backbone to the other networks of care have become lost in a fragmented, inefficient tangle of policies and programs that simply are not working. Despite having the resources and technology to do so, Americans are not connecting with the services they need to lead healthy lives. Instead we are intersecting with the health system only after we are sick, when

the cost of care is highest and impact on our quality of life most severe and often irreversible.

Comprehensive, system wide reform must be made in order to achieve significant improvement in health outcomes and reduction in costs. Reform is also essential to restoring America's overall economy and the financial security of our working families.<sup>7</sup> Although there has been a renewed effort aimed at national reform, led by an unlikely partnership of business groups, providers, advocacy organizations, insurance companies, and bipartisan political collaborations, their success is anything but certain.

Many counties are therefore taking the lead in resolving their health crisis locally. Innovative programs are emerging across the nation: from care coordination programs, to creative financing mechanisms for indigent care, to employer mandates, the form these county programs take often reflect the need of that particular community. However there are common elements that can be found at the foundation of the most successful county programs including:

- **Increased access to care.** Without access to regular care, risk factors for disease are less likely to be identified and treated; chronic conditions are more likely to advance to disabling levels; and cancers are less likely to be diagnosed at earlier, more treatable stages.<sup>8</sup>
- **Health promotion and disease prevention.** Total health care costs are expected to reach \$4 trillion by 2016, consuming nearly 20 percent of the GDP. It is estimated that 75% of these costs can be prevented, delayed or curtailed through lifestyle modifications.
- **Quality.** Health systems that focus on quality improvement are more likely to see a reduction in cost, both in terms of lives lost and dollars spent.

This publication will highlight county health programs that focus on these three elements to provide high-quality, low cost care to their residents in order to achieve sustainable results. It is intended to spark discussion about the type of program and policy reform that might be possible in your own community, and to serve as a guide to for those counties ready to move forward with implementation.



**Ensuring the health and wellbeing of the public is one of the core responsibilities of county government.**

1 [www.census.gov/prod/2005pubs/gc02x43.pdf](http://www.census.gov/prod/2005pubs/gc02x43.pdf)

2 [www.cdc.gov/nchs/data/abus/abus07.pdf](http://www.cdc.gov/nchs/data/abus/abus07.pdf)

3 [www.cdc.gov/NCCdphp/overview.htm](http://www.cdc.gov/NCCdphp/overview.htm)

4 Call to Action Health Reform 2009. Senate Finance Committee Chairman Max Baucus. <http://finance.senate.gov/healthreform2009/home.html>

5 Increasing the Value of Federal Spending on Health Care. Statement of Peter R. Orszag, Director, Congressional Budget Office before the Committee on the Budget U.S. House of Representatives July 16, 2008. <http://cbo.gov/fipdocs/95xx/doc9563/07-16-HealthReform.pdf>

6 [www.washingtonpost.com/wp-dyn/content/article/2008/04/08/AR2008040800957.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/04/08/AR2008040800957.html)

7 Call to Action Health Reform 2009. Senate Finance Committee Chairman Max Baucus. <http://finance.senate.gov/healthreform2009/home.html>

8 Institute of Medicine. (2003). Hidden Costs, Value Lost. Washington, DC: National Academies Press.



# Access for All

## Rural Model: Health Access Initiative

### Hall County, Georgia

[www.healthaccessinitiative.com](http://www.healthaccessinitiative.com)

Contributed by Kim Smith, Executive Director, Health Access Initiative

### Background

Formed in 2002 as an outgrowth of the Hall County Medical Society, Health Access Initiative (HAI) strives to increase access to healthcare for low-income, uninsured adults living in Hall County.

HAI has recruited and now coordinates a panel of 171 local physicians, representing 23 specialties, who donate care for a designated number of HAI enrollees per month at no charge. There are approximately 450 patients actively being served through the program at any given time. Over fifty percent of HAI enrollees have a chronic disease such as diabetes or heart disease.

HAI enrollees have access to a full array of comprehensive healthcare resources, including:

- referrals to physicians – primarily specialists—who donate office-based care
- pharmaceutical assistance program
- diagnostic testing
- inpatient and outpatient hospital services
- care management services with special attention to chronic disease management and decreasing inappropriate Emergency Room use

### Role of the County

Hall County has supported HAI in various ways. During her term in office, Commissioner Deborah Mack has proven to be an advocate for the underserved and uninsured in Hall County. Hall County has assisted HAI in sponsoring a public forum of national, state and local leaders to discuss healthcare issues affecting the uninsured.

Hall County has also invited HAI staff to participate in national conferences focused on healthcare for the uninsured. As a result of one of the workshops, Commissioner Mack introduced the NACo prescription discount card that is being offered to Hall County residents. HAI also received state funding in the past that was managed and dispersed through Hall County.

### Financing

Health Access primarily receives its funding from local and

state grants. A grant from the Georgia Department of Community Affairs has been approved in the 2009 budget for Health Access to receive funding through the county in the amount of \$50,000.

### Outcomes

Each year, HAI continues to expand services to the uninsured. Over the past 12 months, HAI has achieved the following:

- Increased the number of physicians participating in the HAI system of donated care from 156 to 171.
- Increased the number of appointments made by 43%.
- Increased number of clients referred to HAI for assistance by 83%.
- Increased number of clients assisted through the HAI program by 68%.
- The value of donated healthcare provided in 2007 exceeded \$4.7 million.
- The percent of HAI patients utilizing the Emergency Room while enrolled in HAI decreased from 3% in 2007 to 2.6% to date in 2008.

### Lessons Learned

#### (1) Leading and managing a community coalition

**Challenges:** Constant communication is needed between partners to keep everything well coordinated, as well as understanding of the processes/procedures of each agency and the limits of what they can do.

**Enabling Factors:** Trust, mutual respect and commitment to a shared goal.

**Successes:** Open, unlimited access for each partner results in better communication and changes in the overall system of care throughout the community, resulting in improved access to care for clients, minimized duplication of services and better information sharing among providers.

#### (2) Coordinating health care services for the uninsured and underinsured.

**Challenges:** Many are lost between time of referral and appointment for screening due to difficulty in contacting them.

**Enabling Factors:** Continued frequent communication with care providers

**Successes:** Seeing the “system” work and HAI patients receive needed healthcare services that enabled them to return to productive life as demonstrated in the following success:

As “Tina” was approaching her 50<sup>th</sup> birthday, she mentioned to her private physician she was having some rectal bleeding. Since she had no insurance, her physician referred

her to Health Access to arrange for a surgical consult. Tina was screened for enrollment in HAI and met the criteria. A referral was made to one of the surgeons on HAI's panel of physician volunteers. After an initial consult, the surgeon determined that she needed a colonoscopy. The procedure was scheduled to be done at the local hospital. The colonoscopy revealed that Tina had rectal cancer and surgery was scheduled within a week. Because it could not be determined if there was other involvement, the surgeons office requested HAI arrange for a gynecologist from the physician panel to be involved in the case. The surgery was a complete success and no further treatment was required. Because of the collaboration between the local health department, HAI, the local hospital and two private physicians, the cancer was diagnosed and treated early. Tina is now cancer free and fully recovered.

**(3) Documenting your success through local program evaluation**

**Challenges:** It is challenging to find time to gather data needed for evaluation when you have a small staff and lots of patients to work through the system.

**Enabling Factors:** Take advantage of learning opportunities through program evaluation. Seek the services of a professional if resources permit.

**Successes:** HAI worked with a consultant to create an evaluation plan for the program. Most data needed is now available in electronic reports thanks to the help of an IT expert.

**(4) Institutionalizing/Sustaining the program in your community**

**Challenges:** Communicating the importance of a specialty network to a public who believes that free clinics are sufficient to meet healthcare needs of the uninsured.

**Enabling Factors:** Broaden circle of key supporters throughout the community through frequent and targeted communication.

**Successes:** HAI has continued to establish credibility with key constituents that may ultimately lead to sustainable funding.

**Additional Resources**

- Physicians Innovation Network  
[www.physiciansinnovation.org](http://www.physiciansinnovation.org)
- Travis County Medical Society Foundation  
[www.projectaccessaustin.com/build/index.html](http://www.projectaccessaustin.com/build/index.html)
- Project Access of Sedgwick County  
<http://projectaccess.net>
- Buncombe County Medical Society Foundation  
[www.bcmsonline.org/pa/pp](http://www.bcmsonline.org/pa/pp)

**Urban Model:  
 Hillsborough HealthCare Plan**

**Hillsborough County, Florida**

[www.hillsboroughcounty.org/hss/hhcprogram/program.cfm](http://www.hillsboroughcounty.org/hss/hhcprogram/program.cfm)

Contributed by Dave Rogoff, Director, Health and Social Services

**Background**

Hillsborough HealthCare provides comprehensive managed health care services to qualified residents of Hillsborough County at or below 100% of poverty. Its focus is on preventive care, and its goal is to enable County residents to maximize their potential as productive citizens.

Hillsborough County has one of the lowest uninsured rates in Florida, compared to other counties, as a result of the program. In 2007, over 24,000 County residents had their healthcare needs addressed by the managed care part of the program and over 30,000 County residents were assisted by services paid for with program funds. The County's Health and Social Services Department, which administers the program, views healthcare as a component of addressing the holistic social services needs of the client—in other words, lack of healthcare may be causing the resident to not be self-supporting, so enrollment into the program also incorporates a holistic review by a social worker of the client's status and the development of an action plan by the client. Access to health care is part of a plan to help individuals reach their full potential and is critical to the economic well being of our County. The use of the Health Program as a key part of a holistic action plan has also been applied, with positive results, to such unique target groups as inmates being discharged from jail and children growing out of foster care.

**Outcomes**

A number of studies and evaluations have been conducted of Hillsborough HealthCare members, mostly in association with the University of South Florida. Results have shown:

- Reduced per patient costs 65% from \$600 to \$250 per month.
- Estimated savings of \$100 million over 10 years (\$10 million emergency care, \$90 million in medical expenses).
- Reduced hospital admission rates for chronic diseases such as diabetes and asthma to those of the general population.
- Improved health and quality of life of more than 25,000 residents.
- Aggregate data has found that, for our patients, preventive care is less costly than addressing health care needs as they emerge.

**Financing**

The program is funded by a 1/2 cent sales tax, enabled by state statute and approved by the county commission, and does not rely on funding from other sources.



Many counties are taking the lead in resolving their health crisis locally.

### Hillsborough County's Role

The County was instrumental in the formation of the program in 1992, as it attempted to address the need for providing health care to the uninsured, low income residents of Hillsborough County. The County has remained involved in the oversight of the program, both directly and via a County Commission-appointed oversight Health Care Advisory Board, composed of health care industry practitioners and other representative classes. The program is under the aegis of the Board of County Commissioners, and its fiscal and audit agent is the County's Clerk of the Circuit Court.

### Lessons Learned

- Dramatic cost savings can be achieved by redirecting indigent care funds from hospital emergency rooms, placing the uninsured into a managed care environment, and creating new opportunities to leverage resources.
- A community plan to care for the uninsured—backed by tax support—not only is politically viable, it can actually be a powerful political strength.
- Managed care contracts through the County could be marketable.

### Additional resources:

- Polk Health Care Plan  
<http://apps.polk-county.net>
- Alachua County CHOICES  
[www.alachuacounty.us](http://www.alachuacounty.us)
- Harris County Healthcare Alliance  
[www.hchalliance.org](http://www.hchalliance.org)

## Programs to Watch

### Healthy Howard

#### Howard County, Maryland

[www.howardcountymd.gov/Health/HealthMain/Health\\_HHAccessPlan.htm](http://www.howardcountymd.gov/Health/HealthMain/Health_HHAccessPlan.htm)

### Background

Beginning in October 2008, the Healthy Howard Plan provides access to comprehensive health care services for uninsured Howard County. The Plan is not portable insurance; services are not covered if provided outside the county. The plan also emphasizes personal responsibility by including mandatory health coaching and health education. For most residents, however, having access to comprehensive care in the County will greatly improve health and keep them out of the hospital. The Plan is:

- **Comprehensive** – It includes access to primary

care, preventive health screenings, immunizations, diagnostic services, low-cost prescriptions, mental health services, substance abuse treatment, inpatient hospital care “debt forgiveness”, and outpatient specialty care for the County's biggest health problems.

- **Affordable** – By using existing health care programs and developing strong partnerships with health care providers, we can offer access to care for an affordable monthly fee. Businesses can help their employees pay for the monthly fee if they wish but there is no requirement for businesses to participate in the Plan.
- **Responsible** – Each participant will be teamed with a health coach to help overcome barriers to healthy living. Together they will agree upon a Health Action Plan and set measurable and achievable health goals. If participants do not take steps to become healthier, they will lose access to all services except for primary care and preventive health screenings.
- **Accountable** – In the first year, only 2,000 uninsured Howard County residents will be enrolled. A team of experts from around the state will evaluate the Plan to see if participants end up healthier and if they use the emergency room less for non-emergent care.

### Financing

The program is funded through individual premiums (between \$50 and \$85 per month for an individual), county general fund dollars and philanthropic donations. Donations include charity care from the local hospital, discount pharmaceuticals from drug companies, and donated specialty care.

Total estimated cost per enrollee is \$1,200 per year, with an annual operating budget estimated at \$2.8 million for 2009.

# County-Operated Health Plan

## Rural Model: PrimeWest Health Plan

**Beltrami, Big Stone, Clearwater, Douglas, Grant, Hubbard, Meeker, McLeod, Pipestone, Pope, Renville, Stevens and Traverse Counties, Minnesota**

[www.primewest.org](http://www.primewest.org)

Contributed By Commissioner Amy Wilde, Meeker County, MN

### Background

PrimeWest Health is a county-owned Medicaid-managed health plan serving more than 18,000 Medicaid and Medicare Advantage dual-eligible residents in 13 rural Minnesota counties. PrimeWest is organized as a county government “Joint Powers” organization, the governmental equivalent of a private sector joint venture in Minnesota. Through this joint powers organization, the partner counties pursue a mission to improve the health of local residents through integrating and coordinating publicly funded public health and social services with private sector health care services. This approach emphasizes prevention and early identification of health care problems and risks, and timely and appropriate health care system intervention.

PrimeWest and its approach to service delivery is made possible by Minnesota legislation ([www.revisor.leg.state.mn.us/statutes](http://www.revisor.leg.state.mn.us/statutes)) enacted in 1997: the “County-Based Purchasing” (CBP) law. The CBP law enables counties to purchase health care services for their local Medicaid beneficiaries directly from providers, rather than through a non-local proprietary health plan or HMO. The CBP law acknowledges counties’ inherent sensitivity and accountability to local needs that cannot be duplicated by private sector HMOs. Counties are uniquely positioned—geographically, culturally, and organizationally—to best integrate public and private resources for improving access to care and continuity and quality of care; preserving fragile rural health systems; and maximizing Medicaid and Medicare resources locally.

### Operations and Outcomes

PrimeWest contracts directly with more than 4,000 providers on a fee-for-service basis for services rendered to program beneficiaries. PrimeWest philosophy of “community reinvestment” ensures all profits from PrimeWest’s operations go back into the community and local health care system.

PrimeWest’s approach to health plan operations and its specific programs have been proven highly successful. These include PrimeWest’s Care Coordination (integrated care management and coordinated service delivery), PrimeFitness (individualized wellness), RightCare (integrated primary care and mental health delivery), Values Health (health care re-

form) and Community Reinvestment (local project development) programs. These programs have resulted in numerous positive outcomes including but not limited to:

- Dramatic measurable increase in access to and utilization of dental care services.
- Reduction in prescription drug costs.
- Improved medication therapy compliance.
- Improved access to mental health services.
- Expanded services and benefits for individuals with disabilities.
- Reduction in preventable hospitalizations.
- Health care delivery cost reductions resulting in additional funding for provider reimbursement and local health care delivery improvement grants.

### Financing

PrimeWest receives its funding through managed care contracts with the State of Minnesota (Medicaid) and the federal government (Medicare.) These are risk-based contracts, meaning the dollar amount is capitated, and PrimeWest and its partner owners are responsible for costs in excess of the revenue received from the State and CMS.

PrimeWest’s revenues for FY 2009 are projected to be approximately \$141 million. Since beginning Medicaid managed care operations in 2003, PrimeWest has consistently operated in the black on an annual basis with all surplus revenue being applied satisfying state and federal financial reserve requirements and Community Reinvestment.

### Operating Philosophy

County-operated health plans such as PrimeWest Health require a significant investment in time and money from county boards and county human services staff.

Developing and attaining regulatory approval to operate a health plan requires much time and financial resource. The state must obtain a “waiver of choice of health plans” from the Center of Medicare and Medicaid Services. County-operated plans often experience a great deal of opposition from private health plans when the state exercises its right to waive choice of plans and award a single plan contract for a county to the county’s plan. Yet without the waiver of choice, local plans, especially rural ones like PrimeWest, would lack the critical mass of clients to financially support operations. Therefore, the debate pits “pro-competition” against local control and determination.

Prime West contends the traditional arguments for competition in health care are inapplicable when applied Medicaid and Medicare managed care, especially in rural areas where health systems lack enough provider choices for true competition to exist. Single plan, especially when owned by the community it serves, provides a locally sensitive option that



achieves the very same outcomes desired from a competitive marketplace, but with greater administrative efficiency.

Counties considering getting into a county-operated system should be in a state-financed, county-administered Medicaid state. Legislation may be needed to permit such an arrangement. (Minnesota's law came about after one rural county, Stevens, successfully challenged the state's authority to implement managed care only through private health plans.) Although county-operated plans can successfully compete with other plans (and do in a few Minnesota counties which have a different county-operated system,) the risk to county finances is significantly less if the entire pool of clients is enrolled in a single plan.

In rural areas where waivers of choice of plan may be obtained, county-operated health plans are a viable alternative to contracting with a private HMO for managed Medicaid. Counties themselves, as well as rural providers, benefit from any savings achieved. If waivers of choice of plan cannot be

obtained, counties could conceivably operate plans in a competitive environment. However, single plan models that manage their own provider networks, have access to all encounter data, and include all clients within a single pool have been more successful in Minnesota, both financially and in measures of quality outcomes.

The world of health care changes rapidly. During its first few years of operations, the PrimeWest joint powers board and staff were challenged by the need to become a Medicare Part D and Medicare Advantage provider and add several new state programs, even while we were in the midst of our initial start-up as a health plan. Last year, we worked to add three additional counties and develop our own TPA services. Our current focus is on maturing and developing optimum care with our current programs and clientele, while adapting to annual changes in public health care program rules and procedures.

For more information about PrimeWest Health, visit its website, [www.primewest.org](http://www.primewest.org).

## Public Health and Wellness

### Rural Model: North Central District Health Department

**Clearwater, Idaho, Latah, Lewis, and Nez Perce  
Counties, Idaho**

[www.ncdhd.org](http://www.ncdhd.org)

Contributed by Carole Moehrle, Public Health District Director

#### Background

Local Public Health in Idaho is governed by County Government. In Idaho where the state population is but 1.4 million, the 44 counties in the state worked to form 7 local Public Health Districts. Each district is comprised of 5-8 counties. This districting system allows counties to contribute to the funding of Local Public Health in a partnership way. Current funding sources include 13% from Counties, 18% from our State, 42% from Contracts and 27% from Fees. The amount of county funding contribution for Local Public Health is based on the county population and the assessed market value of the county. Thus the larger, wealthier counties help to offset the funding for the very small counties. This allows that even the smallest counties are afforded the full array of Public Health services. Because the Public Health administrative services are centralized for the district, this reduces costs and redundant management and overhead.

According to Carol Moehrle, District Director for the North Central Public Health District, "The Public Health system in Idaho's counties helps to consolidate staff and services so the

district is better able to provide all of which make us efficient and effective in providing the essential Public Health services to the population. All citizens in Idaho, no matter which county they live in can expect a consistent delivery of Public Health services."

Public Health priorities include prevention of disease, promotion of health and protection from emerging threats. We focus on engaging the communities in prioritizing prevention by promoting health and wellness, rather than treatment of illness. Public health protects and improves community well-being by preventing disease, illness and injury and impacting social, economic and environmental factors fundamental to excellent health.

The Public Health Districts provide services to a broad range of clients through approximately 42 programs. Our main emphasis areas include:

#### (1) Epidemiology/ Communicable Disease Control.

Epidemiology is one of the core functions of public health. Idaho Public Health Districts work to investigate, report, prevent and control communicable diseases like Hepatitis A, Salmonella, Pertussis, Tuberculosis, West Nile Virus, etc. We utilize a National Electronic Disease Surveillance System (NEDSS) that provides a direct link to the CDC. We also maintain and utilize a Health Alert Network (HAN) to rapidly communicate with state and local elected officials and partners.

#### (2) Health Education.

Prevention is the key to success in public health. Idaho Public Health Districts focus on promoting healthy lifestyles through educational programs. We work closely with local



Photo courtesy of North Central District Health Department.

coalitions and community partners to provide programs in asthma prevention, cancer control, and diabetes prevention, fall prevention for senior citizens, physical activity and nutrition and tobacco cessation and prevention.

**(3) Family and Clinical Services.**

In Idaho, Public Health strives to maintain the health of families and the community through programs and referrals to community partners. We offer services including: Child and adult immunizations, HIV/AIDS testing and case management, Reproductive Health, Sexually transmitted disease testing and treatment, Women’s cancer screening and nutrition for Women and Infants.

**(4) Environmental Health recognized the connection between human health and the health of our environment.**

Idaho Public Health Districts work to prevent disease and injury through control and protection of environmental factors such as: permitting and inspecting food establishments, monitoring public water systems, permitting and inspecting sewage disposal systems, approving and inspecting solid waste facilities, and inspecting child care facilities.

**(5) Public Health Preparedness.**

The Public Health districts exercise all-hazard response plans, plan for and manage the SNS stockpile, partner with the community to develop plans and exercise for surge capacity events.

These valuable services, provided by Local Public Health, help to decrease the burden of indigent care that the Counties assume in Idaho. So, why does Public Health work so well in Idaho? Through the oversight of our county appointed Boards of Health, there is local control and local oversight, which leads to timely consideration to local Public Health issues.

Idaho’s local public health districts are an essential and cost effective investment

## Urban Model: Contra Costa Health Services

### Contra Costa County, California

[www.cchealth.org](http://www.cchealth.org)

Contributed by Supervisor John Gioia, Contra Costa County, CA, Luz Gomez, Julie Freestone and Wendel Brunner.

### Background

Contra Costa County, located in the San Francisco Bay Area, has over one million residents. Contra Costa Health Services (CCHS) is a comprehensive public health system that serves county residents with special attention to vulnerable populations. CCHS offers a range of treatment and prevention services, including a regional hospital/medical center, eight community health clinics, public health and wellness programs, environmental health and hazardous materials programs, mental health services, alcohol and other drug treatment programs, homeless programs and emergency medical services.

As an integrated health department, CCHS implements community-based interventions aimed at reducing health risks, while also delivering clinical preventive and treatment services. Strong support from the County’s Board of Supervisors contributes to the health department’s success. “Our Board has a long-time commitment to both protecting access to affordable health care and supporting innovative prevention programs,” says County Supervisor John Gioia.

Using the “Spectrum of Prevention”<sup>1</sup> and the “Chronic Disease Framework for Contra Costa County”<sup>2</sup> as guiding principles, CCHS has pioneered multiple efforts to create healthier community environments in high-risk communities. The Spectrum of Prevention uses the following strategies to improve community health (available at [www.cchealth.org](http://www.cchealth.org)):

- Influencing policy and legislation
- Mobilizing neighborhoods and communities
- Changing organizational practices
- Fostering coalitions and networks
- Educating providers
- Promoting community education
- Strengthening individual knowledge and skills.

### Effective community interventions require partnering and sharing power with communities.

This strategy has been applied in numerous ways to impact childhood obesity, address second-hand tobacco smoke, promote school-based health centers, empower teens to advocate for their needs, improve access to healthy foods, mitigate the impacts of liquor stores in low-income neighborhoods, promote art as a health communication tool, and prevent violence.

One of CCHS’s most innovative prevention approaches is working on the “Built Environment.” We created an interdepartmental working group that includes the County Administrator’s Office, Public Works, Social Services, Planning, and Health Services to promote individual and community health considerations in land use decisions.



To decrease our county's high rates of childhood obesity, diabetes, and cardiovascular disease, CCHS, in collaborative planning with other agencies and communities, has implemented educational programs, media campaigns, and multiple policy and advocacy efforts, including a county-building Vending Machine ordinance that mandates that 50% of contents must meet certain nutrition criteria.

In 2006, the Board of Supervisors passed a Second Hand Smoke Ordinance that prohibits smoking in all workplaces and public areas in unincorporated county areas. The County enacted an Environmental Justice policy to protect poor and minority communities that often bear the brunt of refinery accidents and toxic emissions from industry.

CCHS also operates a county-owned and operated non-profit HMO, serving over 65,000 individuals. Since 1976, the Contra Costa Health Plan has been at the forefront of offering affordable, comprehensive, quality health coverage to Medicare and Medicaid beneficiaries, as well as county employees, businesses, individuals, and families. This managed care plan is another way CCHS encourages health prevention

"To improve population health we need universal access to quality healthcare linked with a spectrum of community-based strategies aimed at addressing the environmental factors that cause ill health in our communities," says William Walker, MD, Health Services Director.

### Financing

CCHS is the largest department of County government, employing more than 3,500 individuals. Only 13% of the CCHS budget is from local tax resources; 87% is supported by Federal and State funding programs, such as Medi-Cal and Medicare, as well as by program grants and fees.

For more information contact Julie Freestone, Assistant Di-



Contra Costa Regional Medical Center in Martinez

rector of Health Services, at [jfreesto@hsd.cccounty.us](mailto:jfreesto@hsd.cccounty.us) or at (925) 957-5438.

- (1) Spectrum of Prevention: [www.cchealth.org/topics/prevention/spectrum.php](http://www.cchealth.org/topics/prevention/spectrum.php)
- (2) Chronic Disease Framework: [www.cchealth.org/groups/chronic\\_disease/framework.php](http://www.cchealth.org/groups/chronic_disease/framework.php)

### Additional Resources

- National Association of County and City Health Officials  
<http://naccho.org>
- National Association of Local Boards of Health  
<http://nalboh.org>
- National Network of Public Health Institutes  
[www.nnphi.org](http://www.nnphi.org)

## ■ Improving Quality to Cut Costs

### Urban: King County Health Reform Initiative

#### King County, WA

<http://your.kingcounty.gov/employees/HealthyIncentives/default.aspx>

In 2003, King County's health care costs for its more than 30,000 employees and dependants were projected to double by 2012, amounting to \$300 million without any interventions. In 2004, a Rand Corp. study found that the Seattle-area health care system failed to provide the recommended standards of care or improve health 41 percent of the time.

These two startling pieces of information motivated County Executive Ron Simms to pull together a group of local stakeholders to develop a comprehensive, regional approach to restructuring the way health care works for both county employees and Seattle-area residents that would contain costs rather than shift them to the employee, while at the same time avoid substantial reductions in health care benefits.

King County's resulting Health Reform Initiative was a two-pronged strategy, addressing the supply and demand sides of the health care industry.

The first part of the county's strategy was to implement the Healthy Incentives program — an effort to reward participants for taking steps to better their own health and that of their spouses or domestic partners.

The second part of the plan involved the Puget Sound Health Alliance, an independent nonprofit organization that strives to improve health care in the Puget Sound region.

## Healthy Incentives

Healthy Incentives is King County's internal employee benefit initiative and wellness strategy. It targets the "demand" side of the problem by influencing change in consumer behavior and providing information on healthy behaviors and lifestyles.

In 2005, in partnership with labor, King County began to stem ever rising employee health care costs while avoiding mandatory premium share. This innovative program, designed to combat these cost increases, encourages employees to take these important steps:

- Improve individual health
- Actively participate with providers in personal health care
- Participate in wellness and prevention activities
- Manage chronic health conditions

Individuals who make a commitment to improve or maintain their health receive significant economic benefit in the form of lower deductibles and co-insurance.

## Puget Sound Health Alliance

[www.pugetsoundhealthalliance.org](http://www.pugetsoundhealthalliance.org)

Reforming the demand side of the equation through King County's Healthy Incentives program is not enough. The County is also bringing market forces to bear on the supply side of the equation through the Puget Sound Health Alliance. The Alliance is a non-profit created in 2004 to reform the health care delivery system across a five-county region. It is a major collaborative effort involving employers, providers, health plans, unions and consumers/patients.

More than 160 organizations have signed on, including large corporations like Boeing and Starbucks, as well as public sector entities like the state of Washington and King

County. Two of the largest health care providers in the region also participate, representing well over 1.5 million covered lives. By bringing together a collaboration of employers, physicians, hospitals, patients, and health plans who make up the health care industry in this region, the Alliance hopes to implement reforms large enough in scope to become standard practice throughout the central Puget Sound region.

Actions taken by the Alliance include:

- Building a regional data and reporting system using uniform, national performance measures of quality.
- Creating evidence-based clinical guidelines for region's providers to use and provide care at the right place, right time, right setting.
- Distributing patient education and self-management tools.
- Providing employees and consumers with reliable information for decision-making.
- Providing purchasers with information on their workforce to help them:
  - » Design employee health benefit programs,
  - » Reward providers who are improving health care quality, and
  - » Develop strategies to decrease the rate of increase in health care costs.

## Outcomes

- Internally, with King County's Healthy Incentives benefit plan, our goal is to cut the rate of growth in the county's costs by 1/3 (\$40 million) during the three year period, 2007 - 2009.
- In the first two years, King County reduced a projected increase in healthcare costs from 13.3% to 10.7%. Projected increases in pharmacy claims were reduced from 16% to 10.5%.

## Healthy Incentives Program Offerings

- **Weight Watchers at Work** — Between February and September of 2006, more than 230 participants lost an average of 7.8 pounds while enrolled in the 13-week sessions. To date, the program has helped employees shed more than 3,879 pounds.
- **Gym Discounts** — Twenty-two fitness organizations offer employees an average 20 percent discount at 119 locations throughout the Puget Sound region.
- **Healthy Workplace Funding Initiative** — Using a \$25 per employee credit, departments purchased goods and services to engage in healthy workplace activities including fitness training, exercise videos and nutrition information. For example, the Wastewater Treatment Division began a series of yoga classes once a week for six weeks.
- **Live Well Challenge** — Nearly 1,200 participants on 172 teams competed for fun and prizes in the first annual Live Well Challenge — an effort to raise awareness and build healthy communities throughout King County. Participating teams earned points by making positive lifestyle decisions.
- **Health and Benefits Fair** — Organizers reported a 20-percent increase in attendance at this year's King County Health and Benefits Fair, which drew thousands of employees and featured many new health vendors. The county reports that 63 percent of attendees plan to make changes to their lifestyle because of something they learned at the fair.
- **Flu Shots** — Last November, 3,100 employees (30 percent the county's targeted workforce) turned out at worksites across the county to receive free flu shots.
- **Healthy Vending** — King County partnered with vendors to stock vending machines with healthy snack options in county buildings.



## Urban: Maricopa County Employee Health Initiative

### Maricopa County, AZ

#### [www.maricopa.gov/benefits](http://www.maricopa.gov/benefits)

Contributed by Mike Schaiberger, Director of Employee Health Initiatives

### Background

Maricopa County is one of the nation's largest, fastest growing urban regions in the nation. The Maricopa County Employee Health Initiatives Department oversees a \$144 million dollar employee Health Care Program that covers approximately 12,000 employees and 18,000 dependents.

In order for health benefits to remain competitive and to ensure that proper healthcare and financial leadership was provided, Maricopa County Executive leadership created the Employee Health Initiatives (EHI) in 2001, an independent department that reports directly to the County Manager and the Deputy County Manager. The EHI leadership team is composed of health care professionals who collaborate with County management and external partners to provide fiscally conscious and innovative health care programs for employees.

### Program Vision and Mission

The vision of the Employee Health Initiatives Department is for employees to enjoy a healthy lifestyle so that they can live "well" into the future. The Department's mission is to provide competitive health benefit programs and promote healthy lifestyle and wellness for employees so that Maricopa County can have a healthy and productive workforce.

### Guiding Principles:

- Encourage healthy behavior through incentive-based lower premiums
- Reduce barriers to preventive care
- Build responsible Financial reserve levels
- Offer choices: "Right Plan"- "Right Person"
- Compete with "Market Place"
- Maintain employee health benefit satisfaction rate of 96%

### Programs:

- Medical Plans
- Pharmacy Plans
- Dental & Vision Plans
- Managing a Physical Fitness Center
- Managing Mobile On Site Prostate Screening Exams
- Managing Mobile On Site Dental Services
- Managing Mobile On Site Mammography Screening Exams
- Short Term Disability and Behavioral Health Plans
- Ergonomics
- Wellness Programs

### Financing

The program is financed through a combination of employer and employee payroll contributions.

### Outcomes

- Increased Employee Health Plan Satisfaction from 77% to 96%
- Increased Employee Pharmacy Plan Satisfaction to 86%
- Avoided Medical costs in excess of \$48 million
- 7,500 employees voluntarily participated in Biometric Screening & Health Risk Assessment in 2008
- Employee Generic Drug Usage is 72%
- Employee Tobacco usage quit rate is 54%
- Achieved Negative Pharmacy Trend of -2.44%
- Achieved Zero GASB45 Liability

### Additional resources

- Bridges to Excellence  
<http://bridgestoexcellence.org>
- Value-Driven Health Care in State and Local government  
<http://dhhs.gov/valuedriven/government>
- AHRQ State and Local Policy Maker User Liaison Program  
[www.ahrq.gov/news/ulpix.htm](http://www.ahrq.gov/news/ulpix.htm)

## Ideas to consider

- (1) Give the Employee Health Care Department high organizational visibility and significance.
- (2) Locate the core employee health care programs in one department.
- (3) The Employee Health Care Department should be a "single mission" department with director level status, and direct linkage to corporate vision and fiscal reality.
- (4) The Employee Health Care Department should be led by management with health care expertise with strong public and private sector leadership experience.
- (5) Never Stop communicating to and educating employees about health care.
- (6) Symbolism: Remove the word "benefits" from the department's title.
- (7) Credibility: make changes incrementally and continuously.
- (8) Top management must promote and endorse the Employee Health Care Programs continuously and assertively.
- (9) Build a strong internal coalition/partnership with experts in legal, procurement, budget, finance, public health, communications, research, and others within your organization.
- (10) Wellness incentives must be meaningful.
- (11) A supportive management environment that allows for innovation and change must be secured before you start implementation.



