


DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

| | |
|--------------------|----------------------------|
| TO <i>Giese</i> | DATE <i>1-11-12</i> |
|--------------------|----------------------------|

| DIRECTOR'S USE ONLY | ACTION REQUESTED |
|--|---|
| 1. LOG NUMBER <i>101262</i> | <input type="checkbox"/> I Prepare reply for the Director's signature DATE DUE _____ |
| 2. DATE SIGNED BY DIRECTOR <i>CC: Mr. Speck, Daps</i>  | <input type="checkbox"/> I Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> I FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action |

| APPROVALS <small>(Only when prepared for director's signature)</small> | APPROVE | * DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small> | COMMENT |
|---|---------|--|---------|
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |



Tri-County Project Care

RECEIVED

JAN 11 2012

Department of Health & Human Services
OFFICE OF THE DIRECTOR


January 06, 2011

Mr. Anthony Keck, Director
Department of Health and Human Services
Post Office Box 8206
Columbia, South Carolina 29202 8206

Dear Mr. Keck:

As required under the Direction of DHHS, I have enclosed the 2011 Tri County Project Care Program Update report for your review. Please let us know if you have any questions or if you would like any further information.

Thank you for your time and attention.


Suzanne Kuppens, RN
Program Director

1041 Johnnie Dodds Blvd, Suite 2C • Mount Pleasant, SC 29464 • Phone: 843-388-9719 • Fax: 843-388-9723
www.tricountyprojectcare.org

Wellness Works



Tri County Project Care, Inc.
2011 Program Update
1041 Johnnie Dadds Blvd
Suite 2C
Mount Pleasant, South Carolina 29464
843 388 9719

Public Purpose: There are at least 35,000 persons with an income less than 200% of the Federal Poverty Level within the three county regions who are employed but have no health insurance offered by their employer, according to the latest Census Bureau Statistics. These residents are not offered health insurance by their employers or spouses' employers and do not qualify for any federal or state health insurance plans. We currently have a health care delivery system that relies on charity care to provide medical services to the uninsured. The growing numbers of the uninsured are looking to the emergency room departments as their sole source of care, which is the most costly point of care. Tri County Project Care's (TCPC) approach is unique in that we are developing a system for the uninsured that can be used for systemic change with the entire Health Care Delivery System.

Mission and Vision: Tri-County Project Care founded in January 2002 formed a three-stage plan to deliver quality health care to residents of Charleston, Berkeley and Dorchester counties.

Tri County Project Care's (TCPC) mission is to improve the health status of South Carolina by providing access to quality healthcare for working uninsured adults.

Tri County Project's Care vision is to bring health care providers and facilities, employers, government agencies, community organizations, and individual members together to address the healthcare needs of the employed uninsured in a meaningful way by providing access to care and demonstrating its positive impact on wellness, health disparities, and health status for our community.

History: TCPC launched Stage 1 in January 2002. Stage 1 consisted of a three-year pilot program that developed a network and system of care using donated community funds (from the Medical Society of South Carolina, all four area hospital systems, Charleston County, Duke Endowment and Trident United Way). The program was designed to promote wellness by providing both inpatient and outpatient medical services to low income employed residents of Berkeley, Dorchester and Charleston counties. Participating physicians and hospitals of the tri county area provided these services. Providers received reimbursement for services from TCPC. TCPC has provided more than \$40 million worth of services to more than 3000 residents of the tri county region.

In March of 2006, TCPC launched stage 2 of the Program approved by the State's Commission on Healthcare Access under the direction of the Department of Health and Human Services. Stage 2 consists of utilizing this network and system of care developed in Stage 1, to offer a product to small businesses with the business contributing a portion of the funding. Stage 2 thus became and is a pilot demonstration program to evaluate a community-based, pre-payment healthcare delivery system for the working uninsured. TCPC's long-term goal is to develop a system for the uninsured that can be used for systemic change with the entire Health Care Delivery System. If we successfully implement stage 2 of our current pilot program the hope is that the State will fund this as a premium assistance program to be utilized statewide and Tri County Project Care will transition to Stage 3 – offering a state and or federal subsidy healthcare product for small business and working individual with income under 200% of the Federal Poverty Level.

Proposed Projects/Activities: Currently we continue to collaborate with the small business and healthcare community of the tri county area. Having received \$100,000.00 in October 2008 from the South Carolina Competitive Grant Committee and in accordance with Proviso 3584 in 2009, TCPC opened enrollment to working Individuals without access to health care and with income equal to less than 200% of the Federal Poverty Level. In doing this, TCPC doubled the size of the program by November 1, 2009. To date we have enrolled a total of 24 employer groups with a total of 221 members. Upon opening enrollment to individuals, TCPC experienced an influx of high utilization as the adverse selection of new members accessed healthcare to meet their pent up needs. With limited funding, we currently are limited to 100 active members and have a hold on enrollment with active membership at 67 and a Wait List of 350. We continue to receive calls daily from potentially eligible uninsured residents of the tri county area.

We anticipated lower utilization of services in 2011 as members have met their acute needs during year one of enrollment. TCPC actually showed a 58% decrease in healthcare costs first/ second quarters 2011 and an overall 43% decrease for year 2011. TCPC also has in place a “Stop Loss Program”. Stop Loss Program means the program whereby a Participating Hospital, a Participating Ancillary Services Provider and a Physician agree to continue to provide medical care to a Members free of charge for the remainder of the annual “Term” of this Agreement upon a determination by Tri-County that during that Term Tri-County has paid \$50,000 in reimbursement to the Participating Physician, Hospital and/or Ancillary Services Provider on behalf of a Member. This cap is exclusive of costs for outpatient take home or self-administered pharmaceuticals. The Stop Pay limit does not include the co-pay amounts a Member is required to pay. During any enrollment year when a Member reaches the Stop Pay Program limit, the hospitals and physicians will care for that Member for the rest of the calendar year for free. The only exception to TCPC not paying anything beyond the Stop Pay Program limit during an enrollment year is the payment for regular primary care follow-up visits and the payment for fixed benefits under TCPC's pharmaceutical plan. In addition, participating providers are contractually bound to serve patients an additional 90 days without payment if project funds are inadequate. In essence, ninety days of potentially unpaid service by providers, acts as a reserve fund for the project.

Having lost the opportunity to receive State funds through the Cigarette Tax increase, TCPC has continued to seek State and Federal funding through the Healthcare Reform Bill. TCPC has received continued support from the Medical Society of South Carolina (MSSC). Having requested funding from MSSC of \$250,000 a year for 3 years in February 2010, MSSC awarded TCPC \$250,000 in May 2010 and again in May 2011. TCPC anticipates 3rd year of 3 year funding in May 2012.

Appointed by Senator Glen Mc Connell, TCPC Founder, Dr. Casey Fitts has played an integral part of the SC Health Insurance Exchange Planning Grant, the committee making key decisions about who should manage the on line market place where uninsured residents will buy coverage beginning in 2014. Dr Fitts also represents SC as part of a 13 state task force working with the Center for Consumer Information and Insurance Oversight (CCIIO) charged with implementing provisions of the ACA . CCIIO is working to create regulations for community health plans in anticipation of federal subsidy rules.

In October 2011, Dr. Fitts was awarded the Communities Joined in Action's Transformation Award, recognizing TCPC as a replicable model of health care for the uninsured on a national level. CIA is a national nonprofit organization comprised of over 200 community health care collaboratives, dedicated to innovation, access, and shared knowledge across communities. TCPC has partnered with a National Multi Share Legislative organization and together they are lobbying to become an eligible plan considered for "essential health coverage" for the mandate. The timeline for participation in State/Federal Health Plan options through the Reform Bill however is 2014. TCPC is collaborating with Access Health Tri County, network of providers which has just recently been awarded technical assistance and support as well as \$750,000 over 3 years (through a Duke Endowment and the South Carolina Hospital Association initiative) to establish a local and coordinated network of "free" care for the low income uninsured in our community.

These additional funds along with TUW funds have been and will be instrumental in sustaining the program through 2012.

TCPC is in the process of seeking stable funding from 3 sources:

1. Local Community Covering Administrative Costs – 20%
2. Employer/Employee and or Individual Member Contributions covering ½ of Costs of Providing Services – 40%
3. State and or Federal Subsidy Covering ½ of Costs of Providing Services – 40%

While this proposed funding mix does not have the significant advantage of the traditional 70% federal match the Medicaid receives, it is important to note that this program is serving a population that is not eligible for Medicaid and without this program would join the ranks of the uninsured.

Program Evaluation: Researchers at the Medical University of South Carolina reviewed and analyzed TCPC's enrollment and medical claims utilization during Stage 1 and have found several key trends:

- \$1,000.00 per year per member decreases in charges from hospitals by decreased ER visits, admissions and lengths of stay per admission.
- \$800.00 per year per member decreases in costs for member's second year in program.
- Improved mental wellbeing and functional status.
- Member's inpatient and emergency room costs were on a dramatic upward trend 12 months prior to enrollment in TCPC and after 12 months of enrollment in TCPC their inpatient and emergency room costs show a dramatic downward trend.
- PMPM costs the first three months of enrollment in the program are relatively high then dramatically decrease and then level off.

As we continue to work closely with our provider network and other community programs, our efforts should be able to reproduce the program results of Stage 1. Evidence provided by this program shows that effective primary care innovation aligns one provider right in the center of care for an individual. That provider anchors the patient and helps the patient figure out what is the right care for them.

We continue to see a reduction in ER visits from our members by 23% with 100% seeing their Primary Care physician within 90 days of enrollment, revisiting and maintaining a relationship with their Medical Home provider.

01/06/2011

| | | | | | | | | |
|--|--|-----------|------------|------------|------------|------------|------------|------------|
| Tri County Project Care | | | | | | | | |
| March 01, 2006 - December 31, 2011 | | | | | | | | |
| | | | | | | | | |
| | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Total |
| | | | | | | | | |
| Total Budgeted (for # members average) | | 78,624 | 143,136.00 | 139,104.00 | 165,312.00 | 169,848.00 | 135,576.76 | 831,600.00 |
| | | | | | | | | |
| **Total Health Claims Paid | | 52,289.00 | 148,291.00 | 128,557.00 | 166,239.50 | 241,761.67 | 149,905.28 | 887,042.00 |
| | | | | | | | | |
| # Members active | | 77 | 72 | 77 | 100 | 75 | 67 | |
| # Members average | | 39 | 71 | 69 | 82 | 84 | 67 | 69 |
| | | | | | | | | |
| Total Employer Groups | | 20 | 21 | 22 | 15 | 11 | 11 | 16 |
| | | | | | | | | |
| Total Members Served 2006 through 2011 | | | | | | | | 221 |
| | | | | | | | | |
| **Total Health Claims Paid = total medical & total pharmacy(excludes TPA expenses) | | | | | | | | |

Tri County Project Care Program Participant Data Year 2006-2011

| | | | Actual number of people served 221 |
|--|--------------|-----|--|
| Gender | Female | 183 | |
| | Male | 38 | |
| Race/Ethnicity | | | |
| | African Amer | 95 | |
| | White | 119 | |
| | Hispanic | 7 | |
| | Asian | 0 | |
| Age | | | |
| | 64-50 | 52 | |
| | 49-30 | 82 | |
| | 29-19 | 71 | |
| County of Residence | | | |
| | Berkeley | 49 | |
| | Charleston | 144 | |
| | Dorchester | 28 | |
| Total # of Those Served With Low Income at or below 200% Federal Poverty Level | | | 221 |

1041 Johnnie Dodds Blvd
Suite 2c
Mt. Pleasant SC 29464

Tri-County Project Care



Department of Health & Human Services
OFFICE OF THE DIRECTOR

RECEIVED
JAN 11 2012
10 JAN 2012 PM 2 T
CHARLESTON SC 294



Mr. Anthony Reek, Director
Department of Health and Human Services
P.O. Box 8206
Columbia, SC 29202-8206

29202-8206

