

# Polk HealthCare Plan

## Central Florida Health Care – Lakeland PCC

**Jan Howell, J.D.**  
**Citizens Oversight Committee**  
**September 18, 2009**

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*\*Please note, information in this presentation was pulled directly from a Central Florida Health Care (CFHC) July presentation and does not reflect the work of the Polk HealthCare Plan.*



# Overarching Recommendation: Next Contracting Season

## □ FACT:

- Central Florida Health Care Lakeland PCC is a unique provider in Polk County. No other Federally Qualified Health Center is required to serve only primary care patients and no other FQHC is paid a lump sum.
- Polk HealthCare Plan will be performing contract monitoring to ensure wise use of taxpayer dollars.
- Other vendors also receive taxpayer monies.

## □ ISSUE:

- Does CFHC Lakeland PCC look more like an LVIM, a Haley Center, etc., or does it look more like a regular PCP provider paid Fee For Service?

## □ BALANCING ACT:

- While CFHC plays a unique role as the contracted provider that is providing services to the financially vulnerable as based upon the mandate through the ordinance, that the health care surtax should be paid to clinics to provide care to those who cannot afford it, it must be an **efficient** enough organization with enough of a **profit motive** and **incentive** to conduct its business efficiently to **add value** to the community. Otherwise, this taxpayer money may be spent unnecessarily when other funding sources could be tapped.
- In other words, if the money that is being spent to take care of those who cannot afford to take care of themselves is not used in a manner that ultimately ends up providing value to the community by virtue of that provider actually providing services to the community, and providing those services in an efficient manner, then the taxpayer money may be better invested elsewhere.



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# Lakeland Primary Care Clinic

## □ FACT:

- In a July 14, 2009 letter to CFHC, PHP suggested that CFHC needed to **demonstrate consistent financial stability**.
- For the first two years (FY 2008, FY 2009) that Lakeland PCC has existed, the clinic appears to have reported negative cash flow by the end of the third quarter of the county's fiscal year.

## □ RECOMMENDATION:

- If Lakeland PCC does not demonstrate adequate cash flow and financial stability during this contracting season, the County may need to consider contract termination.
- Pay for services on a monthly basis only upon satisfactory performance based upon meeting contract requirements.
- The County should move forward with preparations for an RFI or RFP to gauge interest of additional providers.

# CENTRAL FLORIDA HEALTH CARE, INC.



**Lakeland Primary Care**  
**November 2007 – September 2008**  
**October 2008 – June 2009**

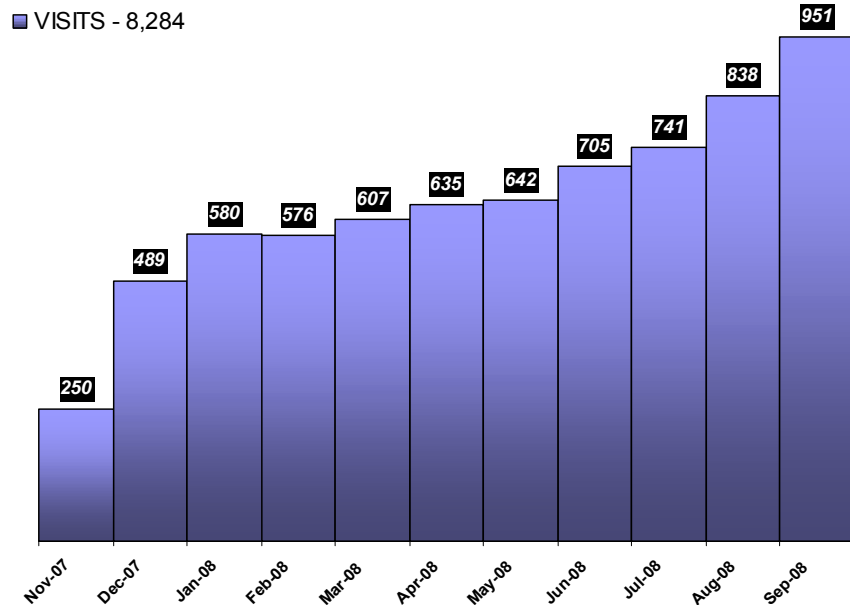
*Mission:* To ensure that affordable, quality healthcare is available to everyone in our communities.

*Vision:* Improve the health and quality of life in the communities we serve through superior partnerships with a focus on excellence.

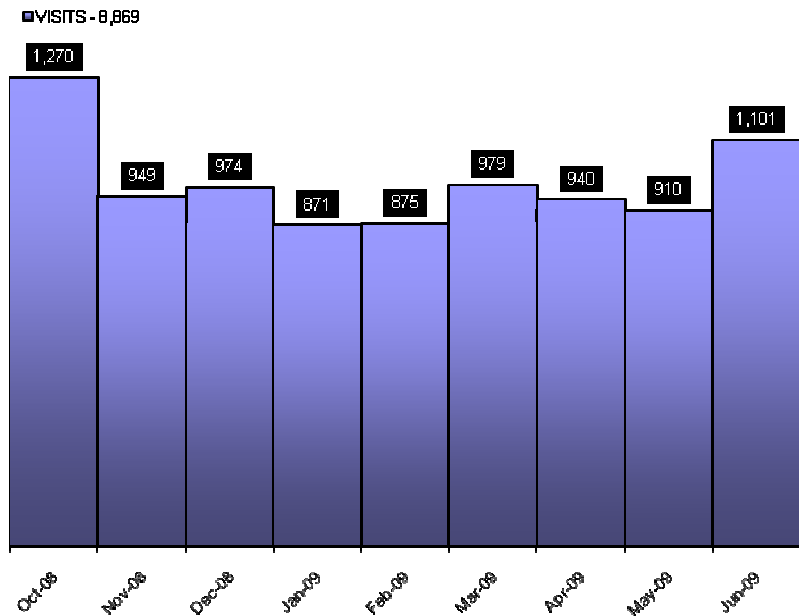
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# Patients' Visits

Lakeland Primary Care  
Nov 07 - Sep 08



Lakeland Primary Care  
Oct 08 - June 09

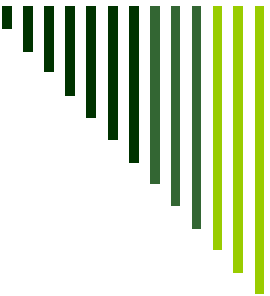


After 9 months (Oct. 08-June 09), visits (8,869)

FY 08-09 Projection: 16,746

Currently at **53%** of projection

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# Revenue Generation: Facts During FY 2008-2009 Season

## □ FACT:

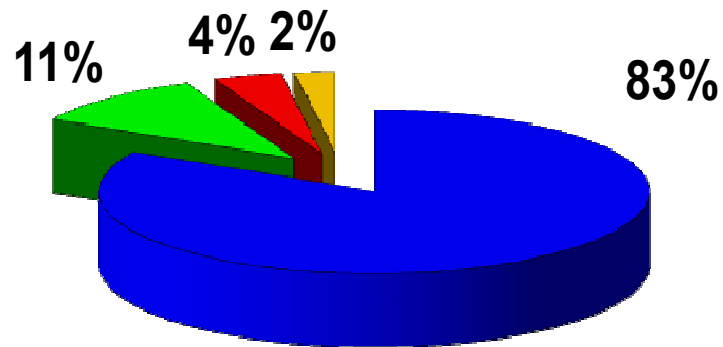
- Central Florida Health Care has served 4,451 patients (3,515 patients at 100% FPL) between October 2008 & June 2009\*
- Of the total 4,451 patients, 77% were “Self-Pay”\*
- Of the total 4,451 patients, 13% were “Medicaid”\*
- Of the total 4,451 patients, 6% were “Private Pay”\*
- Of the total 4,451 patients, 4% were “Medicare”\*
- \$739,000/ 3,515 = \$210 per member
- \* means “as reported by CFHC in their July 2009 COC presentation”

## □ RECOMMENDATION:

- As suggested in PHP’s July 14, 2009 letter, CFHC should be required to generate revenue.
- The Medicaid market has been untapped and unrealized. **CFHC should locate its own revenue-generating opportunities and manage its overall financial picture.**
- During the July and August meetings, the COC suggested ways that CFHC can generate revenue. **It is up to CFHC to accomplish and realize their goals.**

# Income - Federal Poverty Guidelines

**POVERTY GUIDELINES**  
November 2007 - September 2008



■ 100% and Below   ■ 101% - 150%   ■ 151% - 200%   ■ Over 200%

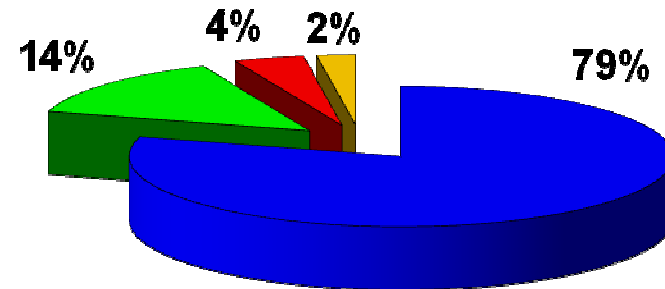
Poverty Guidelines November 2007-September 2008

**3,560** Patients:

100% and Below   101-150%   151-200%   Over 200%

■ 2,954   ■ 392   ■ 142   ■ 72

**POVERTY GUIDELINES**  
October 2008 - June 2009



■ 100% and Below   ■ 101% - 150%   ■ 151% - 200%   ■ Over 200%

Poverty Guidelines October 2008 – June 2009

**4,451** Patients:

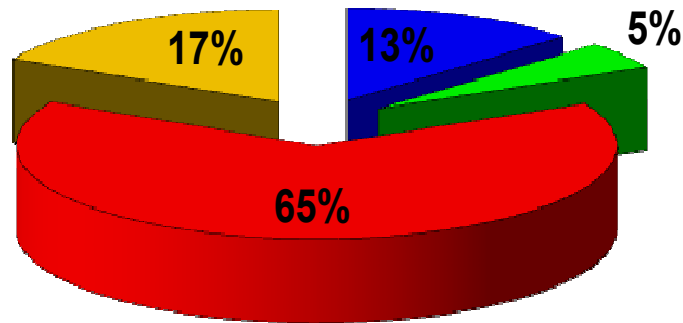
100% and Below   101-150%   151-200%   Over 200%

■ 3,515   ■ 623   ■ 178   ■ 135

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# Patients - Payment Types

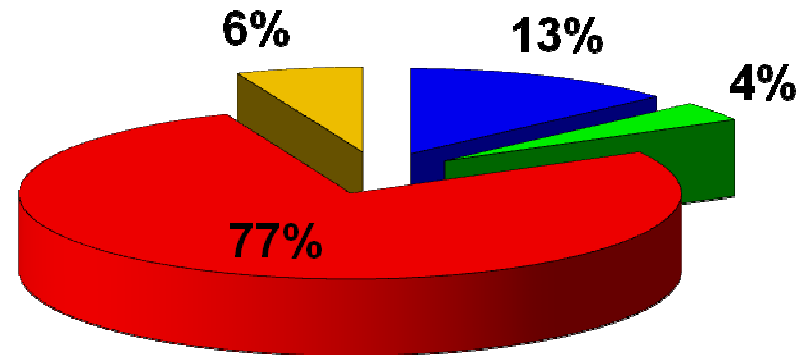
**PATIENT PAYMENT TYPE**  
November 2007 - September 2008



■ MEDICAID  
■ SELF PAY

■ MEDICARE  
■ PRIVATE INS

**PATIENT PAYMENT TYPE**  
October 2008 - June 2009

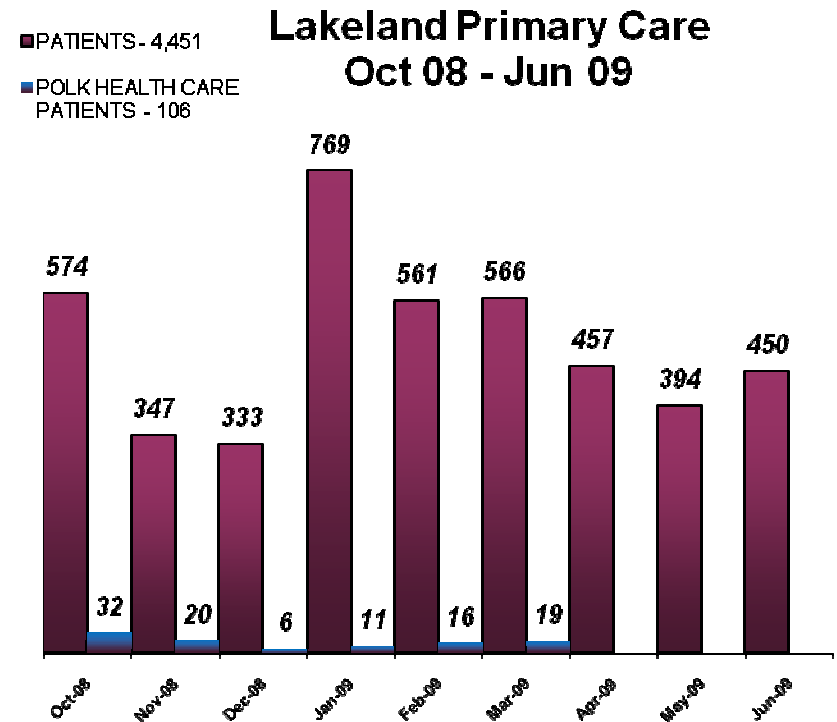
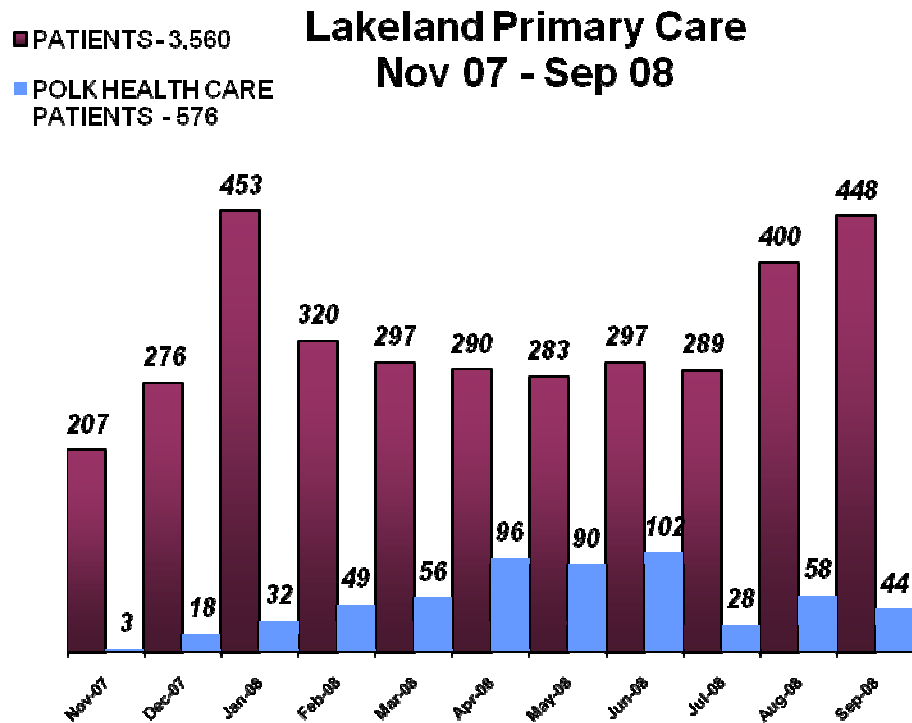


■ MEDICAID  
■ SELF PAY

■ MEDICARE  
■ PRIVATE INS

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# Unduplicated Patients



**After 9 months (Oct. 08-June 09):**

4,451 patients seen represent a 25.02% increase over FY 07-08.

Projected number of patients for LPC FY 08/09: 6,300. **70.7%** of projection reached during first 9 months in 2009.

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# Lakeland Primary Care Clinic

□ **FACT:**

- In a July 14, 2009 letter to CFHC, PHP suggested that CFHC needed to **generate revenue**.
- Although the County serves as a funding source, it is clear even from CFHC's responsive letter that CFHC understands that the funding from the County is not to be considered the primary funding source.
- In actuality, County funding has made up approximately 40% of the funding source for CFHC's budget for the past 2 years.
- In the responsive letter to the Plan, CFHC stated that the "In the case of CFHC-Lakeland Primary Care, Polk County funding replaced federal funding." This does not support the original agreement of the Plan.

□ **RECOMMENDATION:**

- If Lakeland PCC does not obtain other state and federal funding to develop a FY 2011 budget that shows County funding to be decreased under 25%, the County may need to consider contract termination.
- If Lakeland PCC does realize other funding sources, CFHC must report all of those additional dollars to the County within 10 days of obtaining that funding.
- The County should receive a discount as a result of those additional dollars received as part of federal or state grants that supplant County match funds.



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# Lakeland Primary Care Clinic

□ **FACT:**

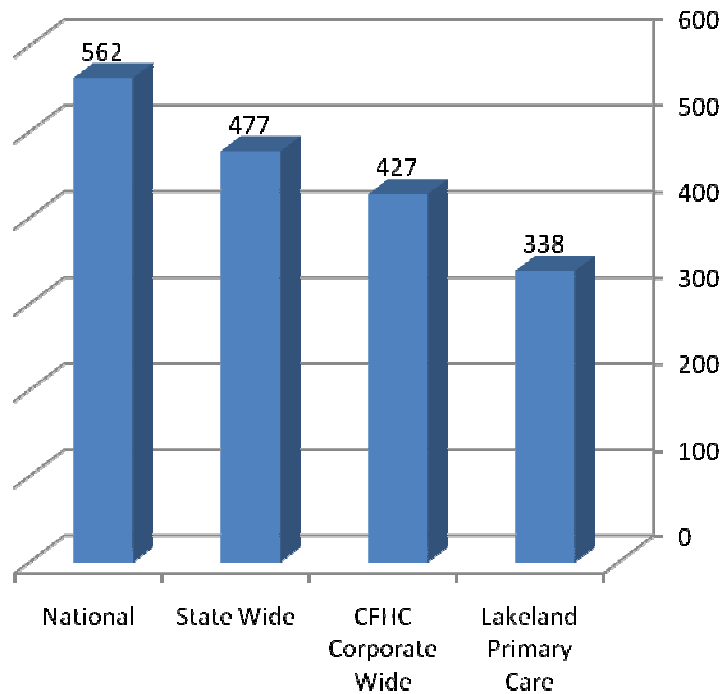
- In a July 14, 2009 letter to CFHC, PHP suggested that CFHC needed to see more PHP members. PHP has agreed to assign CFHC additional members.
- This July 14, 2009 letter also addressed concerns regarding inefficiencies in operational workflow. The PHP requested that CFHC address these concerns regarding member access and ability to obtain an office appointment or visit due to several reports of scheduling issues created by inadequate training for CFHC front office staff members.
- PHP Medical Director and Plan Director visited CFHC Lakeland PCC on July 27, 2009 overheard these same issues occurring but were told during the same visit by CFHC staff that the issue had been addressed.

□ **RECOMMENDATION:**

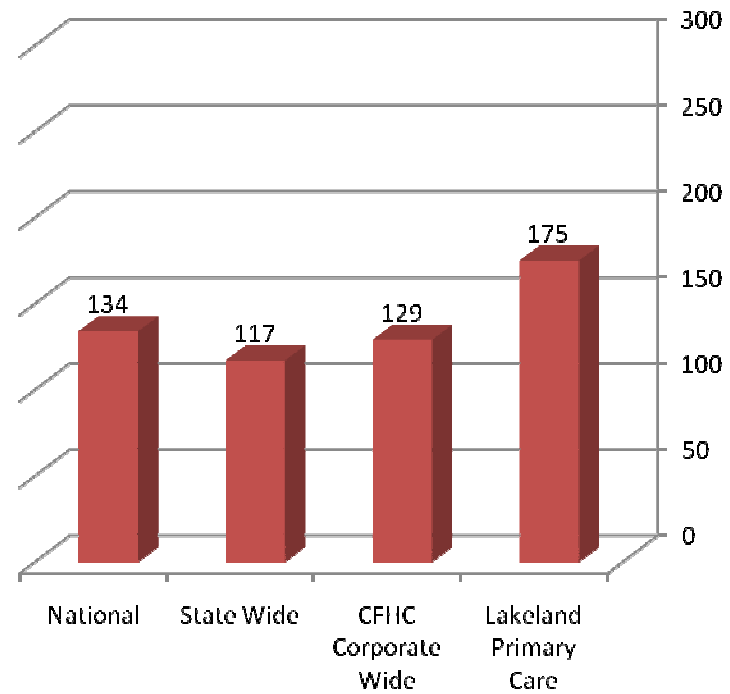
- If Lakeland PCC does not demonstrate compliance with these requirements, they will develop a Corrective Action Plan upon contract monitoring by the County and will come into compliance within 30 days. If they do not demonstrate compliance within 30 days, as a last resort, the County may withhold funding on a monthly basis.

# Cost Comparisons: Per Patient and Per Visit – June 2009

## COST PER PATIENT



## COST PER VISIT



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# Polk County Health Department



**Public Health**  
Prevent. Promote. Protect.

## **Progress Report to COC** ***Polk Health Care Access*** **Low Income Pool (LIP)**

As Reported on August 21, 2009

**Lynne Saddler, MD, MPH, Assistant Director**

**Sheryl Cooper, RN, MPH Health Promotion & Preparedness Director**

# LIP Year 1

## County Return on Investment

*LIP Year 1 7/1/08-6/30/09*

	<i>Original Proposal</i>	<i>Actual Amount</i>
<b><i>County Match</i></b>	\$289,900	\$228,430
<b><i>Return on Investment</i></b>		
Marketing Contract	\$35,000	\$32,856
Health Expos Contract	\$11,150	\$11,150
MedNet Contract	\$70,000	\$17,150
CareScope	\$40,000	\$0
WH Clinic Re-Direct to Lakeland Pharmacy	\$150,000	\$23,105
Diabetes Education Program	\$92,179	\$51,570
<b><i>Total</i></b>	<b>\$398,329</b>	<b>\$135,831</b>
	Amount of Match Rollover to Year 2	\$92,599



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# Lakeland Primary Care Clinic

□ **FACT:**

- Central Florida Health Care Lakeland PCC is a unique provider in Polk County. No other Federally Qualified Health Center is required to serve only primary care patients and no other FQHC is paid a lump sum.
- Sustainability and viability of the CFHC Lakeland PCC is in question.
- Planning for success and having a viable financial strategy. (“The parties agree that CFHC shall not be required to provide any further services under the terms and conditions of this Agreement in the event that the funding provided for under Article III of this Agreement is fully expended prior to September 30, 2010.”)

□ **RECOMMENDATION:**

- Investigate contracting with CFHC Lakeland Primary Care Clinic on a capitation or Fee For Service basis for FY2010.
- Pay for services on a monthly basis and only upon satisfactory performance.
- Monitor the vendor on a periodic basis to ensure compliance.