

# NMPCA Primary Care Safety Net Update

Legislative Health and Human Services Committee November 1, 2017

Eileen Goode, B.S.N, Chief Executive Officer

David Roddy, Health Policy Director / CFO

New Mexico Primary Care Association



## New Mexico's Primary Care Safety Net

Over the past 50 years with the help of

- ▶ Federal
- ▶ State (And we thank you!!)
- ▶ Local
- ▶ and Community Support

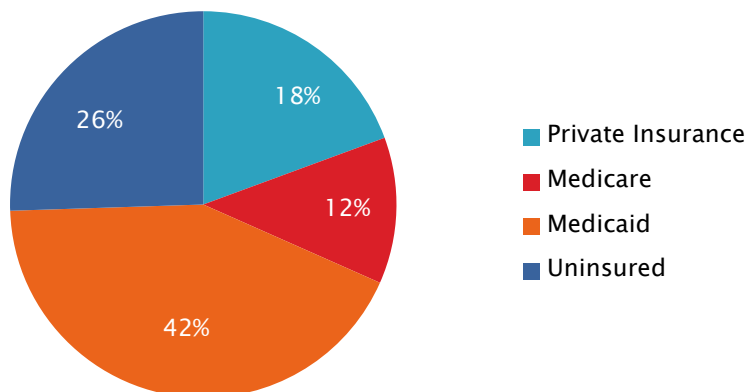
New Mexico has built one of the nations finest primary care safety nets

## In 2016 the Clinics Served over 1 in 6 New Mexicans

- ▶ 92,000 Uninsured (45% of NM's Uninsured)
- ▶ 148,000 Medicaid
- ▶ 44,000 Medicare
- ▶ 68,000 Private Insurance
- ▶ 352,000 Total Patients

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## NM Health Center Patient Insurance Status 2016



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## They Serve New Mexico's Most Vulnerable 2016 Patient Poverty Status

- ▶ 74 % Below 100 % Federal Poverty
- ▶ 88% Below 150 % Federal Poverty
- ▶ 95% Below 200 % Federal Poverty

The Clinics Serve 62% of all New Mexicans living below 200% of the FPL

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- ▶ FQHC 3 Year Patient Trend

# 2016 New Mexico Health Center Data

Total Number of Reporting Program Grantees: 17

Total Patients Served: 320,163



94%



88%



## UDS Data Comparisons

<u>Age and Race/Ethnicity</u>	2014	2015	2016
<b>Total Patients</b>	291,862	301,209	320,163
<b>Age (% of total patients)</b>			
<b>Children (&lt; 18 years old)</b>	22.4%	22.4%	23.0%
<b>Adult (18 - 64)</b>	64.0%	64.6%	63.5%
<b>Older Adults (age 65 and over)</b>	13.6%	13.1%	13.4%
<b>Patients By Race &amp; Ethnicity (% known)</b>			
<b>Non-Hispanic White</b>	29.3%	29.1%	28.6%
<b>Racial and/or Ethnic Minority</b>	72.0%	72.1%	72.8%
<b>Hispanic/Latino Ethnicity</b>	61.0%	61.2%	61.1%
<b>Black/African American <u>1</u></b>	1.5%	1.5%	1.6%
<b>American Indian/Alaska Native <u>1</u></b>	8.7%	8.6%	9.0%
<b>Best Served in another language</b>	18.5%	18.8%	19.1%

## 80 % of the Clinic sites are in rural areas

### ▶ Number of Sites Delivering

▶ Medical Services	107
▶ Dental Services	52
▶ Behavioral Health Services	83
▶ School-based Health Clinics	<u>40</u>
	282

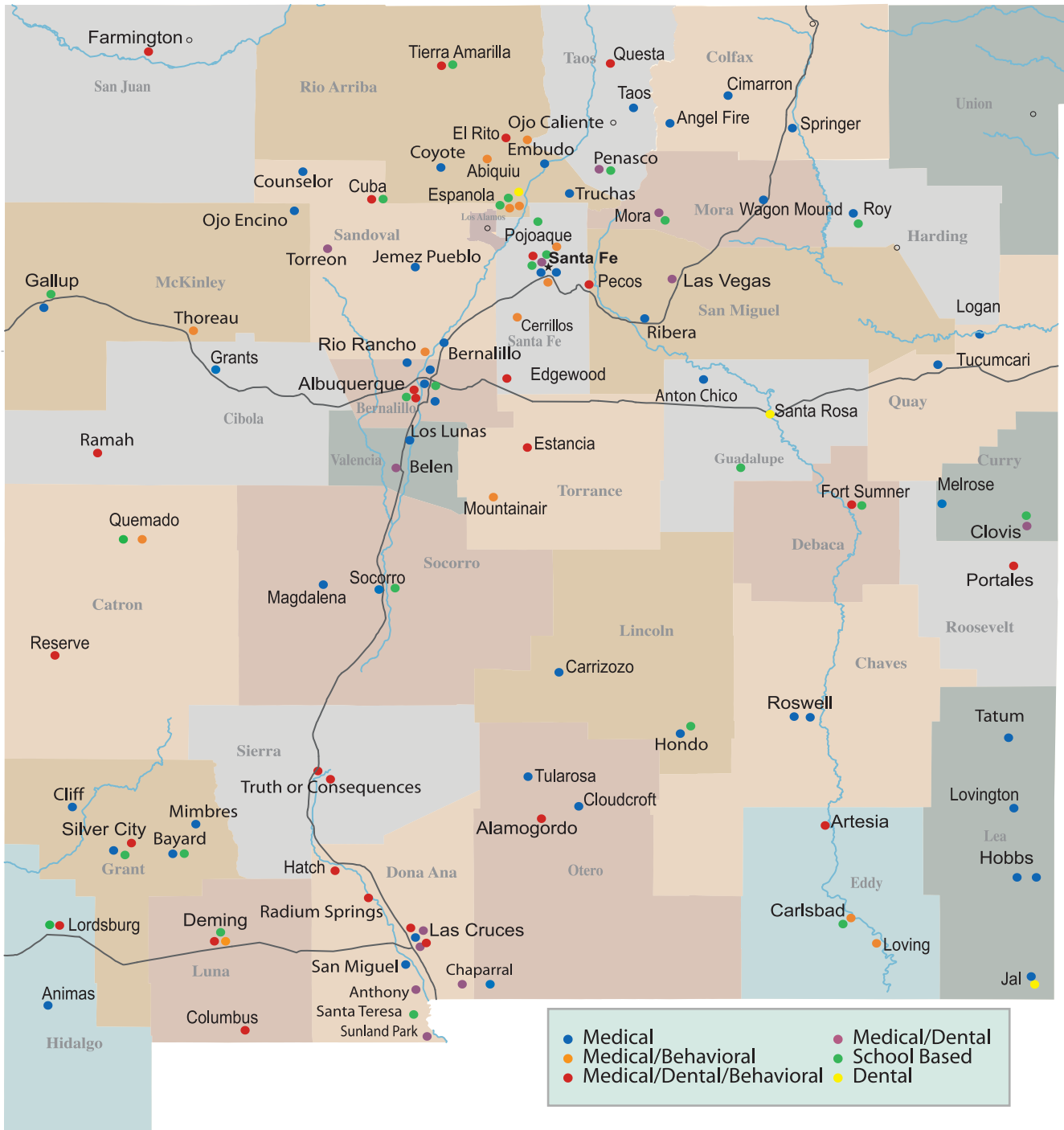
Note: 161 Physical Locations – some Dental & Behavioral health services collocated with Medical



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### ▶ Clinic Map

# New Mexico's Community Primary Health Care Sites



Over 1.5 million visits to 350,000 New Mexicans



# List of Centers by County

## **BERNALILLO COUNTY**

Albuquerque Health Care For the Homeless– ABQ  
 First Choice Community Health Care– ABQ  
 First Nation’s Community HealthSource– ABQ

## **CATRON COUNTY**

Presbyterian Medical Services– Reserve, Quemado

## **CHAVES COUNTY**

La Casa Family Health– Roswell

## **CIBOLA COUNTY**

Pine Hill Health Center– Ramah  
 Presbyterian Medical Services– Grants

## **COLFAX COUNTY**

S. Central Colfax Special Hospital District– Angel Fire, Cimarron  
 El Centro Family Health Centers– Springer

## **CURRY COUNTY**

La Casa Family Health– Clovis, Melrose

## **DE BACA COUNTY**

De Baca Family Health Center– Fort Sumner

## **DONA ANA COUNTY**

Ben Archer Health Center– Dona Ana, Hatch, Las Cruces,  
 Radium Springs  
 La Clinica De Familia– Anthony, Chaparral, Las Cruces,  
 San Miguel, Santa Teresa, Sunland Park

## **EDDY COUNTY**

Presbyterian Medical Services– Artesia, Carlsbad, Loving

## **GRANT COUNTY**

Hidalgo Medical Services– Bayard, Cliff, Mimbres, Silver City

## **GUADALUPE COUNTY**

El Centro Family Health Centers– Anton Chico  
 De Baca Family Dental Practice- Santa Rosa  
 \*\*Guadalupe County Clinic– Santa Rosa

## **HARDING COUNTY**

EL Centro Family Health Centers– Roy

## **HIDALGO COUNTY**

Hidalgo Medical Services– Animas, Lordsburg

## **LEA COUNTY**

Jal Clinic– Jal  
 \*\*Nor-Lea Hospital District– Hobbs, Lovington, Tatum,  
 Presbyterian Medical Services– Hobbs

## **LINCOLN COUNTY**

\*\*Carrizozo Health Center– Carrizozo  
 La Casa Family Health– Hondo

## **LUNA COUNTY**

Ben Archer Health Center– Columbus, Deming  
 Presbyterian Medical Services– Deming

## **MCKINLEY COUNTY**

Presbyterian Medical Services– Gallup, Ojo Encino, Thoreau

## **MORA COUNTY**

El Centro Family Health Centers- Wagon Mound  
 Mora Valley Community Health Services- Mora

## **OTERO COUNTY**

Ben Archer Health Center– Alamogordo  
 Presbyterian Medical Services– Chaparral, Cloudcroft, Tularosa

## **QUAY COUNTY**

Presbyterian Medical Services– Tucumcari  
 \*\*Village of Logan- Logan

## **RIO ARRIBA COUNTY**

El Centro Family Health Centers– Coyote, Embudo, Espanola,  
 Truchas

La Clinica del Pueblo de Rio Arriba– Tierra Amarilla

Las Clinicas Del Norte– Abiquiu, El Rito

Presbyterian Medical Services- Espanola

## **ROOSEVELT COUNTY**

La Casa Family Health– Portales

## **SAN JUAN COUNTY**

Presbyterian Medical Services– Farmington

## **SAN MIGUEL COUNTY**

El Centro Family Health Centers– Las Vegas, Ribera,  
 San Miguel

Pecos Valley Medical Services– Pecos

## **SANDOVAL COUNTY**

El Pueblo Health Services– Bernalillo

Jemez Health and Human Services- Jemez Pueblo

Presbyterian Medical Services– Cuba, Counselor, Jemez  
 Valley, Rio Rancho, Torreon

## **SANTA FE COUNTY**

First Choice Community Health– Edgewood

La Familia Medical Services– Santa Fe

Las Clinicas Del Norte– Pojoaque

Presbyterian Medical Services– Cerillos, Santa Fe

\*\*\*Sangre De Cristo Community Health Partnership

\*\*Women’s Health Services– Santa Fe

## **SIERRA COUNTY**

Ben Archer Health Center- Truth or Consequences

## **SOCORRO COUNTY**

Presbyterian Medical Services– Magdalena, Socorro

## **TAOS COUNTY**

El Centro Family Health Center– Penasco, Taos

Las Clinicas Del Norte– Ojo Caliente

Presbyterian Medical Services– Questa

## **TORRANCE COUNTY**

Presbyterian Medical Services– Estancia, Mountainair

## **VALENCIA COUNTY**

First Choice Community Healthcare– Belen, Los Lunas

\*\* Non member, \*\*\* Health Center Partner/Member

## Services to the Uninsured 2016

▶ Total Charges*		\$66,047,162
▶ Sliding Fee Discounts and Write-offs (63%)		\$41,593,834
▶ Additional Pharmacy Discounts		
◦ 340B	10 Million	
◦ Manufact. Indigent	6.2 Million	\$16,200,000
<b>Total Discounts to Uninsured</b>		<b>\$57,793,834</b>

\*Note: Primary Care Clinic Charges are approximately equal to the actual cost of providing those services

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## Inserts

- ▶ Uncompensated Care 2016
- ▶ Revenue and Expenditures 2016
- ▶ Staffing 2016

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## New Mexico FQHCs Calculation of Uncompensated Care Cost - 17 FQHCs 2016

Calculation of Charge to Cost Ratio	UDS Report Reference
Total Costs - Expenditures (excluding value of donated goods, facilities, services)	Table 8 Ln 17    \$ 289,574,827
Total Charges - All Payors	Table 9 D Line 14 a    \$ 280,743,399
<b>Charge to Cost Ratio - Charges divided by Costs</b> <span style="float: right;"><b>0.97</b></span>	<b>.97 to 1</b>
<b>FQHCs Charge Patients and Payors 97 cents for each dollar spent on care</b>	
<b>Cost to Charge Ratio - Costs divided by charges</b> <span style="float: right;"><b>1.03</b></span>	<b>1.03 to 1</b>
<b>For every dollar charged to Patients and Payors FQHCs spend \$1.03</b>	

### Calculation of the Cost of Uncompensated Care

Payor	Billed Charges	Charges at Cost x \$1.03	Allowances	Collections	% of Billed Net Charges Collected	Cost of Uncompensated Care
Medicaid	\$ 139,641,000	\$ 144,033,728	(27,038,000)	\$ 112,192,000	95.9%	\$ 31,841,728
Medicare	\$ 35,082,000	\$ 36,185,585	(12,387,000)	\$ 20,675,000	86.9%	\$ 15,510,585
Other Public ( County Indigent/VA)	\$ 1,253,000	\$ 1,292,416	(503,000)	\$ 583,000	73.9%	\$ 709,416
Private Insurance	\$ 38,721,000	\$ 39,939,058	(16,026,000)	\$ 22,942,000	95.9%	\$ 16,997,058
Uninsured / Self Pay	\$ 66,047,000	\$ 68,124,660	(41,594,000)	\$ 18,633,000	70.2%	\$ 49,491,660
<b>Total</b>	<b>\$ 280,744,000</b>	<b>\$ 289,575,447</b>	<b>(97,548,000)</b>	<b>\$ 175,025,000</b>	<b>91.1%</b>	<b>\$ 114,550,447</b>

<b>Total Grant and Other Revenues New Mexico FQHCs 2016</b> Table 9E 2016 UDS	<b>Federal</b>	(less \$1,854,000 one time capital)	\$ 84,481,000	<b>Revenue over Expenditures Including IHS</b>
	<b>State</b>		\$ 15,743,000	
	<b>Local/Other</b>		\$ 22,140,000	
<b>Total Patient Revenues NM FQHCs 2016</b> Table 9D 2016 UDS	<b>Total Grant and Other</b>		\$ 122,364,000	<b>Revenue over Expenditures Including IHS</b>
	<b>Total Patient Revenues less 1 time BH infrastru</b>		\$ 172,525,000	
	<b>Total Revenues</b>		<b>\$ 294,889,000</b>	
<b>Total Expenditures</b>			<b>\$ 289,575,447</b>	<b>\$ 5,313,553</b>

NM FQHC Revenue and Expenditures 2016				Revised 10/1/2017	
Source 2015 Uniform Data Reports New Mexico HRSA			Adjusted for IHS 638 Tribal Clinic Impact		
Revenues		2016	Patient Revenues		
			2015	Amount	%
Patient Revenues	\$	175,025,312	59%	Medicaid	\$ 112,192,388 64%
Fed Grants - Operating	\$	84,262,027	28%	Medicare	\$ 20,675,203 12%
1 time capital	\$	1,853,980	1%	Other Pub.	\$ 582,550 0%
EHR Incentive Payment	\$	2,190,500	1%	Private Ins	\$ 22,942,384 13%
State Grants & Contracts *	\$	15,743,335	5%	Sliding Fee	\$ 18,632,787 11%
County Indigent Care	\$	3,802,849	1%		
Local Grants and Contracts	\$	7,052,064	2%		
Foundations	\$	5,469,975	2%	<b>Total</b>	<b>\$ 175,025,312 100%</b>
Other Revenue	\$	2,292,850	1%	State Contracts	
<b>Total</b>	<b>\$</b>	<b>297,692,892</b>		* Approx \$9 million RPHCA , Remainder Family Planning, Cancer Screening, WIC, MCH, etc	
Less One time BH Medicaid *	\$	(2,500,000)			
less - One-time Federal Capital	\$	(1,853,980)			
			100%		
<b>Total Operating Revenues</b>	<b>\$</b>	<b>293,338,912</b>	<b>2016 Patients</b> Note Many Patients receive Medical, Dental and Behavioral Health Services		
<b>Operating Profit (Loss)</b>			<b>Patients Served FQHCS</b> 320,163		
<b>less Operating Expenses</b>	<b>\$</b>	<b>(286,791,248)</b>	<b>Non-FQHC RPHCA</b> 33,000		
<b>Net Operating Profit</b>	<b>\$</b>	<b>6,547,664</b>	<b>Total</b> 353,163		
<b>Operating profit Margin</b>		<b>2.2%</b>	* One time Medicaid Revenue LCDF \$ 2,500,000		
Less Jemez Pueblo -no RPHCA & IHS	\$	(2,893,067)	Revenues from MCOs for BH		
Operating Margin Excluding Jemez	\$	3,654,597			
Profit After Removing Jemez Expei		1.4%			
Healthcare Expenditures 2016			Healthcare Expenditures 2015		
			Incr. 2015 vs 2014		
Medical, Lab and X-ray	\$	141,579,918 813,962	\$	130,566,706 8%	774,064
Dental	\$	52,179,748 245,930	\$	48,023,048 9%	237,969
Mental Health-Substance Abuse	\$	45,170,474 326,187	\$	34,731,395 30%	230,122
Pharmacy *	\$	16,040,360 *	\$	16,033,286 0%	
Other Professional	\$	1,233,101 8,600	\$	948,799 30%	8,747
Enabling Services *	\$	30,587,647 88,035 *	\$	25,596,619 19%	84,868
<b>Total</b>	<b>\$</b>	<b>286,791,248 1,482,714</b>	<b>\$</b>	<b>255,899,853 12%</b>	<b>1,335,770</b>
<b>Increase 201* vs 201)</b>	<b>\$</b>	<b>30,891,395 146,944</b>	<b>Increaaed Costs 10.8% Increased Visits 11.0 %</b>		
Net Operating Gain 2016 Adjust.	\$	3,654,597 1.2%	Net Operating Gain 2015 Adjusted 1.7%		

TABLE 5 - STAFFING AND UTILIZATION

Universal Report

 CHC MHC HO S

PERSONNEL BY MAJOR SERVICE CATEGORY		FTEs (a)
1.	Family Physicians	94.36
2.	General Practitioners	4.46
3.	Internists	5.44
4.	Obstetrician/Gynecologists	5.61
5.	Pediatricians	9.59
7.	Other Specialist Physicians	0.17
<b>8.</b>	<b>Total Physicians (Lines 1 -7)</b>	<b>119.63</b>
9a.	Nurse Practitioners	110.01
9b.	Physician Assistants	46.75
10.	Certified Nurse Midwives	7.60
<b>10a.</b>	<b>284 Doctors/NPs/PAs Total "Mid-Levels" (9a - 10)</b>	<b>164.36</b>
11.	Nurses	131.84
12.	Other Medical Personnel	360.77
13.	Laboratory Personnel	24.64
14.	X-ray Personnel	14.54
<b>15.</b>	<b>Total Medical (Lines 8 + 10a through 14)</b>	<b>815.78</b>
16.	Dentists	80.86
17.	Dental Hygienists <b>136 Dentists/Hygienists</b>	54.99
17a.	Dental Therapists	0.00
18.	Dental Assistants, Aides, and Techs	186.19
<b>19.</b>	<b>Total Dental Services (Lines 16 - 18)</b>	<b>322.04</b>
20a.	Psychiatrists	8.69
20a1.	Licensed Clinical Psychologists	6.18
20a2.	Licensed Clinical Social Workers <b>227 MH/SA Clinicians</b>	84.54
20b.	Other Licensed Mental Health Providers	128.93
20c.	Other Mental Health Staff	197.46
<b>20.</b>	<b>Mental Health (Lines 20a-c)</b>	<b>425.80</b>
<b>21.</b>	<b>Substance Abuse Services</b>	<b>21.27</b>
<b>22.</b>	<b>Other Professional Services</b>	<b>6.48</b>
22a.	Ophthalmologist	0.00
22b.	Optometrist	1.10
22c.	Other Vision Care Staff	2.00
<b>22d.</b>	<b>Total Vision Services (Lines 22a-c)</b>	<b>3.10</b>
<b>23.</b>	<b>Pharmacy Personnel</b>	<b>57.93</b>
24.	Case Managers	86.89
25.	Patient / Community Education Specialists	48.10
26.	Outreach Workers	40.74
27.	Transportation Staff	14.25
27a.	Eligibility Assistance Workers	84.02
27b.	Interpretation Staff	13.20
27c.	Community Health Workers	26.94
28.	Other Enabling Services <b>337 Enabling</b>	22.84
<b>29.</b>	<b>Total Enabling Services (Lines 24-28)</b>	<b>336.98</b>
<b>29a.</b>	<b>Other Programs / Services</b>	<b>83.19</b>
<b>29b.</b>	<b>Quality Improvement Staff</b>	<b>24.12</b>
30a.	Management and Support Staff	261.30
30b.	Fiscal and Billing Staff	216.87
30c.	IT Staff	52.84
<b>30.</b>	<b>Total Non-Clinical Support Staff (Lines 30a-30c)</b>	<b>531.01</b>
31.	Facility Staff	92.26
32.	Patient Support Staff	481.09
<b>33.</b>	<b>Total Facility and Non-Clinical Support Staff (Lines 30a - 32)</b>	<b>1,104.36</b>
<b>34.</b>	<b>Total (Lines 15+19+20+21+22+22d+23+29+29a+33)</b>	<b>3,201.05</b>

# Workforce

- ▶ Since the implementation of the ACA, the safety net has expanded capacity and is now serving 40,000 more patients than were seen in 2013.
- ▶ We have hired an additional 74 full time physicians, Mid-level practitioners and dental clinicians since January 2014. 77 new Behavioral health clinicians and therapists have been hired, many as a result of the departure of the Arizona companies in southern New Mexico.
- ▶ In 2016 the FQHCs employed over 750 clinicians – 647 FTEs. So while recruitment is always challenging, our clinics with the excellent assistance of NMHR and Dr. Harrison's staff have done reasonably well in recruitment. Clinics in Pecos, Tierra Amarilla, Ft Sumner, Las Cruces, and dozens of other communities have successfully recruited clinicians.



## NM FQHC Behavioral Health Data 2016 vs 2014

Source DHHS HRSA Uniform Data Reports

	2014	2016	Differnce	Percent
Behavioral Health Visits	164,635	301,193	136,558	83%
Behavioral health Patients	21,280	35,256	13,976	66%
Visits per Patient	7.74	8.54	1	10%
Substance Abuse Visits	11,218	24,994	13,776	123%
Substance Abuse Patients	958	6,557	5,599	584%
Visits per Patient	11.71	3.81	(8)	-67%
Pschiatrists and Psycholgists	10.8	15.0	4	39%
Licensed Counselors	143	213	70	49%
Other BH/SA Personnel	56	197	141	252%

## Tools for Improving Quality

### Systems and Processes

- Patient Centered Medical Homes
  - 16 of 17 FQHCs have Achieved Certification
- Care Coordination
  - FQHCs have been leaders in the training and utilization of Community Health Workers, Case Managers/Care Coordinators
- Data aggregation, report development and analysis, benchmarking, interventions are critical to improving outcomes

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## Health Information Technology Challenges

- ▶ Health Information Technology is very complex and very expensive to implement correctly and utilize efficiently
- ▶ Hardware, software, and systems can be out of reach financially, especially for smaller clinics
- ▶ Even if acquired it can be very difficult to find and recruit the staff to manage them effectively
- ▶ One solution is to pool expertise and share it at a network level

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## Health Information Solution

### NMPCA Health Center Controlled Network

- ▶ Twelve New Mexico CHC members in Network
- ▶ NMPCA is Hosting 8 CHCs electronic records in secure facility
- ▶ NMPCA manages data warehouse and facilitates multi-site data aggregation, analysis, and interventions

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## Health Information Solution

### NMPCA Health Center Controlled Network

- ▶ IT support and full IT management is available to members
- ▶ Network provides report writing, and super and end user training
- ▶ Network employs 4 Registered Nurses, 6 IT Professionals, and 2 Informatics Professionals

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## Health Information Technology: Return on Investment?

- ▶ Technology and Systems Provide the Ability to Better Manage Patients
- ▶ Electronic records and population management tools identify gaps in care and opportunities for intervention. They alert you when:
  - A patient has not filled their prescriptions
  - A diabetic has gone to the lab for a Hemoglobin A1c tests
  - A diabetics test indicates poorly controlled Hemoglobin level
- ▶ Case Management and care coordination systems provide the ability to intervene when:
  - A patient using the Emergency Room inappropriately
  - A patient is need of coordinated care with specialists or other providers (e.g. behavioral health)

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▶ INSERT HRSA Clinical Data sheet

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## 2014 - 2016 New Mexico Health Center Data

Total Number of Reporting Program Grantees: 17	2014	2015	2016	
<b>Patients</b>	<b>291,862</b>	<b>301,209</b>	<b>320,163</b>	
<b>Medical Conditions (% of Patients with Medical Conditions)</b>				<b>No. of Patients</b>
<a href="#">Hypertension 4</a>	23.70%	22.50%	27.20%	87,084
<a href="#">Diabetes 5</a>	13.50%	14.40%	16.00%	51,226
<b>Asthma</b>	5.60%	5.30%	4.60%	14,727
<b>Prenatal</b>				
<a href="#">Prenatal Patients6</a>	3,049	3,102	3,368	
<b>Prenatal Patients who Delivered</b>	1,693	1,407	1,771	
<b>Quality of Care Measures</b>				
<b>Perinatal Health</b>				
<b>Access to Prenatal Care (First Prenatal Visit in 1<sup>st</sup> Trimester)</b>	71.60%	77.90%	70.00%	2,358
<b>Low Birth Weight</b>	7.10%	7.00%	9.60%	170
<b>Preventive Health Screening &amp; Services</b>				
<b>Cervical Cancer Screening</b>	53.60%	52.60%	51.30%	
<b>Weight Assessment and Counseling for Nutrition and Physical Activity for Children and Adolescents</b>	62.10%	63.40%	57.50%	
<b>Body Mass Index (BMI) Screening and Follow-Up</b>	69.80%	67.70%	69.40%	
<b>Adults Screened for Tobacco Use and Receiving Cessation Intervention</b>	83.20%	91.70%	92.10%	
<b>Colorectal Cancer Screening</b>	27.20%	36.20%	38.50%	
<a href="#">Childhood Immunization Status 7</a>	77.40%	77.20%	33.60%	
<b>Screening for Clinical Depression and Follow-Up Plan</b>	50.60%	55.60%	61.20%	
<b>Dental Sealants for Children between 6-9 Years</b>	-	40.80%	59.00%	
<b>Chronic Disease Management</b>				
<b>Use of Appropriate Medications for Asthma</b>	89.90%	87.90%	88.60%	
<b>Coronary Artery Disease (CAD): Lipid Therapy</b>	80.30%	75.00%	76.10%	
<b>Ischemic Vascular Disease (IVD): Use of Aspirin or Another Antithrombotic</b>	74.10%	73.60%	75.20%	
<b>Controlling High Blood Pressure (Hypertensive Patients with Blood Pressure &lt; 140/90)</b>	65.90%	67.20%	64.20%	
<a href="#">Diabetes: Hemoglobin A1c Poor Control 8(Diabetic Patients with HbA1c &gt; 9%) or No Test During Year</a>	29.40%	26.60%	32.30%	
<b>HIV Linkage to Care</b>	66.70%	66.70%	88.90%	

## Challenges – General

- ▶ Costs of workforce, prescriptions etc.
- ▶ Regulations/complexity
- ▶ New payment methodologies
- ▶ Integrating Behavioral Health and meeting the opiate epidemic challenge

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## Challenges – State

- ▶ State/Local Funding reductions
  - RPHCA General Funding has been cut by \$6 million (over 50% since FY2016). Fortunately with increased Medicaid revenue clinics have been able to absorb the cuts and expand capacity
- ▶ Taxation of Non-Profits
  - Has the Potential to devastate the clinics
- ▶ Loss of Medicaid patients from state cutbacks

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# New Mexico Funding Loss Impact Calculator

## Impact of Loss of RPHCA and Taxation of Patient Revenues and Purchases

		StateWide Example	Average Organization
<b>Rural Primary Health Care Cuts</b>			
1	RPHCA Contract amount 7/1/16 -6/30/17 Amended after Cut	\$ 6,000,000	\$ 360,000
<b>Projected Impact Of Gross Receipts Tax repeal</b>			
3	Patient Collections <b>UDS Table 9D Line 14 Column C</b>	\$ 175,000,000	\$ 10,500,000
4	State and Local Contracts <b>UDS Table 9E Line 17 Lines 6, 6a., 7</b>	\$ 15,740,000	\$ 944,400
5	Total Expenditures UDS Table 8 line 17 col C	\$ 287,000,000	\$ 17,220,000
	<b>Estimated % on supplies /equip 8%</b>	\$ 22,960,000	\$ 1,377,600
6	Total Subject to New Taxes	\$ 213,700,000	\$ 12,822,000
7	Taxes at 7%	\$ (14,959,000)	\$ (897,540)
8	Reduction in Revenues Due to RPHCA Cuts (line 1)	\$ (6,000,000)	\$ (360,000)
9	Total Lost Revenue RPHCA and New Taxes	\$ (20,959,000)	\$ (1,257,540)
10	Less Admin Savings 15% of Lost Revenue 15%	\$ (3,143,850)	\$ (188,631)
11	Net Loss of Operating Revenues	\$ (17,815,150)	\$ (1,068,909)
12	Loss of Clinicians One per \$250,000 funding cut	\$ 250,000	\$ 250,000
13	Projected Clinicans Lost	(71)	(4)
14	Patients Impacted (800 per clinican) Potentail loss of care	(56,800)	(3,200)
15	Lost Patient Revenue per provider Note:	\$ 300,000	\$ 300,000
16	Total Lost Revenue	\$ (21,300,000)	\$ (1,200,000)
17	Total Budget Cuts Required Due to Lost Revenue	\$ (42,259,000)	\$ (2,457,540)
<p>Note: If you layoff a Physician to save \$250,000 you also lose the \$300,000 to \$400,000 that physician generates in revenue. You must also cut all the expenditures supported by that revenue e.g. a nurse, a case manager, biller, receptionist and other support staff.</p>			

## Challenges – Federal

- ▶ Federal Funding Cliff –
  - 70% of the federal funding for FQHCs expired on September 30, 2017 but we are optimistic that there is bi-partisan support to restore it
- ▶ All National Health Service Corps funding expired 9/30/17 – NM is particularly reliant on the NHSC
- ▶ Medicaid Rollbacks Included in failed ACA attempts would devastate NM's healthcare system including primary care clinics

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## Insert

- ▶ Impact of Federal Funding Cliff and ACA Medicaid Rollbacks

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# NM Health Center Funding Cliff Impact

## What is the Health Center Funding Cliff?

Just over 70% of federal funding for the Health Centers program comes from the Health Centers Fund. In 2015, Congress extended this fund on a bipartisan basis for two years. **Without action before October 1, 2017, the fund is set to expire, meaning health centers will face an immediate 70% cut in funding.**

## Estimating the Impact of the Cliff on NM Health Centers

### Today

Total Federal 330 Funding:

**\$67,055,984**

Total Overall Revenue:

**\$298,922,222**

Number of Patients Served:

**320,163**

### If the Cliff Were to Occur

Amount of Federal 330 Funding Lost:

**\$47,401,875**

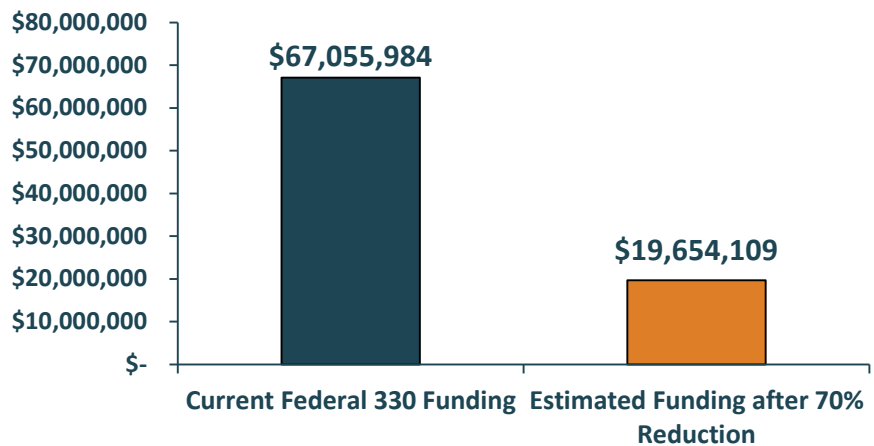
Number of Patients Losing Access to Care:

**50,770**

## Why the Cliff Matters

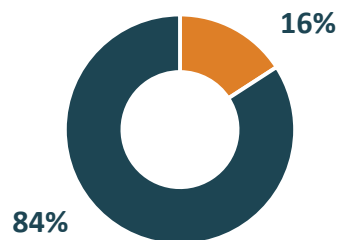
According to the federal government's own estimates, this potential 70% reduction in funding would result in the closure of **2,800 health center sites**, layoffs of more than **50,000 providers and staff**, and most importantly, a loss of access to primary and preventive care for **9 million patients** who often have no other place to turn. Cuts would affect every health center in the nation.

## The Funding Cliff Would Lead to Major Losses for NM Health



## Percent of Patients Losing Access to Care

After 70% Reduction



■ Patients Losing Access to Care

■ Patients Remaining

For more information on the Primary Care Funding Cliff and resources on how to prevent the Cliff from occurring, visit <http://www.saveourchcs.org/makethecase.cfm>



# New Mexico Medicaid Rollback to Pre - ACA Levels Impact Estimator

<b>Impact of Medicaid Rollback on NM FQHCS</b> Prior to the Implementation of the ACA only 26% of FQHCS' patients qualified for Medicaid Coverage. After the ACA that percentage increased to 42% , close to the number covered in the state. During the same period the percentage of Uninsured patients decreased from 42 % to 26%.	<b>Estimating the Impact of the Cliff on NM Health Centers</b>	
	<u>Today</u>	<u>If the the ACA Expansion Were Rolled Back</u>
	<b>Medicaid Patients</b>  133,583	Patients Losing Medicaid Coverage 50,761
	<b>Medicaid Revenues</b>  \$112,192,388	Medicaid Revenue Lost by FQHCS \$42,632,654

**The Rollback of Medicaid Expansion Would Lead to Major Losses for NM Health Centers and Even More Dramatic Loss of All Prescription, Specialty and Hospital Coverage for Patients.**

**Returning 50,000 Patients with Medicaid Coverage to the Rolls of the Uninsured would have the Following Impact on primary care clinics in New Mexico.**

**Cost of Uncompensated Care:**

Lost Medicaid Revenue	\$42,632,654
Average Collection - Uninsured Patient	\$200
Collections from 50,671 Patients	\$10,152,200
Shortfall	\$32,480,454
Projected Loss of Providers	120

## Summary

Although it is Difficult to be Optimistic in this Environment New Mexico's Primary Care Clinics Are:

- ▶ Seeing more patients and providing more services than ever
- ▶ Providing better quality care and have the tools and technology in place to make it even better
- ▶ Have the potential to use telehealth, both telephone services like the lamentably defunct NAL and use telemedicine within our own systems to provide telehealth visits with primary care providers

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## Summary

- ▶ Have bi-partisan support for primary care at the federal, state and local level
- ▶ Are benefiting from the recognition that primary care and the effective use of care coordination and case management have the greatest potential to solve our health care crisis
- ▶ Enjoy cooperation, coordination, collaboration and support at many levels, e.g. HRSA, HSD, DOH and MCOs

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