

Strengthening School-Based Health Centers in Maryland: A Study of Funding and Access Issues

A Proposal Submitted to
The Maryland Community Health Resources Commission

Submitted by
The Center for Health Program Development and Management
University of Maryland, Baltimore County

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Introduction



CENTER FOR HEALTH PROGRAM
DEVELOPMENT AND MANAGEMENT

The Center for Health Program Development and Management is pleased to submit this proposal to the Maryland Community Health Resources Commission for a study of funding and access issues that have an impact on the financial viability and continued growth of Maryland's school-based health centers. The proposed study will address the following duties of the Commission as listed in the legislation establishing the Commission:¹

- (15) Study school-based health center funding and access issues including:
 - (i) Reimbursement of school-based health centers by managed care organizations, insurers, nonprofit health service plans, and health maintenance organizations; and
 - (ii) Methods to expand school-based health centers to provide primary care services; ...

- (17) Evaluate the feasibility of extending liability protection under the Maryland Tort Claims Act to health care practitioners who contract directly with a community health resource that is also a Maryland qualified health center or a school-based health center; and

- (18) ... (d) The Commission, in conducting the school-based health center study required under subsection (a)(15) of this section, shall:
 - (1) Solicit input from and consult with local governments that operate school-based health centers, the State Department of Education, the Maryland Insurance Commissioner, representatives from school-based health centers, providers, and insurers; and
 - (2) Identify the following:
 - (i) A fee schedule for individuals accessing a school-based community health center;
 - (ii) Reimbursement rates to be paid by managed care organizations and insurers, nonprofit health services plans, and health maintenance organizations to the school-based community health center;
 - (iii) Insurance payments owed to school-based community health centers and how much of the payments should be collected to offset any State subsidy;
 - (iv) Barriers to the reimbursement of licensed health care providers who provide services at school-based health centers, including nurse practitioners and physician assistants;
 - (v) A system of registering individuals who receive health care services from a school-based community health center that requires an individual to pay premiums and sliding scale fees; and
 - (vi) Security measures to be used by school-based community health centers.

¹ Community Health Care Access and Safety Net Act of 2005, codified as Health-Gen. Art., §19-2109(a)(15), (a)(17), and (d)(2).

Study Purpose and Approach

In Maryland, there are currently 65 school-based health centers in eleven jurisdictions providing access to health services for more than 50,000 students. The centers provide preventive services and treat acute and chronic conditions. A number of centers provide mental health and substance abuse services as well. While the centers share a common mission, each center differs markedly from the next. Developmental history, sponsorship, services provided, populations served, and staffing arrangements vary significantly as documented by surveys conducted by the Maryland Assembly of School-Based Health Centers and the National Assembly of School-Based Health Centers.

Up until now, there has been no systematic examination of the financing and fiscal operations of Maryland's school-based health centers. In State Fiscal Year 2007, the state will contribute \$2.875 million to subsidize the operation of school-based health centers. Federal funds will help support centers sponsored by Federally Qualified Health Centers (FQHCs) in the state. Local governments and school systems will allocate substantial sums to centers as well. Yet school-based health centers continue to report insufficient funding to finance current operations and to expand to meet the growing demand for their services. Advocates and policymakers alike agree that the long-term financial viability and the very survival of these important community health resources is dependent on the ability to bill for services and collect reimbursement from Medicaid and private insurers. The overarching focus of the proposed study will be to examine operational and policy options for increasing reimbursement and sustainability as a way to build self-sufficient, fiscally strong school-based health centers. Specifically, the study will have four objectives:

1. Produce a financial portrait of the state's school-based health centers—revenues, expenses, fee schedules, billing and collections practices, relationships with Medicaid and third-party payers, reimbursement, and professional liability issues.
2. Assess barriers to reimbursement by Medicaid and private insurers and present policy options for overcoming these barriers.
3. Examine patient eligibility, fee schedules, reimbursement, and security issues related to school-based community health centers as discussed in the Commission's enabling legislation (§19-2109(d)(2)).
4. Recommend directions that the Commission might pursue to help expand access to school-based health centers, further develop the infrastructure and stabilize the financing of these community health resources, and promote increased Medicaid and third-party reimbursement for services.

Work Plan

Task 1: Structured Interviews with School-Based Health Center (SBHC) Sponsors

Timeline: March-July 2007

To construct the financial portrait of Maryland's SBHCs, the Center will conduct structured interviews with representatives of the 13 agencies sponsoring SBHCs in Maryland. This includes nine local health departments, two FQHCs, one public school system, and one hospital.

The Maryland Assembly of School-Based Health Centers (MASBHC) and the Maryland State Department of Education (MSDE) have offered the Center assistance in identifying appropriate contact persons at each of the 13 sponsoring agencies and encouraging the agencies to participate in the study.

The Center will develop a questionnaire, e-mail appropriate representatives at each of the 13 sponsoring agencies to request that they complete the questionnaire, and schedule a telephone call with each agency representative to discuss the importance of the project and provide technical assistance on completion of the questionnaire. Respondents will be able to respond to the questionnaire electronically or may complete a paper version and mail it in. The Center will follow up with the agencies as required to obtain as many completed questionnaires as possible. If the sponsoring agencies are unable to provide all the center-specific information requested on the questionnaire, the Center will work with the sponsoring agencies to contact the appropriate personnel at the SBHCs to obtain center-specific data.

The questionnaire will request information on:

- Revenues, expenses, and staffing for each SBHC sponsored by the agency in FY 2005-06
- Claims filed and reimbursement received, by payer, for each SBHC sponsored by the agency in FY 2005-06
- Barriers to billing Medicaid and other insurers
- Fee schedules
- Professional liability coverage
- Practitioner contracting
- Billing and financial reporting capability, policies, and procedures
- Services provided to the SBHCs by the sponsoring agency

Follow-up interviews will be conducted with a small sample of SBHCs found to regularly bill Medicaid and other insurers to assess billing policies, systems, and procedures, successful practices, and how these might be replicated by other Maryland SBHCs.

Findings from the Center's survey and interviews will be supplemented by service, utilization, and enrollment data collected by MASBHC in its 2005-06 survey of SBHCs.

Task 2: Survey of Maryland Qualified Health Centers (MQHCs)

Timeline: March-June 2007

In order to address the Commission's mandate to evaluate the feasibility of extending liability protection under the Maryland Tort Claims Act to health practitioners contracting with MQHCs,² the Center will survey the 25 MQHCs in the state. The survey will be limited to issues relating to practitioner contracting and professional liability issues. The Center will develop a short questionnaire, e-mail it to MQHCs, and request that the questionnaire be completed (either electronically or on paper) and returned. The Center will follow up by telephone as needed to answer questions and obtain as many completed questionnaires as possible.

Task 3: Telephone Interviews with Medicaid Managed Care Organizations (MCOs), Health Plans, and Health Systems

Timeline: May-July 2007

The Center will conduct telephone interviews with representatives from the seven Medicaid MCOs and two to three nonprofit health service plans and/or health maintenance organizations operating in Maryland to obtain their perspectives on the opportunities for and challenges to entering into relationships with SBHCs to provide health care services to children enrolled in their health plans. The Center will also interview several large health care providers or systems in Maryland (e.g., FQHCs, MedStar, University of Maryland) that do not currently partner with SBHCs to solicit their perspectives on sponsoring or partnering with SBHCs. The Center will develop a list of discussion topics to send to interviewees ahead of time to guide the telephone interviews.

Task 4: Consultation with Maryland Medicaid

Timeline: May-June 2007

The Center will consult with the Maryland Department of Health and Mental Hygiene (DHMH) on Medicaid policy regarding reimbursement for SBHCs. Specifically, the Center will examine current rules that allow fee-for-service billing by SBHCs and enable SBHCs to contract with MCOs. If significant barriers exist, the Center will explore potential options for revising Medicaid reimbursement rules that would enable SBHCs to obtain reimbursement more readily or ways in which DHMH might help facilitate Medicaid reimbursement for SBHCs.

² Community Health Care Access and Safety Net Act of 2005, codified as Health-Gen. Art., §19-2109(a)(17).

Task 5: Legislative Analysis

Timeline: April-June 2007

Reimbursement: One barrier to reimbursement often cited by SBHCs is that care delivered by nurse practitioners is not eligible for reimbursement because these professionals are not designated primary care providers. The Center will examine rules promulgated by DHMH and the Maryland Insurance Administration to determine the extent to which this is an issue in Maryland, both for Medicaid and for private health plans. Included will be an analysis of the implications of legislation such as House Bill 974 enacted in 2003, which addresses the designation of nurse practitioners as primary care providers by health maintenance organizations.³

Maryland Tort Claims Act: The Center will review the Maryland Tort Claims Act, related laws, and regulations to identify how and to what extent the Act currently applies to SBHCs and MQHCs. The feasibility of extending professional liability protection under the Act to health care practitioners who directly contract with SBHCs and MQHCs that are also community health resources will be evaluated. The structured interviews with SBHC sponsoring agencies (Task 1) and the survey of MQHCs (Task 2) will provide factual information about existing professional liability coverage and related issues that will complement the Center's legislative review.

Task 6: Review of Best Practices

Timeline: May-June 2007

The Center will research initiatives in other states aimed at helping SBHCs build the infrastructure required to bill for services and designing policies and procedures to maximize reimbursement from Medicaid and private insurers. This investigation will include the W. K. Kellogg Foundation-funded initiative led by the School-Community Health Alliance of Michigan; New Mexico's *Salud! Comes to Your School* program funded by the Center for Health Care Strategies, Inc.; and the Colorado School Medicaid Consortium. These and other initiatives will be examined to better understand challenges to and opportunities for increasing reimbursement to SBHCs and to seek out potential models for Maryland.

The Center will also examine efforts to expand SBHCs to the school-based *community* health center model discussed in the Commission's enabling legislation. Best practices related to fee schedules, reimbursement rates, insurance payments, reimbursement for licensed health care providers, patient registration, and security will be researched.

³ 2003 Md. Laws, ch. 461, codified as Health-Gen. Art. §19-705.1(c), Ann. Code Md.

Task 7: Prepare Final Report

Timeline: July-September 2007

The Center will prepare a final report synthesizing the findings of Tasks 1-6 and addressing the four objectives on page 2. The Center will submit a draft final report to the Commission by August 31, 2007, for review and comment. The Center will submit the final report by September 30, 2007, pending timely receipt of comments on the draft report from the Commission.

Responsible Staff

At the Center, this project will be carried out by the project team listed below. Biographical sketches are provided in Appendix 1.

Cynthia Woodcock, M.B.A., Senior Research Analyst (Team Leader)
Annette Snyder, Ph.D., M.S.N., C.F.N.P., Director, Clinical and Quality Management
Martha Somerville, J.D., Senior Policy Analyst
Laura Spicer, B.A., Research Assistant
Ann Volpel, M.P.A., Senior Research Analyst

Budget

The budget for this work is provided in Appendix 2.

Appendix 1

Biographical Sketches for the Project Team

MARTHA H. SOMERVILLE Senior Policy Analyst

Martha Somerville is a senior policy analyst in the Center's acute care policy unit. She has authored or contributed to the development of federal waiver proposals, reports, and administrative regulations in numerous subject areas. Examples include the State Children's Health Insurance Program (SCHIP) eligibility for pregnant women; SCHIP employer-sponsored health insurance coverage; primary and specialty care access standards; competitive procurement of Medicaid managed care services; and Medicaid eligibility for employed individuals with disabilities. Ms. Somerville has provided program support for Maryland's HealthChoice program since its inception in 1997, including directing the state's managed care organization (MCO) qualifications reviews; developing comprehensive regulation packages for new health programs; and addressing MCO subcontracting issues.

Before joining the Center's staff, Ms. Somerville worked as a consultant, authoring policy briefs and legislative testimony. As an assistant attorney general, Ms. Somerville served as legal counsel to several state boards responsible for health occupations regulation, licensing, and discipline. As an attorney in private practice, Ms. Somerville represented institutional health care providers, primarily regarding regulatory matters, corporate and medical staff governance, and accreditation.

Ms. Somerville was awarded a J.D. with honors by the University of Maryland and a B.A. *cum laude* from Duke University and is currently an M.P.H. candidate at the Johns Hopkins Bloomberg School of Public Health. Ms. Somerville is a member of the Maryland Bar and the Maryland Chapter of the Order of the Coif.

ANNETTE E. SNYDER Director of Clinical and Quality Management

Annette Snyder is the Center's director of clinical and quality management. She is responsible for guiding the Center's work in the area of health care quality, conducting medical management assessments, and providing an evidence-based clinical perspective to policy formulation and quantitative analyses. Experienced in health care delivery system evaluation, program development, and research methods, Dr. Snyder also directs community health assessments and surveys. She utilizes an inclusive approach that involves engaging professional and community stakeholders in defining issues, gathering information, analyzing data, and formulating recommendations.

A nurse practitioner and administrator, Dr. Snyder currently serves on the Maryland School-Based Health Center Policy Advisory Council. She was manager of comprehensive school-based wellness centers at the University of Maryland School of Nursing prior to joining the Center. Before that, she served as a health center manager and director of programs and development at Baltimore Medical System, Inc. At the School of Nursing, Dr. Snyder oversaw the work of nurse practitioner faculty members providing primary care to children in schools in several jurisdictions around the state, including elementary- through high school-aged students. As a health center manager, Dr. Snyder was responsible for the operations of a primary care site including supervision of nursing and ancillary staff, scheduling, and management of all services to patients. As director of development and programs, Dr. Snyder was responsible for grant writing and oversight of ancillary services, including deaf services, social work, school health, and health education.

Dr. Snyder earned her Ph.D. in health policy from UMBC. She received her MSN from the University of Wisconsin and is a certified family nurse practitioner. Ms. Snyder started her career in nursing after receiving her BSN from the University of Maryland School of Nursing.

LAURA SPICER
Research Assistant

Laura Spicer is a research assistant in the Center's acute care policy unit. Her key responsibilities include providing research support for various projects and preparing presentations and reports.

Prior to her current position, Ms. Spicer assisted the Center with special projects. Such projects included grant evaluation activities for the long-term supports and services unit, staff support for the Maryland Community Health Resources Commission, and assistance with conducting focus groups.

Before joining the Center, Ms. Spicer gained six years of experience in managerial positions, including managing a small business, which involved employee training and serving as an employee-owner liaison. In addition, she has served as a volunteer in physical therapy, occupational therapy, and pain management at St. Agnes Hospital, as well as The Good Shepherd Center.

Ms. Spicer graduated *cum laude* from UMBC with a bachelor's degree in sociology.

ANN M. VOLPEL
Director, Acute Care Policy

Ann Volpel is the director of acute care policy at the Center. In this capacity, she manages the Center's initiatives in Medicaid managed care policy, financing and evaluation, health plan performance assessment, and encounter data collection and analysis. Ms. Volpel directs the

Center's ongoing analysis and assessment of HealthChoice, Maryland's Medicaid managed care program.

Prior to her current position, Ms. Volpel was a senior research analyst at the Center. As such, she specialized in health plan performance assessment, pharmaceutical pricing and cost containment, and Medicaid managed care policy. Ms. Volpel completed a study on the application of risk adjustment to assess the quality performance of Medicaid health plans for the Center for Health Care Strategies with funding from the Robert Wood Johnson Foundation. She provided analytic support to the federal Medicaid Commission and was lead author for the Commission's final report. She also conducted studies on pharmaceutical pricing for Medicaid managed care programs and served as lead analyst for the development of an application tracking system for Maryland's Older Adult Waiver. In addition, she provided leadership for the Center's first annual symposium on health policy.

Ms. Volpel was previously director of administrative services for Chase Brexton Health Services, Inc., a community health center in Baltimore. Before that, she was a presidential management intern with the Health Resources and Services Administration, U.S. Department of Health and Human Services, and a social insurance representative with the Social Security Administration.

Ms. Volpel has a master's degree in public administration from the Maxwell School of Citizenship and Public Policy at Syracuse University. She graduated *magna cum laude* with a bachelor's degree in economics from Mount Holyoke College.

CYNTHIA H. WOODCOCK

Senior Research Analyst

Cynthia Woodcock, a senior research analyst, was recently appointed to serve on the Center's long-term supports and services team. In this capacity, she will analyze long-term care programs and policies and collaborate on the development of home- and community-based services waiver programs and other integrated long-term care initiatives. She will continue to manage the Center's contract with the New Mexico Human Services Department, which has focused on launching a new self-directed waiver program and a Medicaid managed long-term care initiative.

Previously, Ms. Woodcock worked directly with the Center's executive director on strategic planning and new business development. She was responsible for infrastructure improvements to the Center's website and information systems to support development of new business opportunities. She prepared reports on the Center's accomplishments, provided strategic vision to leveraging client relationships and developing new initiatives, and provided leadership for events such as the Center's annual symposium on health policy. She managed the contract with the Maryland Community Health Resources Commission, in which the Center provided interim staff support to this new commission established by the Maryland legislature.

Before joining the Center in 2004, Ms. Woodcock was a principal of Futures, Inc., a consulting group specializing in program development and strategic planning. Prior to that, Ms. Woodcock was director of program development with the International Life Sciences Institute and assistant vice president for program finance and management with The Commonwealth Fund. She has also held positions with The Robert Wood Johnson Foundation and the Division of Health Planning and Resource Development in the New Jersey Department of Health.

Ms. Woodcock received an M.B.A. in finance from the Columbia University Graduate School of Business and holds a B.A. from the University of North Carolina at Chapel Hill, where she graduated *summa cum laude*.