

Topics covered in the workgroup included the California health care reform proposals, potential impacts of these proposals in San Diego, SCHIP reauthorization, coverage for kids, and local efforts to expand coverage for the uninsured. To preface the day's discussion, ITUP staff provided an overview of five health care reform proposals, highlighting the eligibility, benefits, financing and cost containment of each. Workgroup participants shared their perspectives, concerns and goals for health care reform in the coming year. The workgroup materials can be viewed on our website:

<http://www.itup.org/Workgroups/RegionalWorkgroups/SanDiego/SanDiego.html>.

Statewide Reform Options

In California, a number of health care reform proposals have emerged, all taking unique approaches to fixing what many have termed the state's "broken system." Discussion of the components of each of five plans revealed varying levels of support and concern from representative stakeholder groups, including physicians, hospitals, health plans, consumers, county health and legislators. Participants agreed that the financing of any plan requires close attention, whether that includes a tax, a fee, a waiver, or some combination. While a waiver might imply a statewide approach to universal coverage, there are as many ways to cover indigent adults, as there are counties in the state and there might be some room for regional variation. With money potentially coming from the counties to help fund universal coverage, public spending must be examined. San Diego County is spending \$60 million on healthcare for county indigents.

Many participants expressed agreement around an approach to reform that builds on past successes. A representative group of business leaders in San Diego support a "middle ground" approach whereby there is shared responsibility among all players and everyone has some skin in the game. This group also supports basic coverage for all residents regardless of ability to pay, equitable sharing of financial responsibility, and incentives for healthy lifestyles, not dissimilar from the core values of Governor Schwarzenegger's proposal. Employers in San Diego who already provided coverage for their employees rallied around SB 2 for a similar reason—they supported the idea that all employers paid into the system. However, those employers who currently provide coverage are unlikely to drop their existing employee benefits in favor of paying into a fund regardless of whether their costs are higher than the required contribution (e.g. 4% of payroll in the Governor's proposal). Other considerations among participants included: definition of a meaningful benefits package; increasing costs due to aging of the population and seismic upgrades; limited capacity for specialty and diagnostic services and inadequate safety net provider reimbursements.

Coverage for Kids

The CHI is still working to develop a third product; though they were recently encouraged by the efforts and approach of the Orange County CHI in targeting organizations to build support rather than waiting for a countywide initiative. In San Diego, there are issues around disenrollment from existing public programs, the complicated and lengthy enrollment process, and other barriers to enrollment including restrictions on employer premium sponsorship and automatic payroll deduction of premiums. The San Diego Kids Health Assurance Network (SD-KHAN) is working to ensure access and appropriate utilization of medical and dental services through public/private partnerships. The Access to Care for Children Team (ACT) Initiative makes use of several successful strategies to achieve the goals of SD-KHAN, including: public program outreach to parents via subsidized health care and lunch flyer; follow-up with CHDP families; facilitate partnerships between CAAs and health plans; phone help line; streamlining internal communication and procedures. The recent OERU grant distribution of \$5.9 million

over 3 years will assist the county in enrolling and retaining Medi-Cal and Healthy Families members. The county is working with schools, WIC, CBOs and employers to coordinate outreach and enrollment efforts. To address disenrollment in Medi-Cal and Healthy Families, case management follow-up services, the Help Team and messaging strategies in collaboration with First 5 will be implemented. Furthermore, CAAs will be trained on utilization and retention best practices and providers will be trained in improving relationships with patients in order to enhance health service utilization.

Local Efforts to Expand Coverage

As statewide reform efforts are being explored, local opportunities to expand coverage are being embraced in San Diego. SB 51, a pilot program to expand employer-based coverage for uninsured low to modest wage earners, is presently in the Senate Appropriations committee in addition to receiving broad-based support from the business community, physicians, labor and the local faith community (PICO). The pilot program would include a basic benefits package administered by San Diegans for Healthcare Coverage and a premium assistance program for uninsured employees under 300% of FPL; with reduction of premium assistance, employers will continue to provide coverage. The program will make use of existing commercial health plans and age banding. The program will be focus group tested with a third party administrator to be determined by the state.

The Coverage Initiative negotiated as part of the Medicaid §1115 waiver includes \$180 million in years three through five of the waiver that were recently distributed through a competitive grants process (SB 1448). Ten counties received grants, with San Diego receiving just over \$13 million to expand primary care services using the Project Dulce model and intensive chronic disease management for indigent adults. A goal of the program is to prevent unnecessary emergency room utilization. There is great demand among community clinic patients, especially with diabetes, for case management. However, the Medicaid proof of citizenship requirement might pose a challenge for enrollment.

The Safety Net Public Private Action Plan grew out of the recommendations of the San Diego Safety Net Study. One of the goals, which has already been achieved, was to enhance and leverage safety net funding through the approval of SB 1448 demonstration project funding for San Diego. Similarly, the Board of Supervisors approved SB 1773 to provide additional funding for emergency medical services through a fee increase for tickets for certain criminal offenses and moving violations. Other efforts outlined in the action plan include advocating for adequate Medi-Cal and Medicare reimbursements and addressing specific needs of the South County safety net.

Recommendations and Next Steps

Workgroup participants shared general recommendations for health care reform that were both general and of particular importance to their respective organizations.

- Focus on local strengths and successes, drawing on local stakeholders to be leaders at the state level
- Examine existing systems and programs to improve upon continuity and retention
- Everyone needs to have a financial stake in the health care system and this must be reflected in any reform
- Address inequities in Medi-Cal and Medicare payments in San Diego
- Secure funding for a three-share state pilot program (SB 51)