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As Part of RWJF's Communities in Charge Program, Jacksonville, Fla., Creates Subsidized Health Insurance Program to Serve Low-Income Employees

Communities in Charge: Financing and Delivering Health Care to the Uninsured—Organization and Planning

SUMMARY

In January 2004, JaxCare began offering subsidized health insurance to low-income employees of participating businesses in Duval County, Fla.

The project was part of the Robert Wood Johnson Foundation's (RWJF) national program *Communities in Charge: Financing and Delivering Health Care to the Uninsured*. (For more information see the Program Results Report.)

Key Results

- As of December 2005, JaxCare had enrolled 122 employers representing 389 employees.

Funding

RWJF issued two grants totaling $835,386 to Shands Jacksonville Medical Center in Jacksonville, Fla., for planning and development of JaxCare from 2000 to 2004. For a list of other funders, see the Appendix.

THE PROBLEM

In 1998, the Health Planning Council of Northeast Florida estimated that 20 percent of Jacksonville's total population—more than 150,000 people—were medically uninsured. University Medical Center (which merged with the Shands Health Care Network to become Shands Jacksonville Medical Center in 1999) estimated that at least 100,000 of these individuals lived in households with incomes below 200 percent of the federal poverty level and were ineligible for or unable to participate in existing health insurance programs.

The medical center had traditionally been the area's primary source of indigent care. In 1997, the city and the medical center established First Care, a city-funded managed care program for indigent residents. First Care provided patients with primary health care providers and access to specialist providers, and established quality improvement programs. By 1999, First Care was serving about 15,000 people.

Other safety-net programs also cared for indigent residents, but many of these providers believed that care was not well coordinated and reached only a portion of low-income uninsured residents.

CONTEXT

For more than 30 years, RWJF has been concerned about Americans' lack of access to affordable and stable health care coverage. RWJF has funded studies, demonstration projects and symposia about this problem. For example:

- In 2000, RWJF provided grant support to researchers at the Nelson A. Rockefeller Institute of Government, the public policy research arm of the State University of New York, to study the effects of state welfare reform policies on Medicaid enrollment among low-income adults and children. These researchers found that enrollment of low-income adults and children dropped after welfare reform and then began to increase in 1998 (see the Program Results Report on ID# 038230).
- In 1997, Congress funded the State Children's Health Insurance Program with the aim of providing health insurance coverage to children who were not eligible for private or other public insurance programs. That same year, RWJF created *Covering Kids®*. In 2001, RWJF reshaped the program and renamed it *Covering Kids and Families®*, reflecting the Foundation's commitment to help states also cover parents and other adults who work in jobs that do not provide health coverage for them or their children.
- Through a series of *State Coverage Initiatives*, RWJF assisted states in developing and implementing policies that made health care insurance more available and affordable to low-income residents.
- RWJF also created *State Solutions: An Initiative to Improve Enrollment in Medicare Savings Programs*, a national program to maximize enrollment in Medicaid, Medicare, and other health insurance programs.
- *The Access Project* has worked to improve health and health care access since 1998. (For more information see the Program Results Report.)

THE PROJECT

RWJF issued an initial planning grant (ID# 038268) to the Medical Center in 2000 to design a strategy that would expand and improve the coordination of care for low-income people. Financing objectives included:

- Maximizing participation in federal, state and local programs.
- Improving the cost-effectiveness of care.
- Increasing funds available to serve a larger population.

The mayor of Jacksonville appointed a steering committee to guide a coalition of health care providers, private insurers and representatives from city government to design the strategy. During the year-long planning period, coalition members:

- Surveyed providers to inventory existing programs and funding strategies for providing health care.
- Analyzed data to better understand the characteristics of people who lacked insurance.
- Prepared a draft business plan outlining the framework for a new comprehensive health care program modeled after private sector health care plans.

The coalition proposed to create a new program by expanding First Care in two phases:

- Providing fully subsidized care to adults with incomes below 150 percent of the poverty line.
- Providing a partial subsidy for those with incomes between 150 and 250 percent of poverty. (Only a small number of children would be covered, because children in families below 200 percent of poverty were already eligible for the Florida KidCare Program.)

The new plan, called JaxCare, was to be financed with $10 million in city funds and would enroll 10,000 uninsured people.

RWJF issued a three-year implementation grant (ID# 040973) to Shands Jacksonville Medical Center to implement JaxCare. In 2001, JaxCare received a Community Access Program grant from the federal Health Resources and Services Administration to finance expanded care programs and information technology systems to track and manage care. (see the Appendix for a list of JaxCare funders).

Early in the implementation phase, JaxCare staff concluded that the original program model was too optimistic because it was based on assumptions that were not realized:

- The $10 million in anticipated city funds were not available, and providers were not able to absorb 10,000 additional patients until management support systems, claims processing protocols and case management services were available.
- Project staff realized that while line staff working within the health care system in Jacksonville understood the need to expand care, senior government officials were not ready to endorse the program or secure stable funding for it.

To build political support for the initiative, in 2002 the coalition held a series of eight forums for community leaders, based on the Forums for State Health Policy model developed by the League of Women Voters of New Jersey and sustained by RWJF's State Forums Partnership Program (for more information see the Program Results Report). By the end of the forums, participants had devised a new strategy that would focus on uninsured low-wage workers, rather than on expanding the existing indigent care program.

JaxCare began as a two-year pilot project covering 1,600 individuals. Funding would come from employer and employee contributions, as well as city funds. JaxCare was incorporated as a freestanding nonprofit corporation in April 2003 to carry out the new strategy.

JaxCare suffered a setback when state officials ruled that it had to comply with regulations governing health insurance—including financial reserve requirements and mandatory benefits that the project could not meet. Ultimately, Florida Governor Jeb Bush intervened to allow Duval County (of which Jacksonville is a part) to participate in the state's Health Flex program, a pilot program providing limited benefits and exempt from insurance regulation. However, complying with Health Flex program requirements further delayed start-up.

To support the local policy forums, project staff issued policy briefs on such topics as:

- Costs and models for coverage.
- Coverage, access and financing strategies.
- An overview of Duval County's uninsured.

Project staff also prepared several fact sheets about JaxCare and the lack of health care in the city for the general public, city council officials and providers. A website (no longer available) provides eligibility and coverage information for JaxCare, as well as issue briefs, fact sheets and general health information. (See the Bibliography for details.)

RESULTS

- **JaxCare began enrolling participants in January 2004.** To be eligible, people must be working at least 20 hours per week for an employer that has designated JaxCare as a health plan for its employees.

  Individual participants must be Duval County residents between 19 and 64 years old who have been without health insurance for at least six months, are ineligible other government-sponsored programs and have family income less than 200 percent of the federal poverty level.

  Participants are assigned a primary care physician and they receive specialist services through referrals from their primary care doctor. Patients are charged co-payments for services.

- **As of December 2005, JaxCare had enrolled 122 employers representing 389 employees.**

LESSONS LEARNED

1. **Health Policy Forums are important and effective mechanisms for securing commitment from senior officials and for designing feasible action plans.** Of special importance to their success were the expertise of outside speakers and resource people, the stature of the meeting facilitator and the private setting in which the meetings took place.

   Preparing for these forums and conducting research between them represented full-time work for one year, but were well worth the effort. Other communities should invest in this process when trying to create institutional change. (Project Director)

2. **Project leaders have to know who the players are and what each player wants from the initiative.** Many aspects of community life are affected when people do not receive health care services, and leaders will engage in developing solutions if they understand how they or their organizations will benefit. (Project Director)

3. **Project leaders should highlight their affiliation with RWJF.** As community leaders participated in the Health Policy Forums and heard local foundation staff and national experts speak about the importance of RWJF's support, they began to value the significance of this initiative and the unique opportunity it afforded them to get the best advice possible. (Project Director)

AFTERWARD

In August 2004, the Jacksonville City Council unanimously voted to extend the program for a third year.

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APPENDIX

Funding Sources for JaxCare

(Current as of the end date of the program; provided by the program's management; not verified by RWJF.)

- City of Jacksonville, $3,100,000
- US Department of Health and Human Services, $2,300,000
- Shands Jacksonville Medical Center (includes cash and in kind), $400,000
- Jessie Ball duPont Fund, $270,000
- Jacksonville Hospitals, $135,000
- Blue Cross and Blue Shield of Florida, $110,000
- Blue Foundation for a Healthy Florida, $50,000
- Duval County Medical Society, $5,000

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Survey Instruments

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"Questionnaire on Health Programs for the Uninsured Indigent." Health Planning Council of Northeast Florida, fielded March–May 2000.

"Focus Group Questionnaire." Health Planning Council of Northeast Florida, fielded July–November 2000.

"Patient Interview: Accessing Health Care Services." Health Planning Council of Northeast Florida, fielded December 2000.

Grantee Websites

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