



As Part of RWJF's Communities in Charge Program, California HMO Establishes New Health Insurance Programs for Low-Income Residents

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

SUMMARY

In 2000–01, the [Alameda Alliance for Health](#), a not-for-profit health maintenance organization serving the people of Alameda County, established two new health insurance programs:

- [Family Care](#), a program for low-income families living in Alameda County (which includes Oakland, California).
- Group Care, a program for home health aides who live in the county.

In 2003, the Alameda Health Consortium an association of nonprofit community health centers, created a program for frequent users of health care to help them secure disability insurance, stable housing and appropriate health care services.

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

The alliance:

- Created two new health care coverage programs that served 9,400 county residents.
- Completed a survey of uninsured residents of Alameda County.
- Completed evaluations of the new health plans for low-income residents and home health aides.
- Developed a "universal coverage proposal" to cover other groups in the county.

Funding

RWJF provided two grants totaling \$850,000 to support these initiatives from 2000 to 2004. For a list of other funders, see the [Appendix](#).

THE PROBLEM

About 190,000 residents of Alameda County, Calif. (which includes the city of Oakland), or 14 percent of the population, were uninsured in 1998, according to the [Health Insurance Policy Program](#) at the [University of California, Berkeley](#). Of these, 120,000 were Latino or Asian.

One in three Alameda County residents in working families with incomes below 300 percent of the federal poverty guidelines (less than \$40,000 for a family of three) was uninsured. The [Alameda Health Consortium](#) estimated that about 50,000 children were eligible for, but not enrolled in, the federal [Medicaid](#) and [State Children's Health Insurance Programs](#).

During the 1990s, public and private health care providers in Alameda County initiated several efforts to increase access to care for low-income residents:

- In 1996, the County Board of Supervisors created the Alameda Alliance for Health, to provide health care to county residents enrolled in Medicaid or [Healthy Families](#), the State Children's Health Insurance Program.
- In 1999, the alliance began to set aside reserves to fund a pilot program that would provide coverage to a limited number of uninsured individuals.
- In 1998, the W.K. Kellogg Foundation, as part of its [Community Voices](#) program funded a partnership between two community health centers, [Asian Health Services](#) and [La Clínica de la Raza](#), to expand health care for immigrants.

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

In 2000, RWJF provided a one-year planning grant (ID# 038269) to the Alameda Health Consortium, an association of nonprofit community health centers, to profile the county's uninsured population and support the development of new insurance coverage and other changes in the health care delivery system.

The consortium served as the lead organization in a team of six safety net providers, including the alliance, the county health department, the [Community Voices](#) project, and a public hospital authority.

The consortium's activities in 2000 included conducting a needs assessment and analyzing data regarding health care use and services in the county (partially funded by the Kellogg Community Voices initiative). This effort identified a group of 500 high-need indigent patients, at least half of whom appeared to be eligible for [Supplemental Security Income](#) Medicare coverage.

In July 2000, the alliance began to offer a new insurance product, Family Care, to county residents in households with incomes below 300 percent of the poverty level. A core principle of Family Care is that parents and children should receive health care from the same place, thus simplifying access to care and increasing the chances that all family members will visit their providers.

Under Family Care:

- Adults receive coverage only if one or more of their children receive care through the Alameda Alliance for Health.

- Adult participants pay a monthly premium for individual coverage and they pay co-payments for some services.
- Enrollees receive physician and laboratory services, prescription drugs, and inpatient and outpatient hospital care. The average family pays \$30 per month for coverage, \$10 per doctor visit, \$5 per prescriptions and \$15 per emergency room visit.

Because so many of the County's uninsured residents are Hispanic or Asian, the Alameda Alliance for Health consulted with and involved staff from several Hispanic and Asian community organizations in establishing Family Care eligibility criteria and benefits that would be appealing to and understood by Hispanic and Asian residents.

By December 2003, 7,133 people had enrolled in Family Care.

In 2001, RWJF awarded a three-year implementation grant (ID# 040972) to fund efforts to:

- Increase coverage within Family Care and expand it to specific occupational groups.
- Reorganize the health care delivery system to target the high-need, high-cost population identified during the planning period.

During the implementation period, the Communities in Charge project and the Kellogg-funded Community Voices project began to share staffing, with the project director and project manager splitting their time between the two initiatives.

Project staff advocated for greater investment in safety-net health care efforts and provided technical support to several new and existing health care initiatives in the county:

- In June 2001, the alliance launched Group Care, an insurance program for in-home health supportive service workers. Alameda County allocated \$1 million annually in county tobacco settlement funds and \$500,000 annually in [Alameda County Social Services Agency](#) funds, which drew down an additional \$5.5 million annually in federal and state funds to support Group Care.

Under Group Care:

- Enrollees receive inpatient care, preventive service, lab services, prescription drugs and, as of 2003, vision and dental care.
- Enrollees pay premiums of \$8 per month.
- Enrollees complete health assessments and receive help from a caseworker in coordinating care, if needed.

The alliance had enrolled 2,300 in-home supportive services workers in Group Care as of May 2004. (A separate initiative to provide funding for child care workers was never funded.)

- The county social services agency launched a "[No Wrong Door](#)" project to help people applying for social service programs to apply for public health coverage as well.

Funding for No Wrong Door came from [The California Endowment](#)—a private, statewide health foundation created in 1996—(\$1.5 million) and the [United Way of the Bay Area](#)—one of the largest private funders of health and human services in Northern California (\$750,000).

In addition to increases in health care enrollment, project staff report that processing times for applications decreased from 45 days when the program started in 2002 to 7–14 days in 2004.

However, state and local budget cuts that started in 2002 forced a contraction in the program. Enrollment had shrunk to 2,000 by May 2004. The alliance had been counting on a federal waiver that would have allowed it to shift many parents in Family Care to the State Children's Health Insurance Program, but the state, facing a budget shortfall, did not implement the waiver.

The project contracted with the [Center for Health Policy Research](#) at the [University of California, Los Angeles](#) to produce a summary report on the County of Alameda Uninsured Survey. The project disseminated the report to 2,800 policy-makers, advocates and health officials, and organized a press event to release the report.

Project staff also helped promote [Cover the Uninsured Week](#) (co-sponsored by RWJF) in March 2003, providing technical assistance to a local coalition supporting health care for child care workers. Project staff also held a press event at a child care center to generate public support for extending health care coverage to child care workers. An article on Family Care, written by evaluators of the overall *Communities in Charge* national program, appeared in [Health Affairs](#). See the [Bibliography](#) for details.

RESULTS

The Alameda County Communities in Charge project reported the following accomplishments:

- **Released results from the County of Alameda Uninsured Survey.** Key findings included:
 - More than 140,000 county residents aged 19 to 64 were uninsured.

- About 38 percent of uninsured were Hispanic, and 18 percent each were Asian/Pacific Islander or African American.
- Hispanics were less likely to be covered by employers and more likely to be uninsured than any other group.
- Immigrants comprised 53 percent of uninsured adults.
- About 10 percent of uninsured adults were eligible for but not enrolled in Medicaid.
- Some 55 percent of uninsured adults work.
- **Completed focus groups of Family Care enrollees.** The project conducted three focus groups (in English, Spanish and Cantonese) with Family Care enrollees and a telephone survey of people who disenrolled. The evaluation found:
 - Family Care performed well and its enrollment process was relatively simple.
 - Access to Family Care services was not always timely. Enrollees sometimes waited too long to secure services.
- **Conducted a telephone survey of 300 members** of Group Care chosen at random and a mail survey of in-home supportive services workers who had not enrolled in Group Care. It found:
 - Group Care performed slightly below national standards.
 - Timely access to services needed improvement. As with Family Care, enrollees at times had to wait for services.
 - The most common reason given by those who had not enrolled was that they did not know about the program.
- **Developed a "universal coverage proposal," including recommendations for insuring groups other than families, and presented it to the county board of supervisors.** The proposal included recommendations for allocating local tobacco settlement funds to Family Care and Group Care, which the Board adopted.
- **Helped the county Social Services Agency seek and acquire funds from the California Endowment and the United Way of the Bay Area for the No Wrong Door project.**
- **Developed a pilot plan for serving high-cost, chronic frequent users of health care.** A workgroup of community agencies, organizations and providers selected [Highland Hospital](#), the public hospital serving the largest number of chronic users, to host the pilot. The project hired a case manager and a benefits advocate to work with the target patients and obtained 20 housing units for homeless patients. The California Endowment and the California HealthCare Foundation contributed a combined \$100,000 to this effort.

LESSONS LEARNED

1. **Family centered health care should be a high priority for agencies seeking to increase access to care.** By restricting Family Care to people with a family member already enrolled in the Alameda Alliance for Health, the program increased the likelihood that parents and children receive care in the same place. This strategy simplifies access to care for all family members. (Project Director)
2. **Health care programs should be available to both documented and undocumented immigrants as well as to United States citizens.** This policy assures that more people will have access to health care and it streamlines enrollment procedures because it eliminates the need to evaluate applications differentially based on the immigrant status of the applicant. (Project Director)
3. **Indigent people will pay premiums and co-payments for health care.** Family Care and Group Care require that participants pay monthly premiums and they include co-payments for some services. Concerns that these requirements would deter people from enrolling or using care did not prove out. (Evaluator)
4. **Using RWJF funds to hire staff yields benefits to the employing agency and to the partnership in general.** The Alameda Consortium for Health used RWJF funds to hire very qualified, full-time staff members who were perceived by community partners as objective and not affiliated with any organization or point of view. This objectivity made it easier for project staff to convene groups and facilitate decision-making. (Project Director)
5. **Involving potential health care users in designing their benefit package makes the package more valuable to enrollees and responsive to cultural differences among groups.** A large proportion of people eligible for Family Care were Hispanic and Asian residents born outside of the United States. Involving Hispanic and Asian representatives in planning and designing Family Care increased the likelihood that they would be comfortable enrolling in the program. (Project Director)
6. **The participation of a stable and well-regarded community medical provider made funders and partners more comfortable taking risks in creating new strategies than they would have been had no such provider existed.** The Alameda Alliance for Health had a proven track record of providing indigent care to county residents, so that when project staff sought commitments from funding agencies and partners, they were able to secure those commitments. (Project Director)

AFTERWARD

Family Care and Group Care programs, and *Communities in Charge* project staff, continue operations with support from a variety of public and private funds. [Highland Hospital](#) has implemented the program aimed at frequent users of health services. Before April 2004, Alameda County voters passed a local tax initiative to support the health care

safety net system in Alameda County. This initiative is expected to raise about \$90 million annually and will help offset some of the current and expected state funding cuts.

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APPENDIX

Local and State Funding Sources

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

- Alameda Alliance for Health (Family Care), \$14,870,000
- California Endowment (Family Care), \$2,350,000
- California HealthCare Foundation (Family Care), \$1,950,000
- Local tobacco settlement funds for Family Care (2003–2004), \$2,000,000
- California Endowment (No Wrong Door), \$1,500,000
- Local Tobacco Settlement Funds for Group Care (annually), \$1,000,000
- Alameda County Social Services Agency for Group Care (annually), \$500,000
- California Endowment/ California HealthCare Foundation (No Wrong Door), \$100,000
- United Way of the Bay Area (No Wrong Door), \$75,000
- United Way of the Bay Area (Child Care Worker), \$30,000
- United Way of the Bay Area (general support), \$20,000

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