

**Vondie Moore Woodbury, M.P.A.**, has been Director of the Muskegon Community Health Project since October 1995. Under her direction, the Health Project has initiated *Access Health* and undertaken local management of health care for over 2,000 indigent community members (Muskegon Care). MCHP has implemented a variety of community-based health improvement programs, including a dental initiative for low-income children, a diabetes screening effort, a mentoring program for African American youth, and a new CDC-supported initiative to reduce the inappropriate use of antibiotics in treating viral infections. Woodbury is active in several organizations that support communities addressing access to care issues and is a co-author of "Out of the Box and Over the Barriers" a book describing Muskegon's community driven process to develop its own health plan.



# Health Care Access and Community Partnership: Muskegon's *Access Health* Program

Vondie Moore Woodbury

## The Problem

**Access Health .... grew out of a community-based initiative to address the problem of uninsured people in Muskegon County. Access Health designed its program by examining the types of program models that have worked successfully for other communities<sup>59</sup>**

Approximately 8% of Muskegon County's 172,000 residents lack health insurance. A community survey revealed that 17,000 children and adults in families working for relatively low wages (\$11.50/hour on average) in 500 small businesses in Muskegon County did not have access to health insurance. Their incomes were too high to be eligible for public insurance, yet their employers did not offer coverage because it was considered too costly. However, community polls showed that 97% of Muskegon residents believed that all children should have access to health care, regardless of a family's circumstances.

## What is *Access Health*?

**Access Health** is a nonprofit corporation, designated by the Internal Revenue Service as a 501(c)3 organization. It grew out of a community-based initiative to address the problem of uninsured people in Muskegon County. *Access Health* designed its program by examining the types of program models that have worked successfully for other communities.<sup>59</sup>

*Access Health* provides health **coverage**, not health **insurance**.<sup>60</sup> It does not deliver services directly; rather it contracts with and pays the providers in the community. The organization contracts directly with local providers, including both local health systems and most local physicians; therefore, *Access Health* does not contract with a health maintenance organization (HMO) as a 3rd party intermediary.

*Access Health* covers most physical and some mental health outpatient and inpatient services delivered in Muskegon County. Health services delivered outside of the county are excluded, as are certain specialized catastrophic care conditions typically covered by Medicaid.

*Access Health* has a community-based board composed of payers, providers and consumers of services. *Access Health* contains administrative costs by using an internet-based software package called i-Net, which manages claims payment locally.

## Community Preparation for *Access Health*

In 1993, with a grant from the W. K. Kellogg Foundation, the community formed the **Muskegon Community Health Project (MCHP)**, one of three county projects chosen to test the Foundation's Comprehensive Community Health Models of Michigan Initiative. Operating on the assumption that solutions to complex problems are best when they come from collaboration within the community, MCHP convened meetings to discuss Muskegon County health care access issues. Community members then developed several health initiatives, including *Access Health*.

*Access Health* targets the 17,000 people in working families who do not have access to health insurance through their employers. This population was identified through a community assessment of insured, uninsured and under-insured populations. The community assessment identified subgroups of uninsured individuals: (1) working families without insurance and (2) indigent uninsured adults without children. Muskegon Care, another project of MCHP available through the State Medical Plan, covers indigent adults without children.

In 1999, EPIC-MRA, a Michigan-based research firm, conducted a survey of 200 businesses that did not provide health insurance for their employees. The typical small business without employee health coverage was a restaurant, childcare center, home health agency, or retail establishment.

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## *Access Health* Target Populations

*Access Health* has targeted 500 businesses in the Muskegon area that have uninsured W-2 full-time employees with a median wage of up to \$11.50/hour. *Access Health* contracts for health coverage for employees and their eligible dependents. Under certain circumstances, young adults ages 19-23 years who live in the family home are eligible for coverage. Many young high school graduates in Muskegon live at home and either do not attend college or attend the local business college and thus may be uninsured and eligible.

To avoid competing with the commercial insurance market, *Access Health* enrollment is limited to businesses that have not offered another insurance product for the past 12 months. *Access Health* checks with the small group

### Businesses surveyed reported that:

- 75% had fewer than four full-time employees.
- 45% paid \$6 to \$12 per hour to full-time employees.
- 67% thought that offering coverage would reduce employee turnover.
- 69% indicated that "cost of premiums" was the reason for not offering coverage.
- 72% cited fear of future premium increases as another barrier to offering coverage.
- 81% said they would offer coverage if it were affordable.
- 95% indicated that they would be able to pay \$35 to \$50 per month per employee in premiums.

### Employees surveyed revealed that:

- 64% of employees considered health insurance coverage to be "extremely important."
- 30% of employees said they had forgone treatment for illness because of lack of coverage.
- The typical uninsured person was a woman under age 40 with children, often working multiple part-time jobs.
- 48% of those surveyed had not been offered coverage by their employers.
- 16% of employees surveyed had been offered coverage but had refused it. [Cost can be an issue for some people and young men tend to turn down coverage.]
- About two-thirds of employees surveyed said they would be able to pay \$35 to \$50 per month in premiums.

coverage program administered by the Chamber of Commerce and with local insurance brokers; if a business is found to have been involved with any commercial product within 12 months, it is not eligible for *Access Health*.

## Business Enrollment

When enrollment began in 1999, *Access Health* developed a multi-pronged marketing strategy designed to reach the target population of 500 local businesses. First, *Access Health* launched a direct marketing initiative and a media campaign, including cable TV coverage. In addition, *Access Health* encouraged private insurance brokers to enroll businesses not currently able to purchase small market private insurance packages. Private brokers agreed to market *Access Health* without commission because they believed that many of the businesses would “trade up” to commercial insurance packages later.

## Consumer Enrollment

*Access Health’s* parent organization, Muskegon Community Health Project (MCHP), has an extensive outreach and enrollment effort for the programs they manage (see “Snapshot” below for details on other programs). As part of this effort, *Access Health* and Muskegon Community Health Project assess families for their eligibility for other programs. Dependent children of *Access Health* participants are automatically screened for MICHild and Medicaid eligibility and families of eligible children are encouraged to enroll. Many of these working families do have children eligible for MICHild; in fact, MCHP is ranked 5th in the state for number of online enrollments in MICHild.<sup>61</sup>

## Financing *Access Health*

*Access Health* is a three-share program, which means that the business, the employee, and the community all share expenses. Costs are shared in the following proportions:

- Employer pays 30%
- Employee pays 30%
- Community pays 40%

In addition, the provider community contributes 10% of reimbursements to *Access Health* for administrative overhead. Actual costs of coverage are listed in Table 1.

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<b>Table 1: Access Health Cost of Coverage</b>				
	<b>Employer</b>	<b>Employee</b>	<b>Community</b>	<b>Total</b>
<b>Adult</b>	\$46.00/mo	\$46.00/mo	\$56.00/mo	\$148.00/mo
	\$552.00/yr	\$552.00/yr	\$672.00/yr	\$1776.00/yr
<b>Child</b>	\$29.00/mo	\$29.00/mo	\$37.50/mo	\$95.50/mo
	\$348.00/yr	\$348.00/yr	\$450.00/yr	\$1146.00/yr

Consumers must make co-payments for services. The actual amounts vary by service but generally range from \$5 to \$50.

Reimbursements to providers are set at the Medicare rate + 20%, which is higher than Medicaid rates.

The community share of the costs is financed with local money and matched with state dollars from the **Disproportionate Share Hospital (DSH)** funds. The state has allowed Muskegon to use these funds to finance *Access Health*; in return, MCHP has agreed to serve the medically indigent population of the state (State Medical Plan consumers). This subpopulation of uninsured is served through "Muskegon Care," another program of MCHP.

## What has *Access Health* accomplished?

Data collection and analysis still are in the early stages, as *Access Health* has been in effect for less than five years. To date, data have been collected on utilization and cost. In addition, *Access Health* plans to periodically assess patient and provider satisfaction and quality of services.

### Enrollment and utilization

So far, *Access Health* has made significant progress in reaching its target populations:

- **Business:** Today, 420 small businesses participate in *Access Health*, with an average of 2.6 employees per business.<sup>62</sup>
- **Consumers:** *Access Health* served 1,500 people in 2003. Data indicate that young men are less likely to enroll and prefer to count on good health.<sup>63</sup>
- **Providers:** 97% of all local physicians participate, as well as both local health systems.
- **Health insurance for children:** *Access Health* has identified and enrolled hundreds of children in working families who are eligible for MIChild. MCHP is responsible for 60% of the MIChild enrollments in Muskegon County.

### Stakeholder Satisfaction

A recent survey of 75 participating businesses conducted by the University of Illinois indicated early positive responses to participation in *Access Health*:

- 57% of respondents had not offered health insurance previously, which suggests that *Access Health* is not competing with the private insurance market.
- 49% of participating businesses now are likely to purchase commercial coverage and would prefer to buy through the agent who sold them *Access Health*.
- 49% of respondents indicated that *Access Health* helped employee morale and productivity.
- 33% indicated *Access Health* improved business profitability.
- 36% indicated *Access Health* helped them recruit and retain workers.

## Policy Wins for the Community

So far, *Access Health* has been quite successful in serving its target populations and enjoys wide community support. A number of factors have contributed to the community buy-in that is so important to long-term sustainability of *Access Health*:

***In the end, the community's hope is that health coverage will lead to more people using medical care appropriately, which will result in better health***

- Community stakeholders participated in designing the project; in addition, consumers, providers and payors all are involved in governance.
- *Access Health* is not an entitlement program but a shared public/private responsibility.
- *Access Health* moves people into the private provider market, saving safety net resources (e.g., free clinics, federally qualified health centers) for those with no other resource.
- *Access Health* gives a competitive advantage to businesses that can offer it as an employee benefit.
- *Access Health* can be used as an economic development tool to attract new businesses to the area. While these factors have a logical relationship with program effectiveness and long-term sustainability, systematic program evaluation over time is needed to establish program effectiveness. In the end, the community's hope is that health coverage will lead to more people using medical care appropriately, which will result in better health.

## Forthcoming Study of *Access Health*

Some questions about program effectiveness may be answered in the near future. In 2003 the Employee Benefits Research Institute received a grant from the W.K. Kellogg Foundation to conduct a study of *Access Health*, including how and why it was established; positives and negatives of the approach; impact on business; access to health care; and other factors. In addition to describing the project, the study will explore the business decisions that led to the plan and its preliminary impact on factors such as employee recruitment and retention, and will analyze significant community and financial factors affecting implementation.

Core components of the study include:

- Descriptive update on the program
- Exploration of the employer decision-making process
- Key stakeholder perspectives
- Funding and benefits issues
- Evidence related to risk selection
- Review of health and quality initiatives undertaken and their expected impact on health care spending

The report of initial findings is expected during the summer of 2004.<sup>64</sup>

## Additional Information

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