

Commissioners vote for more changes in health care 'of last resort'

By ERIN HEFFERNAN | Posted: Saturday, December 27, 2014 11:40 pm

GALVESTON — The Galveston County Commissioners Court voted this month to ease qualifications for its specialist health care program for the poor — easing cuts voted in just last year.

The indigent health care program is known as the “care of last resort” for the uninsured in Texas. The program funds specialists or hospital visits for patients who need care beyond a primary physician.

By law, all Texas counties must provide this care for residents at 21 percent of the federal poverty level or below.

Commissioners voted this month to raise the income limit in the county from 35 percent to 55 percent of the federal poverty standard — after a vote last year cut eligibility down from 100 percent.

The measure means that a single person can now make up to about \$6,300 a year and still qualify, up from about \$2,400 in 2013.

Commissioners say the goal of the change is to spend down a \$6.4 million fund the county has set aside for the program — but has yet to spend.

The UTMB tax deal

The reserve fund is what remains from a 2009 tax struck up in a deal between county commissioners and state legislators known as the “UTMB tax.”

Commissioners sought the agreement after the University of Texas Medical Branch sustained about \$1 billion in damage in Hurricane Ike.

Legislators agreed to fund \$150 million in repairs after the September 2008 storm on the condition that the county would invest in its own indigent health care program — after years of complaints that the workload of indigent patients had been an undue expense on the hospital system.

The county agreed to a 6-cent tax in 2009 to create the indigent care fund and promised to up the income limit for the program to 100 percent of the federal poverty level.

The tax raised more than \$11 million. Yet, last year commissioners reneged on the second agreement and voted to lower the limit to 35 percent of the federal poverty standard.

The change came after the program's spending went up about a half-million dollars last year.

“We just didn't have the money to pay for this program, so we decided to draw back,” County Judge

Mark Henry said. "Now that things have stabilized, we feel that we should be drawing on the reserve funds more now instead of just sitting on them."

Commissioner Stephen Holmes, the court's lone Democrat, rejected the vote to lower the income limits last year and still argues the county should fund the program at the level promised to the Legislature.

Holmes said commissioners were lucky legislators have not retaliated against the medical branch after commissioners went back on the deal.

"My feeling is that as long as we have fund balances in that account, we should be spending them on what we originally promised they were for at the level we promised the taxpayers we would," Holmes said. "We should be funding this at 100 percent because that's what we promised we would do."

The provider problem

Although the indigent system's funding came from a deal to save the medical branch, the hospital system has been unable to reach an agreement with the county in recent years to actually provide care through the system.

Before 2008, the medical branch was one of the primary providers for indigent care in the county.

The medical branch has in recent years, however, been unable to reach a deal with the county on the proper price it should be paid for taking the county's poor and uninsured.

The price paid to the hospital has been a thorny issue even before the hurricane. Advocates from the hospital said that at a rate of 35 percent of the usual fees, the county was not paying medical branch care providers enough.

There are still plans, however, to bring the medical branch back into the fold of indigent care.

"We are working and hope to make a deal with UTMB next year to bring them into the provider network," said Steve Gauen, president of Boon-Chapman, the private health care company that manages the indigent program for the county. "We need to come together to reach a fair price the county can pay and work out some contractual matters before we can come to terms."

Without the medical branch, Boon-Chapman has worked to build up a network of specialists, but in the current list of providers only 65 out of 628 specialists listed are actually in Galveston County, according to a Daily News analysis.

Most of the providers are in Houston and Webster, with a hub of Galveston County specialists at the Mainland Medical Center in Texas City.

The medical branch can provide care at its major hospitals in Galveston, as well as specialty clinics

throughout the county, Gauen said, which would provide more convenient care to many enrollees on the program.

“For the people that need this type of care, transportation can be a huge obstacle,” said Marsha Wilson who works as a grant manager at the St. Vincent’s House clinic, which provides health care to the uninsured in Galveston.

Wilson said many on the island may not have the means to travel long distances to go to specialized care outside the county.

“They often don’t have a way to get from place to place,” she said.

She said St. Vincent’s House also has felt effects as the medical branch has drawn back programs for the indigent after Hurricane Ike.

One study showed charity care as a percentage of gross revenue at the hospital system fell from 20.6 percent in 1999 to 3.3 percent in 2010, according to a report by Dr. Merle Lenihan for the Galveston County Free Care Monitoring Project.

“We’ve seen UTMB drop programs like its psychiatric care after Ike and it has added a big workload as those people now can come to St. Vincent’s as the only option for that care,” Wilson said. “We’ve seen almost no drop since Ike in the people coming through the door. It is constant.”

Commissioners have said that the increase in the federal poverty level guidelines for the indigent health care program is likely only temporary. The goal is to spend the \$6.4 million fund for the program estimated to last about 6 years.

Standards will then be re-evaluated and may go back to the state’s minimum levels when the fund — and the promises attached — run dry.