

Some with health insurance still prefer charity care

Time and expense at issue for patients who say they can't afford to miss work

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Texas Medical Center, where more than two dozen hospitals and academic institutions provide world-class care and conduct groundbreaking research, shimmers like a desert mirage for the estimated 1 million uninsured residents in the area who cannot afford to go there for treatment.

The same is true even for some recently insured people like Emily Martinez, a Montessori school teacher who visits St. Mary's Clinic seven miles away, in Houston's Third Ward, for quarterly diabetes checkups at a flat rate of \$35.

St. Mary's Clinic Director On Charity Care
Dr. Sister Rosanne Popp discusses providing charity...

Martinez, 46, bought health coverage under the Affordable Care Act, but the plan's deductible means the charity clinic is still more affordable. Plus, she says, she can't afford to take off work and spend half a day waiting to see a provider at a more crowded health center. St. Mary's opens early, and on her last visit she was out in eight minutes.

"My boss doesn't like it when I miss work," Martinez said. "I didn't see a doctor for five years. I come here every three months for a checkup. Lab tests are only \$10. I don't make a lot of money. You can't beat that. And the staff is real professional."

About a dozen free and charity care clinics around the Houston area are the only places the working poor and undocumented can go for care when they don't qualify for Medicaid and can't afford insurance.

Some of the charitable clinics set charges based on patients' family size and income. St. Mary's Clinic is an exception.

On a recent weekday, patients waited in the parking lot long before the clinic opened at 7:45 a.m. That's probably so they can get to work. Les Cave, president and CEO of the Christus HealthCare Foundation, which operates St. Mary's, said the majority of the patients there have jobs.

Unwilling to buy coverage

The Texas Department of Insurance estimates 6.5 million residents are uninsured, with some able but unwilling to buy coverage. An estimated 1.3 million uninsured Texans fall in the so-called "coverage gap" created after state leaders chose not to expand Medicaid. would remain uninsured and rely on free and charitable clinics to get the treatment they need.

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Even if lawmakers were to approve Medicaid expansion, more than 4 million people statewide would remain uninsured and rely on free and charitable clinics to get the treatment they need.

Some experts say free and charitable clinics should help enroll eligible patients in government coverage or help them buy insurance to improve people's access to care and ensure the charitable contributions they receive go toward those who don't qualify for care anywhere else.

Elena Marks, president and CEO of Episcopal Health Foundation, whose organization could fund free and charitable clinics, said the clinics ought to be encouraging people to get coverage.

"If we get more people in the system, we'll better manage the costs of their health care," Marks said.

Overhead costs

Others believe clinics should charge set prices and avoid involvement in a health care bureaucracy that will force them to increase overhead costs to screen patients for insurance and government coverage.

"Many people are just opting for the convenience of paying \$35," said Devon Herrick, referring to St. Mary's Clinic's flat price. He is a senior fellow and health economist at Dallas' National Center for Policy Analysis, a nonprofit, nonpartisan public policy research organization. "It's too bad we all don't have the same option."

Free and charity-care clinics typically receive no government funding and provide uninsured and undocumented people basic and preventive care, keeping them out of crowded health care centers and expensive hospital emergency departments.

Nationwide, more than 1,200 clinics record 5.5 million patient visits annually, with 83 percent of patients coming from working households, according to the National Association of Free and Charitable Clinics.

Forty-four percent of clinics have operating budgets of less than \$100,000, providing \$5 worth of care for every \$1 donated.

At St. Mary's last year, operating costs were about \$465,000, Cave said. Patients paid about \$150,000. The rest came from donors.

Between \$80 and \$125

Statewide, more than 65 free and charitable care clinics recorded 398,806 patient visits in the 2013 fiscal year, according to Lone Star Association of Charitable Clinics, a private, nonprofit organization in Austin. The average patient visit cost between \$80 and \$125.

At the same time, Texas' free and charity-care clinics saved an estimated \$63.8 million by treating patients and keeping them out of hospitals.

These clinics differ from health centers, which receive government funds and must follow federal regulations and provide mandated primary and preventive care services.

Required services include dental screening for children, family planning, mental health and substance abuse treatment, dental and pharmaceutical services.

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Ken Janda, president and CEO of the Houston-based managed care organization Community Health Choice, said some charity-care clinic patients who qualify for insurance under the Affordable Care Act probably would have bought coverage or purchased more affordable coverage if they had understood how to shop for it.

"That's the kind of stuff that worries me," said Janda, whose organization offered health insurance marketplace plans. "How do we get people to understand how to buy the right plan?"

He knows people would rather pay cash at a clinic like St. Mary's than buy coverage they might not use. However, health insurance is like a vehicle warranty, he said. Warranties typically don't cover basic repairs, but pay for major problems and spare people from bankruptcy.

Martinez, who said she intends to continue going to St. Mary's, understands that and says her insurance will come in handy in an emergency.

"I look at it that way," she said. "Insurance is something to back me up."

Government rules

Some charitable clinics are as reluctant to accept insurance and Medicaid as some patients are to enroll in coverage, said Janda, who serves on Houston-area charitable care clinic boards. They don't want to pay for the manpower and infrastructure needed to process bills sent to insurers and Medicaid for reimbursement or follow government rules to receive those payments, he said. Yet it's unrealistic to believe clinics can continue operating on grants and donations to meet growing patient loads, if those who could buy or qualify for government coverage won't do so.

With so many employers and insurers offering high-deductible plans, people can't afford their health coverage for routine appointments, Herrick said. They look for cheaper alternatives like St. Mary's Clinic when they get sick. Then clinics get squeezed because they use charitable donations to cover insured patients' care, he said.

"We've made our system so expensive by making it so bureaucratic," Herrick said. "Let's give people what they need."

Stretching the grants

As the administrator of a funding organization, Marks said clinics should direct patients with insurance and government coverage elsewhere to stretch the grants and donations they receive.

"They are using charitable dollars that are hard to come by," she said. "From a foundation perspective, our job is not to do the work that is someone else's to do. There will always be uninsured people, the undocumented or those who choose to be uninsured. It is not the role of charity to cover their costs if they can buy insurance."

San Jose Clinic in Houston's Midtown area is among the free and charitable clinics that screen potential patients for eligibility, accepting only those who are uninsured.

The clinic, operated by the ministry of the Archdiocese of Galveston-Houston, serves a 20-county area. In 2013, it recorded about 10,000 patient visits with an average cost around \$150. Patients payments are based on income and family size, making up 7 percent, or about \$681,000, of the clinic's estimated \$8.7 million 2013 budget.

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In, out in about an hour

"We're very conscious about our patient population," said president and CEO Paule Anne Lewis, whose clinic includes dental and specialist care. "We save our resources for the people who need them."

Patients pay for more than 80 percent of their clinic visits, which primarily are staffed by volunteer doctors, including some from the Medical Center. Lewis tries to get patients in and out the door in about an hour to prevent them from losing unpaid time away from work, which often keeps people from seeking treatment because they fear losing their jobs.

"It's the same quality of care if they had to go to the Medical Center," Lewis said, adding that Houston Methodist Hospital is among her clinic's biggest donors. "Everybody deserves the best health care they can get."

'Basic kind of stuff'

At St. Mary's on that recent morning, almost 40 patients had registered to see Dr. Sister Rosanne Popp, the clinic's medical director, and Dr. Sidney Boule, who works part-time, in the first three hours. Many came for checkups and follow-ups. A majority showed signs of diabetes, high blood pressure and high cholesterol - the staple of most medical practices these days, Popp said.

"We just see so much of this," she said of their ailments. "We do basic kind of stuff here."

Popp zipped from one appointment to the next as medical assistants called names of waiting patients. The assistants recorded patients' height, weight, pulse and blood pressure before Popp checked them.

She didn't turn anyone away or ask whether anyone qualified for insurance or government coverage.

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