

2020 Budget Request Form – Douglas County, KS

Summary and Community Partner Overview

Community Partner:	Heartland Community Health Center
2020 Request	\$184,350

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Community Partner Overview:

Heartland Community Health Center exists to welcome all who need care in Douglas County. Heartland is an integrated primary care practice with the ability to provide care for all community members, regardless of insurance status or income status. Heartland provides patient-centered, behaviorally-enhanced, primary care services for both acute and chronic health conditions. Heartland offers onsite mental/behavioral health, oral health, physical therapy, and wrap-around services. In 2018, Heartland served 6,042 patients with 24,364 visits. Heartland offers the following health and wrap-around services for all of its patients: a food pantry; a rent and utility assistance program; health coaching for diabetes care and prevention; health coaching for weight loss, nutrition, and exercise; health coaching for smoking cessation; and Early Detection Works, a women’s health program. Heartland also offers discounted medication through its medication assistance program and in-house repository.

In Heartland’s mapped service area, including zip codes 66044 and 66046, there are more than 20,300 low-income residents going unserved by a community health center like Heartland. While some of these individuals may be served by other local providers, the enormous need of affordable health care remains in Douglas County. As the single primary care safety-net clinic in Lawrence-Douglas County, it is clear our community must remain committed to increasing the capacity needed to eliminate or lessen barriers to care or improve access to services.

Heartland is requesting a continuation of Douglas County funding that will support affordable access to health care services for both insured and uninsured patients in need in Douglas County. Funds from Douglas County have been significant in providing comprehensive integrated care in the local safety-net system. The requested county funds will allow Heartland to leverage its resources and respond to the increasing demand of new patients.

Heartland requests that Douglas County continue to invest in primary care for the county’s most vulnerable community members to keep health care costs as low as possible by funding the equivalent of a 1.0 FTE Heartland primary care provider.

Service Overview - Metrics and/or data that describe the service impact:

2020 Budget Request Form – Douglas County, KS

The past three years have resulted in continuous growth for Heartland. Heartland has significantly expanded access by extending hours and increasing the number of primary care providers available to take new patients. In 2016, Heartland served 3,143 unique patients with 11,335 visits. In 2017, Heartland served 3,990 patients with 15,737 visits. Then in 2018, Heartland served 6,042 patients with 24,364 visits. This is an annual average increase of 34% for patients and 39% for encounters each of those years compared to previous, with the largest increase in 2018 (51% for patients and 54% for encounters compared to previous year). Comparing 2018 to 2016, Heartland has experienced a 92% in patient growth and a 115% in encounter growth. This is due to adding a satellite clinic at the Lawrence-Douglas County Health Department in late 2016 and allowing that to grow through referrals from the health department since that time. It also includes expansion of dental services and physical therapy services in 2017. Further, this includes the recent merger between Health Care Access and Heartland in 2018.

In 2018, 3,419 patients at or below the 200% Federal Poverty Guideline were served by the community health center indicating a balanced payor mix for the health center (42.6% uninsured, 57.3% insured). At least 390 patients identify themselves as homeless and 118 patients are veterans seeking care. Heartland's top three diagnoses included depression, hypertension, and anxiety. A diabetes diagnoses closely follows the leading three.

The integrated services offered at Heartland directly respond to the established priorities recorded in the most recent Lawrence-Douglas County Community Health Needs Assessment. In 2017, the local health assessment states that "nearly 1 in 4 (25%) of Douglas County adults report not having a health care provider" (Lawrence-Douglas County Needs Assessment , 2017, p. 19). Priorities from the community-wide health/needs assessment include addressing inadequate access to mental health services, increasing knowledge of available health and other services, increasing access to oral health services and addressing the lack of access to health insurance coverage. Heartland aims to serve as an emerging health care organization and address the community-wide health disparities in a cost-effective way.

To address the community needs, Heartland has fully embedded behavioral health into its primary care practice. With the support of a multi-disciplinary team composed of primary care providers, mental health providers, nursing support staff, and AmeriCorps members, Heartland engages patients in their care leading to improved health outcomes and quality of life. Care teams at Heartland acknowledge that the challenges in health care are not limited to medical diagnoses, but rather include complex psycho-social challenges. Heartland currently employs seven primary care providers and care team support staff to increase access to primary care services. In addition, Heartland has four behavioral health consultants on site and continues to expand integrated psychiatry services. Further, Heartland is focusing on enhancing its integrated model by increasing access to oral health services. Heartland now employs two dentist and dental support staff to aid in access to oral health care.

2020 Budget Request Form – Douglas County, KS

Alignment to County Focus Areas and Collaboration:

Community Partner:	Heartland Community Health Center
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Focus Area:	Human Services
<p>Douglas County is committed to improving the health of people in our community through equitable access to quality services that address the whole person. As the single primary care safety-net provider in Lawrence-Douglas County, Heartland is a high-leverage investment in an impactful health, safety and welfare service: preventative clinical health and patient-centered care. Heartland specializes in caring for the most vulnerable of our community and managing chronic, complex needs.</p> <p>As a health care provider and active participant in the Behavioral-Health Leadership Council, Heartland shares a common goal with fellow social service providers to support and care for the members of our community so that they can fully contribute to our community and enjoy its many benefits. Heartland is committed to enhancing and improving the way health care is delivered for all in our community through collaboration and partnership.</p> <p>Heartland is a partner to many social service providers in Lawrence-Douglas County. In partnership with the local area hospital, Heartland refers its patients to LMH Health and LMH Health-owned practices for emergency care, hospital admission/hospitalist coverage, specialty care, lab work, diagnostic imaging and obstetrical care. LMH Health refers patients in its emergency department who are uninsured, underserved, or without an established health home to Heartland for follow-up primary care. Heartland and LMH Health has recently established a direct referral system to develop a more formal follow-up and treatment model between LMH Health and Heartland for individuals who experience a behavioral health crisis and seek care through the LMH Health Emergency Department.</p> <p>Heartland has established a satellite clinic within the operation of the Lawrence-Douglas County Health Department (LDCHD) and offers primary care services to families and individuals that do not access services elsewhere in the community. Data collected by LDCHD indicated that approximately 46% of LDCHD clients did not have an established primary care provider. By embedding a Heartland care team, our organizations are better positioned to reach families or individuals who currently do not have access to comprehensive primary care services. In addition to primary care services, Heartland began to offer limited oral health services to families enrolled in the WIC program through LDCHD.</p> <p>Heartland collaborates with Bert Nash (BNC) to ensure access to mental/behavioral health services and integrated care services. This collaboration allows Heartland to provide brief therapies to patients with mental health issues and to consult with primary care providers about mental health diagnoses and treatment, while leveraging psychiatric expertise.</p> <p>Heartland also partners with DCCCA, a local substance abuse treatment facility, to support the integration of primary and behavioral health care. DCCCA serves as a referral source for patients identified by Heartland as needing substance abuse treatment services as part of their health care plan. Heartland offers a primary care provider as DCCCA's medical director for residents of the treatment facility and provides</p>	

2020 Budget Request Form – Douglas County, KS

on-going primary care services beyond their temporary stay at the treatment facility. All initial physicals for DCCCA residents are completed by primary care providers at the health center.

As Heartland expands its dental care, the partnership with Douglas County Dental (DCDC), the safety-net dental provider in Douglas County, has been essential. This partnership has allowed Heartland and DCDC to increase access for preventative, restorative, and outreach services. DCDC and Heartland continue to provide dental services under Heartland's roof for both insured and uninsured patients.

2020 Budget Request Form – Douglas County, KS

Community Partner: Name: Heartland Community Health Center						
	2016	2017	2018	2019	2019	2020
	Actuals	Actuals	Actuals	Adopted	Current	Budget
				FY Budget	FY Estimates	Request
Revenues:						
Unrestricted Fund Balance 1/1/xx	499,025	803,013	569,584	1,062,278	1,062,278	1,018,215
Douglas County Heartland Funding	60,000	60,000	60,000	60,000	60,000	60,000
Douglas County HCA	0	0	124,350	124,350	124,350	124,350
Douglas County Psychiatry	0	0	318,851	604,800	0	
City of Lawrence-HCHC	30,000	61,165	61,000	91,506	100,044	85,994
City of Lawrence-HCA			30,500	0		
United Way			100,000	100,000	100,000	50,000
Grants	1,932,204	1,747,402	2,308,423	2,249,139	2,531,779	2,245,792
Fundraisers			95,554	150,724	94,750	95,030
Contributions	70,843	60,165	182,673	139,900	115,190	120,800
Other: Program Revenue	1,315,623	1,772,966	2,423,495	2,887,925	2,762,070	3,271,083
Other: Miscellaneous	166,213	495,362	179,862	187,616	152,474	157,167
Other: 340b Prescription Program	198,266	496,211	813,421	1,282,307	736,973	1,088,256
Other: Assets acquired from HCA Merger	0	0	535,984	0	0	0
Total Revenues:						
	3,773,149	4,693,271	7,234,113	7,878,267	6,777,630	7,298,472

0.00%

2020 Budget Request Form – Douglas County, KS

Total Revenues and Fund Balance	4,272,174	5,496,284	7,803,697	8,940,545	7,839,908	8,316,687
Expenditures:						
Salaries	1,771,672	2,561,605	3,393,688	4,211,591	3,701,308	4,034,517
Employee Taxes & Retirement	146,547	219,537	301,335	404,144	341,389	415,039
Health Insurance	151,412	246,062	423,809	565,403	445,002	534,217
Supplies	130,096	186,850	242,776	269,795	212,981	228,340
Rent, Utilities, Building Maintenance	156,416	203,875	274,045	272,464	268,313	243,000
Travel, Meals, Meetings & Training	93,543	93,078	53,471	94,600	86,512	65,000
Office & Minor Equipment	68,892	70,463	17,012	31,100	8,422	14,400
Other: Insurance	7,816	12,279	21,216	24,363	17,414	19,500
Other: Food Pantry	11,169	13,287	8,202	31,900	21,604	21,600
Other: Rent & Utility Assistance Program	23,384	26,062	17,100	19,200	18,480	18,000
Other: Contractors	147,533	201,091	428,124	167,916	116,894	111,840
Other: Professional Fees	469,600	622,882	777,363	836,995	851,867	732,330
Other: Pharmaceuticals & Dispense Fees	123,336	267,064	423,820	653,985	415,025	555,011
Other: Miscellaneous	138,319	131,086	179,451	163,692	155,640	143,778
Other: Depreciation	29,426	71,479	180,007	166,981	160,842	160,000
Total Expenditures:	3,469,161	4,926,700	6,741,419	7,914,129	6,821,693	7,296,572
Ending Fund Balance 12/31/xx	803,013	569,584	1,062,278	1,026,416	1,018,215	1,020,115

2020 Budget Request Form – Douglas County, KS

Budget Request Analysis

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Analysis of Revenue Sources:

Heartland is a Federally Qualified Health Center and as a result, receives grant funding from multiple sources which provide critical resources necessary to provide care to those who would otherwise likely go unserved. Even so, Heartland seeks to become increasingly dependent on program income from insurance reimbursements, patient payments, and the 340b drug pricing program; efforts which have borne fruit as demonstrated above. Over the last three years, Heartland's combined revenue from Program and 340b Prescription Program has more than doubled to \$3,236,913 as of December 31, 2018. We continue to put efforts into growing those revenue sources as reflected in the 2020 Budget Request above.

However, despite these efforts to increase program revenue paid by or on behalf of patients, Heartland remains very reliant on local, state, and federal grants because of the limited resources of many of the patients we serve. As mentioned in last year's budget request, Health Care Access was merged into Heartland in February 2018, resulting in an immediate increase of approximately 1,500 uninsured patients. The merge effectively doubled Heartland's uninsured patient base, which could increase its uninsured payer mix up to 50 percent. Prior to the merge, Heartland's uninsured payer mix was steady at approximately 35 percent. This increase in uninsured patients, of course, decreases the amount of revenue that Heartland can generate which also decreases its revenue/encounter ratio. Heartland has been successful in providing services to those with limited resources and remains dependent on local support meet the needs of our more vulnerable, fellow citizens.

The 2020 Budget Request column above was prepared with reference to Heartland's FY20 Budget submitted to HRSA through the Budget Period Renewal process. Except for the Douglas County budget request lines, the numbers in the 2019 Budget Request column were those submitted to HRSA, but with minor adjustments based on new information. Heartland reports its results of operations on an April 30 fiscal year to HRSA and outside parties. Its operating budget is prepared on the same basis. The 2020 Douglas County Budget Request above does not show the \$604,800 allocated to psychiatry as the program has been modified and participation by Heartland in 2020 is undefined as of this writing.

Analysis of beginning & ending fund balances, and dedicated or restricted cash reserves:

Heartland reported fund balances above in accordance with generally accepted accounting principles and in so doing, the fund balances above include restricted and unrestricted resources. As a not-for-profit, Heartland has historically run an exceptionally lean operation wherein funds have been obtained for specific purposes, many of which are either restricted by the grantor or donor, or not expendable because they relate to fixed or other non-cash equivalent assets. For instance, the \$535,984 noted as a revenue source in 2018 was primarily for fixed assets (building and land) acquired through the merger. It was reported above as a resource (revenue) because the transaction increased the fund balance. In conclusion and summary, Heartland's fund balance is virtually entirely restricted and not available for general operating expenditures.

2020 Budget Request Form – Douglas County, KS

Analysis of expenditure changes:

Heartland has continued to successfully grow its base of citizens who come to Heartland for exceptional, compassionate care. Encounters (interactions with patients) measured monthly have steadily grown from 1,313 in December 2017, to 2,548 in January 2019, and continue to trend upwards. Over the same period, Heartland reduced average encounter expense from \$287.61 to \$249.92. Yet, as a service organization, Heartland's primary expense is payroll. As more patients came through Heartland's door, Heartland added care providers and support teams which increased payroll expense. At the same time, Heartland restructured its management team resulting in the elimination of an executive position in early 2019 allowing more of its limited resources to be directed to patient care.