HEALTH CARE ADVISORY BOARD

Meeting Summary
October 22, 2008

MEMBERS PRESENT
Marlene Blum, Chairman
Bill Finerfrock, Vice Chairman
Rose Chu, Vice Chairman
Francine Jupiter
Timothy Yarboro, M.D.
Rosanne Rodilosso
Dave West
John Clark
Ellyn Crawford
Susan Conrad

STAFF
Sherryn Craig

GUESTS
Gloria Addo-Ayensu, M.D., Health Department
JoAnne Jorgenson, Health Department
Rosalyn Foroobar, Health Department
Tom Crow, Health Department
Dean Montgomery, Health Systems Agency of Northern Virginia
Margo Kiely, Director, Staff Director, Beeman Commission
Kathaleen Karnes, Department of Systems Management for Human Services
Jennifer Siciliano, Inova Health System

The meeting was called to order by Marlene Blum at 7:48 p.m.

Approval of the Minutes

The minutes from September 8, 2008 were accepted as submitted.

Update on Sunrise Development, Inc.

Sunrise Development, Inc has withdrawn its application to build an Assisted Living Facility in Lorton.

Update on Inova Fiscal Plan

Inova Health System will present its Fiscal Plan at the December HCAB meeting. Changing economic conditions have forced Inova staff to revise its budget projections and seek internal approval from its Board. Inova will not be in a position to present the Fiscal Plan at the November meeting.

Certificate of Public Need (COPN) Presentation

Dean Montgomery, staff to the Health Systems Agency of Northern Virginia (HSANV), provided a presentation on the Certificate of Public Need (COPN) process. The HSANV is a regional planning body that was formed 30 years ago.

The HSANV handles between 20-25 applications a year. These proposals typically deal with the development, expansion, and/or change of service at a nursing home, community hospital, or diagnostic center. The HSANV uses 20 criteria to evaluate the merits of each application, some of which include:

- Economics of healthcare;
- Health care needs as measured by health care indices
- Use of healthcare facilities;
- Incidence and prevalence of disease
- Geography, race/ethnicity, gender, age, and health status of the population to be served;
- Evidence of redundancy and actual need for the service;
- Impact on access to health care;
- Associated costs of the proposal
- Overall effect of the proposal on the entire health care delivery system

A public hearing is held on each proposal, and the HSANV provides a written analysis of each project. The Board can then approve or disapprove a proposal. This decision is then forwarded to the Virginia Commissioner of Health. If a proposal is not approved, the applicant can appeal the decision in court. In general, applications that generate the most controversy are those that pit an established service provider against a new provider.

Mr. Montgomery reviewed regional health care patterns and trends. Northern Virginia is atypical; it has a highly distinctive demography and political structure. With almost 2 million residents, Northern Virginia has a small proportion of people 65-years-old and over relative to state and national trends. The population is skewed to 45-years-old and below. The most important change since the 2000 census has been a shift of the population into the 45-65-year-old age group.

Moreover, the demand for health care is exceptionally low. Northern Virginia has a comparatively low use rate for diagnostic imaging, hospitals, and nursing homes. Mr. Montgomery does not expect this pattern to change for at least another 10-12 years, and it explains why a new nursing home proposal has not been accepted in 20 years.

Mr. Montgomery also dispelled the notion that immigrants and the poor are crowding the area's hospital emergency rooms. The ER rate is remarkably stable and has been for more than two decades. According to the statistics, people utilizing acute care services are from the insured, middle and upper middle classes. More than 80% of people admitted to the hospital from the ER present with ambulatory sensitive conditions (i.e. diabetes, heart disease, etc.) Bill Finerfrock asked if we, as a community, are not making enough headway in preventing chronic diseases. Mr. Montgomery agreed that this is one of the conclusions that can be drawn. Mr. Finerfrock

questioned the efficacy of managed care and its promise to provide primary health care that prevents hospitalization. Mr. Montgomery said the data are limited, but the HSANV has reviewed Kaiser Permanente's statistics, which show primary care has contributed to a decrease in chronic disease among its beneficiaries. However, the same conclusions cannot be drawn for other providers.

Additionally, health care charges in Northern Virginia hospitals are lower than anywhere else in the state. Mr. Finerfrock observed that money paid into insurance premiums in Northern Virginia is being used to subsidize care in other parts of the state. Mr. Montgomery agreed with this statement. Mr. Finerfrock asked if Northern Virginia hospitals are more profitable than other hospitals in the state. Mr. Montgomery said that hospital costs and charges are higher in other areas, which leads to the conclusion that Northern Virginia hospitals may be more efficient.

The Northern Virginia region continues to attract developers who view the community as extraordinarily affluent. The HSANV does require that 3% of an applicant's revenue be used for charity care. In lieu of a charity care program, applicants must pay this amount into a statewide pool that pays to reimburse uncompensated care in the community. The HSANV has also requested that providers not charge in excess of the Medicaid payment rate to people with no insurance or inadequate insurance plans. However, these agreements are voluntary and have been generally ineffective.

Beeman Commission Update

Margo Kiely and Kathaleen Karnes provided an update on the Josiah H. Beeman Commission recommendations. The keystone of the Commission's report will be better care coordination in the community. This recommendation will involve a multiplicity of providers and will translate into less inpatient care for patients. The HCAB offered its support in strengthening the link between primary and mental healthcare.

As part of its goal to facilitate the connection to primary health care for people with psychiatric disabilities, the Commission suggested a possible modification of the affordable healthcare system to a Federally Qualified Health Center look-alike. There are several issues which would need to be addressed before adopting a FQHC model, including Medicaid reimbursement, long-term medication needs, etc. Beeman Commission staff assured the HCAB that substantial discussions would need to occur among the Community Services Board (CSB), Health Department, CSB Board, and HCAB in exploring the feasibility, benefits, and implementation of this approach.

The HCAB agreed to send a memo to Mr. Griffin and Mr. Haywood expressing support for strengthening the link between primary care and mental health care and for HCAB and Health Department participation in examining the FQHC look-alike model.

HCAB members were surprised to hear about the possibility of developing a local group health insurance plan. Both the County and the State have experimented with this idea, and so far, the results have been disappointing.

Lines of Business (Part 2)

Dr. Gloria reported on the Lines of Business (LOB) process, which was designed to educate the new Board and target programs for reduction. All County agencies were directed to cut 15% of their operating budgets.

Dr. Gloria began the presentation by reviewing the agency's reduction priorities. Throughout FY 2008, the Health Department streamlined programs, activities and services (PAS) to improve efficiencies and reduce costs. The agency then identified PAS mandated at the local, state or federal level or in the County/Virginia Department of Health contract and eliminated them from reduction consideration. Non-mandated PAS that supported mandated services (Pharmacy, Laboratory, Program Management) were also eliminated from consideration. Staff reviewed the degree of alignment for remaining PAS with the agency's strategic plan, core public health functions and the criticality to agency mission. A comparison of eligible PAS included the impact on participants, clients or community, the severity of the impact, and whether a segment of the community would be disproportionately impacted. Staff considered what kind of impact (if any) an eligible PAS reduction would have on community safety or the environment, and whether the reduction in PAS would result in completely eliminating the workload or merely shifting it. Lastly, the agency explored the feasibility of revenue enhancements to sustain PAS, with consideration for whether the higher fees would be consistent with fees set by the Board of Health.

The Health Department is funded by County, State, and grant dollars:

County: $31,826,325
State Contributions for mandated services: $9,734,264
Federal/State Grants (13 grants/57 positions): $3,409,080

The agency reduction priorities involved the elimination of five PAS: Annandale Adult Day Health Care (ADHC) Center, Environmental Hazards program, School Health Clinic Room Aides (CRAs), and the Air Pollution program. This 15% reduction translated to $5.1 million.

<u>Closure of Annandale ADHC Center</u>
The Annandale ADHC is the oldest of six centers in the County, and has a small participant population, serving a total of 52 clients with a daily attendance of 17. Closing the Annandale site will increase the waiting period for adult day health care service from 7 to 21 weeks depending upon the family's choice for participation at the remaining five sites. Because Fastran provides service to catchment areas, transportation may also be a factor in facilitating participants' transfer to another center. The lives of participants as well as caregivers will be impacted and nursing home placement may be the only remaining option for some families. Besides families using the Annandale ADHC, participants at Braddock Glen and the Lincolnian will also be impacted by this closure.

<u>Elimination of Environmental Hazards Program</u>
The Environmental Hazards Program was formed in FY 2007 as part of the agency's emergency preparedness development and supports the Fire and Rescue Department's response to environmental emergencies involving chemical hazards by providing guidance on re-entry and

appropriate clean up following the initial assessment by the Hazmat Unit. It also responds to citizen concerns to toxic and non-toxic substances such as mold, mercury, lead, radon, asbestos and hazardous materials. Eliminating the Environmental Hazards Program means the agency will be unable to perform its chemical and hazardous material emergency response. Furthermore, skills required in this Unit are different from that of any other Environmental Health Specialist.

Elimination of Clinic Room Aides from School Health Program

The CRA is the primary source of care for sick and injured students and for administering routine and emergency medications in the Fairfax County Public Schools (FCPS). In addition, the CRA is responsible for vision and hearing screenings for new students and those in grades K, 3, 7, and 10; serves a critical role in early identification of communicable diseases in the school, and ensures compliance with individual health plans. In FY 2008, there were 755,220 clinic visits, over 850 medications given each school day; and over 64,000 students were screened for visions and hearing defects. The elimination of the CRA program means children with health issues will need to be triaged by FCPS personnel or designee. This would include care of the sick and injured, administration of medications, contacting parents, vision and hearing screenings for students and tracking immunizations. Ensuring compliance with health plans, which continue to increase in number and level of complexity, will be problematic. Fostering student development and maturity and ensuring parent/family comfort level in the health needs of their child may also be sacrificed. The potential also exists for an increase in the incidence and prevalence of communicable diseases in the schools as a result of delays in disease reporting by FCPS, which in turn will impact the community at large. Eliminating the CRA program represents a cost shift as this service will need to be provided by the school or a subcontractor.

Elimination of Air Pollution Control Program

The Air Pollution Control program monitors the county's air quality and works cooperatively with the metropolitan Washington Council of Governments to reduce air pollutants. Five ambient air pollution monitoring stations throughout the County monitor the air for carbon monoxide, ozone, sulfur dioxide, oxides of nitrogen, acid rain and particulate matter. The program is also responsible for tracking pollutant levels around several major pollution sources such as the Luck Stone Quarry in Centreville, Vulcan Stone Quarries in Lorton, the I-95 Energy Resource Recovery Facility and the Alexandria/Arlington Energy Resource Recovery Facility. The incinerator monitoring project tracks meteorological conditions, particulates and heavy metal parameters which facilitates evaluation of the potential adverse impact those sources may have on the region's air quality. Elimination of this program means monitoring services at the stone quarries and energy recovery facilities will cease. Special studies to monitor pollution from businesses and idling motor vehicles will also be discontinued. Data on primary air pollutants will not be reported to the Environmental Protection Agency (EPA). In light of reduced EPA funding to the state, the ability of the state to maintain the county sampling program is doubtful.

In discussing the recommended reductions, Dr. Gloria indicated that there were only 3 non-mandated services that would allow the Health Department to meet the 15% requirement: CHCN ($9 million/year), Long Term Care Services ($3 million/year), and CRAs ($4.5 million/year).

HCAB members asked agency staff for the percentage of Health Department PAS that are mandated and non-mandated. JoAnne Jorgenson said she would get that information to the HCAB. This information will be used to craft the HCAB's budget response to the Board of Supervisors, the County Executive, and the Human Services Council.

In shifting the responsibilities of the CRAs to the public schools, a question was asked about liability. Agency staff indicated that insurance liability remained the responsibility of FCPS.

A question was asked about the maturity of the Air Pollution Control Program. Tom Crow said the program was implemented in the 1970s, but was eliminated in prior budget reductions. The CRA and Environmental Hazards programs were also eliminated or scaled back in previous reductions.

A question was asked about how much revenue the Environmental Health Division generates. Tom Crow replied that thirteen percent of the Division's budget is comprised of fees. Other divisions are obligated to follow state mandated guidelines in establishing fee structures. HCAB members encouraged the Health Department to review its fee structures in order to scale back proposed reductions. Health Department staff said that they reevaluate fee structures annually, but that there are limits to what can be imposed.

There being no further business, the meeting adjourned at 10:21 p.m.