

HHS COMMITTEE #3
October 29, 2009

MEMORANDUM

October 27, 2009

TO: Health and Human Services Committee

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Update – Montgomery Cares: FY09 End of Year Expenditure Report and FY10 First Quarter Data on Patients and Encounters**

For FY10, the HHS Committee recommended and the Council approved the County Executive's recommended allocations for primary care visits and pharmacy services for the Montgomery Cares program with two caveats: (1) the Committee will receive an update on the number of patients and encounters, and people will not be turned away from primary care because of the budget, and (2) the program must continue to provide pharmacy services on site and will not implement a policy that refers patients to private low-cost pharmacy programs. Montgomery Cares participants have limited transportation and it is critical that they be able to receive medications at the time. In addition, the Council approved an additional \$47,000 for specialty care and restored \$70,000 for the behavioral health care component of Montgomery Cares based on the recommendations of the Montgomery Cares Advisory Board.

At this session, the Committee will have an opportunity to review FY09 end-of-year expenditure data and discuss patient and patient encounter data for the first quarter of FY10.

Update – FY09 End-of-Year Expenditure Report

Attached at ©1 is a summary of the budget and expenses for FY09. The Montgomery Cares budget was adjusted twice during FY09. The first time was an adjustment to shift more funding to primary care and community pharmacy based on the increased number of patients and encounters and the second was an adjustment that was part of the FY09 Savings Plan. The Council agreed to the Executive's recommendation to reduce costs for Montgomery Cares by

\$510,000 during FY09, again with the understanding that patients would not be turned away from primary care.

The information indicates that:

- Enrollment in Montgomery Cares for FY09 was 21,077 unduplicated patients. This is 1,647 more patients than originally projected for FY09 but 1,423 fewer than the 22,500 mid-year projection. The FY10 budget assumes 22,500 unduplicated patients.
- \$3.42 million was needed for support for primary care visits. This averages \$162 per unduplicated patient.
- \$2.04 million was needed for community pharmacy/med bank services. This averages \$97 per unduplicated patient.
- Cost savings in Healthcare for the Homeless in large part are the result of vacant positions that were not needed for the program (these were also approved as FY10 reductions.)

First Quarter FY10 Data

The Executive's FY10 budget for Montgomery Cares primary care is based on 22,500 unduplicated patients with each patient having an average of 2.7 encounters, or 60,750 total patient encounters in the course of the year. The data included at ©2 indicates that as of the first quarter the clinics have reported 11,110 unduplicated patients and approved 17,017 visits. The encounter rate for the first quarter is 1.53 visits per patient. As noted during budget discussions, the number of patients can be much higher than the 22,500 if the average number of encounters is less than 2.7 per patient – as it is currently.

The information on ©3 indicates that in looking at data from FY07-FY09, about 23% of encounters occur during the first quarter. If this holds true in FY10, it is projected that there would be 73,987 primary care visits over the course of the year, or 13,237 more encounters than the 60,750 assumed in the budget. At a cost of \$62 per visit, an additional \$820,694 would be needed to cover the cost of primary care visits.

The Committee should keep this data in mind if any recommendations are made in the expected FY10 Savings Plan regarding Montgomery Cares. In FY09, a substantial part of the flexibility to meet actual costs and the FY09 Savings Plan came from reducing facility and technical assistance costs. While the original FY09 budget included \$1.5 million in this category, the FY10 approved budget includes only \$406,810. Another area with some flexibility, program development, was also reduced by \$100,000 for FY10 to a total of \$244,000.

MONTGOMERY CARES FY09 BUDGET and EXPENSES					
	FY09 Original	FY09 Reallocation	FY09 Savings Plan	FY09 Actual Expenditure	Expenditures to Savings Plan Budget
Enrollment	19,430	22,500	20,966	21,077	111
Support for Primary Care Visits	3,253,182	3,767,100	3,510,296	3,423,866	(86,430)
Community Pharmacy - Med Bank	1,975,021	2,251,321	1,875,021	2,036,959	161,938
Cultural Competency	97,000	97,000	97,000	95,725	(1,275)
Pilot Programs	950,000	950,000	912,578	878,099	(34,479)
Specialty Services	562,077	613,469	512,077	512,105	28
Program Development	344,000	300,000	344,000	333,454	(10,546)
Information and Technology	375,000	375,000	380,245	380,041	(204)
PCC-Administration	524,070	524,070	524,070	533,251	9,181
HHS Eligibility Determination	184,014	184,014	184,014	193,890	9,876
HHH Administration	509,313	463,451	494,313	439,520	(54,793)
Facility and Technical Assistance	1,502,818	684,110	1,104,931	1,003,878	(101,053)
Health Care for the Homeless	793,822	860,782	621,772	588,554	(33,218)
Balance in Payroll					44,113
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TOTAL MONTGOMERY CARES	11,070,317	11,070,317	10,560,317	10,419,342	(96,862)

First Quarter FY10 Data

Clinic	FY10 Target Patients	Unduplicated Patients	% Target Met	Encounters Approved	Ratio
CCACC-PAVHC	450	149	33%	185	1.24
Community Clinic, Inc.	2,500	892	36%	1,310	1.47
CMR - Kaseman Clinic	1,200	296	25%	330	1.11
Holy Cross Hospital Health Center - Silver Spring	1,958	825	42%	1,701	2.06
Holy Cross Hospital Health Center - Gaithersburg	1,125	659	59%	1,378	2.09
Mary's Center	616	179	29%	241	1.35
Mercy Health Clinic	2,144	1,252	58%	1,808	1.44
Mobile Med	5,670	2,548	45%	3,624	1.42
Muslim Community Center Clinic	1,850	790	43%	1,209	1.53
Proyecto Salud - Wheaton & Olney	4,615	1,915	41%	2,965	1.55
Spanish Catholic Center	1,150	498	43%	693	1.39
The People's Community Wellness Center	1,002	281	28%	333	1.19
Under One Roof - Twinbrook	950	495	52%	623	1.26
General Medical Clinic Sub-totals	25,230	10,779	43%	16,400	1.52
Mobile Med Homeless	750	262	35%	493	1.88
Under One Roof - Gude	65	69	106%	124	1.80
Homeless Medical Clinic Sub-totals	815	331	41%	617	1.86
Medical Clinic Totals	26,045	11,110	43%	17,017	1.53

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These are clinic targets
and not the overall patient
assumption in CE's FY10
recommended budget

Projected FY10 Encounters

	Q1 Encounters	Total Encounters	% Total Met in Q1
FY07	8,399	36,569	23%
FY08	10,936	45,224	24%
FY09	12,186	56,597	22%
FY10	17,017	73,987*	23%*

*Estimated

Based on first quarter data from the past 3 years, we could expect **73,987 encounters in FY10**, based on FY10 Q1 data.

- On average, 23% of total annual encounters were reached by end of first quarter.
- Actual encounter volume is subject to clinic capacity and influenced by facility size, operating hours, clinical staffing patterns and patient utilization.