



## **Section B**

# **Introduction and Resources**

## INTRODUCTION

Unlike other major counties in California, Orange County does not have a county-operated system of care for underserved populations. The current “system” is a patchwork of discontinuous services supported by a myriad of funding mechanisms and delivered by varied combinations of public and private hospitals and nonprofit community clinics. The members of the Coalition of Orange County Community Clinics (COCCC) are a primary source of ambulatory care services to the uninsured and underinsured populations of Orange County. COCCC is dedicated to building and strengthening a community-wide system of comprehensive, high-quality, accessible and affordable health care. In their leadership capacity, COCCC and member clinics have undertaken a planning initiative to design a health care delivery system to meet the current and future needs of the uninsured and underinsured populations residing in the County.

In order to design such a coordinated health care delivery system, the Coalition Board of Directors identified three equally important components to this immense planning initiative:

1. Completion of a Needs Assessment, which includes an analysis of services provided and gaps in the current system. The Needs Assessment is intended to guide the process for allocation of funds provided by Measure H—Tobacco Settlement Revenue for fiscal year 2002-03 and serve as a baseline for designing the system of care;
2. Design of a Community Clinic countywide system of care, that works with other safety net providers, to deliver appropriate and adequate health care services to the uninsured and underserved;
3. Provision of leadership to the Community Clinics’ countywide planning process that will include community members, local health care stakeholders, and other health care providers delivering medical services to the indigent population.

**Introduction (continued)**

This planning initiative is consistent with the COCCC Vision and Mission Statements:

**Vision Statement:** The Coalition of Orange County Community Clinics, as the representative of the community clinic safety net providers in Orange County, will provide leadership to assure that high quality services are available to the uninsured and medically underserved.

**Mission Statement:** The Coalition of Orange County Community Clinics is a consortium of safety-net health care service providers dedicated to building and strengthening a community wide system of comprehensive, high quality, accessible, and affordable health care. The Coalition is committed to supporting the needs of its members through service, education, advocacy, and resources in order that they can effectively serve their diverse, multi-cultural populations.

Kaiser Permanente and Measure H—Tobacco Settlement Revenue (TSR) have provided funding for the Needs Assessment phase of this planning initiative. The Clinic Network Development Task Force of COCCC was tasked with leading this planning effort. Members of that Task Force are hereby acknowledged:

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### **Introduction (continued)**

In October 2001 the Coalition engaged **pmpm<sup>®</sup> Consulting Group Inc.** to undertake Phases One and Two of this planning process. Phase One activities, development of a system of care needs assessment, began with a series of interviews with Community Clinic Administrators, key stakeholders, and community leaders who are dedicated to and instrumental in establishing and delivering health care services to the uninsured and underinsured populations of Orange County. Numerous relevant publications addressing the needs of this population, as well as specific data from the Community Clinics, have been utilized to:

- Develop a profile of the residents to be served;
- Quantify the current services being provided;
- Evaluate the impact of these services based on the distribution and profile of the population on a regional basis

This System of Care Needs Assessment report includes the conclusions reached by **pmpm<sup>®</sup>** based on the data available at a given point in time, and sets forth the recommendations made to the Clinic Network Development Task Force and the Board of Directors of the Coalition of Orange County Community Clinics. This assessment is not intended to statistically quantify the uninsured population of Orange County. In fact, this report draws on two different authorities to estimate this population. The intent of this assessment is to develop an approximation of the number and characteristics of the uninsured population of Orange County to serve solely as a guide for planning future growth and expansion of the Community Clinics serving this population.

**pmpm<sup>®</sup>** appreciates the opportunity to assist COCCC on this important project. We believe that the Coalition and its member Community Clinics are doing an extraordinary job of serving the Safety Net and Target Populations of Orange County. The Community Clinics fill a vital role in the delivery of care to these populations. Key stakeholders and community leaders interviewed for this project readily acknowledged the value of their services. The Coalition and the Community Clinics should be proud of their accomplishments.

**Introduction (continued)**

The contents of this report should in no way be interpreted as criticism of the work currently done by the Community Clinics. Rather, it should be a roadmap for bringing together all stakeholders in a collaborative effort that can build a true system of care and move providers to the next level of competence to enhance the quality and quantity of care delivered to the uninsured and underinsured populations of Orange County. We look forward to assisting the Coalition in sharing this document with community leaders and in designing a model system of care that builds on past successes to serve as the foundation for delivering more high quality health care services to more people.

## SOURCES OF DATA USED IN NEEDS ASSESSMENT

Using the sources of data and references described below, **pmpm<sup>®</sup> Consulting Group Inc.** has identified gaps in the delivery of health care services to a Target Population (defined in Section D of this report) served by the Community Clinics in Orange County, and has made recommendations for filling these gaps. **pmpm<sup>®</sup>** has relied upon available demographic and program data, and, within the constraints of this project, developed an estimated Target Population modeling the approximate characteristics and distribution of this population across the four predefined Regions in Orange County.

It is important to note that both the size and the demographics of the Target Population presented in this report are **estimates** based on a set of assumptions and methodologies as explained throughout the report. The data regarding the uninsured population presented in this report should not be interpreted as being statistically precise—but rather a reasonable approximation with sufficient credibility to serve as the basis for strategic planning and subsequent development of a system of care to serve the Target Population.

### Population Data

- Current population data at the ZIP Code level, based on the 2000 census, was purchased from Claritas, a nationally recognized demographer. This database includes age, ethnicity, and family income at the ZIP Code level.
- This Claritas population data was utilized to generate a demographic profile of the residents of Orange County on a regional basis (Central, North, South, and Western). The Regions as defined in this report parallel those utilized in the development of the Orange County Health Needs Assessment Project “Community Health: Working the Puzzle”, published in the Spring of 1999.
- The population by age, ethnicity, and income level groupings as provided by Claritas do not always correspond to the groupings utilized by other data sources needed to profile the Target Population. Therefore, some extrapolations were necessary in order to quantify certain characteristics of the Target Population. Where such extrapolation was necessary, it is disclosed in the report, together with the supporting assumptions.

### Payor Type

- In order to quantify the Target Population, it was necessary to develop an approximate profile of the entire county population by payor type (the number of persons enrolled in specific forms of coverage for payment of health care services). If all populations with some form of health care coverage could be identified, the balance would constitute the uninsured—the primary component of the Target Population. Enrollment data, much of which were at the ZIP Code level, were obtained from:
  - California Managed Risk Medical Insurance Board
  - California Department of Health Services
  - County of Orange Social Services Agency
  - County of Orange Health Care Agency
  - Centers for Medicare & Medicaid Services
  
- Both the number of persons enrolled in private insurance (HMO, PPO, and indemnity plans) and those who are uninsured were calculated based on data published by UCLA Center for Health Policy Research in:
  - “The State of Health Insurance in California: Recent Trends, Future Prospects”, published March 2001
  - “Uninsured Californians in Assembly and Senate Districts, 2000”, published May 2001
  - “California’s Growing Uninsured Population and Options to Expand Coverage”, published May 2000
  
- In summary, the above-referenced UCLA resources indicate, based on data spanning 1997 through 1999, in Orange County approximately 64% of the population 0-64 was covered by job-based insurance; 23% of the population 0-64 was uninsured; and 1% of the adults 65 and older were uninsured. Applying roughly those percentages to current demographics produced estimated private insurance and uninsured population numbers that, when considered with those enrollees specifically quantified from other sources, replicated the total population of Orange County as provided by the Claritas data. That is why **pmpm**<sup>®</sup> elected to utilize the UCLA methodologies as the primary basis for estimating the number and characteristics of uninsured in Orange County.

Uninsured Population Characteristics

The Coalition of Orange County Community Clinics task force directing this project requested as specific a profile as possible of the Target Population. Again, *pmpm*<sup>®</sup> utilized the work of the UCLA Center for Health Policy Research to model the approximate profile of the uninsured population of Orange County based on study findings applicable to the State of California.

The UCLA study reported findings regarding the characteristics of the uninsured on a statewide basis as shown in the tables below. It is important to note that each finding stands on its own. The percentages for any one characteristic (age, ethnicity, family income, etc.) will not add to 100%. **The table indicates what percentage of those in a defined demographic segment is uninsured.** For example, 19% of all those in the age category 0-17 are estimated to be uninsured. Once that population number is found, it will not represent 19% of the uninsured population, but something more or less than that percentage based on the age distribution of the total population.

| Age   | Uninsured | Ethnicity              | Uninsured | Family Income | Uninsured |
|-------|-----------|------------------------|-----------|---------------|-----------|
| 0-17  | 19%       | Hispanic/Latino        | 41%       | 0-100% FPL    | 51%       |
| 18-24 | 38%       | White (non-Latino)     | 15%       | 100-250% FPL  | 39%       |
| 25-29 | 32%       | Asian/Pacific Islander | 25%       | 250-400% FPL  | 21%       |
| 30-39 | 24%       | African American       | 21%       | 400% + FPL    | 1%        |
| 40-54 | 18%       |                        |           |               |           |
| 55-64 | 19%       |                        |           |               |           |
| 65+   | 1%        |                        |           |               |           |

| Work Status / Age 19-64  | Uninsured | Family Composition / Age 19-64 | Uninsured |
|--------------------------|-----------|--------------------------------|-----------|
| Full-Time / Full-Year    | 19%       | Single with Child              | 10%       |
| Full-Time / Part-Year    | 29%       | Married with Child             | 28%       |
| Part-Time                | 30%       | Single without Child           | 50%       |
| Not Working Outside Home | 33%       | Married without Child          | 13%       |

The age, ethnicity, and family income characteristics were applied to the Claritas population for each of the Regions to generate an estimated number of uninsured by Region. Application of these characteristics resulted in estimated uninsured populations ranging from a low of 22% to a high of 25% of the total Orange County population 0-64. These results support use of the UCLA Orange County uninsured rate of 23% that was used to establish the estimated total number of uninsured in Orange County—approximately 600,000. That estimated uninsured population was then apportioned to each Region based on the average of the three distributions developed using the age, ethnicity, and family income characteristics of the UCLA Study. The work status and family composition characteristics were also applied to the County and Regional populations to produce an approximate distribution of the estimated uninsured based on these profile factors.

*pmpm*® staff spoke with E. Richard Brown, PhD, and Ninez Ponce, PhD, of UCLA Center for Health Policy Research who co-authored, together with Thomas Rice, PhD, “The State of Health Insurance in California”. Drs. Brown and Ponce both cautioned that their study findings were based on an analysis valid at a given point in time. They further advised that application of characteristics identified on a statewide basis would not be directly applicable on a county basis due to variables in the make up of the population. They did indicate that in May UCLA would be publishing another study regarding the uninsured based on the California Health Interview Surveys. That study will contain more county-specific information. ***Again, it is important to state that the characteristics of the uninsured population presented in this study are approximations for planning purposes, and are not intended to represent statistically valid facts.***

#### Orange County Health Needs Assessment (OCHNA) Estimate of Uninsured

In 1999, OCHNA issued a report based on a 1998 random digital dial survey of over 5,000 Orange County residents. That report indicates that 16.9% of adults 18 and older and 12.8% of children age 0 to 17 in Orange County are without any type of health care coverage. Applying these findings to the Claritas population data used in this report fixes the approximate number of uninsured residents in Orange County at 458,700. The variance between these two methodologies (UCLA and OCHNA) represents less than five percent (5%) of the total population of Orange County (141,300). Included in Section J of this report (page J35) is OCHNA’s analysis of the differences between their survey results and those results based on the UCLA methodologies providing an explanation for “Why Don’t The Numbers Match Up”.

One of the methodologies used by *pmpm*<sup>®</sup> to quantify gaps in service to the Target Population is to estimate the current market penetration rate of the Community Clinics. This quantification is presented in Section E of this report, commencing on page E5. For purposes of illustrating this current market penetration rate, as well as establishing a target market penetration rate, both the UCLA and the OCHNA uninsured population estimates have been utilized. **Irrespective of the source used to estimate the Community Clinics market penetration rates for the Target Population, there is a significant unmet need for services to the uninsured and underinsured populations, and that is the focus of this report.**

#### Community Clinic Data

Data regarding the patient characteristics (age, gender, ethnicity, payor type) were derived from the annual reports submitted to Office of Statewide Health Planning and Development (OSHPD) for the year 2000. In some cases the number of patients reported by payor type varied from that reported for the characteristics of age, gender, and ethnicity. In no cases were these variances significant. The information regarding the total volume of services (which includes duplicated encounters when more than one type of service was provided), by service type, was also derived from the OSHPD reports. The following exceptions are noted:

- Casa de Salud Family Health Center, as a new clinic, did not prepare an OSHPD report in 2000. The Clinic made available data regarding the number of patient visits by payor type for the period March 2000 to April 2001 which were used in this report. Other patient characteristics and information regarding total encounters by type of service were not available, so, other than visits by payor type, the activities of this clinic are not reflected in profiles of the Central Region.
- While St. Jude could not provide some of the detailed analysis of encounter data as contained in an OSHPD report, the Clinic did submit information regarding the total number of patients served by age, ethnicity, and payor type, and provided the total number of encounters differentiated between general medicine, pediatrics, prenatal, and dental visits. Therefore, St. Jude is reflected in many, but not all, of the analyses of patient services by type.
- The Coalition is conducting a training session for Community Clinics' staff prior to completion of the complex OSHPD report for 2001 to ensure greater uniformity in data submission.

### Community Clinic Data (continued)

The Coalition has made significant progress with their strategic initiative to “refine and implement over the next three to five years an Information Technology plan...”. While not all clinics are on the same information system, efforts are well underway to establish a reporting system that will enable data to be aggregated to facilitate analysis of the patients accessing Community Clinic services. It is expected that the capture and reporting of 2001 patient data will be sufficient in scope to enable identification of unduplicated patients and patient migration patterns across ZIP Codes and amongst clinics. This capability will be important for planning purposes.

### Clinic Administrators, Key Stakeholders, and Community Leader Interviews

*pmpm*<sup>®</sup> consultants interviewed Administrators of all Community Clinics as well as members of the community identified by the Coalition Task Force as being key stakeholders and community leaders whose perceptions and input are vital to the development of a system of care to serve the Target Population. The results of these interviews have been drawn on substantially in the identification of service needs, barriers to access and availability, and the environmental and political factors that must be considered and confronted in the pursuit of a system of care. A summary of all interviews is presented in Section J of this report.

### Other Relevant Publications

*pmpm*<sup>®</sup> consultants relied on information and perceptions from numerous publications relevant to the uninsured and underinsured populations of Orange County. As with the results of the above-referenced interviews these resources contributed to the identification of service needs, barriers to access and availability, and the environmental factors related to the development of a system of care to serve the Target Population. A complete bibliography of the publications utilized in this project is contained in Section J (pages J36 and J37) of this report.