



# Louisville Metro Council Budget Hearing June 10, 2019



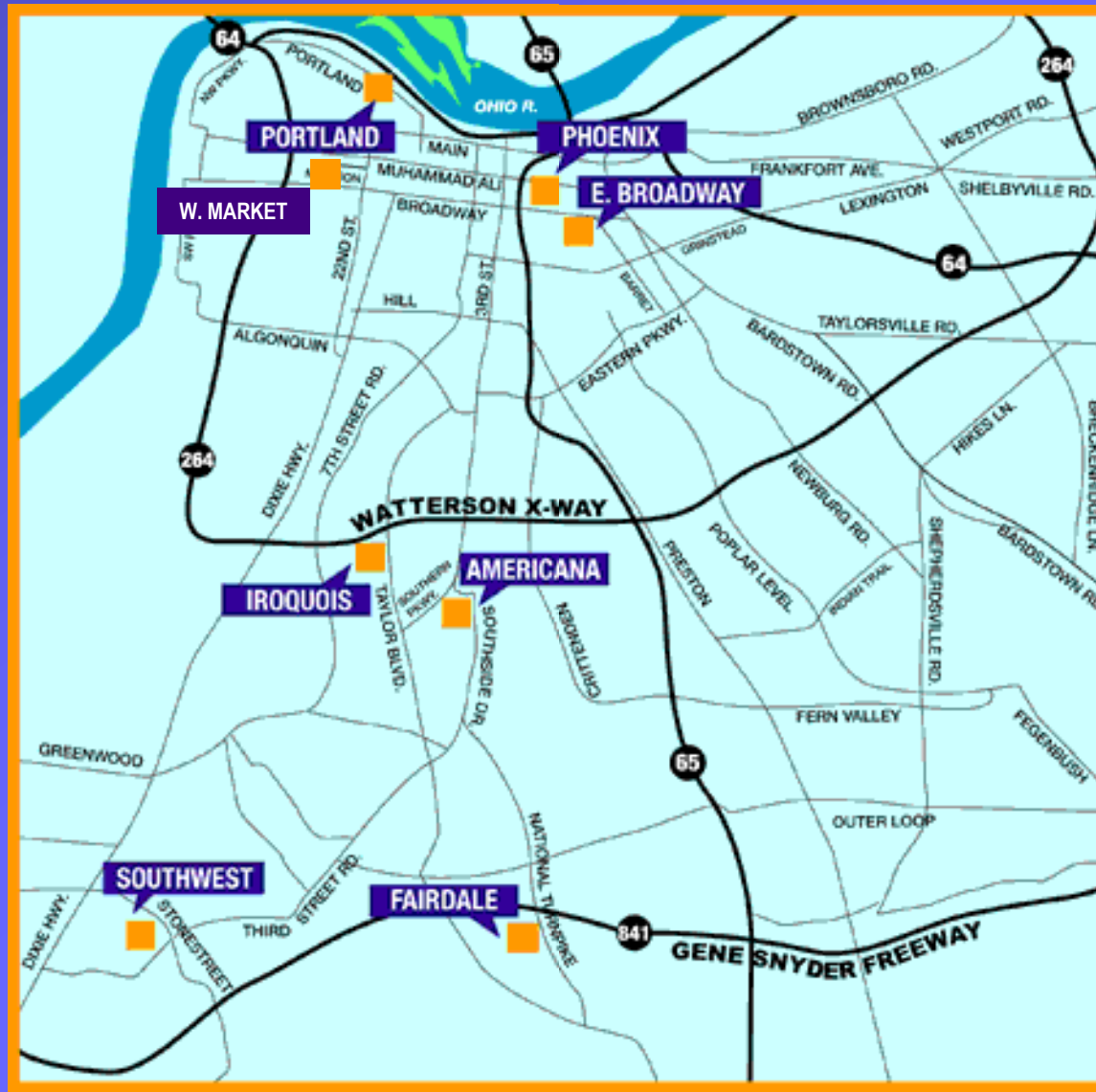


## FHC Mission

“To provide access to high quality primary and preventive care services without regard to the ability to pay.”



# 8 Health Center Locations



- **Portland**
  - 2215 Portland Ave.
- **East Broadway**
  - 834 East Broadway
- **Iroquois**
  - 4100 Taylor Blvd.
- **Fairdale**
  - 1000 Neighborhood Place
- **Southwest**
  - 9702 Stonestreet Road
- **Phoenix**
  - 712 E. Muhammad Ali Blvd.
- **Americana**
  - 4805 Southside Drive
- **West Market**
  - 2500 West Market Street

# The Services We Provide

- Primary Care
  - All Ages
- Preventive Care
  - Immunizations
  - Cancer Screening
- Prenatal Care
- Family Planning
- Diagnostic Lab and Radiology
- Pharmacy
- Dental
- Health Care for the Homeless







# Additional Services



- Behavioral Health
- Case Management
- Substance Abuse Treatment
- Outreach & Enrollment
- Refugee Health Screening
- Language Access Services
- Health Education
  - Exercise, Cooking, Yoga, Smoking Cessation, Diabetes, Weight Loss, Chronic Disease Mgt., Prepared Childbirth, Prenatal, Labor and Delivery

# Total Patients and Visits

|              | CY 17   | CY 18   | Increase | %   |
|--------------|---------|---------|----------|---|
| All Patients | 40,695  | 43,413  | 2,717    | +7%  |
| All Visits   | 143,561 | 147,628 | 4,067    | +3%  |

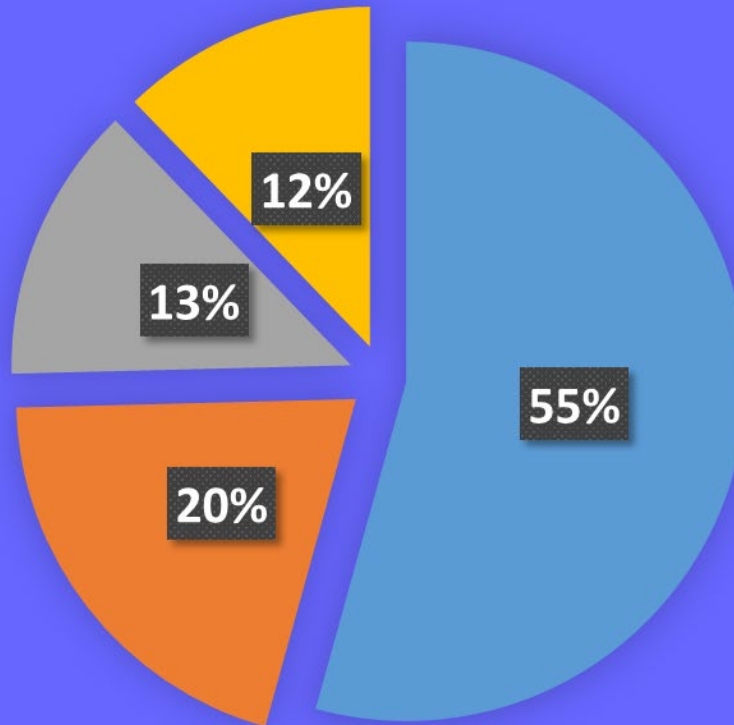
**Patient Target for CY 2019 –  
44,715 (+3%)**

# Increase in Patients Served

| Patient Type    | CY 17  | CY 18  | Diff  | %    |
|-----------------|--------|--------|-------|------|
| Medical         | 36,887 | 38,993 | 2,106 | +6%  |
| Dental          | 5,478  | 6,076  | 568   | +10% |
| Mental Health   | 2,883  | 3,220  | 337   | +12% |
| Substance Abuse | 436    | 526    | 90    | +21% |
| Enabling        | 2,792  | 3,007  | 305   | +11% |
| TOTAL           | 40,695 | 43,412 | 2,717 | +7%  |

# Insurance Status

FHC Patients CY 2018



■ Medicaid ■ Uninsured ■ Medicare ■ Commercial Ins



# JOINT COMMISSION



## Ambulatory Health & Laboratory Accreditation, Patient Centered Medical Home Certification

- Accredited Since 1979
- Last Surveyed in April, 2018
- Maintained Accreditation

# FY 20 FHC Budget Request

- Public Health and Wellness Budget
  - External Agency Contractual Services
  - Direct Appropriation to FHC, Inc.
- Mayor's Recommended Level
  - \$786,900
  - No change from Authorized FY 19 Level
  - Metro Appropriation equals 2% of FHC revenues

# FY 20 Expense Highlights

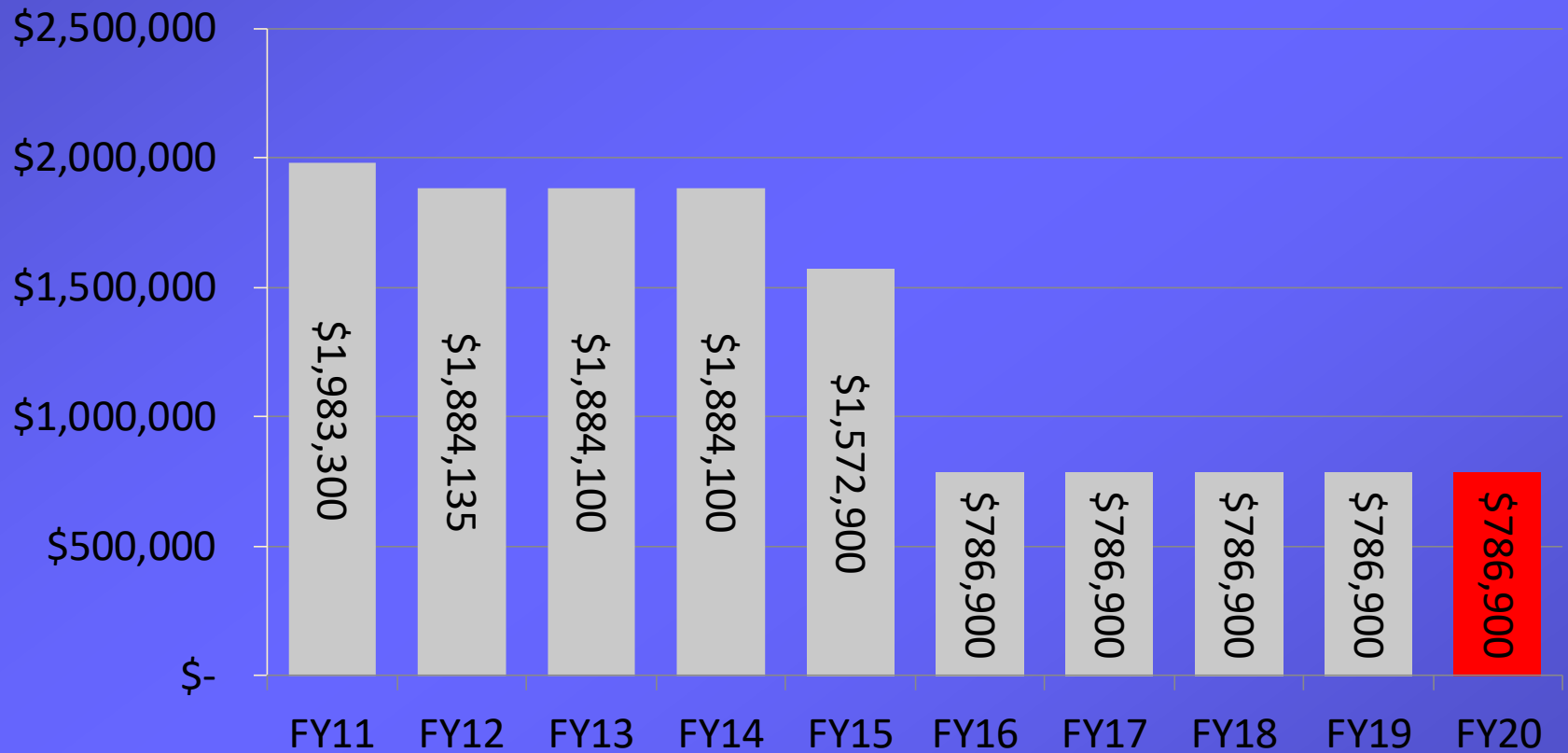
- Personnel Costs (70%)
  - 376+ FTE Employees on FHC Payroll
  - Louisville Civil Service/non-union
  - No COLA Proposed for FY 20
  - Fringe Benefits 45%
  - CERS Participating Agency (CERS +12%)
- Capital Improvements - \$250,000
  - IS Upgrades and Enhancements

# FHC Budget Request Summary

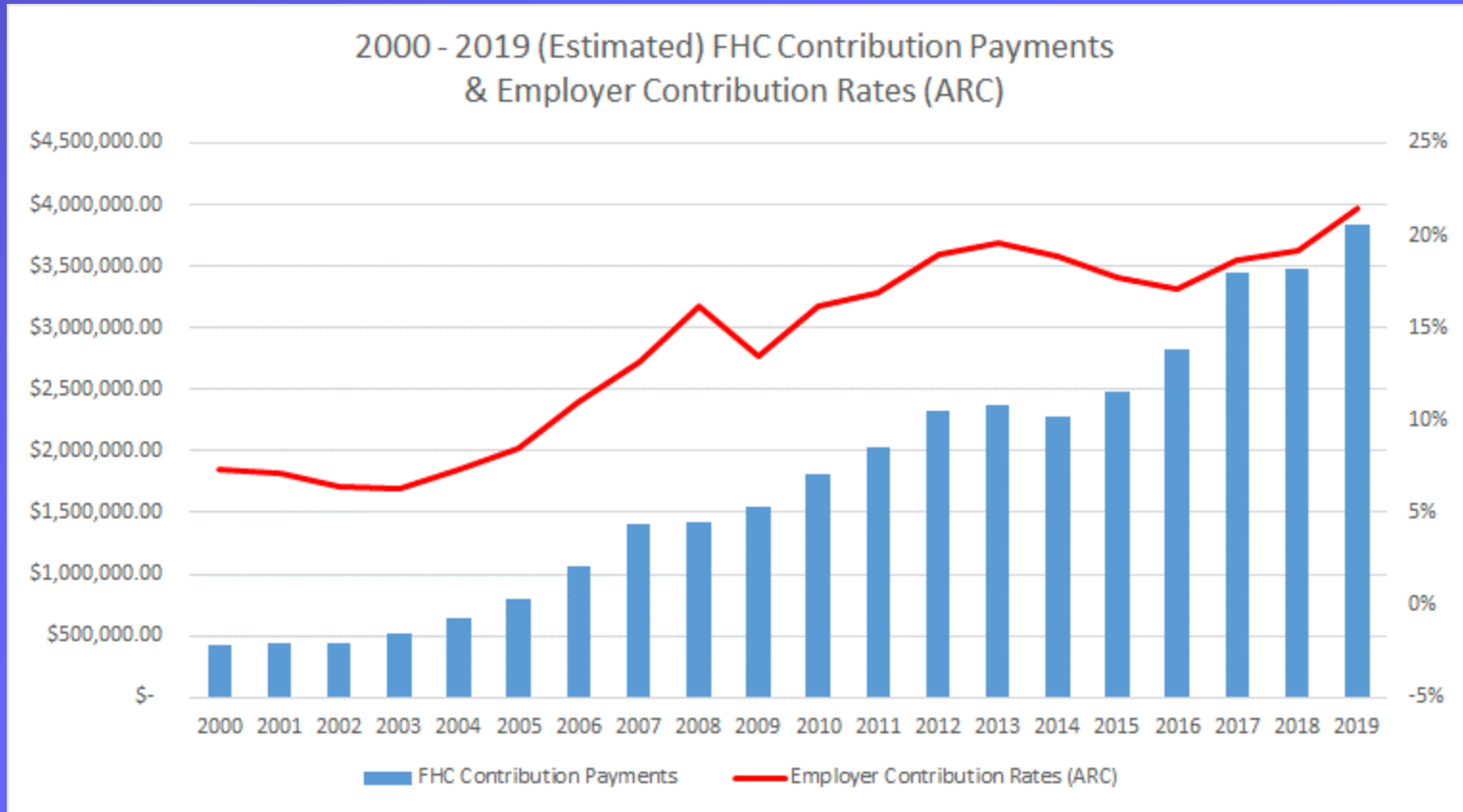
| REVENUES                    | FY 2019 Estimated   | FY 2020 Request     |
|-----------------------------|---------------------|---------------------|
| Louisville Metro            | \$786,900           | <b>\$786,900</b>    |
| State of Kentucky           | 430,986             | 485,715             |
| Federal Government          | 7,638,552           | 7,967,355           |
| Fees for Services           | 28,801,233          | 25,851,703          |
| Investment Income           | 494,973             | 661,882             |
| Other Sources               | 2,242,080           | 4,413,230           |
| <b>TOTAL REVENUES</b>       | <b>\$40,394,724</b> | <b>\$40,166,785</b> |
| EXPENDITURES                |                     |                     |
| Personnel (Approx. 431 FTE) | \$27,111,734        | \$27,596,359        |
| Operating                   | 12,182,990          | 12,320,426          |
| Capital Outlay              | 1,100,000           | 250,000             |
| <b>TOTAL EXPENDITURES</b>   | <b>\$40,394,724</b> | <b>\$40,166,785</b> |



# Metro Funding to FHC



# CERS Contributions



# FHC Charity Care & Bad Debts

|                                  | FYE 12/31/17 | FYE 12/31/18 |
|----------------------------------|--------------|--------------|
| Charity/Sliding<br>Fee Discounts | \$4,287,836  | \$4,852,025  |
| Bad Debts                        | \$ 1,375,774 | \$1,353,076  |
| TOTAL                            | \$5,663,610  | \$6,205,101  |

Sliding fee Scale based on Income and Family Size with  
Nominal Fee of \$20 for Medical and \$30 for Dental visit.

# Kentucky Medicaid Expansion

- Effective January 1, 2014
- Adults under 65 years  
(includes Parents and adults without dependent children)
- Uninsured and below 138% Federal Poverty Level (2019)
  - \$17,236 Individual
  - \$35,535 Family of Four



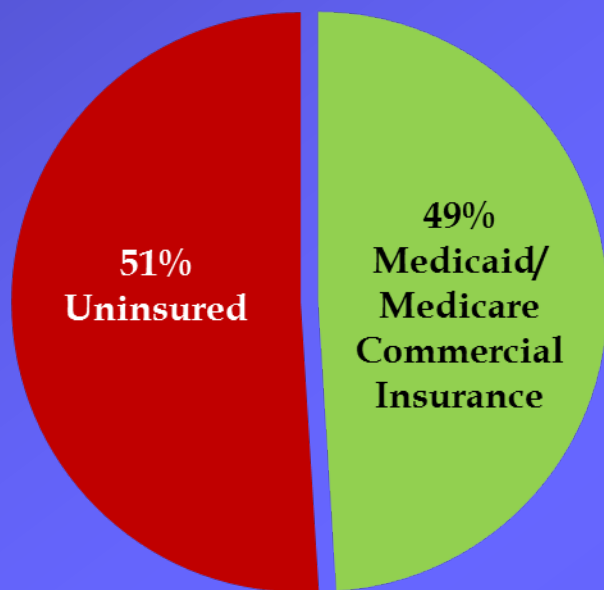
# Medicaid Enrollment

## April 2019

|                 | Kentucky  | Jefferson Co |
|-----------------|-----------|--------------|
| Traditional     | 880,090   | 128,627      |
| Expansion       | 462,808   | 73,470       |
| Total           | 1,342,898 | 202,097      |
| % of Population | 31%       | 26%          |

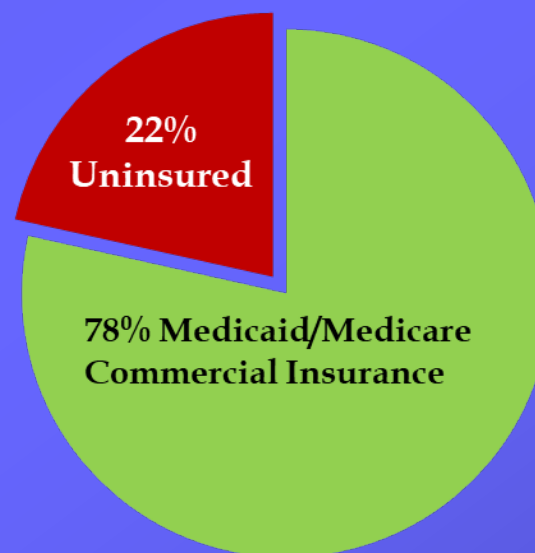
# FHC Uninsured Patients

April 2013



■ Insured ■ Uninsured

April 2019



■ Insured ■ Uninsured

**Impact of  
ACA  
Medicaid  
Expansion**

2018 Jefferson Co. Uninsured Rate 6.3%

# Increased Medicaid Revenues under ACA

- Reduced Uncompensated Care at FHC
- Eliminated Operating Deficit in FYE 13
- Increase Patients and Visits
- Increase Scope of Services
- Added location – West Market
- Expanded Phoenix pharmacy services for health care for the homeless
- Fund COLA and Market Salary Increases for Recruitment and Retention of staff
- Fund Needed Capital Improvements
- Reduced Metro Appropriation \$1.1 million annually

# Medicaid Changes Ahead

- Kentucky HEALTH Waiver
- Decline in Medicaid Enrollment
- Passport Health Plan Transition

# Kentucky HEALTH Waiver

- 1115 Waiver Approved by CMS
  - Work/Community Engagement, Premiums, My Rewards Accounts etc.
- Lawsuit in DC District Court
  - Implementation Halted on April 1
- Appeal in DC Circuit Court
  - Oral Arguments in Fall 2019
  - Likely Supreme Court Case
  - Governor Bevin Executive Order
  - Outcome Unknown

# Medicaid Enrollment Declines (Jan. 2018 - Apr. 2019)

- Kentucky
  - 60,000 Persons lost Medicaid (-4%)
- Jefferson County
  - 8,670 Persons lost Medicaid (-4%)
- Incomes Higher than Limits
- Failure to Provide Information
- FHC Medicaid Percentage dropped from 55% to 52%



# Passport Health Plan

- Financial Difficulties from DMS rate Reductions
- Bring cost in line with Revenues
  - Provider Re-Contracting
  - Elimination of PMPM Capitation Payment to FHC (\$3 mil annually)
- Expanded Partnership with Evolent
  - Sale of 70% ownership

# FHC Budget

- Calendar Year Budget
- \$4 mil. Shortfall on annual basis (10%)
  - CERS Pension Contribution
  - Passport Cuts
- Mid Year Budget Adjustment
  - Approval by Board of Governors

# FHC Budget Balancing Strategies

- Increase Third Party Revenues
  - Renegotiate Contracts
  - Increase billable services
  - Earn Value-Based Contracting Incentives
- Increase Grant Support
- Improve Efficiencies
- Reduce Costs

Q&A

# www.fhclouisville.org

The screenshot shows the homepage of the Family Health Centers website. At the top is the logo with the text "Family Health Centers" and "Care for your Health & Wellness". Below the logo is a navigation bar with five main menu items: "For Patients", "Find a Location", "Health Services", "In the Community", and "Contact Us". Under "For Patients" are links for "About Us", "FAQs", and "Latest News". There are also buttons for "Ask ELMER" and "En Espanol", and a search bar. The main banner features a photo of two young boys and a purple box titled "Our Mission" with the text: "Our mission is to provide access to high quality primary and preventive care services without regard to the ability to pay." Below the banner are three service tiles: "Find a Center" (7 Louisville locations), "Prepare for your Visit" (Know what to expect), and "Get Health Insurance" (We're here to help). The bottom section includes a photo of a dental procedure, a "Now Open" announcement for a new dental site at FHC East Broadway (502-569-7332), and a list of "UPCOMING CLASSES" for June 5th: "Zumba Aerobics Class (Portland)" and "Zumba Aerobics Class (East Broadway)".

**Family Health Centers**  
Care for your Health & Wellness

For Patients Find a Location Health Services In the Community Contact Us

About Us FAQs Latest News Ask ELMER En Espanol Search...

**Our Mission**

Our mission is to provide access to high quality primary and preventive care services without regard to the ability to pay.

**Find a Center**  
7 Louisville locations

**Prepare for your Visit**  
Know what to expect

**Get Health Insurance**  
We're here to help

**HEALTH SERVICES WE OFFER**

**Now Open**  
DENTAL OFFICE  
FHC EAST BROADWAY  
502-569-7332

**NEW DENTAL SITE**  
Family Health Centers, Inc. is please

**UPCOMING CLASSES**

**JUN 05** Zumba Aerobics Class (Portland)  
5:00pm - 6:00pm

**JUN 05** Zumba Aerobics Class (East Broadway)

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