The Urban Safety Net Hospital

- Treats a large number of uninsured and underinsured patients
- High volume Emergency Room/Trauma utilization
- Patients have poor connectivity to primary care services
- Patients are often poor historians as to own medical symptoms/care
- Significant number with Limited English Proficiency

The Diminishing Provider Base

- 15 hospitals closed in the Philadelphia area since 1984
- 6 of those hospitals have closed in the last 5 years: eliminating 855 licensed beds (6.1%)
- Collectively represented hundreds of thousands of Emergency Room visits per year
The Urban Safety Net Hospital’s Patient Profile

- High incidence of poorly controlled chronic illnesses (hypertension, COPD, diabetes, renal disease, obesity, etc.)
- Infrequent or no primary care
- Infrequent or no prenatal care, and related higher incidence of prematurity at birth
- High volume of trauma level care

The Urban Safety Net Hospital as a Primary Site of Service for Patients

- April 2009 GAO report finds crowded ER’s and longer than recommended waits due to lack of access to on call specialists and inpatient beds
- Results in patient boarding, ambulance diversions and long wait times
- Anything adversely impacting the ER adversely impacts the indigent who use the ER as a primary source of health care

Demographics – Population Trends Five County Area

- Philadelphia has much more Medical Assistance, and
- With increasing use rates it has seen little loss in volume
**Academic Medical Center Patient Origin**

- TUH is highly concentrated in the City where 91% of its patients originate.
- Penn and Jeff have just about 50% of their patients originating in Philadelphia.

**Payer Mix By Geographic Region**

- Penn & Jeff’s payer diversity is correlated to their geographic diversity.
- TUH’s heavy dependence on volume from the City limits its ability to diversify its payer mix.

**The Urban Safety Net Hospital as a Primary Site of Service for Other Providers**

- EMTALA/Patient dumping
- Indirect Redirecting of Patients
- Highlights need for removing financial disincentives to treat any particular patient population
### Medicaid Summary Schedule

<table>
<thead>
<tr>
<th>Market Area</th>
<th>Overall Medicaid Mix</th>
<th>TUH Medicaid Mix</th>
<th>Percentage Difference</th>
<th>Point Difference</th>
<th>Percentage Difference</th>
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</thead>
<tbody>
<tr>
<td>Upper Bucks County</td>
<td>6.4%</td>
<td>4.8%</td>
<td>1.7%</td>
<td>-26.0%</td>
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</tr>
<tr>
<td>Fort Washington Area</td>
<td>6.8%</td>
<td>7.0%</td>
<td>0.2%</td>
<td>26.1%</td>
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</tr>
<tr>
<td>Lower Bucks County</td>
<td>11.0%</td>
<td>14.0%</td>
<td>2.9%</td>
<td>26.7%</td>
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<tr>
<td>Philadelphia</td>
<td>41.9%</td>
<td>54.7%</td>
<td>12.8%</td>
<td>30.7%</td>
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<tr>
<td>Other Montgomery County</td>
<td>12.8%</td>
<td>16.9%</td>
<td>4.0%</td>
<td>33.0%</td>
<td></td>
</tr>
<tr>
<td>Roxborough</td>
<td>27.7%</td>
<td>38.4%</td>
<td>10.7%</td>
<td>38.9%</td>
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<tr>
<td>Downingtown/West Chester</td>
<td>9.2%</td>
<td>13.2%</td>
<td>4.0%</td>
<td>42.9%</td>
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<tr>
<td>Route 611 Corridor - Montgomery County</td>
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<td>11.3%</td>
<td>4.5%</td>
<td>67.3%</td>
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<tr>
<td>Delaware County Routes 1 and 202</td>
<td>9.6%</td>
<td>17.5%</td>
<td>7.9%</td>
<td>94.9%</td>
<td></td>
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<tr>
<td>Chester County Below 202</td>
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<td>25.1%</td>
<td>11.4%</td>
<td>187.0%</td>
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<td>Jenneia/Northeast</td>
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<td>51.9%</td>
<td>26.7%</td>
<td>105.9%</td>
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<tr>
<td>Crozer Keystone Area in Delaware County</td>
<td>17.2%</td>
<td>36.0%</td>
<td>18.8%</td>
<td>108.5%</td>
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<tr>
<td>Phoenixville/Pottstown</td>
<td>10.5%</td>
<td>23.1%</td>
<td>12.6%</td>
<td>120.7%</td>
<td></td>
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<tr>
<td>Center City - Hotels, Residents, Employers</td>
<td>17.9%</td>
<td>55.3%</td>
<td>37.4%</td>
<td>209.8%</td>
<td></td>
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<tr>
<td>City Avenue/Main Line</td>
<td>4.1%</td>
<td>14.8%</td>
<td>10.7%</td>
<td>263.1%</td>
<td></td>
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</tbody>
</table>

### The Challenges of Patient Discharge

- Discharging to a safe environment
- No safe placement keeps patient in a bed with insurance (if any) denial
- The extreme discharge; deportation to home of origin
- Failure of any health care reform proposal to address issue of undocumented immigrants

### Reimbursement Miscues

- No urgent care regulations or reimbursement schemes in PA for walk in clinics/urgent care centers
- Caps on hospital charges for uninsured patients (Illinois law went into effect March 2009)
- Poor follow up care and/or compliance leads to high readmission rates with insurance denials
- Governmental payor reimbursement significantly below actual cost to render care
- Special Payments at Risk: Disproportionate Share Hospital payments and Graduate Medical Education
Sustainability of the Urban Safety Net Hospital

- Need for margin to repair and replace facilities and equipment
- Cost shifting no longer an option
- P4P mechanisms must take patient population into account
- Safety Net Hospitals must maintain unique recognition payments even with Universal coverage

Where do we go from here?

- Universal health care to avoid insured and uninsured populations
- Poorly reimbursed coverage for a greater number of people creates an unsustainable model for health care delivery for all
Financial Impact of Illegal Immigration on Health Care

Ala Stanford Frey, MD
Medical Director, Center for Minority Health and Health Disparities, TUSM
Pediatric Surgeon, Abington Memorial Hospital and St. Christopher's Hospital for Children

Definitions

• Illegal immigration—unauthorized entry into the United States

• Illegal use of resources provided to tax payers of the United States: including health care, educational benefits, etc.

• Work visas, education, au pair, vacation, “crossing the border”

Facts and Figures

• 2008 Census estimates 9.5 million uninsured persons are not U.S. Citizens

• $1.1 billion in federal, state and local government funds are spent yearly on health services for undocumented immigrants <65 years

• Estimates from the Center for Immigration Studies placed the cost of treating uninsured illegal immigrants at $4.3 billion/yr, primarily at emergency rooms or clinics.

• Some estimates are at $11 billion/yr when you include childbirth and pregnancy-related complications

Challenges Surround the Calculation of Costs Associated with Illegal Immigrant Care, Kaiser Health News, October 6, 2009.
Facts and Figures

• Pew Hispanic Center estimates that 59% of the nation’s illegal immigrants are uninsured. Compared with 25% of legal immigrants and 14% of US citizens.

• Illegal immigrants are 15% of the nation’s 47 million uninsured people, which is a 30% increase since 1980.

• Among children, 53% of illegal children are uninsured, compared with 9% of US citizen children.


Philadelphia and Surrounding Counties

• Metropolitan Philadelphia has a diverse mix of immigrants and refugees from Asia 39%, Latin America and the Caribbean 28%, Europe 23% and Africa 6%.

• The 10 largest source counties are India, Mexico, China, Vietnam, Korea, Italy, Ukraine, Philippines, Jamaica and Germany.

• Immigrant growth in suburban Philadelphia has outpaced the city’s growth.

• 60% of those foreign born that live in metropolitan Philadelphia arrived in the US after 1990.

• People find living in Philadelphia better than New York and more attractive because of affordable housing and cost of living.

> Singer et al. Recent Immigration to Philadelphia: Regional Change in a ReEmerging Gateway, Metropolitan Policy Program at Brookings, November 2008.
English Skills and Language Access

- These skills are crucial for integration in the US job market, achieving higher education, and being part of the larger American community.

- Language is important to communicate with doctors and teachers and neighbors and colleagues.

- It is necessary to pass the US citizenship test.

- Learning the English language is difficult for adult immigrants particularly those working multiple jobs and have limited time to study in formal English classes.

How do patients receive care?

- Illegal immigrants get emergency care through Medicaid.
- Pay out of pocket in neighborhood clinics and some hospitals will provide an adjusted rate based on documented/undocumented income; at private offices, etc.


Hospital Costs

- Leads to diminished care of all patients
- Layoffs, duties are performed by the unqualified
- Decreased services that can be offered to patients
- Hospital closures

How do we reduce healthcare costs?

- Collectively decide that it is a cost we are no longer willing to pay as taxpayers.
- Require employers to reimburse states for education, healthcare, and other services used by legal temporary workers.
- Support efforts to eliminate sanctuary cities by withholding federal funding
- Oppose Congressional efforts that permit states to give illegal aliens in-state tuition at public universities and community colleges
- Penalties at the local and state levels:
  - Business owners who hire un-documented workers
  - City funded public schools will not receive funding
  - Impose fines
  - Hospitals to report undocumented residents
Conclusions:

• As a society the impact of illegal immigration is not at the forefront.

• Does not become an issue until it affects you or someone close to you.

• Cities that are hardest hit have come up with more stringent policies on a local level in an attempt to protect their resources.

• Physicians are faced with a moral dilemma caring for patients realizing that it negatively affects the vitality of their practice and/or institution.
Hospital Care: Financial Impact of Caring for the Underserved
Panel 4

Amy J. Goldberg, M.D.
Chief Division of Trauma and Surgical Critical Care
Department of Surgery
Temple University School of Medicine

Philadelphia Homicides 2006
406

Philadelphia Shootings 2006
2004
A Look at the Numbers

Data on Philadelphia violence provides a good indication of who is being shot:
• There are roughly 1.5 million Philadelphians
• 66,000 are African American males between 15 and 29
• They represent just 4% of the city’s population

UNFORTUNATELY
• 5,000 of them have been shot or killed in the last 5 years
• This represents 1 out of every 13 in this demographic

Source: “A generation at war with itself,” Tom Ferrick,Philadelphia Inquirer, July 29, 2007
Disparity of the Victims

- 83% of shooting victims 2002-2006 were African Americans
- 7% Hispanic
- 9% White

Financial Toll
2005

- Five county region hospitals treated 935 GSW patients at a cost of 146 million dollars
- Philadelphia medical centers treated 803 patients GSW's at a cost of 128.4 million dollars
- $160,000 average cost per GSW patient

2005
$146 Million in Gunshot Charges for Philadelphia's Five-County Region

- Other Counties 87.30%
- Philadelphia 12.10%

- Other Counties 87.30%
- Philadelphia 12.10%
Moral and Emotional Toll

- A study of N. Philadelphia 7 year-olds published in 2001 found that:
  - 75% had heard gunshots
  - 61% worried they might get killed
  - 19% sometimes wished they were dead
  - 18% had seen a dead body outside
  - 10% had seen a shooting or stabbing inside the home

Source: "Exposure to Violence Psychological and Academic Correlates in Child Witnesses," Hallam Hurt, MD et al., Archive of Pediatric & Adolescent Medicine, 2001

Physical Toll

- Spinal cord injuries
- Brain injuries
- Disfiguring injuries
- Long bone fractures
- Respiratory complications
- Long term disabilities

Temple University Hospital

- 607 Beds
- 36 Trauma/ICU beds
- 17 Operating Rooms
- 96,319 ED visits
- 112 million dollars in uncompensated care for FY 2008
Trauma Program 2008

Trauma Patients: 2,807
Trauma Activations: 2,309
PTOS Patients: 1,704

Mechanisms of Injury:

<table>
<thead>
<tr>
<th>Blunt</th>
<th>TUH</th>
<th>PA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>74%</td>
<td>92%</td>
</tr>
<tr>
<td>Penetrating</td>
<td>26%</td>
<td>8%</td>
</tr>
<tr>
<td>GSW</td>
<td>16%</td>
<td>4%</td>
</tr>
<tr>
<td>MVC</td>
<td>16%</td>
<td>34%</td>
</tr>
<tr>
<td>Assault</td>
<td>12%</td>
<td>5%</td>
</tr>
<tr>
<td>Stab</td>
<td>8%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Temple University Hospital is 4 miles from City Hall

Cradle to Grave

- Hospital based violence prevention program
- Designed for “at-risk” youth
- Since March of 2006, more than 3000 young people have participated in C2G
- Participants are from Philadelphia middle and high schools, juvenile justice facilities, and alternative schools
Cradle to Grave

- Path of a Lamont Adams, a 16 year old boy who died in the TUH ER after sustaining 24 GSW's.
- Deglamorizes the violence depicted in popular media and culture.
- Fully explores physical and emotional realities of gun violence.
- With the intent that young people might be less inclined to become either the perpetrators or victims of violence.

Lamont Adams

[Images of Lamont Adams]
Cradle to Grave

• Preliminary study of 88 students from charter and public schools
• AGVQ survey pre and post C2G program
• Reduction in violent attitudes post C2G in the public school students
Penn Medicine

Academic Medical Centers
The Challenge of Serving the Underserved

Albert P. Black, Jr., FACHE
Chief Operating Officer
Hospital of the University of Pennsylvania
November 13, 2009

Hospital of the University of Pennsylvania

In FY 09
Admissions 39,451
Occupancy 85.9%
Length of Stay 5.94
ER Visits 59,207
Overall Case Mix Index MS-DRG 1.7674

Funding Sources

- Disproportionate Share Payments
  - Special reimbursement program aimed at making up the short fall when care is provided to patients without sufficient funds to cover the cost of inpatient care

- Reduced Costs for Drugs (340B)
  - Requires manufacturer's to sell outpatient drugs to eligible centers at a reduced price

- Medical Assistance (% on the $)
  - Eligibility based on income or medical needs
Meeting the Needs of the Underserved

◆ Selected Additional Costs:
  - Administrative Structures
  - Management of the Patient
  - Arranging for Post Hospital Care

Administrative Structure

◆ Financial Counselors
◆ Case Management/Contracted Agencies
  - Follow-up with patients to obtain information to complete medical assistance applications
◆ Bad Debt Expense

Patient Management

◆ EMTALA
◆ Patients present with complicated medical, psychological and socio-economic challenges
◆ More likely to admit underserved because of health status on presentation
◆ Duplicate and possible unnecessary procedures because of concern that assessment can not be obtained in an ambulatory setting
◆ Special obligations as a hospital of last resort
◆ Immigration status impacts access to primary care and preventive care often resulting in chronic and catastrophic illness on admission
Post Discharge

- Inadequate social support may result in delayed discharges
- Access to prescriptions may be limited so hospital may provide free drugs
- Challenging to arrange home care or nursing home care when coverage is lacking
- Coordination with primary care/follow-up is often difficult
- Complex discharge plan requires collaboration and support of community based agencies and facilities (ex: Philadelphia Corporation for Aging, Liberty Resources, Federally Qualified Health Centers)

Programs Established at HUP to Meet the Challenge

- Alert System in the Emergency Department
- Coordination with Specialist
- BOOST
- Transitions in Care/Readmission Analysis
- Specialized Clinics (Trauma/Infectious Disease/Transplant) established to meet the needs of the underserved post discharge

Health Care Reform

- Goal to increase coverage to 91-97% of all Americans
- Mandate to purchase insurance in both bills
- Public Option vs. Co-ops
  - Public Option likely to be included, what it will look like remains to be seen
  - Basis for Payment rate not yet determined, major area of concern for hospitals
- DSH cuts (over ten years):
  - House: $16 billion
  - Senate: $48 billion
- Impact on Direct and Indirect Medical Education
  - Redistribution of GME slots
  - Priority given to Primary Care and General Surgery
  - Presently, no cuts to IME
- Other House and Senate bill provisions aimed at reducing disparities