# Georgia State University ScholarWorks @ Georgia State University

**GHPC** Articles

Georgia Health Policy Center

2-1-2006

# Whether Health Departments Should Provide Clinical Services After the Implementation of the Affordable Care Act

Glenn M. Landers

The

Follow this and additional works at: https://scholarworks.gsu.edu/ghpc\_articles

## **Recommended Citation**

Landers, Glenn M. and The, "Whether Health Departments Should Provide Clinical Services After the Implementation of the Affordable Care Act" (2006). *GHPC Articles*. 194. https://scholarworks.gsu.edu/ghpc\_articles/194

This Article is brought to you for free and open access by the Georgia Health Policy Center at ScholarWorks @ Georgia State University. It has been accepted for inclusion in GHPC Articles by an authorized administrator of ScholarWorks @ Georgia State University. For more information, please contact scholarworks@gsu.edu.

# Whether Health Departments Should Provide Clinical Services After the Implementation of the Affordable Care Act

#### Glenn M. Landers, ScD, MBA, MHA

I have described a decision support tool that may facilitate local decisions regarding the provision and billing of clinical services. I created a 2 by 2 matrix of health professional shortage and Medicaid expansion availability as of July 2015. I found that health departments in 93% of US counties may still need to provide clinical services despite the institution of the Affordable Care Act. Local context and market conditions should guide health departments' decision to act as safety net providers. (*Am J Public Health*. 2016; 106:271–272. doi:10.2105/AJPH.2015.302949)

Because more individuals have health insurance coverage as a result of the Affordable Care Act, health departments grapple with the question of whether to continue to provide clinical services such as maternal and child health, oral health, and HIV/AIDS treatment and, if so, whether to seek reimbursement from third party payers.<sup>1</sup> In fact, a 2012 Institute of Medicine report states,

As clinical care provision in a community no longer requires financing by public health departments, public health departments should work with other public and private providers to develop adequate alternative capacity in a community's clinical care delivery.<sup>2(p68)</sup>

The decision to provide clinical services and pursue reimbursement is complex,<sup>3</sup> and that complexity will likely increase as reimbursement moves to new models such as accountable care organizations. Health departments must decide whether it makes sense to provide clinical services on the basis of local context and, if so, whether to seek reimbursement.<sup>4</sup> As of 2013, a minority of local health departments provided clinical services such as maternal and child health, oral health, and HIV/AIDS treatment,<sup>5</sup> although a 2014 report showed that, of those who do, the majority bill some form of third party payment.<sup>6</sup> I tested a simple decision support tool that might be used to facilitate local decisionmaking.

### **METHODS**

I treated the decision of whether to provide clinical services and seek reimbursement as a supply and demand analysis using a 2 by 2 matrix. When qualitative judgments must be made and visual plotting can aid decisionmaking, 2 by 2 matrices are particularly useful.<sup>7</sup> I plotted each county health department in 1 of 4 quadrants on the basis of whether the state in which it is located is expanding Medicaid (demand) and the county is a designated primary care health professional shortage area (supply).

I obtained the roster of US counties from the US Census Bureau,<sup>8</sup> health professional shortage area designation data from the Health Resources and Services Administration Bureau of Health Professions,<sup>9</sup> and state

•

## Medicaid Expansion

		No	Yes
		54% of counties	46% of counties
		40% of US population	60% of US population
	No	<b>Cell I</b> No HPSA/no Medicaid expansion	<b>Cell III</b> No HPSA/Medicaid expansion
	14% of counties	Adequate providers No increase in demand from Medicaid members	Adequate providers Increase in demand from Medicaid members Safety net role potential strongly impacted by
	10% of US population	Likely low safety net (11) role 7% of counties 5% of US population	presence of other providers 7% of counties 5% of US population
HPSA			
	Yes	Cell II HPSA/no Medicaid Expansion	Cell IV HPSA/Medicaid Expansion
	86% of counties	Inadequate providers No increase in demand from Medicaid members Potential medium safety net role 47% of counties 35% of US population	Inadequate providers Increase in demand from Medicaid members Potential high safety net role 39% of counties 55% of US population
	90% of US population		

Note. HPSA = health professional shortage area.

#### FIGURE 1—HPSA × Medicaid Expansion: United States, July 2015.

#### **ABOUT THE AUTHOR**

Glenn M. Landers is with the Georgia Health Policy Center, Andrew Young School of Policy Studies, Georgia State University, Atlanta.

Correspondence should be sent to Glenn M. Landers, 55 Park Place, 8th Floor, Atlanta, GA 30303 (e-mail: glanders@gsu.edu). Reprints can be ordered at http://www.ajph.org by clicking the "Reprints" link.

This brief was accepted October 11, 2015.

Medicaid expansion designations from the Kaiser Family Foundation as of July 2015.<sup>10</sup>

### RESULTS

There were 3115 listed counties: 215 (7%) were in cell I (approximately 5% of the US population in 2014), 1461 (47%) were in cell II (35% of the US population), 218 (7%) were in cell III (5% of the US population), and 1221 (39%) were in cell IV (55% of the US population; Figure 1). A map of these counties is included as a supplement to the online version of this article at http://www.ajph.org.

#### DISCUSSION

According to this analysis, health departments in 93% of counties (cells II, III, IV) may need to consider expanding clinical services, whereas those in the remaining 7% of counties (cell I) may have an adequate supply– demand balance. Health departments in 39% of counties may have the greatest opportunity to seek reimbursement for clinical services because of potential Medicaid expansion revenues and a lack of providers.

Although 86% of counties are designated as health professional shortage areas, few health departments provide clinical services.<sup>1,5</sup> This may indicate the need for additional safety net support for clinical services from providers such as federally qualified health centers and volunteer clinics. The analysis does not account for those who may not be newly eligible for Medicaid, regardless of a state's expansion status, further emphasizing the need to tailor results to local context and conditions. However, the analysis does serve to group health departments in broad categories as a first step in working through the decision-making process. *A*IPH

#### ACKNOWLEDGMENTS

I acknowledge Michelle Rushing for creating the US map.

#### **HUMAN PARTICIPANT PROTECTION**

No protocol approval was necessary because no human participants were involved in this study.

#### REFERENCES

1. Hsuan C, Rodriguez HP. The adoption and discontinuation of clinical services by local health departments. *Am J Public Health*. 2014;104(1):124–133.

2. US Institute of Medicine Committee on Public Health Strategies to Improve Health. *For the Public's Health: Investing in a Healthier Future.* Washington, DC: National Academies Press; 2012. 3. Etkind P, Gehring R, Ye J, Kitlas A, Pestronk R. Local health departments and billing for clinical services. *J Public Health Manag Pract.* 2014;20(4):456–458.

4. Practical Playbook. Public Health and Primary Care Together. New York, NY: Oxford University Press; 2015.

5. Wilhoit J. National Profile of Local Health Departments, 2013. Washington, DC: Inter-University Consortium for Political and Social Research; 2014.

6. Billing for Clinical Services: Findings From the 2014 Forces of Change Survey. Washington, DC: National Association of County and City Health Officials; 2014.

7. Institute for Manufacturing Department of Engineering. *Decision Support Tools: 2x2 matrix*. Cambridge, UK: University of Cambridge; 2015.

8. 2010 FIPS Codes for Counties and County Equivalent Entities. Suitland, MD: US Census Bureau; 2010.

9. Health Resources and Services Administration Data Warehouse. Health professional shortage areas. Available at: http://datawarehouse.hrsa.gov. Accessed December 12, 2015.

10. Status of State Action on the Medicaid Expansion Decision. Menlo Park, CA: Kaiser Family Foundation; 2015.