



**Primary Health Care and
Expanded Primary Health Care Services
FY 2014 Annual Report**

**As Required By
Texas Health and Safety Code, Section 31.015**



**Department of State Health Services
May 2015**

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Executive Summary

The Primary Health Care (PHC) Program began in 1987, in accordance with H.B. 1844, 69th Legislature, Regular Session, 1985, the [Texas Primary Health Care Services Act](#) (Health and Safety Code, Chapter 31). In 2013, the 83rd Legislature, Regular Session, granted the Texas Department of State Health Services' (DSHS) request for Exceptional Item funds to expand primary health care services to women 18 years of age and above. The Primary Health Care strategy was appropriated \$100 million to create the Expanded Primary Health Care (EPHC) Program. The PHC and the EPHC Programs are administered by the Division for Family and Community Health Services (FCHS) at DSHS. This report is prepared in accordance with the State PHC rules governing the activities of DSHS and contracted providers for the PHC Program. Program rules can be found in Title 25 of the Texas Administrative Code (TAC), Chapter 39, Subchapter A.

The PHC and the EPHC Programs provide primary health care, including preventive health services and education, to Texas residents who could not otherwise receive such care. Eligibility is limited to Texas residents whose gross family income is at or below 200 percent of the Federal Poverty Level (FPL) and who do not qualify for any other non-DSHS programs or benefits that provide the same services, such as Medicaid. Qualified recipients receive services through contracts with local health departments, universities, hospitals and hospital districts, Federally Qualified Health Centers (FQHCs), and private non-profit organizations.

Both the PHC and the EPHC Programs are directed by the same statute and funding strategy. As such, budget information and client data are reported in aggregate. In fiscal year 2014, 80 unduplicated contracted providers expended \$50,934,967.90 in state-allocated funds. Of the total expenditure amount reported, contractors reported expending \$41,765,407.42 for direct medical care services, and \$9,169,560.47 to provide non-medical services, such as transportation, case management, and program administration. PHC- and EPHC-funded contractors provided primary health care and women's health services to 221,470 unduplicated clients in approximately 304 clinic sites in 112 counties.

Introduction

In Texas, PHC- and EPHC-funded clinic sites provide prevention and early intervention for primary health care problems. Both programs provide services through contracts with local health departments, universities, private non-profit organizations, FQHCs, hospitals, and hospital districts. The traditional PHC Program provides primary care services for women, men, and children. The EPHC Program provides primary and women's health services exclusively to women 18 years of age and above.

Statutory Requirement

Section 31.015(d) of the Health and Safety Code contains the statutory requirements for the report, which must include the following:

- The number of individuals receiving care under this chapter;
- The total cost of the program, including a delineation of the total administrative costs and the total cost for each service authorized under Section 31.003(e)
- The average cost per recipient of services;
- The number of individuals who received services in each public health region; and
- Any other information required by the board.

Background

In the early 1980s, a gubernatorial and legislative task force was assembled to secure primary health care for people who are medically indigent. To counter the economic recession, employers and government agencies instituted cost containment measures, which resulted in decreased availability and accessibility of health care services for many Texans. The task force recommended the following:

- A range of primary health care services should be made available to medically indigent people in Texas.
- The Texas Department of Health, now known as DSHS, should provide or contract to provide primary health care services to the medically indigent that would complement existing services and/or areas where services were scarce.
- Health education should become an integral component of all primary care services delivered to the medically indigent population.
- Preventive services should be marketed and made accessible to this population to reduce costly emergency room services.

These recommendations became the basis of the indigent health care legislative action enacted by the 69th Texas Legislature in 1985 through H.B. 1844, which became known as "The Texas Primary Health Care Services Act." This law defined the target population, eligibility, reporting, and coordination elements required for program implementation. Chapter 31 of the Health and Safety Code is the statutory authority for the PHC Program.

EPHC Exceptional Item

In 2013, the 83rd Legislature, Regular Session, granted the Texas Department of State Health Services' (DSHS) request for Exceptional Item funds to expand primary health care services to women 18 years of age and above. The Primary Health Care budget strategy was appropriated \$100 million in state general revenue funds over the 2014-15 biennium to expand the PHC program to increase the number of women receiving primary and preventive care services; avert unintended pregnancies and subsequent births paid for by Medicaid; increase early detection of breast and cervical cancers; reduce the number of preterm births; and reduce the number of cases of potentially preventable hospitalizations related to hypertension and diabetes.

Services

The PHC and the EPHC Programs provide primary health care, including preventive health services and education, to Texas residents who could not otherwise receive such care. Eligibility is limited to Texas residents whose gross family income is at or below 200 percent of the FPL and who do not qualify for any other non-DSHS programs or benefits that provide the same services, such as Medicaid. Both programs provide services through contracts with local health departments, universities, hospitals, hospital districts, FQHCs, and private non-profit organizations.

Under current Texas Administrative Code¹, contractors must provide six priority primary care services: diagnosis and treatment; emergency medical services; family planning services; preventive health services; health education; and laboratory, X-rays, nuclear medicine, or other appropriate diagnostic services. Nine additional services may also be provided: nutrition services; health screening; home health care; transportation; environmental health; dental care; prescription drugs, devices, and durable supplies; podiatry services; and social services. Because the EPHC Program was created to integrate family planning services with comprehensive primary care, it is expected that approximately 60 percent of the EPHC clients receive contraceptive services.

Funding Award Process

DSHS uses a competitive Request for Proposals (RFP) process to distribute funds for both the PHC and the EPHC Programs.

PHC

Fiscal year 2014 was the fourth year of a five-year funding cycle for traditional PHC contractors. In fiscal year 2014, DSHS awarded \$11.6 million to 55 PHC contractors throughout the state.

EPHC

In fiscal year 2014, DSHS initiated a competitive RFP process for the EPHC funds and awarded \$43.7 million to 51 expanded primary health care contractors; one contractor later withdrew. Of the \$43.7 million awarded, \$5 million was distributed to five large public entity providers: University Health Systems, Parkland Health and Hospital System, Tarrant County Hospital

¹ 25 Texas.Administrative.Code §39.3.

District, Harris County Hospital District, and University of Texas Medical Branch, through intergovernmental agreements. Following the initial fiscal year 2014 EPHC contractor awards, DSHS identified service gaps in Health Service Regions 1, 4/5N, 9/10, and 11 resulting in the additional allocation of \$1.5 million to contractors who demonstrated the capacity to provide EPHC services in these service gap areas. As a result, in fiscal year 2014, 54 EPHC contractors were awarded a total of \$45.2 million in EPHC funds.

Parkland Senior Care Project

The Texas Legislature reauthorized the biennial funding in the amount of \$302,100 to support the Parkland Senior Care Project, which is administered by the Parkland Health and Hospital System in Dallas County. See Appendix A for a description of this project.

Clients Served

In fiscal year 2014, of the total 109 PHC and EPHC contractors, 80 of them are unduplicated contractors. These 80 distinct contractors provided services to 221,470 unduplicated clients in 112 counties throughout Texas. See Appendices B and C for maps.

Demographic Information

The PHC and the EPHC contractors report demographic information for unduplicated clients served on an annual basis. This includes race/ethnicity and income level based on a percentage of the Federal Poverty Guidelines (Tables 1 and 2).

Race/Ethnicity

The PHC and the EPHC contractors collect race and ethnicity information from clients when medical services are provided. The majority of the clients, 69 percent, reported their race as Hispanic (Table 1).

Table 1. Fiscal Year 2014 Number of PHC and EPHC Clients by Race/Ethnicity

Race/Ethnicity	Clients	Percentage
Anglo	31,160	16
Black	18,284	9
Hispanic	138,958	69
Other	7,367	4
Unknown/Not Reported	4,868	2
HIV/Sexual Transmitted Infection (STI) test kits ²	20,833	NA
Total	221,470	100

² HIV/STI test kits were provided to 20,833 clients throughout the state. Screenings were conducted by DSHS HIV/STD program contractors who provided client data in aggregate form to the EPHC program for clients that received these screenings. As a result, no client level demographic data is available for clients that received these services.

Client Income Level

The majority of clients (62 percent) served in fiscal year 2014 live at or below 100 percent of the federal poverty income limits (Table 2).

Table 2. Fiscal Year 2014 Number of PHC and EPHC Clients by Federal Poverty Level

Federal Poverty Level	Clients	Percentage
100% and below	125,371	62
101% to 133%	30,863	15
134% to 200%	27,095	14
Unknown ³	17,308	9
HIV/STI test kits ⁴	20,833	NA
Total	221,470	100

Program Costs

Including State General Revenue funds, non-DSHS funds, and program income (client fees), the PHC and the EPHC contractors reported spending a total of \$66,542,582.62 to administer the programs. Non-DSHS funding and program income comprised 23 percent of total program costs (Table 3).

Table 3. Fiscal Year 2014 PHC and EPHC Contractor Costs Reported by Type of Funds

Type of Funds	Amount
Contractor Reimbursements with State General Revenue Funds	\$50,934,967.90
Contractor Reported Program Income and Non-DSHS Funds	\$15,607,614.72
Total Program Costs	\$66,542,582.62

³ Per PHC Policy Manual, when determining eligibility, contractors must verify income. If the methods used for income verification jeopardize the client's right to confidentiality or impose a barrier to receipt of services, the contractor must waive this requirement and document the reason in the client record. FPL is documented as "unknown" for these clients.

⁴ HIV/STI test kits were provided to 20,833 clients throughout the state. Screenings were conducted by DSHS HIV/STD program contractors who provided client data in aggregate form to the EPHC program for clients that received these screenings. As a result, no client level demographic data is available for clients that received these services.

Medical Costs

Contracted agencies must report the costs associated with the type of PHC- and EPHC-funded services provided each month. In fiscal year 2014, contractors reported that they provided medical services at a total cost of \$41,765,407.42 (Table 4).

Table 4. Fiscal Year 2014 Contractor Costs Reported for Medical Services

Type of Medical Service	Costs ⁵	Sub-Costs
Diagnosis & Treatment ⁶	\$5,067,578.18	
Emergency Medical Services	\$336,773.98	
Family Planning ⁷	\$7,188,632.64	
Prenatal Care ⁸		\$152,669.75
Preventive Health ⁹	\$5,766,638.25	
Health Education ¹⁰	\$1,905,942.44	
Laboratory ¹¹	\$10,255,428.08	
HIV/STI Test Kits		\$250,000.00
Office Visits ¹²	\$11,244,413.85	
Total	\$41,765,407.42	

⁵ Expenditure calculations were estimates based on contractor-reported expenditures and client counts and proposed (or estimated) service fees and estimated service frequencies. Expenditures were calculated in four steps:

- a) Calculating per service costs for reported service categories in the PHC 250 and the EPHC 250E client reporting forms;
- b) Using reported client counts to calculate relative expenditures for these categories;
- c) Proportionally adjusting relative expenditures to contractor-reported expenditures for direct medical services; and
- d) Totalling smaller categories to provide estimated expenditures for priority services.

⁶ Includes hypertension and diabetes screening, prescriptions, therapeutic dental services, and prenatal dental services.

⁷ Clients receive contraceptives (including traditional methods and Long Acting Reversible Contraceptive (LARC)), counseling, sterilization pregnancy test, and prenatal care.

⁸ Prenatal Care is a subcategory of Family Planning. This amount is included in the Family Planning category total.

⁹ Includes services provided during office visits, cervical cancer screening, immunizations, and dental services.

¹⁰ Includes instruction to individuals, groups, and communities.

¹¹ Includes radiology and mammography; laboratory and Sexual Transmitted Infection (STI) testing, and HIV/STI testing kits (broken out as a subcategory).

¹² Office Visits can be related to either Diagnosis & Treatment or Preventive Health for new and established patients.

Table 5. Fiscal Year 2014 Contractor Costs Reported for Non-Medical and Administrative Services Provided

Type of Non-Medical Services Provided	Contractor Costs
Non-Medical Services	\$1,870,051.82
Administrative	\$7,299,508.65
Total¹³	\$9,169,560.47

For fiscal year 2014, the PHC and the EPHC contractors provided non-medical services (e.g. transportation and social services) to clients at a total cost of \$1,870,051.82, and expended \$7,299,508.65 in administrative activities¹⁴ other than screening and eligibility (Table 5).

The cost of all services (medical and non-medical) provided to PHC and EPHC clients with DSHS state funds was \$50,934,967.90. The total number of unduplicated DSHS PHC and EPHC clients served by contracted providers was 221,470 and the average cost per PHC and EPHC client in state-expended funds was \$229.99.

Contractors by Health Service Regions

In fiscal year 2014, contractors provided services to 221,470 unduplicated clients in 112 counties (Table 6).

Table 6. Fiscal Year 2014 PHC and EPHC Contractors by DSHS Health Service Region (HSR)

Health Service Region	Number of PHC & EPHC Contractors	Number of Clients Served	Number of Counties Served
HSR1	8	9,734	18
HSR 2/3	11	50,851	15
HSR 4/5N	10	11,606	15
HSR 6/5S	19	52,078	12
HSR 7	6	15,497	10
HSR 8	7	27,666	16
HSR 9/10	9	14,736	11
HSR 11	10	18,469	15
HIV/STI test kits ¹⁵	--	20,833	--
Total	80	221,470	112

¹³ Total Contractor Costs by Type of Non-Medical Services Provided as reported by DSHS PHC/EPHC Contractors (via PHC350 Annual Report).

¹⁴ Local administrative activities may include billing and ancillary services.

¹⁵ HIV/STI test kits were provided to 20,833 clients throughout the state. Screenings were conducted by DSHS HIV/STD program contractors who provided client data in aggregate form to the EPHC program for clients that received these screenings. As a result, no client level residential data is available for clients that received these services.

Type of Entity

The PHC and the EPHC contractors include public entities (such as local health departments, universities, hospitals or hospital districts), FQHCs, and private non-profit organizations (Table 7). The table below contains organizations in both programs. The unduplicated contractor count is 80.

Table 7. Fiscal Year 2014 PHC and EPHC Contractors by Type

Entity Type	Number of Contractors PHC	Number of Contractors EPHC
Public	18	16
Federally Qualified Health Centers (FQHC)	30	32
Other (non-profit)	7	6
Total	55	54

Conclusion

During fiscal year 2014, DSHS successfully launched and implemented the EPHC Program. Combined with the traditional PHC Program, DSHS awarded funds to 80 distinct contractors, and provided primary and women's health care services to 221,470 unduplicated clients in approximately 304 clinic sites in 112 counties.

Appendix A

SPECIAL PROJECT OVERVIEW

Dallas County Hospital District - Parkland Health and Hospital System Senior Outreach Services

The Parkland Foundation, an agent for Parkland Memorial Hospital, initiated a geriatric program in 1982, serving the Dallas County area. As a result of the ongoing need in this area, the 2014-15 General Appropriations Act, H.B. 1, 83rd Texas Legislature, Regular Session, 2013 (Article II, Department of State Health Services, Rider 62), allocated \$302,100 in DSHS general revenue funds exclusively for the Parkland Senior Project for the 2014-2015 biennium. Half of the total allocation, \$151,050, was designated for primary health care services in fiscal year 2014. The project is designed to provide services to senior citizens age 65 years or older residing in low-income areas of Dallas County. The goal of the project is to improve and maintain senior citizens' health, quality of life, and independence through timely access and delivery of health care and coordination of health and social services. In fiscal year 2014, program services included: case management; health screening and outreach; health education programs; transportation; and community involvement/outreach with health care organizations, civic entities, and human service providers.

In a survey of the Parkland Foundation's geriatric program, seniors identified the lack of access to transportation as their greatest need, and service providers for older adults identified transportation as the second greatest need in Dallas County. To assist seniors in the designated service area, in fiscal year 2014 the Parkland Senior Project provided van transportation to 98 unduplicated clients, to allow seniors better access to health care services, grocery stores, etc. These clients received a total of 761 transports. Case management services ranged from project staff meeting individually with clients to determine their health and social service needs to conducting outreach efforts that target individuals in need of the project's services. A total of 155 unduplicated clients within the targeted service area received case management services. These services were provided to seniors over age 65, with an emphasis on outreach to clients with low literacy levels. The project provided 192 home visits.

During fiscal year 2014, program staff provided health screening and outreach events to individuals in senior housing units and senior citizen centers. Screenings focused on conditions prevalent in older populations, such as fall risk assessments, blood pressure checks, and screenings for depression.

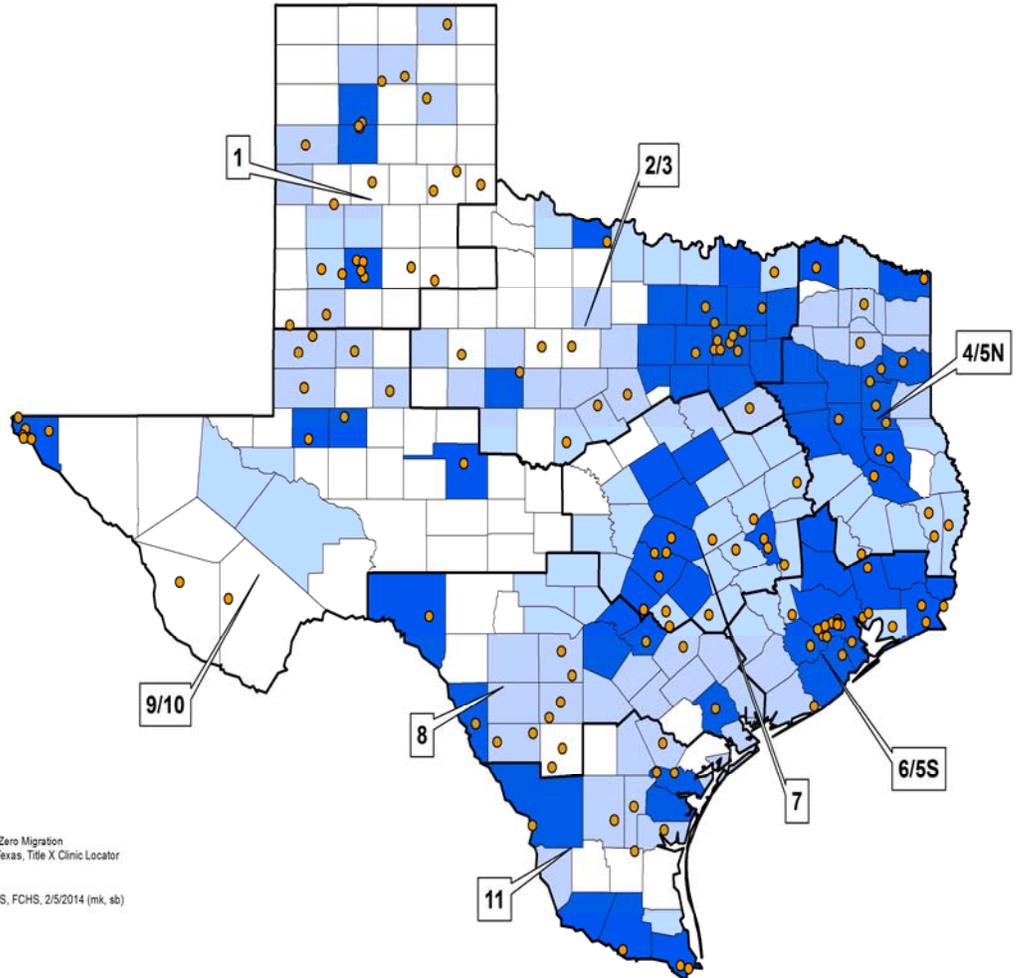
Appendix B

PHC Map

SFY 2014 Traditional Primary Health Care Services Clinic Sites

Legend

- Primary Health Care - Traditional (156)
- ▭ Health Service Region Boundary
- Population
- 10,000 or less
- 10,001 - 50,000
- More than 50,000



Notes:
Data Sources:
- CHSS Contract Database, SFY 2014, Provisional
- Texas State Data Center, 2014 Population Projection Zero Migration
- Women's Health and Family Planning Association of Texas, Title X Clinic Locator
- Texas Women's Health Program Providers List
Prepared by: Office of Program Decision Support, CHSS, FCHS, 2/5/2014 (mik, sb)

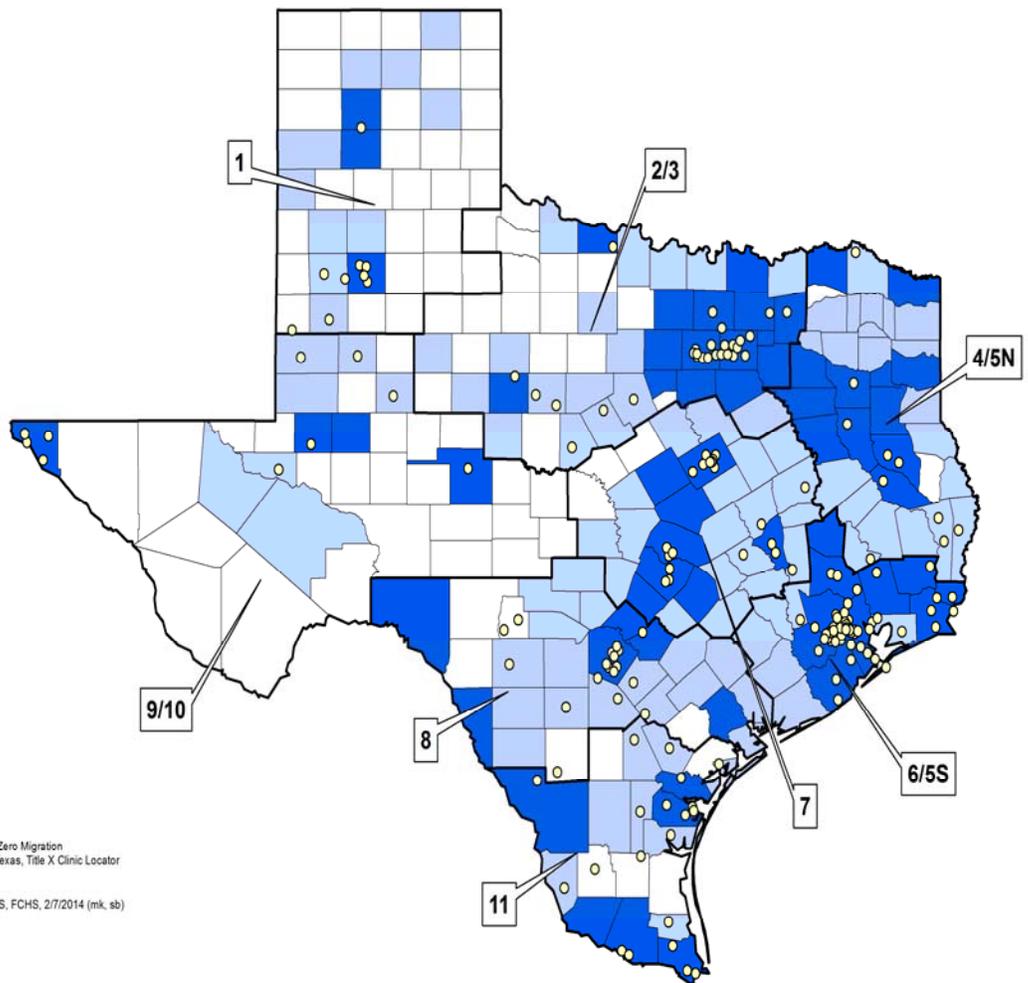
Appendix C

EPHC Map

SFY 2014 Expanded Primary Health Care Services Clinic Sites

Legend

-  Expanded Primary Health Care (222)
-  Health Service Region Boundary
- Population**
-  10,000 or less
-  10,001 - 50,000
-  More than 50,000



Notes:
Data Sources:
- CHSS Contract Database, SFY 2014, Provisional
- Texas State Data Center, 2014 Population Projection Zero Migration
- Women's Health and Family Planning Association of Texas, Title X Clinic Locator
- Texas Women's Health Program Providers List
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