

Lee Memorial Health System System will seek more clinic cash

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Lee Memorial Health System will ask the Medicare and Medicaid system this year to pay its community outreach clinics at a higher rate, an effort that could boost revenue by \$9 million annually.

Specifically, it hopes to win status as a “Federally Qualified Health Center — Look Alike,” a cumbersome title that essentially means the clinics would get higher reimbursements in exchange for treating this region’s under-insured. The clinics could also receive better drug pricing.

The designation is similar to that of the Family Health Centers of Southwest Florida, which operates medical and dental clinics in Lee, Charlotte and Hendry counties and caters to this region’s Medicaid beneficiaries, particularly children.

“This is not intended to be in competition with Family Health Centers — they’re heavily oriented to pediatrics — but to fill gaps that they haven’t been filling,” said Jim Nathan, Lee Memorial’s president and CEO. “Right now, our focus is really that territory that they’ve chosen not to do, which is really that adult medicine that’s complicated to do.”

Family Health Centers’ representatives did not respond to an interview request Thursday. But Lee Memorial has been in discussion with Family Health Centers about the project, said Lee Memorial spokeswoman Mary Briggs.

Bob Johns, until recently a senior vice president with Family Health Centers, was also hired by Lee Memorial to work on the federal designation.

The higher federal payments to Lee Memorial would also come from a different pool of money than the one supporting Family Health Centers, according to the health system.

The health system will likely apply by October. Federal regulators are expected then to take several months to review the application.

Lee Memorial operates community outreach clinics in Dunbar and at another location in North Fort Myers. A third will soon open across from Cape Coral Hospital. Officials are discussing a possible fourth.

The idea is to provide primary medical care and health education to under-insured patients at an affordable rate. The health system hopes this kind of access to health care will decrease the chances community residents will develop serious diseases. The clinics also aim to help patients better control existing chronic conditions, like diabetes and high blood pressure.

Nearly 60 percent of all of low-level, noncritical ER visits in 2010 — 48,159 in total — were by patients either on Medicaid or who could not pay, according to Lee Memorial records. Another 13 percent were on Medicare.

The following year, a quarter of patients who needed emergency hospital admission were underinsured, costing the health system \$23 million, officials also said.

But the clinics may be helping. The health system estimates that up to 4,500 ER visits were avoided since the first community health clinic opened in March 2011 in the Dunbar neighborhood.

Lee Memorial also saw 708 fewer charity patient hospital admissions in the 2012 budget year, compared to 2011, said Kevin Newingham, the health system's vice president for strategic services.

“One of the opportunities with this initiative by better managing the health of these populations is actually to reduce the number of ED (emergency department) visitors and ED admissions that we're seeing in the the health system,” he said. “And we actually have some evidence that we believe that is working.”