YOU’VE GOT MEDI-CAL – BUT CAN YOU GET MEDICAL CARE?

Summary

Adults who qualify for Medi-Cal¹ in Santa Clara County (County) may have trouble finding a primary-care physician to provide primary and preventive care, the County Civil Grand Jury (Grand Jury) learned. When access is difficult or denied, individuals defer care, turn to free clinics or utilize a hospital emergency room for conditions that could be treated in a doctor’s office.

The County Board of Supervisors (Board of Supervisors) created the Santa Clara Family Health Plan (Health Plan) to manage Medi-Cal coverage for low-income residents.

The Grand Jury investigated whether Medi-Cal enrollees using the Health Plan are able to access medical care. The investigation found:

- California had a shortage of primary-care physicians willing to treat people on Medi-Cal before expanding eligibility in 2013, which increased the Bay Area Medi-Cal population by 60%.

- Half of the primary-care physicians in the Bay Area do not treat new Medi-Cal patients; most cite low reimbursements, time-consuming paperwork, and payment delays.

- Statewide, 80% of Medi-Cal enrollees are in managed-care plans, which require they have a primary-care physician.²

- Health Plan members are asked to select a primary-care physician from directories that are confusing and sometimes inaccurate.

- Health Plan members’ complaints to the nurse advice line about access to care may not be referred directly to member services staffers.

This report, written in early 2017, does not deal with proposals to “repeal and replace” the Affordable Care Act, because it’s not clear what will happen or how California’s Medi-Cal program will change.

¹ Medi-Cal (known as Medicaid outside California) is a federal-state program that provides health care coverage for people with low incomes. See Appendix A for more detail.

² Medi-Cal Managed Care contracts for health care services with providers who agree to accept a set payment per member (capitation) rather than a fee based on services provided.
Background

In 1995, the Board of Supervisors created the Santa Clara County Health Authority, a new public agency distinct from the County, with a mission of developing a community-based health plan — Santa Clara Family Health Plan — to provide coverage to Medi-Cal Managed Care recipients. The Health Plan contracts with Valley Health Plan (a County-run health maintenance organization), Physicians Medical Group, Kaiser, Premier Care, Palo Alto Medical Foundation, and with independent physicians and non-profit primary-care clinics.

Medi-Cal enrollees come through different routes. Some are signed up by Santa Clara County Social Services or by non-profits that specialize in providing access to health care. Others go on the Covered California website, enter their income and discover they are eligible for Medi-Cal. They are given a choice of Santa Clara Family Health Plan or Anthem Blue Cross: 78% enrolled with the Health Plan. This report deals only with Health Plan enrollees.

Once enrolled with the Health Plan, the next step is choosing a primary-care physician or clinic. (See Figure 1.) People who have been Kaiser members within six months may choose a Kaiser physician. All others use the Health Plan’s directory of available primary-care physicians and clinics providing primary care. If a member does not make a choice, a Health Plan staffer will assign a provider near their home address. Members receive a benefits card with their primary-care provider’s name and are told they must go to this provider for primary care and for referrals to specialists. If they wish, members may call the Health Plan to request a new primary-care physician.

Physicians may refuse to accept Medi-Cal patients or accept a limited number. A physician who stops taking people on Medi-Cal — known as closing the panel — is supposed to inform the Health Plan.

Twenty-one percent of County residents relied on Medi-Cal and another 5% were uninsured in 2016, estimated a study conducted for the California Health Care Foundation.

Lower-income residents have more health problems and less access to a personal doctor than more affluent residents, reports the County Public Health Department.
Figure 1: Health Insurance Choices
Discussion

Getting help from the Health Plan

Connecting new Health Plan members with a primary-care physician is an essential step in providing access to care. There are four ways for members to find a physician:

- Use of a printed directory.
- Use of an online directory on the Health Plan’s web site.  
- Use of the find-a-doctor tool on the Health Plan’s web site.
- Call to the Health Plan’s member services representatives.

There are problems with all four options.

1. The printed directory, which is updated every quarter, is out of date as soon as it’s printed. As doctors move, retire or close their panels to new Medi-Cal patients – the directory becomes inaccurate. (See Appendix B.)

2. The Health Plan’s online directory is updated every month. However, members must wade through an 814-page document in English, Spanish, Vietnamese, Chinese and Tagalog. It’s easy to miss the section that explains that the small box with an “x” indicates the doctor is not taking new patients. Nothing indicates whether a doctor with a closed panel is willing to treat former patients who’ve moved from private insurance to Medi-Cal.

3. The find-a-doctor tool, if used properly, only shows primary-care physicians accepting new Medi-Cal patients. However, the primary care category includes pediatricians and obstetrician/gynecologists as well as internal medicine, family practice and general practice doctors. It’s not possible to choose more than one option at a time. A member looking for a primary-care doctor who’s classified as internal medicine, family practice or general practice must cycle through repeatedly to find a doctor who meets her or his criteria.

The Health Plan is currently working on improving the utility of the find-a-doctor tool.

4. Health Plan members also may telephone for help in finding a primary-care physician from 8:30 a.m. to 5 p.m. Monday through Friday. However, this is not fool-proof. The member services representative uses the same online directory and find-a-doctor tool available to members and is not required to verify that the physician is accepting Medi-Cal patients.

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The Health Plan’s web page provides information on how members can reach a member services representative for help finding a physician, getting an appointment or other problems. If members report difficulty getting an appointment, a staffer will contact the provider. If necessary, calls are referred to staffers who specialize in complaints and grievances or to others who specialize in communicating with physicians and provider networks.

Most Health Plan member services staffers are bilingual in Spanish or Vietnamese. Members speaking other languages can communicate through a “language line” with interpreters speaking more than 200 languages.

The Health Plan contracts with a service that provides a nurse advice line seven days a week, around the clock. Advice nurses deal with medical problems, not with access to services. They may transfer a caller with access problems to a Health Plan member services representative during normal business hours. If the member calls after hours or on the weekend, the advice nurse will tell the member to call during the week from 8:30 a.m. to 5 p.m.

The Grand Jury was informed in late 2016 that advice nurses include access complaints in their daily reports to the Health Plan. This report goes to the clinical services department, which tracks members’ medical issues. Clinical services staffers are not expected to solve access-to-care issues; they are instructed to refer access problems to member services.

**Without a medical home, where can you go?**

“Home is the place where, when you have to go there, they have to take you in,” wrote Robert Frost. Managed health care relies on patients having what’s known as a medical home, a primary-care physician who knows the patient’s medical history, provides most care, and decides when a referral to a specialist is needed. Providing that medical home is challenging because of a shortage of primary-care physicians willing to treat Medi-Cal patients.

Like other affluent Bay Area counties, the County has an above-average number of primary-care physicians and specialists, reports the California Health Care Foundation. But only 50% of Bay Area primary-care physicians were taking Medi-Cal patients in 2015, reported University of California, San Francisco (UCSF) researcher Janet Coffman.

A February 17, 2015, *Mercury News* story reported that new Medi-Cal enrollees in the Bay Area were having trouble finding a physician or waiting months for an appointment. “California did a good job of getting people signed up, but they basically stuck their heads in the sand and assumed that California physicians would just jump right on board and want to take more Medi-Cal patients,” said Dr. Del Morris, president of the California Academy of Family Physicians.
Physicians and their networks have little financial incentive to treat Medi-Cal patients

- California ranked 48th in physician reimbursement for Medicaid/Medi-Cal services and in the percentage of primary-care physicians taking new Medicaid/Medi-Cal patients, a 2012 University of California San Francisco (UCSF) study found.

- In 2014, California had the second-lowest rate (49.2%) of office-based physicians taking new Medicaid/Medi-Cal patients in the nation, the National Center for Health Statistics reported. The national average was 70.4% for office-based physicians.

- A new UCSF survey in 2016 found that only 55% of primary-care physicians statewide were taking new Medi-Cal patients: 78% of doctors surveyed cited low payments, 72% cited payment delays and 72% complained of “administrative hassles.”

- In addition, 40% of physicians cited Medi-Cal patients’ greater health needs as a reason to close their panels. Under the risk-based managed-care funding model, physicians receive the same pre-set amount for each patient: They lose money if their panel includes too many medically needy patients. Adults enrolled in Medi-Cal were three times more likely than the privately insured to have fair or poor health, the Department of Health Care Services reported in 2014.

Incentives are different for clinics that specialize in treating the medically needy, known as Federally Qualified Health Centers (FQHC) and FQHC look-alikes. These community clinics receive federal funding based on patient visits: Treating high-need patients brings more revenue.

The usual source of care for California’s safety-net population, which includes those on Medi-Cal and the uninsured, is as likely to be a community clinic (38%) as a doctor’s office (36%), the 2014 California Health Interview Survey found. No usual source of care was cited by 23%, while 2% cited emergency departments. However, the County’s safety-net clinics have difficulty competing for physicians with large provider networks. For example, one clinic executive told the Grand Jury that her clinic can afford to pay new physicians only 77% of what Kaiser pays, limiting her ability to attract staff and serve patients.

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4 Federally qualified health centers (FQHCs) and look-alike clinics receive enhanced reimbursement from Medicare and Medicaid, as well as other benefits, for treating the medically underserved. FQHCs also receive federal grants; look-alike clinics do not.
“While we may have facilities and physical capacity, and people have the insurance cards, I don’t have any providers,” said a clinic director quoted in a 2016 California Health Care Foundation study. “It has turned into a huge food fight in California because no one has the providers.”

When it’s difficult to find a primary-care physician, there’s one place that “when you have to go there, they have to take you in.” The medically homeless can find care – at high cost to the taxpayers -- at hospital emergency rooms.

The MayView Community Health Center, a primary-care clinic in Mountain View, was sending Medi-Cal patients to hospital emergency rooms at least once a week because it did not have enough physicians to treat them, Harsha Mehta, clinic operations director, told the Mercury News in the 2015 story.

In the first three quarters of 2016, Medi-Cal enrollees in the County were more than twice as likely as the privately insured to visit hospital emergency rooms for outpatient care, according to data provided to the Grand Jury by the Office of Statewide Health Planning and Development.

Conclusion

The Grand Jury found that Medi-Cal enrollees are having trouble finding primary-care physicians who will manage their health care. California’s low Medi-Cal reimbursements discourage primary-care physicians in private practice from accepting Medi-Cal patients. In addition, the Health Plan’s system for helping members find a primary-care physician can be confusing and inaccurate.

The Health Plan can help its members find the care they need by updating medical provider directories frequently, making it clear when doctors aren’t taking new patients and improving its “find a doctor” tool. Training advice nurses to transfer callers with access-to-care issues to member services, if possible, or to report complaints directly to member services also would resolve problems more quickly.

Finally, the Grand Jury recommends that the Santa Clara County Board of Supervisors advocate for improved physician reimbursements to raise the likelihood that sufficient numbers of medical providers in the County will accept Medi-Cal patients.
Findings and Recommendations

Finding 1

Finding a primary-care physician who will treat new Medi-Cal patients is a critical step in accessing care. There are problems with the accuracy and accessibility of provider directories.

Recommendation 1a

The Santa Clara Family Health Plan should inform members that the printed directory should be used only with the assistance of a member services representative, who can verify the physician is accepting Medi-Cal patients.

Recommendation 1b

The Santa Clara Family Health Plan should redesign its online provider directory to highlight which doctors are taking new Medi-Cal patients.

Recommendation 1c

The Santa Clara Family Health Plan should provide members with an English-only, Spanish-only, Vietnamese-only, Chinese-only or Tagalog-only online directory rather than combining all the languages in one document.

Recommendation 1d

The Santa Clara Family Health Plan should verify that the physician will treat new Medi-Cal patients before issuing a benefits card with that physician’s name.

Recommendation 1e

The Santa Clara Family Health Plan should discuss the selection of a primary-care physician with the member who has not made his or her own choice before issuing a benefits card.

Recommendation 1f

The Santa Clara Family Health Plan should improve the find-a-doctor tool to allow members to search for multiple primary-care specialties at one time.
Finding 2

Santa Clara Family Health Plan contracted advice nurses report members’ access-to-care issues to the Health Plan’s clinical services department, which is supposed to inform member services. The chain of communication causes access problems to be missed or misunderstood.

Recommendation 2

The Santa Clara Family Health Plan should direct advice nurses to inform member services directly about access-to-care complaints.

Finding 3

Mainly due to low reimbursement rates, complex paperwork, and payment delays only about half of primary-care physicians in the Bay Area are accepting new Medi-Cal patients.

Recommendation 3

The Santa Clara Family Health Plan should advocate to the governor and the Legislature to raise Medi-Cal reimbursement rates, simplify paperwork, and reduce payment delays.
References

The Grand Jury:

- interviewed Santa Clara Family Health Plan staffers, visited the Health Plan’s customer service center and reviewed the customer service training manual and the online provider directory.

- interviewed managers of a medical provider network, a community clinic, a free clinic, and a hospital, and reviewed hospital documents on Emergency Department admissions.

- interviewed administrators of non-profit health-care groups and health-benefits counselors.

- interviewed a county supervisor and an aide.

- reviewed reports produced by the California Department of Managed Health Care, California Department of Health Care Services, State Auditor, California Office of Statewide Health Planning and Development, U.S. Health and Human Services, California HealthCare Foundation, Kaiser Family Foundation, and the Bay Area Economic Institute.

- reviewed studies by University of California San Francisco, University of California Los Angeles, and University of California Riverside researchers.

- reviewed Census data for Santa Clara County

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Appendix A

In California from 2012 to 2015, Medi-Cal enrollment increased from 7.9 to 13.3 million, and the program now covers over one-third of the state's population. “Medi-Cal now covers the young and the old, the employed and the unemployed, many of whom we had previously allowed to fall through gaping holes in our state safety net,” observed the Bay Area Economic Institute in June 2016.

Another million Californians gained insurance through Covered California from 2013 to 2016.

Fewer Californians are going without care: 7.1 percent of Californians were uninsured in 2016, compared to 17 percent in 2013, reports the Centers for Disease Control and Prevention.

However, 35 percent of newly insured adults reported they postponed or went without needed health care in a 2014 Kaiser survey.

Statewide, 18% of adults with Medi-Cal did not have a usual source of care other than a hospital emergency room, the California Health Care Foundation reported in 2015.

Before the expansion of Medi-Cal, California had 35 to 49 primary-care physicians per 100,000 Medi-Cal enrollees in 2013, far below the federally recommended standard of 60 to 80 primary-care physicians, a University of California at San Francisco study found.

Medi-Cal (known as Medicaid outside California) is administered by the state; the federal government sets minimum eligibility standards and provides at least half of the funding.

Under the Affordable Care Act (ACA or “Obamacare”), the federal government paid 100% of the cost of expanding Medicaid to non-disabled, working-age adults through 2016. The current law states the federal share will be reduced each year till it reaches 90% in 2020 and remain at that level.
Appendix B

Medi-Cal enrollees often were given outdated provider directories with physicians who’d stopped taking Medi-Cal, closed their practice, moved or were otherwise unavailable, reported a state audit of four counties released in 2015.

A 2015 survey found that Medi-Cal consumers in five regions of the state were able to schedule an appointment with their selected physician less than 30 percent of the time.

In response, State Senator Ed Hernandez, an optometrist who chairs the Senate Health Committee, authored Senate Bill 137, which went into effect in July, 2016. The bill requires networks to update online medical provider directories weekly (printed directories must be updated every quarter), so patients get accurate information. Among other provisions of the bill, provider directories must be posted online with print directories available upon request. The directories must “prominently” display how consumers can report inaccuracies. Providers must inform plans within five business days if they stop — or start — accepting new patients.
This report was **ADOPTED** by the 2016-2017 Santa Clara County Civil Grand Jury on this 11th day of May, 2017.

[Signature]

Wayne Tanda  
Foreperson