





November 6, 2024

**FISCAL AND POLICY NOTE**

TO: Jennifer A. Jenkins  
Council Administrator

Colette R. Gresham, Esq.  
Deputy Council Administrator

THRU: Josh Hamlin   
Director of Budget and Policy Analysis

FROM: David Noto   
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement  
CR-101-2024, Health Care Access Workgroup

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**CR-101-2024** (Proposed by: Council Member Blegay)

Assigned to Committee of the Whole

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A RESOLUTION CONCERNING CREATION OF A WORK GROUP TO EXPLORE EQUITABLE ACCESS TO PRIMARY HEALTH CARE FOR ALL PRINCE GEORGE'S COUNTY RESIDENTS for the purpose of assisting in establishing a county-wide health program that provides access to primary care services for all Prince George's County residents who are ineligible for existing healthcare programs.

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**Fiscal Summary**

**Direct Impact**

*Expenditures:* Minimal additional expenditure impact.

*Revenues:* No anticipated revenue impact.

## **Indirect Impact**

Likely Favorable

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## **Legislative Summary:**

CR-101-2024<sup>1</sup> was introduced by Council member Blegay and was introduced and referred to the Committee of the Whole on November 12<sup>th</sup>, 2024. This resolution would create a workgroup to explore equitable access to primary care for County residents, to assist in establishing a county-wide health program that provides access to primary care services for County residents who are ineligible for existing healthcare programs.

The Workgroup shall be comprised of the following members:

- 1) The Council Member who sponsored this legislation or their designee shall serve as the workgroup's Chair.
- 2) Two (2) additional members of the Council.
- 3) Four (4) representatives from Federal Qualified Health Care Centers (FQHCs) based in the County.
- 4) One (1) representative from the Regional Primary Care Coalition.
- 5) One (1) representative of a nonprofit serving immigrant and underserved communities who utilize Federal Qualified Health Care Centers.
- 6) The Health Officer, or a designee.
- 7) One (1) representative of the Office of Management and Budget.
- 8) One (1) representative of Prince George's County Schools.
- 9) Three (3) representatives from County-based hospital/medical system.
- 10) One (1) representative of the Office of Finance, or a designee.
- 11) Three (3) representatives of the Health Department.
- 12) One (1) representative of the Department of Family Services.

Members are not compensated for their work outside of the entitled reimbursements for expenses under the Standard State Travel Regulations, as provided by the County Budget.

The workgroup would have two sets of goals. The short-term goals would determine how the County can ensure continuity of funding for the Health Assures program through the end of the next fiscal year and the benefits to the community provided by guaranteed funding for the program. The short-term recommendations would have to be completed within the first two months of 2025, to be ready for presentation to the Council before the release of the FY 2026 budget. The long-term goals of the workgroup would focus on creating goals for the County's Prince George's Cares Program and a multi-year plan for how they can be achieved, as well as developing a multi-year

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<sup>1</sup> [Prince George's County Council - Reference No. CR-101-2024 \(legistar.com\)](#)

funding strategy for the Prince George's Cares Program. The long-term recommendations would be delivered to the Council before the end of the 2025 calendar year.

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### **Background/Current Law:**

In Prince George's County, the Health Assures Program currently provides health coverage for all eligible adults and children residing in the County at or below 200% of the Federal Poverty Level and are ineligible for Medicaid, MCHP, or other subsidized healthcare programs<sup>2</sup>. Reimbursement was initially distributed to participating FQHCs as a grant based on the proportion of eligible residents served during the prior year before transitioning to a fee-for-service program<sup>3</sup>. The rate is \$180 for primary medical dental and initial behavioral health visits. Behavioral health follow ups, nutrition and some other types of visits are subsidized at a lower rate<sup>4</sup>.

#### *State Law:*

On November 1<sup>st</sup>, 2024, Governor Moore signed a formal agreement with the Centers for Medicare and Medicaid Services (CMMS), to implement the new Advancing All-Payer Health Equity Approaches and Development (AHEAD) model<sup>5</sup>. The AHEAD program is modeled on existing programs that are known as total cost of care. Under those programs, states set annual hospital payments in advance, but include patient outcome goals such as reducing readmissions as incentives<sup>6</sup>. Maryland is among the first states to adopt the AHEAD model of healthcare reform. The AHEAD model aims to streamline healthcare costs, strengthen primary care, and promote equitable, high-quality services across the state<sup>7</sup>. The federal program will require the state to annually meet certain metrics that indicate it has reduced per-capita hospital expenditures while ensuring that patients receive quality health care services. Maryland has already been using a total cost of care model for several years, which is regulated by the state's Health Services Cost Review Commission<sup>8</sup>, but full implementation of the AHEAD model is not scheduled to begin until Jan. 1, 2026.

#### *Relevant legislation from other local jurisdictions:*

Montgomery County's Healthcare for the Uninsured (HU) is a public-private partnership. created in 2005, that provides primary care to uninsured or underinsured adults<sup>9</sup>. Program design came about through a strategic planning effort with community partners including the Primary Care Coalition of Montgomery County, local hospitals, and community-based providers. Since its inception, the program has grown into a network of 12 clinics including 3 FQHCs, with over 20

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<sup>2</sup> [Press-Release-Health-Assures-Program-2024.pdf \(mdcounties.org\)](#)

<sup>3</sup> [Prince George's County Council - Health, Human Services and Public Safety Committee \(legistar.com\)](#) (Regional Primary Care Coalition presentation)

<sup>4</sup> Ibid

<sup>5</sup> [Surging AHEAD: State, feds formalize agreement meant to streamline health care, save money - Maryland Matters](#)

<sup>6</sup> Ibid

<sup>7</sup> [MD's Ahead Model: Paving the Way for Equitable Care \(mdcounties.org\)](#)

<sup>8</sup> [Surging AHEAD: State, feds formalize agreement meant to streamline health care, save money - Maryland Matters](#)

<sup>9</sup> Tara O. Clemons, Program Manager, Health Care of the Uninsured, 01/18/2022

sites and the capacity to serve about 30,000 unduplicated patients annually<sup>10</sup>. In FY 2024, out of a total approved budget of \$17.4 million, 96.9%, or \$16.9 million, went to their operating expenses, with the remaining 3.1%, or just over half a million, going to personnel costs<sup>11</sup>.

The other HU programs provide access to medication and 2 specialty care networks that have negotiated relationships with hospitals to provide inpatient care<sup>12</sup>. It also funds behavioral health and oral care separately, but these services are on a contractual basis, rather than a fee-for-service basis<sup>13</sup>. Montgomery County's Department of Health and Human Services contracts with the Primary Care Coalition of Montgomery County to administer the program<sup>14</sup>.

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### Resource Personnel:

- Leroy Maddox, Legislative Officer

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### Discussion/Policy Analysis:

CR-101-2024 would establish a workgroup to propose solutions to improve the current healthcare-for-the-uninsured program, known as Health Assures, and reform Health Assures into the Prince George's CARES program, which would be a county-wide health program that would provide improved access to primary care services for County residents who are otherwise ineligible for existing healthcare programs.

The current Health Assures program is not as comprehensive as Montgomery County's HU program and thus can currently offer only limited provider choice for patients. It does not provide access to specialty care or medications. It does not subsidize primary care outside of the FQHCs, which also limits the type of care available to residents who utilize the Health Assures program, as FQHCs typically only offer primary care and mental health counseling. The FQHCs will continue to see patients even once Health Assures funding run out, but after that, patients are billed for services on a sliding scale, based on a client's income, meaning some patients may stop seeking medical care if they are charged for follow up services. Since FY 2021, the Health Assures program has also consistently run out of funds before the end of the fiscal year<sup>15</sup>. In a HHSPS meeting in April of 2023, it was estimated that fully funding the Health Assures program would require at least \$10 million annually<sup>16</sup>.

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<sup>10</sup> Ibid

<sup>11</sup> [Visualize Health Care for the Uninsured Program \(PC & OE\) Expenditures | Montgomery County Maryland Operating Budget \(montgomerycountymd.gov\)](#)

<sup>12</sup> Tara O. Clemons, Program Manager, Health Care of the Uninsured, 01/18/2022

<sup>13</sup> Ibid

<sup>14</sup> Ibid

<sup>15</sup> [Prince George's County Council - Health, Human Services and Public Safety Committee \(legistar.com\)](#) (Regional Primary Care Coalition presentation)

<sup>16</sup> Ibid

**Fiscal Impact:**

- *Direct Impact:*

Adoption of CR-101-2024 is not likely to have any direct fiscal impact beyond the entitled reimbursements for expenses for workgroup members under the Standard State Travel Regulations, as provided by the County Budget.

- *Indirect Impact:*

Adoption of CR-101-2024 is not likely to have any indirect fiscal impact.

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**Effective Date of Proposed Legislation:**

The proposed Resolution shall be effective upon its adoption.

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If you require additional information, or have questions about this fiscal impact statement, please reach out to me via phone or email.