Milwaukee County General Assistance Medical Program

Wisconsin is one of 20 states that has received a grant from the Health Resources and Services Administration (HRSA), U.S. Department of Health and Human Services to explore new approaches to increasing access to health insurance for state residents. Wisconsin was notified of the grant award in September 2000. Research under Wisconsin's State Planning Grant has focused on several topics, including the health care costs and utilization of participants in the Milwaukee County General Assistance Medical Program (GAMP).

The GAMP program is a community safety net system serving uninsured residents of Milwaukee County. In calendar year 2000, GAMP served over 20,000 individuals and total payments under the program were $36 million. GAMP is funded with state and federal Medicaid revenues as well as Milwaukee County tax levy. The program is administered by Milwaukee County.

This briefing paper provides an overview of the Milwaukee GAMP program and its participants. Recent trends in cost and utilization under the program are also examined.

GAMP Program Overview

GAMP provides health care coverage to indigent persons residing in Milwaukee County who are not eligible for any other public assistance programs providing medical benefits and are not covered under private insurance. The majority of GAMP participants reside in the City of Milwaukee. However, 5% of the enrollees report a zip code outside of the city reflecting the need for medical services among uninsured, low-income individuals and families in suburban areas of the county.

Eligibility and Enrollment

To be eligible for GAMP, individuals must have income below a specified income threshold for their family size. GAMP considers the total gross income of all family members. For the purposes of GAMP eligibility, income is equal to the applicant's current income for IRS income tax purposes. Assets are not considered when determining eligibility.

For a family size of one, the GAMP income limit is just under 125% of the federal poverty level (FPL). For a family size of three, the GAMP limit is just over 115% of the FPL. Table 1 summarizes the financial eligibility requirements for GAMP.

Unlike a standard health insurance benefit where enrollment is often limited to "open enrollment" periods, individuals apply for GAMP whenever they are in need of health care services. Individuals may only apply when they present themselves for health care services at a primary care clinic participating in GAMP, or in the case of emergency, at a hospital emergency room.

Table 1. GAMP Monthly Income Eligibility Limits – Calendar Year 2000

Family Size	Gross Income Limit
1	$ 882
2	1,146
3	1,409
4	1,677
5	1,946
6	2,218
7	2,484
8	2,758
9	3,033
10	3,306

Source: GAMP Program and Policy Manual

In calendar year 1999, almost 90% of GAMP participants applied for the program at an outpatient setting. The other 10% applied through a hospital in either an emergency room or inpatient setting. In calendar year 2000, hospital applications almost doubled, with 19% of the participants presenting in an emergency room or inpatient setting.

This increase in applications originating at hospital emergency rooms has been attributed to two factors by GAMP program staff. First, GAMP staff believe that some of the increase is due to the recent loss of

an urgent care provider in the City of Milwaukee, which allowed individuals to seek medical care in a non-emergency room setting. Second, because GAMP clients are seeking care when applying for services, fluxes in community-wide medical issues, such as influenza epidemics, influence emergency room activities.

While hospital applications have recently increased, the historical trend has been a significant decrease in the number of hospital applications and a corresponding increase in the number of community clinic applications. In 1998, GAMP implemented a community-based primary care model, which moved services and program responsibility from inpatient to outpatient settings. Prior to that time, hospital applications (inpatient and emergency room) accounted for over 48% of total applications to the program.

Provider Network

The GAMP network is comprised of community-based clinics and hospitals within the County. GAMP contracts with 16 providers including all the Federally Qualified Healthcare Centers (FQHC) and FQHC "look-alikes" in the county, private practices, community health agencies and other medical providers. Services are provided at 23 different clinic sites operated by these providers throughout the county.

GAMP clients are required to select one of the participating clinics as their primary medical provider. This clinic is considered the "medical home" of the patient and the clinic is then responsible for providing and coordinating health care services on behalf of that client. The program follows the principles of a care management model with the community clinics acting in a "gatekeeper" role.

Each contracted community-based clinic is responsible for arranging necessary services that any GAMP participant presenting for care might need. Through relationships with other medical providers, such as specialists and hospitals, the community-based providers are able to coordinate a full array of health care services on behalf of GAMP participants.

Covered Services and Cost Controls

GAMP covered services include, but are not limited to: primary care and clinic services, inpatient and outpatient hospital, laboratory services, pharmacy services and specialty care. State law limits covered health care services under GAMP to those approved as Medicaid services, but prohibits GAMP payments for mental health or other alcohol or drug abuse treatment services. The county also has the ability to reduce or otherwise limit services covered under GAMP. For example, Medicaid covers a full range of dental services, but GAMP limits payment for dental services to emergency extractions.

GAMP providers agree to accept a maximum amount of funding from the program for all services provided to GAMP participants, regardless of costs or number of services provided. This cap on aggregate provider payments ensures that GAMP will not exceed authorized funding amounts for the year, regardless of service utilization. The provider is prohibited from seeking additional payment for services from either the county or the participant.

The County has developed a number of policies to control costs by reducing emergency room (ER) utilization. For example, GAMP participants are assessed a $20 co-payment for each ER visit regardless of the nature of the visit to encourage applicants to address their health care needs before they become an emergency. Control over ER costs are also achieved by prohibiting payment to hospitals for emergency room services unless the service was necessary due to a life or limb-threatening condition.

Milwaukee County has also developed a Utilization Management (UM) program for GAMP services. The goal of the UM program is to assure that care is delivered in an appropriate setting using appropriate resources and to monitor the quality of services. The UM program includes reviews and authorization for inpatient admissions (emergency and non-emergency), use of specialty care service consultations and referral requirements for specified services, such as home health care and durable medical equipment.

The UM program, in addition to providing general oversight of utilization patterns, also provides a quality assurance mechanism for services provided by clinics. The UM staff visit each medical provider and review charts for adherence to medical record and service standards established by the National Council on Quality Standards. These reviews are performed at least annually.

GAMP Participants

County-administered medical assistance programs are typically thought of as programs for single males, but the reality is quite different for Milwaukee GAMP. In calendar year 2000, 47% of the approximately 20,000 GAMP participants were female and 53% were male. Female enrollment was slightly higher in 1999 at 52%. While the majority of applicants report being single at the time of application, nearly 30% report being currently married or married at some point in time (i.e. divorced, separated or widowed). Male applicants are more likely to report being single than female applicants. Table 2 provides more information on the marital status of GAMP eligibles at the time of application in calendar year 2000.

Table 2. GAMP Eligibles Marital Status Calendar Year 2000

Marital Status	Male	Female	Total
Single	77%	65%	72%
Married	10%	14%	12%
Other*	13%	21%	16%
TOTAL	100%	100%	100%

Source: GAMP Management Reports[1]
*Other includes divorced, separated and widowed.

The age distribution of the eligible population was very similar in 1999 and 2000. In both years, a larger percentage of the male population was between the ages of 18 and 39. The female population was more likely to be between the ages of 50 and 64. Table 3 summarizes the age and sex distribution of the eligible population for calendar year 2000.

Individuals who apply for GAMP are screened for Medicaid and BadgerCare eligibility before they can be certified for GAMP. Even though the financial eligibility requirements for BadgerCare are more generous than those for GAMP, there are a number of reasons someone could be eligible for GAMP, but not for BadgerCare, including: (a) absence of dependent children; (b) immigration status; or (c) access to employer-sponsored insurance. In order to be eligible for BadgerCare, the applicant must have dependent children and cannot have access to certain types of employer sponsored insurance. BadgerCare participants must be also United States citizens or qualified legal immigrants.

In calendar year 2000, just over 1,000 children participated in GAMP. This represented a significant increase over 1999. The number of children enrolled in GAMP increased by 32% from calendar year 1999 to calendar year 2000. GAMP staff took a closer look at the children eligible during calendar year 2000 and found that many did not have a social security number in the GAMP eligibility system. This suggests that a number of these children may be undocumented aliens, which would make them ineligible for Medicaid or BadgerCare.

Table 3. GAMP Eligibles by Age and Sex Calendar Year 2000

Age	Female	Male	Total
0-17	6%	4%	5%
18-29	29%	31%	30%
30-39	20%	27%	23%
40-49	24%	24%	24%
50-59	15%	11%	13%
60-64	5%	3%	4%
65-69	< 1%	< 1%	< 1%
Over 70	< 1%	< 1%	< 1%
TOTAL	100%	100%	100%

Source: GAMP Management Reports

Applicants who meet the GAMP eligibility criteria are certified for six months of coverage. Eligibility can be renewed for an indefinite number of six-month periods if the individual continues to meet the program's eligibility requirements. GAMP eligibles may select a new primary care provider at the end of each six-month period.

GAMP appears to be filling a need for short-term health care coverage. GAMP participants, on average, do not spend extended periods of time on the program. During calendar year 2000, 35% of the participants had only one six-month eligibility segment on file. Another 38% have had 12-18 months of eligibility. Approximately 10% had more

than three years of eligibility on file. These eligibility segments were not necessarily consecutive.

While GAMP does provide temporary, immediate medical access for over one third of the caseload, there are indications that a portion of the caseload is seeking treatment for chronic medical conditions, which require long-term medical services. For example, a significant portion of the program's pharmaceutical costs is related to the treatment of chronic medical conditions such as diabetes, hypertension and asthma.

The GAMP monthly caseload declined in every month of calendar year 1999 and then rose dramatically for the first seven months of calendar year 2000. In January 2000,the caseload was only 10,539, but by July 2000 it had increased to 19,827. The calendar year 2000 caseload increase may be attributable to a revision in the income eligibility guidelines for the program, which became effective that year. The gross income limit for a single household was increased from $800 to $882 with similar adjustments for other sized households. This change represents the first adjustment to the income eligibility guidelines since a September 1997 change in the federal minimum wage law. The income adjustment allowed individuals who were working in minimum wage positions to access the program for the first time since 1994.

While average monthly membership in GAMP has fluctuated considerably over the last two years, the total number of people served in calendar year 1999 and calendar year 2000 was virtually the same. The lower monthly caseload in calendar year 1999 suggests that there was more turnover in the program that year with many participants not seeking additional care through re-approval for GAMP eligibility. In calendar year 2000, it appears that participants stayed on the program for longer periods of time through re-application to the program at six-month intervals.

GAMP Health Care Costs and Utilization

Health care cost and utilization data is available for many of the services covered by GAMP, including:

- Primary Care
- Specialty Services[2]
- Pharmacy
- Inpatient Hospital
- Outpatient Hospital
- Emergency Room
- Overlay Services[3]

Hospital services account for the largest percentage of paid claims under GAMP. In calendar year 2000, GAMP paid approximately $25.3 million in hospital claims of which the majority, almost 75%, was for inpatient services. Total claims for clinic services (primary and specialty care) were $15.1 million and pharmacy service claims were $7.2 million.

Table 4 provides additional detail on calendar year 2000 claims costs by service category. The per-user and per- member costs reported represent an average monthly cost for the year. Members are defined as anyone eligible for coverage during the month. Users are defined as the individuals who actually utilized the particular service in that month. The per-member cost is calculated by averaging the total payments for a service across all program participants not just those using the service.

When reviewing this data, it is important to remember that GAMP participants apply for the program at a time when they are in need of health care services. Consequently, unlike other insurance programs where the number of individuals seeking care is smaller than the number of program participants, all GAMP enrollees will receive some level of health care services while on the program. This would account for higher per member costs under GAMP as compared to other populations.

Table 4.GAMP Monthly and Total Costs by Service Category -Calendar Year 2000

Service Category	Per User Cost*	Per Member Cost*	Total Cost (millions)
Primary Care	$ 118.01	$ 21.67	$ 7.2
Specialty Care	253.09	58.21	11.0
Inpatient Hospital	5,405.76	100.57	18.7
Outpatient Hospital	239.37	26.15	4.9
Emergency Room	351.57	8.69	1.6
Pharmacy	139.89	38.10	7.2
Overlay	218.94	9.24	1.7

Source: GAMP Management Reports

* Per User and Per Member Costs represent a monthly average

Examining per user and per member costs provides insight into the intensity of health care resource

utilization. For example, the per-user cost for emergency room (ER) services is higher than the per user cost for specialty care, reflecting that ER services are more resource intensive than specialty services.

The total cost for specialty services is more than twice that of outpatient hospital costs, but per-user costs are very similar for both service categories. This suggests that the resource utilization for providing specialty services is, on average, similar to outpatient services, but that more people are receiving specialty services**.**

A comparison of calendar year 1999 and 2000 costs shows that average per member per month costs for both inpatient and outpatient hospital services have declined. Average per member costs for overlay services have also declined over this time period. Utilization management activities and the success of efforts to shift from a hospital-based model to a community-based, primary care model likely accounted for these reductions.

Similar to trends in the health care marketplace for both private and publicly funded insurance programs, GAMP has been experiencing increasing pharmacy costs over the last two years. Total claims paid amounts and per user costs have both continued to rise with total pharmacy payments increasing by 24% between 1999 and 2000.

GAMP staff have tracked pharmacy expenditures for nearly two years and have found that a growing number of pharmacy claims have contributed to the program's rising pharmacy costs. The number of processed pharmacy claims increased by 10% from calendar year 1999 to calendar year 2000. The average cost per claim also increased from $35.84 to $41.16 over that time period. The rise in total costs can be attributed to the combined effect of a higher volume of prescriptions and increases in pharmaceutical costs.

Table 5 provides information on the average monthly claims cost and per user costs for pharmacy services in calendar years 1999 and 2000 at six-month intervals.

Table 5. Average GAMP Pharmacy Costs Calendar Years 1999 and 2000

Date of Service	Monthly Per User Cost	Average Monthly Cost
Jan.-June 1999	$118	$439,109
July -Dec. 1999	127	528,746
Jan.-June 2000	134	574,294
July-Dec. 2000	146	628,126

Source: GAMP Management Reports

As shown in the table, the average monthly per user cost increased by 24% from January 1999 to December 2000, while the average monthly cost increased by 43%. However, when reviewing the program's budget, it is important to remember that the use of pharmaceuticals can be a mechanism for managing the health of individuals with chronic medical conditions and can be cost-effective by reducing the need for more resource intensive services, such as hospital services.

Summary

Over the last two years, Milwaukee GAMP has been serving approximately 20,000 individuals annually, nearly all of whom live in the City of Milwaukee. Just under one third of the caseload is between the ages of 18 and 29. Another 47% are between the ages of 30 and 49. Most of the applicants report being single and nearly half are female. While GAMP participants would meet the financial eligibility requirements for Medicaid and BadgerCare, they do not meet other non-financial requirements.

Inpatient hospital and specialty services constitute the majority of the GAMP budget although, the program has successfully used primary care services provided in community based clinics and selective utilization management techniques to control and reduce inpatient and outpatient hospital costs over the last two years. Program staff have also worked to educated participants about, and improve access to, preventive service to further manage program costs. Like the health care marketplace generally, GAMP has been

experiencing significant increases in pharmacy costs.

Individuals access the GAMP program when they are in need of health care services. As a result, one would expect their health care utilization to be higher than the general population. Therefore, average per member and per user costs for GAMP participants are not an accurate portrayal of the average health care costs of the uninsured. However, this data does provide valuable information on the costs of providing short-term health care coverage to uninsured, low-income residents who are seeking treatment for an illness. These data also provide insight into the magnitude of out-of-pocket health care costs that individuals without access to comprehensive health insurance might be required to pay.

[1] Data for this paper was compiled from GAMP internal management reports and special reports prepared for the Department of Health and Family Services under the State Planning Grant.

[2] Each community clinic varies in the ability of meeting a client's specific medical needs with in-house physician staff. For GAMP specialty services include a full range of services not available by a contracted community clinic. This includes typical specialty services such as orthopedic services, neurology, or cancer specialties but may include other forms of medical care from a physician not on staff at the community clinic.

[3] Overlay services includes all medical services not provided by physicians or hospitals, such as nursing home care and durable medical equipment.

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