



DIVISION OF  
**Health Care**  
**Finance and Policy**

# **Health Safety Net 2010 Annual Report**

**December 2010**

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Commonwealth of Massachusetts

Timothy P. Murray  
Lieutenant Governor



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Executive Office of Health and Human Services

David Morales, Commissioner  
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# About the Health Safety Net

## HSN Overview

- The Division of Health Care Finance and Policy (DHCFP) administers the Health Safety Net (HSN), created by Chapter 58 of the Acts of 2006. The HSN makes payments to hospitals and community health centers for health care services provided to low-income Massachusetts residents who are uninsured or underinsured.
- This report reflects HSN utilization and payments for twelve months (October 1, 2009 through September 30, 2010) of Health Safety Net fiscal year 2010 (HSN10). In HSN10, payments and volume were reported by the month in which the claim was paid by the HSN. Additional data on utilization and payments for each quarter of HSN10 is available in the Appendix.

## HSN Payments

- As mandated by Chapter 58, the Health Safety Net pays hospitals based on claims, which are adjudicated to verify that the patient is eligible and the services are covered. HSN payment rates are based on Medicare payment principles. Inpatient medical services are paid using diagnosis-related group (DRG) specific rates, which incorporate adjustments for variations in patient acuity, teaching status, and percent of low-income patients. Inpatient psychiatric and rehabilitation cases are paid using per diem rates. Outpatient services are paid using a per-visit rate developed by estimating the amount Medicare would have paid for comparable services. Additional outpatient adjustments are made for disproportionate share and community hospitals. HSN payments cannot exceed available funding for a given year. If a projected shortfall in payments is anticipated, hospital payments are subject to reduction using the greater proportional need method of shortfall distribution.
- Community health centers (CHCs) are paid by the HSN using the federally qualified health center (FQHC) medical visit rate. Ancillary services provided by CHCs are paid at MassHealth payment rates including all applicable rate enhancements.
- Outpatient prescription drugs for eligible providers are priced using the pharmacy online payment system (POPS) employed by the MassHealth program.

## HSN Eligibility

- Massachusetts residents who are uninsured or underinsured and have income up to 200% of the Federal Poverty Level (FPL) are eligible for full HSN primary or HSN secondary coverage. If residents have income between 201% and 400% of the FPL, they are eligible for partial HSN or partial HSN secondary coverage, which includes a sliding scale deductible.
- Residents who are enrolled in health insurance or MassHealth or Commonwealth Care programs may be eligible for HSN secondary coverage for certain services not covered by their primary insurance. In order to support enrollment in Commonwealth Care, individuals are eligible for the HSN during the Commonwealth Care enrollment process. Individuals who have been determined eligible for Commonwealth Care but do not complete the enrollment process lose their HSN eligibility.
- Chapter 65 of the Acts of 2009 eliminated Commonwealth Care eligibility for Aliens with Special Status (AWSS). Aliens with Special Status are generally legal immigrants who have resided in the United States for fewer than five years. This change resulted in the transition of approximately 30,000 individuals from Commonwealth Care to a new program called Commonwealth Care Bridge. During the transition process, these individuals were eligible for the HSN. Additionally, any new AWSS applying for benefits are determined eligible for the HSN or MassHealth Limited instead of Commonwealth Care or Commonwealth Care Bridge.
- In July 2010, MassHealth and Commonwealth Care dental benefits were restructured. In certain instances, the HSN pays for certain dental services for individuals enrolled in MassHealth and Commonwealth Care who are not otherwise eligible for HSN services. This resulted in a significant overall increase in the number of individuals eligible for HSN funded services; however, no effects were seen on payments for claims in Health Safety Net fiscal year 2010 (HSN10).

## HSN Funding

- HSN10 funding included the following funding sources: an assessment on acute hospitals, a surcharge on private sector payments for hospital and ambulatory surgical center services, surplus balances transferred from HSN fiscal years 2008 and 2009, and offset funding for uncompensated care from the Medical Assistance Trust Fund.

**Notes:** Diagnosis-related groups (DRGs) are a classification system that groups patients according to diagnosis, type of treatment, age, and other relevant criteria. Providers are paid a set fee for treating patients in a single DRG category.  
**Source:** Centers for Medicare and Medicaid Services Online Glossary Tool as of 4/16/10.



# Major Findings

The major findings for HSN10 in this report include:

- Total Health Safety Net (HSN) volume in HSN10 was approximately 1,112,000 visits, a 12% increase compared to the prior year. HSN10 hospital volume was approximately 800,000 visits, a 14% increase compared to the prior year. HSN10 inpatient hospital volume accounted for approximately 27,000 visits, a 17% increase compared to the prior year. HSN10 outpatient hospital volume accounted for the remaining 773,000 visits, a 14% increase compared to the prior year.
- HSN community health center (CHC) volume increased by 9% and payments increased by 11% in HSN10 when compared to the prior year.
- Total unique HSN users increased by 15% in HSN10 compared to the prior year.
- Demand for HSN payment exceeded the amount of HSN funding available in HSN10. Demand represents the amount that providers would have been paid in the absence of a funding shortfall. During HSN10, hospital providers experienced a \$70 million shortfall. However, if hospital providers had been paid in full, hospital payments would have increased 15% when compared to the prior year.

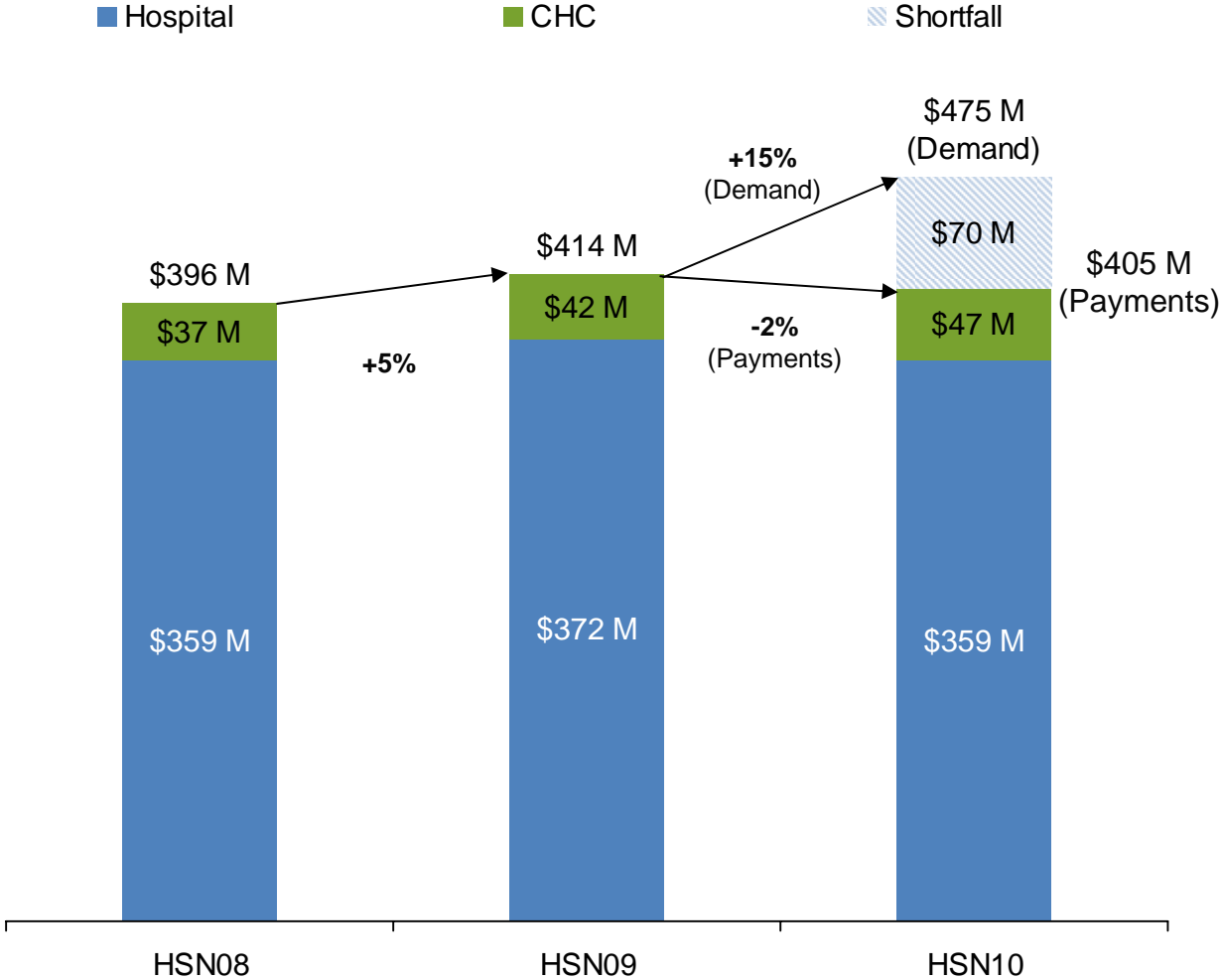
## HSN10 Compared to HSN09

	Hospital	CHC	Total
<b>Demand</b> Oct 2009–Sep 2010 compared to Oct 2008–Sep 2009	↑ 15%	↑ 11%	↑ 15%
<b>Payments</b> Oct 2009–Sep 2010 compared to Oct 2008–Sep 2009	↓ 4%	↑ 11%	↓ 2%
<b>Total Volume</b> Oct 2009–Sep 2010 compared to Oct 2008–Sep 2009	↑ 14%	↑ 9%	↑ 12%
<b>Users</b> Oct 2009–Sep 2010 compared to Oct 2008–Sep 2009	N/A	N/A	↑ 15%

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. HSN08 is Health Safety Net fiscal year 2008. HSN09 is Health Safety Net fiscal year 2009. HSN08 and HSN09 data reflect updated claims activity and may differ from previously published reports. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once.



# HSN Total Demand and Payment Trends



Total Health Safety Net (HSN) payments declined by 2% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year, while demand increased by 15%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall. Because HSN10 exceeded HSN10 funding, hospital providers experienced a \$70 million shortfall during HSN10.

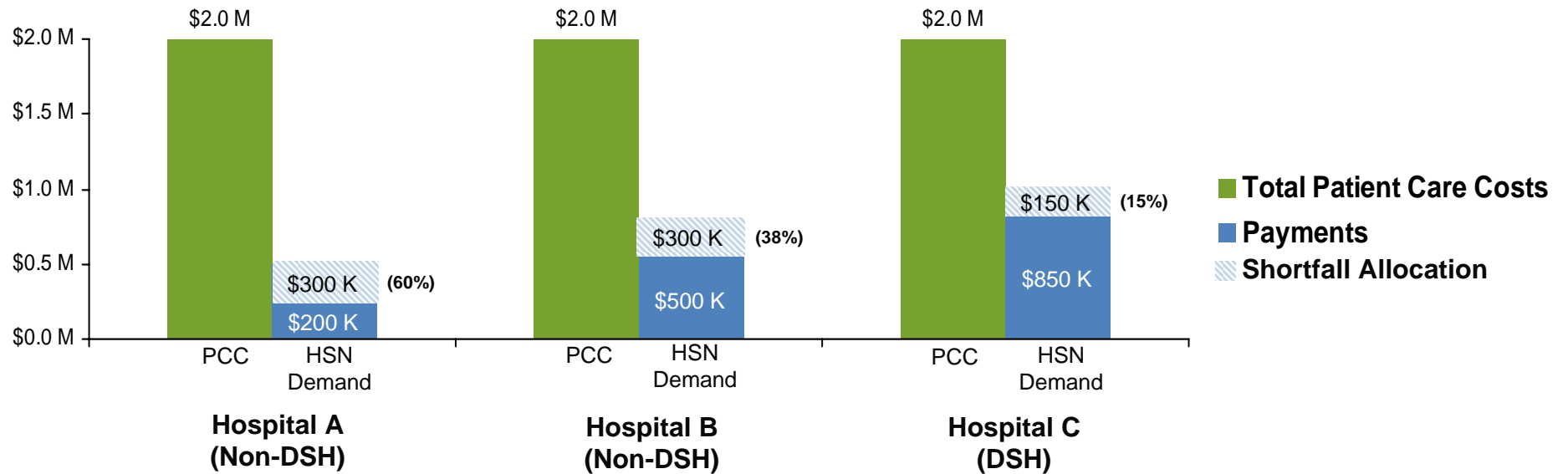
**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. Previously reported HSN08 payments were projected and have been updated. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Shortfall Overview

The Health Safety Net (HSN) has a limited amount of funding available to pay providers. When the calculated payment for services provided is greater than the funding available, the amount of the difference is known as the shortfall. As required by M.G.L. Chapter 118G Section 39(6)(b), the shortfall is distributed solely among hospital providers. The statute also requires that the shortfall is distributed “in a manner that reflects each hospital’s proportional financial requirement for reimbursements from the fund.” The distribution methodology is further defined by regulation in 114.6 CMR 14.03(2)(b)(2) to be based on each hospital’s share of statewide patient care costs (PCC), including the cost of caring for Medicare and Medicaid patients. Thus larger hospitals are responsible for a greater share of the shortfall than smaller facilities.

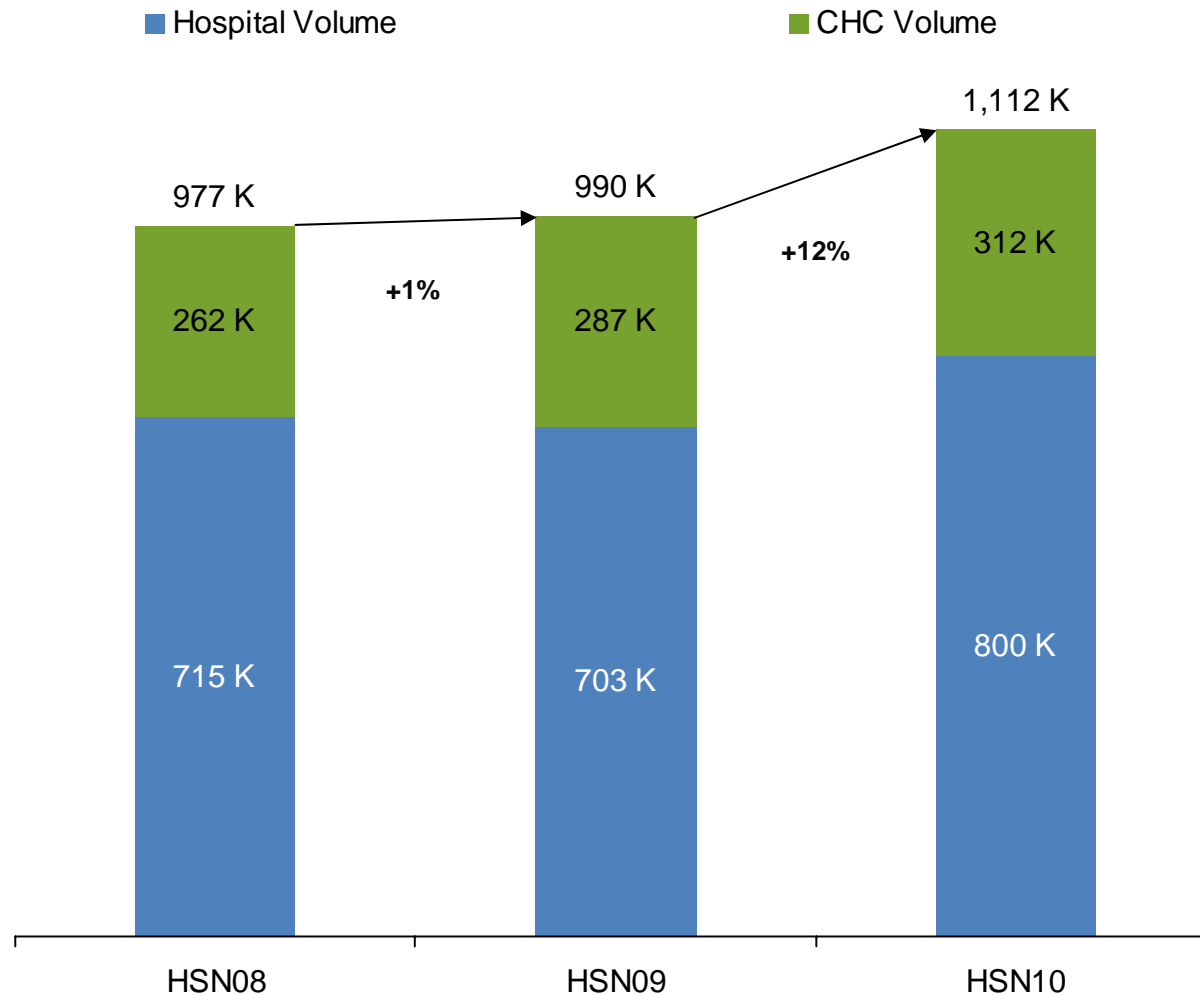
This method of allocating the shortfall is known as the “Greater Proportional Need” (GPN) method. It is intended to distribute the financial burden in a way that does not disadvantage those hospitals providing a larger amount of HSN services.\* The effects of the GPN method are illustrated in the chart below, which shows hypothetical hospitals of equal overall size (patient care costs) that provide different levels of services to HSN patients and receive different levels of HSN payment. In this example, facilities A and B experience the same dollar amount of the shortfall. However, because hospital B provides more HSN services, its shortfall allocation is less as a proportion of its HSN payments than is Hospital A’s shortfall allocation as a proportion of its HSN payments.

Additionally, disproportionate share (DSH) hospitals receive additional protection from the shortfall. DSH hospitals are always paid for at least 85% of their HSN demand in a shortfall situation. In this example, hospital C, a DSH hospital, experiences less of the shortfall than hospitals A or B, despite having the same patient care costs.



\*The GPN method avoids distributing the shortfall proportionally to a hospital’s HSN demand, which would cause hospitals that provide more HSN services to experience more shortfall dollars. In this example, Hospital C would experience the most shortfall dollars if the distribution were proportional to a provider’s HSN demand, because Hospital C has the most HSN demand. The GPN method allocated the shortfall based primarily on the hospital’s size, which is more indicative of the provider’s ability to experience a shortfall in funding.

# HSN Total Service Volume Trends



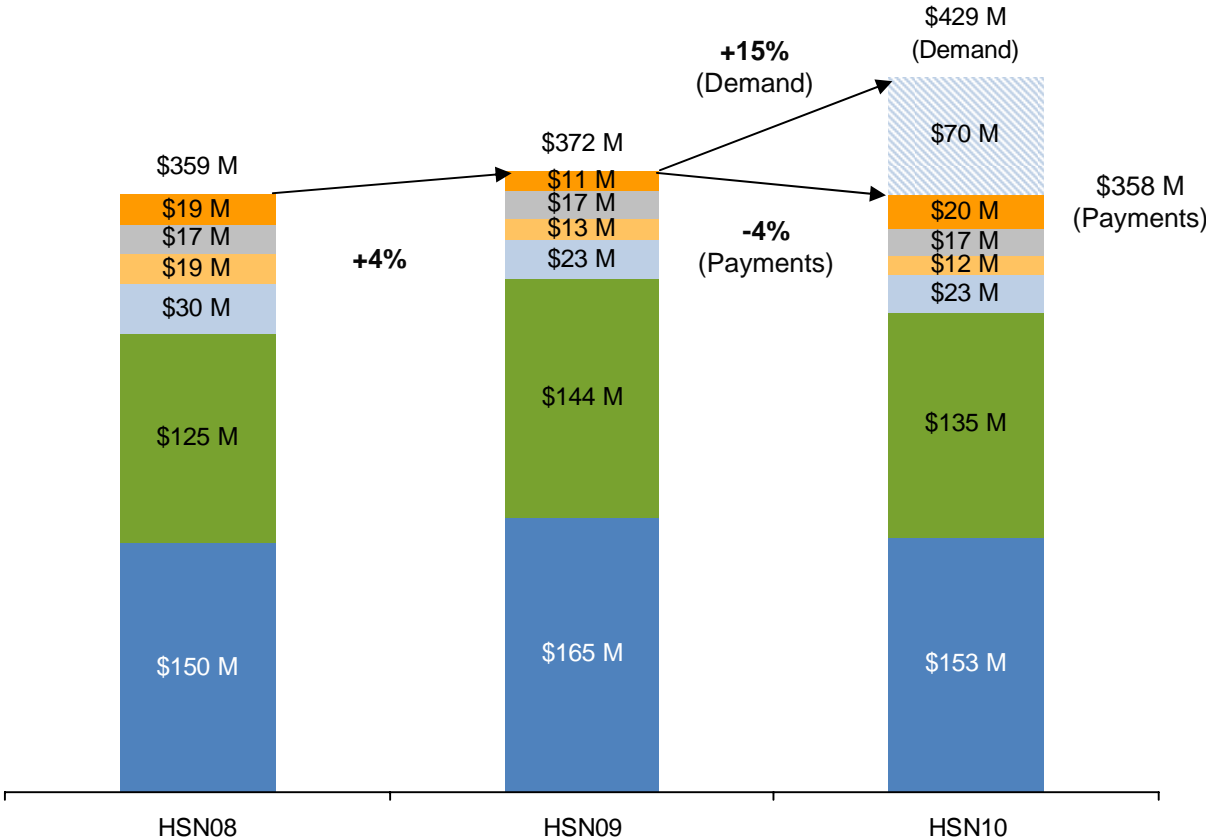
Health Safety Net (HSN) total volume for hospitals and community health centers increased 12% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year.

Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the years shown. Community health center volume is the sum of visits for which payments were made to community health center providers in the years shown.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center volume exclude pharmacy claims. HSN08 CHC volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 hospital and CHC volume reflects updated hospital and CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Hospital Demand and Payment Trends

■ Outpatient ■ Inpatient ■ Outpatient ERBD ■ Inpatient ERBD ■ Pharmacy ■ Other ■ Shortfall



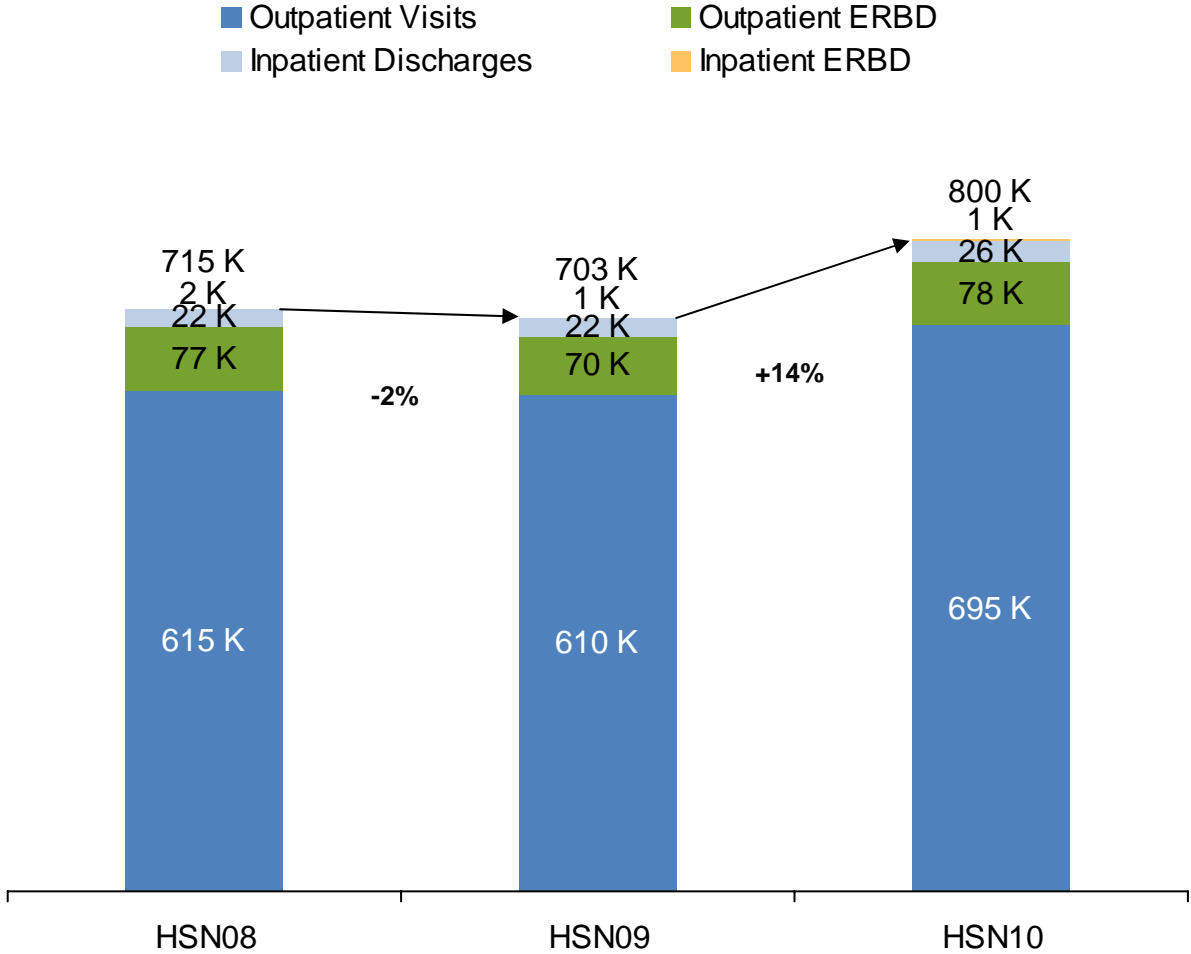
Hospital payments declined by 4% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year, while hospital demand increased by 15%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Other HSN Payments include payment adjustments that are not attributable to a service category. Hospital payments are reported in the month in which payment was made. The HSN10 shortfall allocation is distributed proportionally by service type. Previously reported HSN08 payments were projected and have been updated. HSN09 payments differ from data previously published due to a technical change made to the methodology used to determine the payment amount attributable to each service category. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.



# HSN Hospital Service Volume Trends



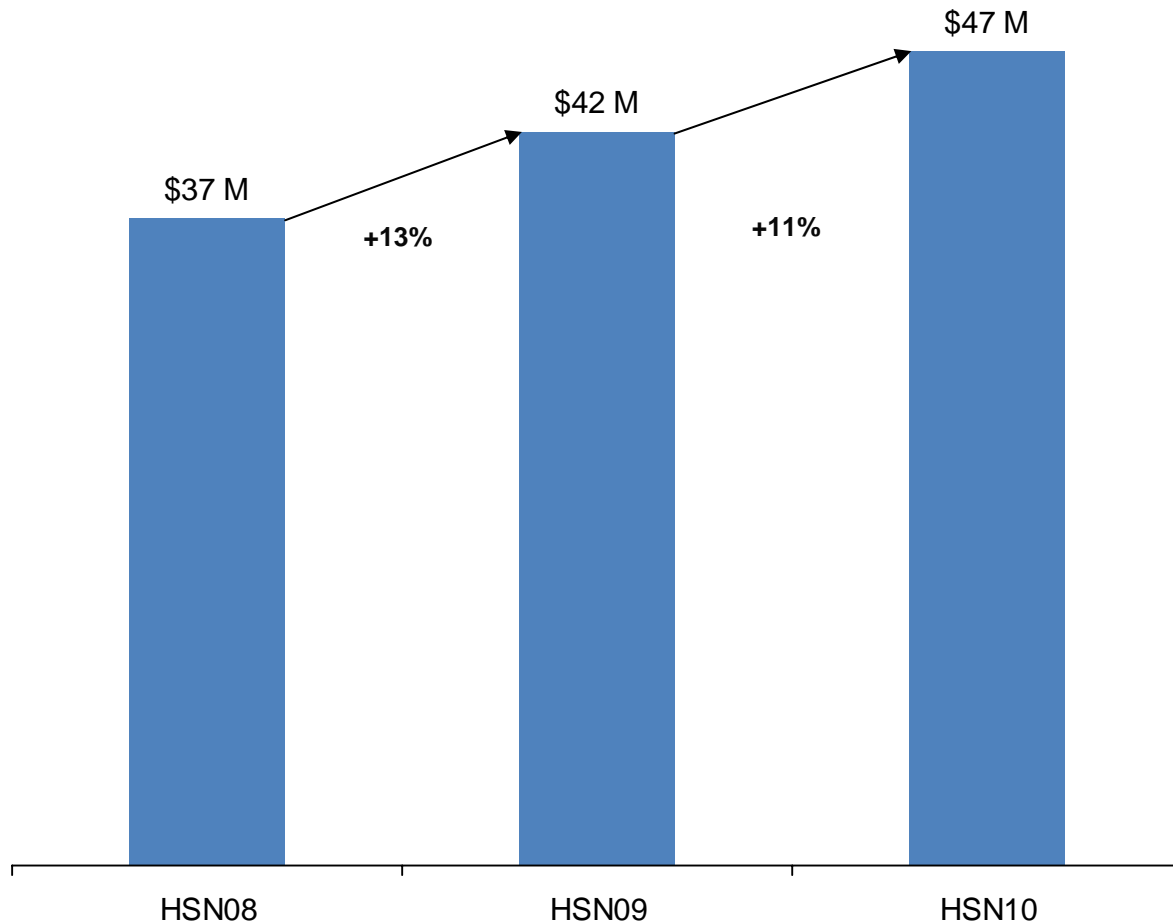
Hospital volume increased by 14% in Health Safety Net fiscal year 2010 (HSN10) compared to the prior year.

During HSN10, total inpatient volume increased 17% and total outpatient volume increased 14% compared to the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. HSN09 volume reflects updated hospital claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.

# HSN Community Health Center Payment Trends

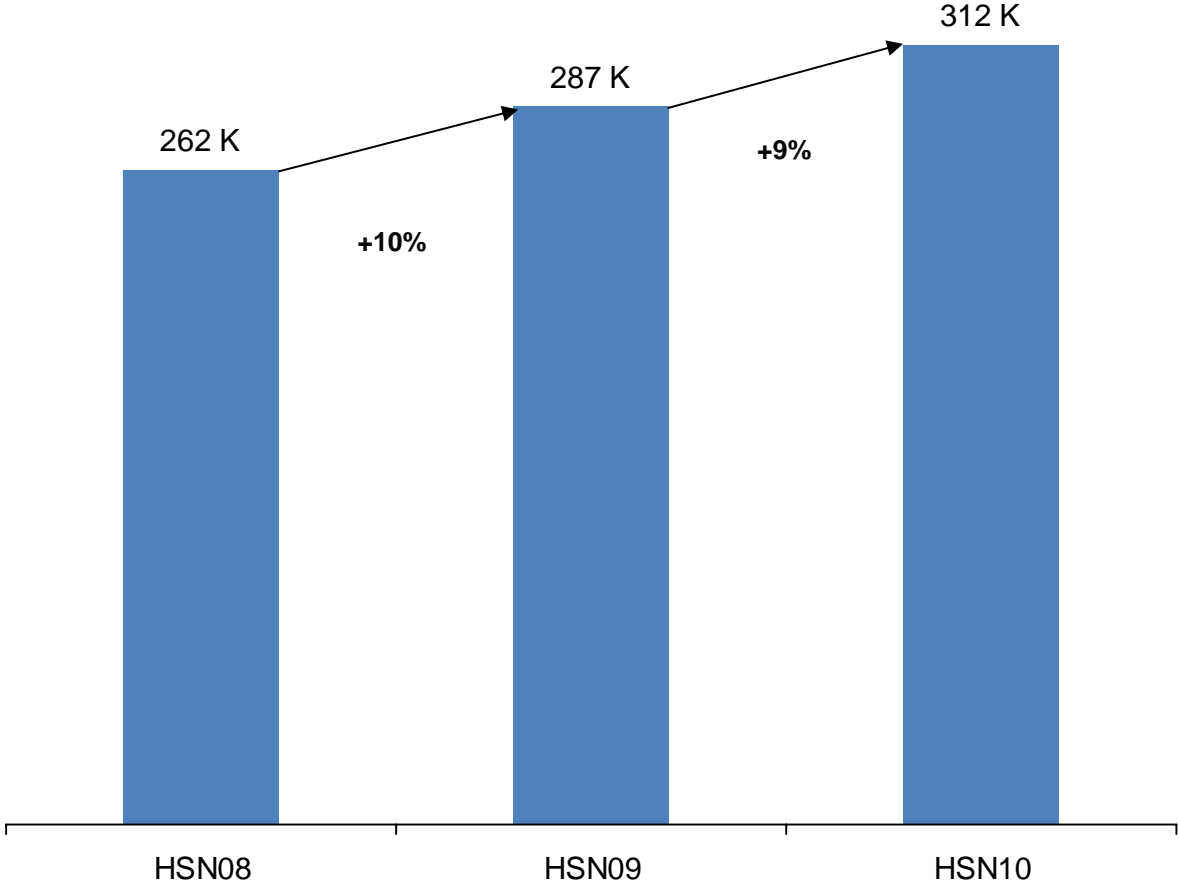


Community health center (CHC) payments increased by 11% in HSN10 compared to the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center payments are reported in the month in which payment was made. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.



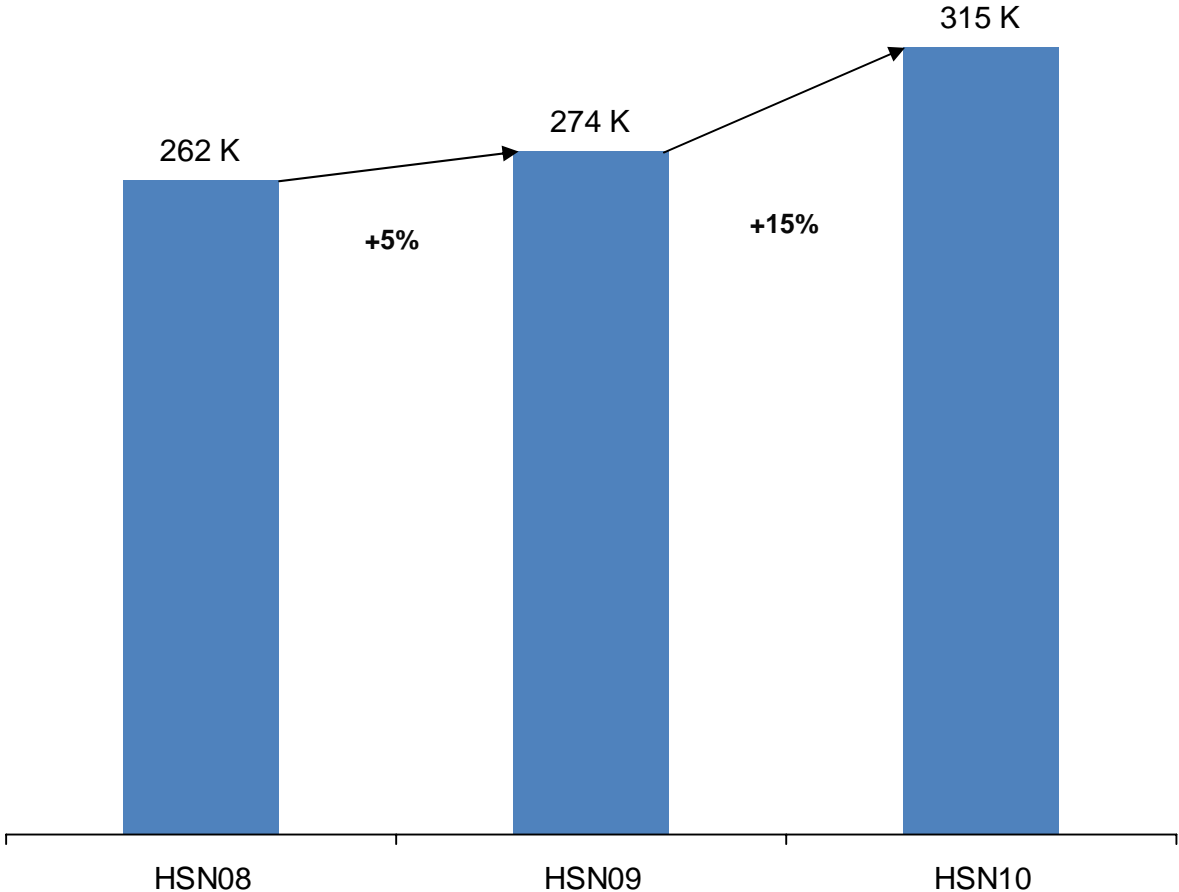
# HSN Community Health Center Volume Trends



Community health center (CHC) volume increased 9% in HSN10 compared to the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown. Community health center volume excludes pharmacy claims. CHCs have been moving from a voucher-based to a claims-based adjudication and payment system since April 2009; this transition may result in shifts in volume that is expected to stabilize once all CHCs have transitioned to the new system. HSN08 volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Total User Trends



Medical expenses for an estimated 315,000 individuals were billed to the Health Safety Net (HSN) in Health Safety Net fiscal year 2010 (HSN10).

The number of users increased by 15% in HSN10 compared to the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once. Users are reported on claims for which payments were made to hospital and community health center providers in the months shown. Total users in HSN08 and HSN09 differ from data previously published due to a technical change made to the methodology used to calculate total users. Numbers are rounded to the nearest thousand; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/21/10.

## Hospital Utilization and Payments by Service Type and Age

Age Groups for HSN10	Inpatient		Outpatient	
	Inpatient Discharges	Inpatient Payments	Outpatient Visits	Outpatient Payments
Ages 0 to 18	1%	1%	3%	3%
Ages 19 to 26	13%	16%	17%	20%
Ages 27 to 44	26%	33%	36%	40%
Ages 45 to 64	34%	42%	30%	30%
Ages 65 and Older	27%	7%	14%	7%
<b>All Ages</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Seventy-five percent of inpatient payments were for services provided to adults ages 27 to 64.

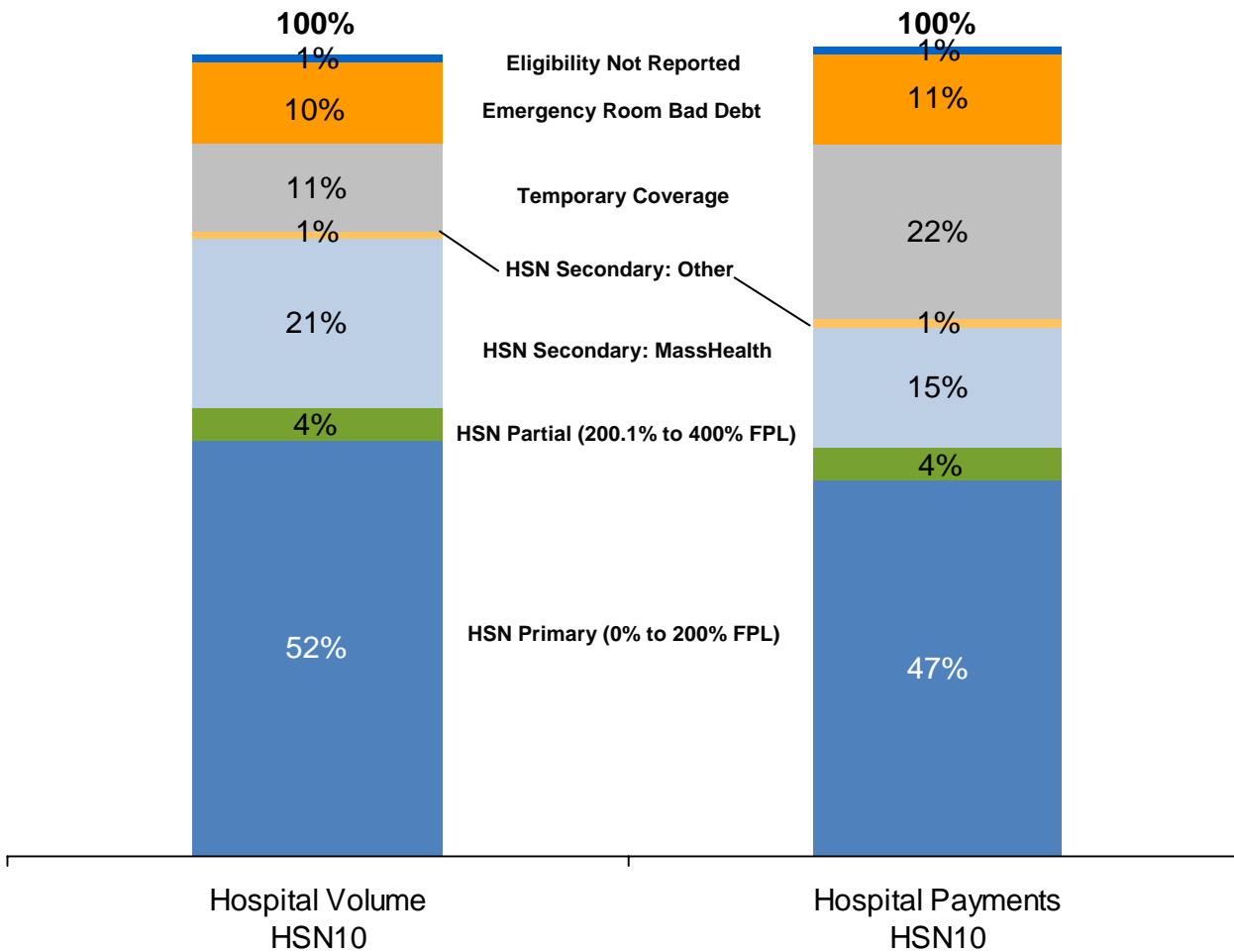
Inpatient volume for this same population accounted for 60% of discharges.

Because the Health Safety Net (HSN) is a secondary payer for low-income Medicare patients, adults ages 65 and older accounted for 27% of inpatient discharges but only 7% of inpatient payments.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Hospital Utilization and Payments by Eligibility Group



Approximately half of both hospital volume and payments were for individuals who were eligible only for the Health Safety Net (HSN) and had no other coverage.

HSN temporary users were the most costly, accounting for only 11% of volume, but 22% of payments.

HSN temporary coverage includes patients awaiting enrollment in Commonwealth Care, MassHealth Basic, and MassHealth Essential.

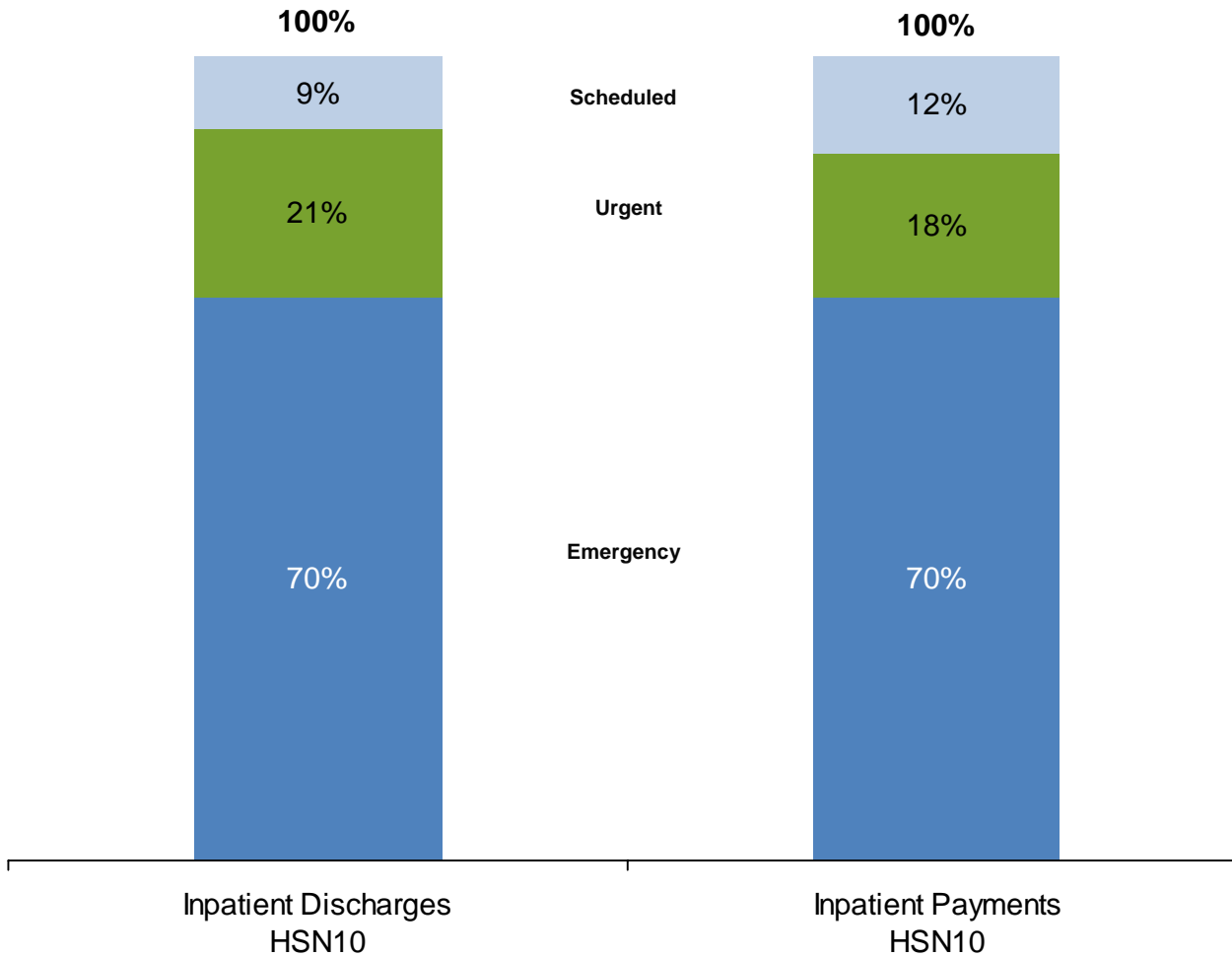
Temporary users were the most costly due to higher use of inpatient services, which are more costly than outpatient services.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. HSN Secondary: Other includes coverage for both Medicare and private insurance patients. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Hospital Inpatient Utilization and Payments by Admission Type



Ninety-one percent of inpatient discharges and 88% of inpatient payments were for emergency and urgent care.

Nine percent of inpatient discharges and 12% of inpatient payments were for scheduled or elective procedures.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital inpatient volume is inpatient discharges for which payments were made to hospital providers in the months shown. Hospital inpatient volume excludes pharmacy claims. Hospital inpatient payments are reported in the month in which payment was made. Hospital inpatient payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Top Ten Inpatient Major Diagnostic Categories

Inpatient Major Diagnostic Categories (MDC) for HSN10	Percent Inpatient Discharges	Percent Inpatient Payments
Circulatory Diseases and Disorders	16%	17%
Digestive Diseases and Disorders	12%	12%
Mental Diseases and Disorders	11%	9%
Respiratory System Diseases and Disorders	11%	9%
Musculoskeletal Diseases and Disorders	8%	9%
Nervous System Diseases and Disorders	6%	8%
Hepatobiliary and Pancreatic Diseases and Disorders	5%	6%
Skin, Subcutaneous Tissue, and Breast Diseases and Disorders	4%	4%
Alcohol/Drug Use and Induced Organic Mental Disorders	4%	3%
Kidney and Urinary Tract Diseases and Disorders	4%	3%
<b>Total for Top Ten Major Diagnostic Categories</b>	<b>81%</b>	<b>80%</b>

The top ten diagnostic categories accounted for 81% of inpatient discharges and 80% of inpatient payments.

Circulatory, digestive, and mental diseases and disorders were the top three diagnostic categories among inpatient claims.

These three diagnostic categories comprised 39% of inpatient discharges and 38% of inpatient payments.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Inpatient claims are grouped into major diagnostic categories (MDC) using versions 24, 25, or 26 of the MS-DRG grouper, depending on the date of service on the claim. Hospital inpatient volume is inpatient discharges for which payments were made to hospital providers in the months shown. Hospital inpatient volume excludes pharmacy claims. Hospital inpatient payments are reported in the month in which payment was made. Hospital inpatient payments exclude pharmacy payments. Numbers are rounded to the nearest percent.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.





# Top Ten Outpatient Clinical Classification Diagnosis Categories

Outpatient CCS Diagnosis Categories for HSN10	Percent Outpatient Claims	Percent Outpatient Payments
Symptoms, Signs, and Ill-Defined Conditions and Factors Influencing Health Status	14%	15%
Musculoskeletal System and Connective Tissue Diseases	9%	9%
Injury and Poisoning	8%	9%
Genitourinary System Diseases	8%	8%
Circulatory System Diseases	8%	7%
Nervous System and Sense Organ Diseases	7%	8%
Digestive System Diseases	7%	7%
Respiratory System Diseases	7%	7%
Endocrine, Nutritional, and Metabolic Diseases and Immunity Disorders	7%	6%
Mental Illness	7%	6%
<b>Total for Top Ten Clinical Classification Categories</b>	<b>82%</b>	<b>82%</b>

The top ten clinical classification (CCS) diagnosis categories accounted for 82% of outpatient claims and 82% of outpatient payments.

Symptoms, signs, and ill-defined conditions and factors influencing health status; musculoskeletal system and connective tissue diseases; and injuries and poisonings were the top three CCS diagnosis categories among outpatient claims.

These three CCS diagnosis categories comprised 31% of outpatient claims and 33% of outpatient payments.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Outpatient 8371 claims are grouped using the Clinical Classification Software (CCS) from the Agency for Healthcare Research and Quality (AHRQ). Hospital outpatient claims are claims for which payments were made to hospital providers in the months shown. Hospital outpatient claims excludes UB92 and pharmacy claims. Hospital outpatient payments are reported in the month in which payment was made. Hospital outpatient payments exclude pharmacy payments. Numbers are rounded to the nearest percent.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



## Case Mix of the Inpatient HSN Population

	HSN09	HSN10
Case Mix Index	1.189	1.243
Average Length of Stay (days)	4.146	3.950

The case mix index represents the relative complexity, severity of illness, and amount of resources required to treat a given patient population.

The case mix index increased from Health Safety Net fiscal year 2009 (HSN09) to Health Safety Net fiscal year 2010 (HSN10).

The average length of stay for Health Safety Net (HSN) users has decreased 0.196 days compared to the prior year.

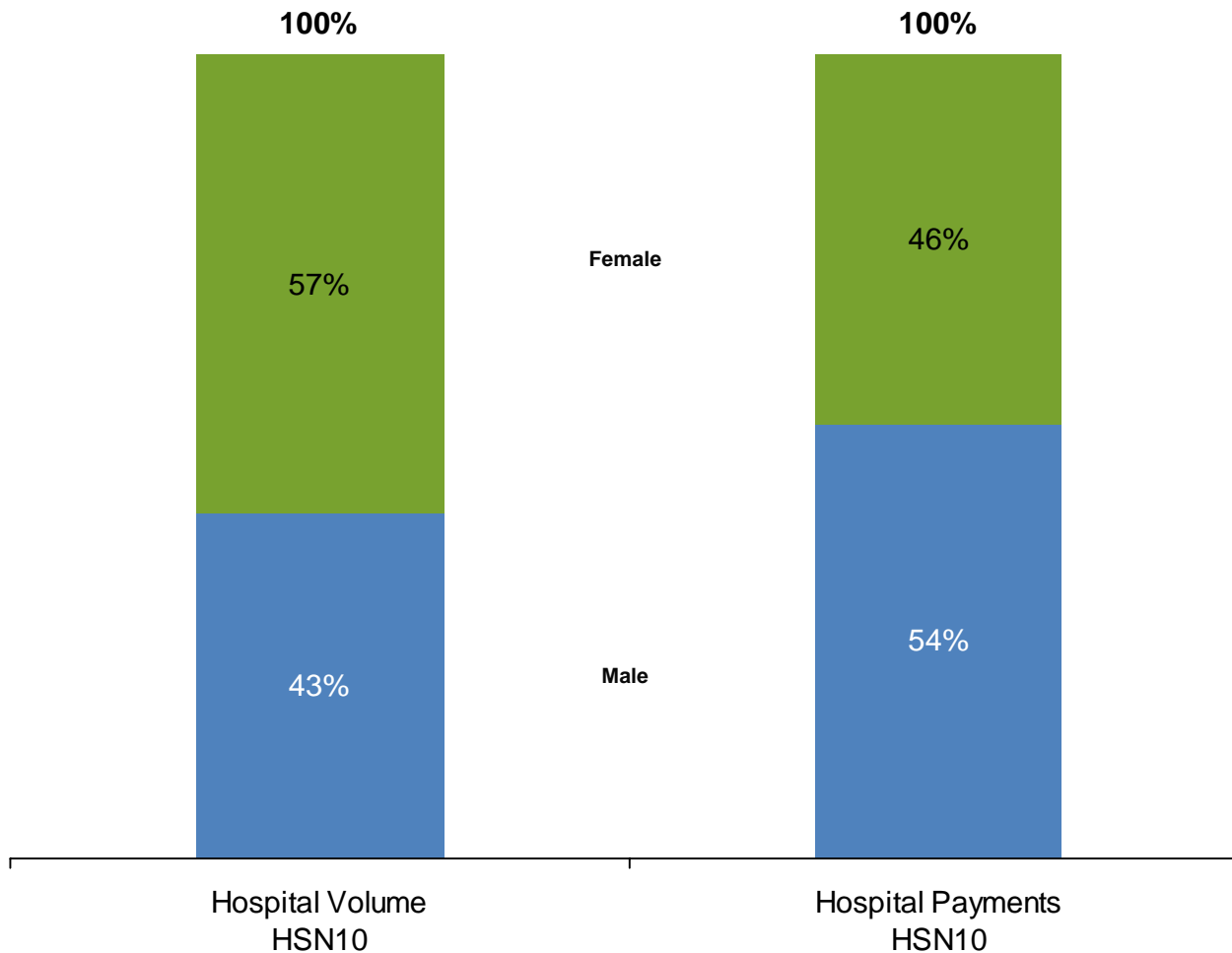
In 2009, the case mix index for non-HSN payers in Massachusetts was 1.274 and the average length of stay was 4.652 days. Both the case mix and average length of stay for non-HSN payers were higher than those for the HSN in HSN09, suggesting that non-HSN payers provides services for a less healthy population.

**Notes:** The Health Safety Net fiscal year (HSN) runs from October 1 through September 30 of the following year. Case mix data based on Medicare severity diagnostic related groups (MS-DRGs), version 26 for HSN09 and version 27 for HSN10. The analysis includes all primary inpatient claims paid during HSN09 and HSN10.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/29/2010 and 2009 DHCFP Hospital Discharge Data.



# Hospital Utilization and Payments by Gender



In Health Safety Net fiscal year 2010 (HSN10), men used fewer services than women, but had higher payments for their care.

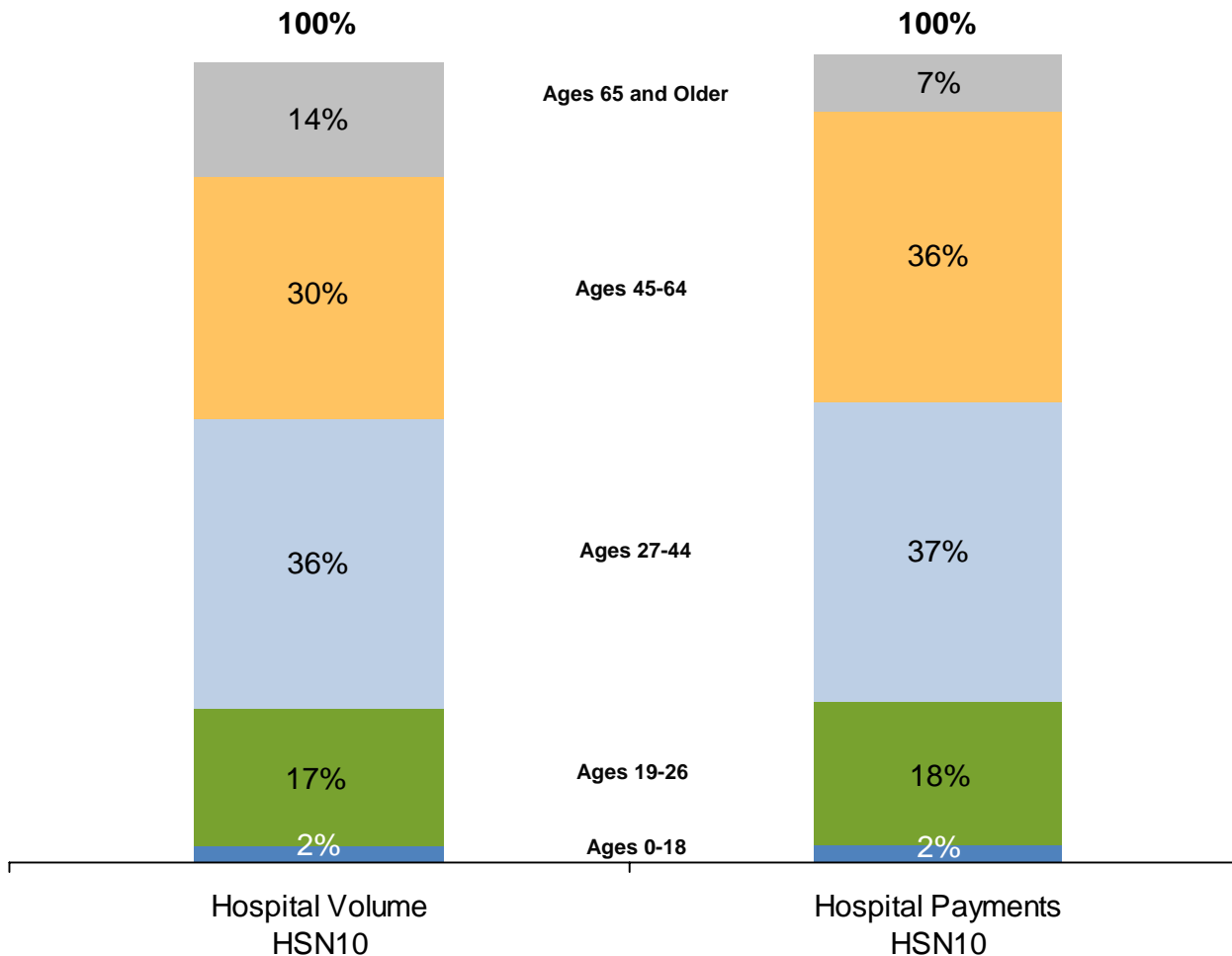
During this period men accounted for 43% of volume but 54% of payments.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Hospital Utilization and Payments by Age



The non-elderly adult population (ages 19 to 64) accounted for 83% of hospital volume and 91% of hospital payments.

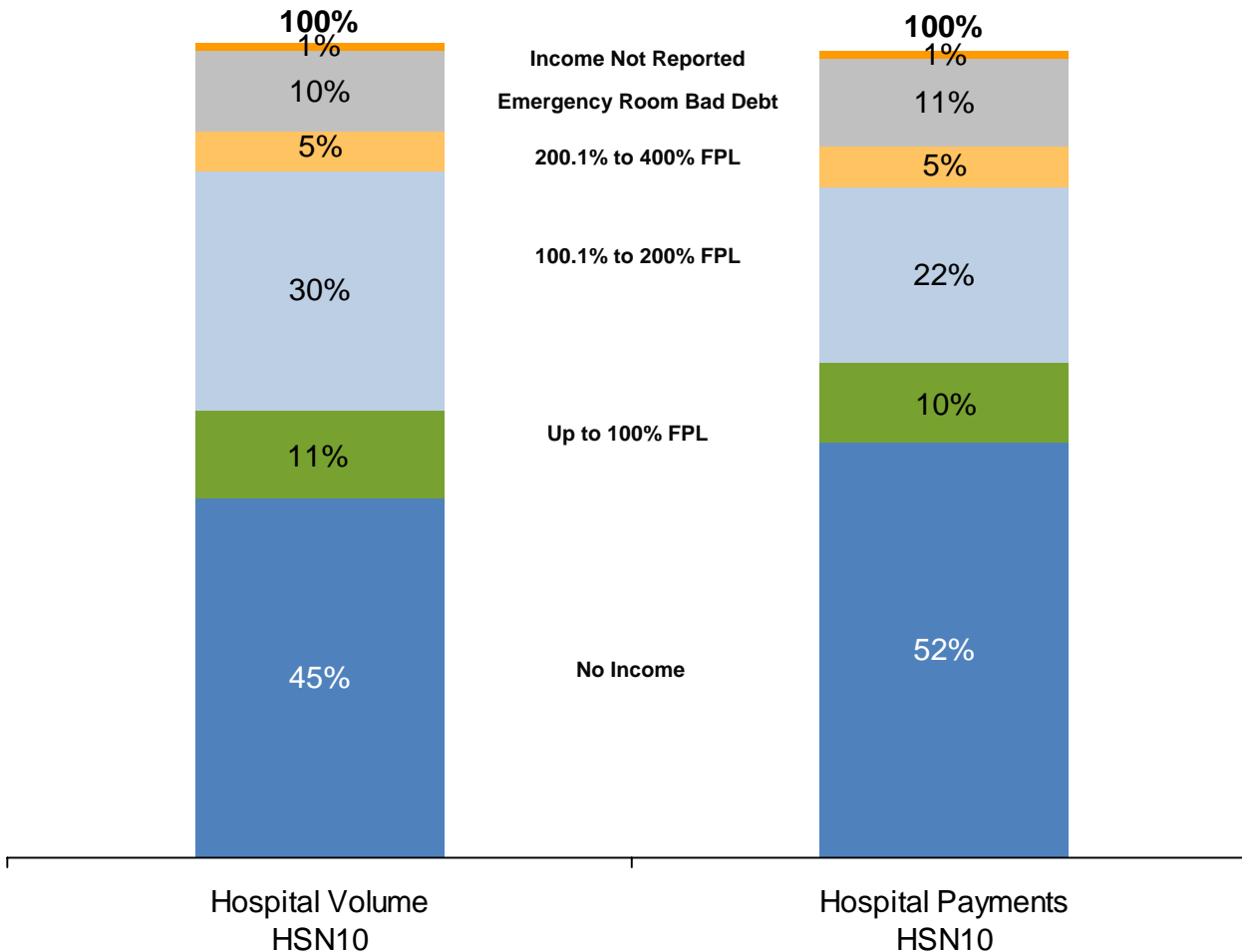
Because the Health Safety Net (HSN) is a secondary payer for low-income Medicare patients, adults ages 65 and older accounted for 14% of hospital volume but only 7% of hospital payments.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Hospital Utilization and Payments by Family Income



Users with no income received the most costly services, comprising 45% of service volume that generated 52% of payments.

Users with income between 100.1% and 200% of the federal poverty level (FPL) used the least costly service mix, accounting for 30% of volume and 22% of payments. Individuals with income less than 200% of the FPL received services accounting for 86% of volume and 84% of payments.

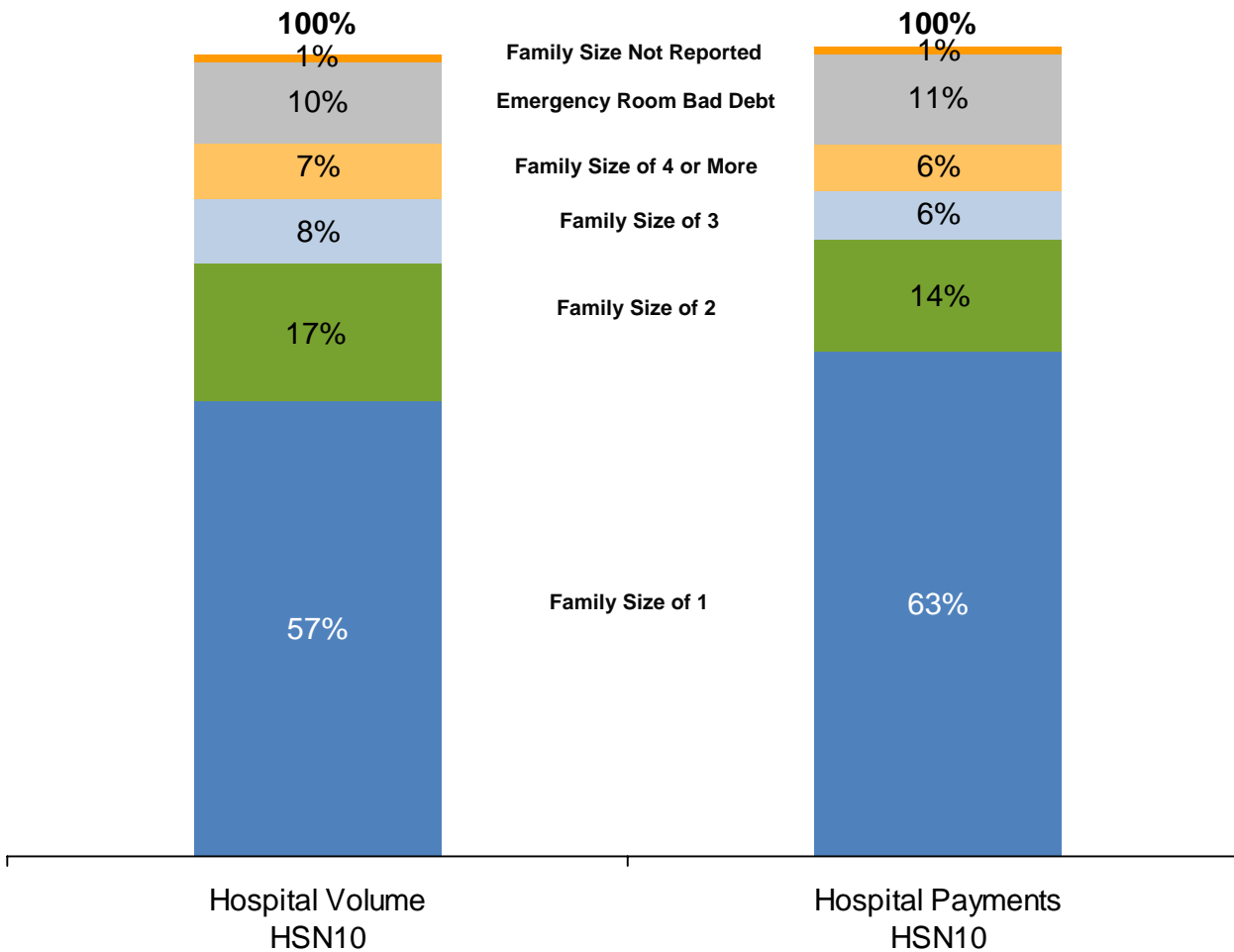
Income data is reported on the patient's Medical Benefit Request (MBR) application. There is no MBR information for emergency room bad debt (ERBD) claims.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# Hospital Utilization and Payments by Family Size



Single adults accounted for 57% of hospital volume and 63% of hospital payments.

Family size data are reported on the patient's Medical Benefit Request (MBR) application. There is no MBR information for emergency room bad debt (ERBD) claims.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Hospital volume excludes pharmacy claims. Hospital payments are reported in the month in which payment was made. Hospital payments exclude pharmacy payments. Numbers are rounded to the nearest percent and may not sum to 100% due to rounding. Numbers less than 1% are not displayed.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/19/10.



# HSN10 Hospital Payment Rates

Payment Category	Median Payment Rate	Mean Payment Rate
<b>Services for HSN Eligible Individuals</b>		
Inpatient Medical Primary (per discharge)	\$7,799.57	\$11,238.31
Inpatient Psychiatric Primary (per discharge)	\$4,602.91	\$5,710.76
Inpatient Rehabilitation Primary (per day)	\$2,057.06	\$1,841.14
Outpatient Primary (per visit)	\$286.58	\$309.16
Payment on Account Factor (percentage used for secondary claims)	30.43%	29.01%
<b>Services for Emergency Room Bad Debt</b>		
Inpatient Medical Emergency Room Bad Debt (per discharge)	\$7,214.58	\$9,524.97
Inpatient Psychiatric Emergency Room Bad Debt (per discharge)	\$3,491.64	\$3,515.98
Outpatient Emergency Room Bad Debt (per visit)	\$312.52	\$352.81

Health Safety Net (HSN) payments are based on Medicare payment principles. Payment rates range according to the variation in case mix among hospitals. Hospitals that treat a greater number of complex cases are paid higher rates reflective of this complexity. The table shows the median and mean payment rates for each payment category across all hospitals that provide services in each payment category.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Payment rates are effective October 1, 2009 for Health Safety Net fiscal year 2010 (HSN10). Payment on Account factor is used for secondary claims and inpatient physician services provided by hospital-based physicians. Hospital payment rates are the median or mean payment amount for all claims paid in HSN10. Rates for these cases vary by diagnosis. Dental services are paid according to the fees established in 114.3 CMR 14.00: Dental Services.

# HSN10 Hospital Payment to Cost Ratios

Hospitals by Group	Pre-Shortfall PCR	Actual Payment PCR	Hospitals by Group	Pre-Shortfall PCR	Actual Payment PCR
<b>DSH</b>					
Berkshire Medical Center	84%	72%	Health Alliance Hospital	83%	66%
Boston Medical Center	96%	90%	Heywood Hospital	107%	78%
Cambridge Health Alliance	68%	68%	Jordan Hospital	111%	77%
Cape Cod Hospital	78%	67%	Lowell General Hospital	104%	81%
Caritas Carney Hospital	108%	94%	Marlborough Hospital	92%	81%
Caritas St. Elizabeth's Medical Center	79%	67%	Martha's Vineyard Hospital	87%	74%
Holyoke Medical Center	98%	84%	MetroWest Medical Center	97%	82%
Lawrence General Hospital	82%	74%	Milford Regional Medical Center	91%	57%
Mercy Medical Center	139%	118%	Milton Hospital	88%	45%
Merrimack Valley Hospital	93%	79%	Morton Hospital and Medical Center	104%	83%
Quincy Medical Center	97%	83%	Nantucket Cottage Hospital	52%	36%
Saint Anne's Hospital	122%	104%	Nashoba Valley Medical Center	112%	79%
Saint Vincent Hospital	114%	97%	New England Baptist Hospital	61%	0%
Signature Healthcare Brockton Hospital	103%	94%	Newton-Wellesley Hospital	69%	0%
Southcoast Hospitals Group	95%	81%	Noble Hospital	83%	70%
Wing Memorial Hospital and Medical Centers	101%	87%	North Adams Regional Hospital	94%	80%
<b>All Others</b>			North Shore Medical Center	77%	65%
Anna Jaques Hospital	112%	81%	Northeast Hospital Corporation	107%	76%
Athol Memorial Hospital	84%	72%	Saints Medical Center	92%	79%
Baystate Franklin Medical Center	79%	56%	South Shore Hospital	70%	44%
Baystate Mary Lane Hospital	83%	49%	Sturdy Memorial Hospital	85%	64%
Beth Israel Deaconess Hospital – Needham	96%	0%	Winchester Hospital	77%	0%
Caritas Good Samaritan Medical Center	89%	76%	<b>Teaching Only</b>		
Caritas Holy Family Hospital	103%	83%	Baystate Medical Center	103%	72%
Caritas Norwood Hospital	95%	71%	Beth Israel Deaconess Medical Center	95%	72%
Clinton Hospital	64%	54%	Brigham and Women's Hospital	75%	46%
Cooley Dickinson Hospital	89%	51%	Children's Hospital Boston	184%	115%
Emerson Hospital	91%	0%	Dana-Farber Cancer Institute	108%	41%
Fairview Hospital	95%	82%	Lahey Clinic	113%	35%
Falmouth Hospital	86%	56%	Massachusetts Eye and Ear Infirmary	97%	58%
Faulkner Hospital	83%	34%	Massachusetts General Hospital	73%	53%
Hallmark Health	101%	58%	Mount Auburn Hospital	70%	42%
Harrington Memorial Hospital	103%	87%	Tufts Medical Center	106%	78%
			UMass Memorial Medical Center	81%	68%

**Notes:** Health Safety Net fiscal year 2010 (HSN10) measures payments made in the months of October 2009 through September 2010. Hospital payments exclude pharmacy payments. Costs determined using a total cost-to-charge ratio derived from the fiscal year 2009 HCF-403 data.

**Source:** DHCFFP Health Safety Net Data Warehouse as of 10/28/10.





# Sources and Uses

## Sources

- The Health Safety Net (HSN) is primarily funded from three sources: an assessment on acute hospitals' private sector charges; a surcharge on payments made to hospitals and ambulatory surgical centers by HMOs, insurers, third party administrators, and individuals; and an annual appropriation from the Commonwealth's General Fund.

### *Hospital Assessments*

- The total amount paid by hospitals into the HSN is established by the legislature. The fiscal year 2010 (FY10) state budget established a total hospital assessment of \$160.0 million. Each hospital's assessment is calculated by multiplying its private sector charges by the uniform percentage, which is calculated by dividing the total assessment (\$160.0 million) by the total private sector charges from all hospitals statewide. Since each hospital's liability is based on its private sector charges, hospitals that treat more private patients make larger payments to the HSN.

### *Surcharge Collections*

- The total amount collected through the surcharge is established by the Massachusetts legislature. The Division sets the surcharge percentage at a level to produce the total amount specified by the legislature. For Health Safety Net fiscal year 2010 (HSN10), that amount totaled \$160.0 million.

### *Balances from Prior Years*

- HSN08 and HSN09 balances of \$21.1 million were transferred as a funding source for HSN10.

### *Offsets for Uncompensated Care*

- In HSN10, \$70.0 million from the Medical Assistance Trust Fund was used to offset uncompensated care costs for allowable HSN services to Boston Medical Center (\$20.0 million) and Cambridge Health Alliance (\$50.0 million).

## Uses

- Projected uses of HSN funds include estimated hospital demand, estimated community health center payments, and \$6 million for demonstration projects.



# HSN10 Sources and Projected Uses

Funding Sources		Projected Uses	
Hospital Assessment	\$160.0	Estimated Hospital Demand	(\$428.8)
Surcharge Payers	\$160.0	Estimated Community Health Center Payments	(\$46.6)
Balances from Prior Years*	\$21.1	Demonstration Projects	(\$6.0)
MATF Offset to Hospital Demand**	\$70.0		
<b>Total Sources</b>	<b>\$411.1</b>	<b>Projected Uses</b>	<b>(\$481.4)</b>
		<b>Projected Shortfall</b>	<b>(\$70.3)</b>

Notes: Dollars in millions. Estimated hospital payments include allowance of \$18.0 million for denied claims that may remediate. Based on data submitted through September 2010.

\*HSN08 and HSN09 balances of \$21.1 million were transferred as a funding source for HSN10.

\*\*Up to \$70.0 million is available from the Medical Assistance Trust Fund to offset uncompensated care costs for allowable HSN services to Boston Medical Center (\$20.0 million) and Cambridge Health Alliance (\$50.0 million).



# HSN10 Surcharge Collections

Surcharge Payer	Collections HSN10	Percent of Total HSN10
Blue Cross Blue Shield of Massachusetts	\$78,129,581	46%
Harvard Pilgrim Health Care	\$25,405,697	15%
UnitedHealth Care Insurance Company	\$9,494,962	6%
Aetna Health, Inc.	\$8,225,044	5%
Tufts Health Plan	\$8,101,922	5%
Connecticut General Life Insurance Company	\$6,318,912	4%
UniCare Life and Health Insurance Company	\$4,889,527	3%
Tufts Total Health Plan	\$4,394,590	3%
Fallon Community Health Plan	\$4,240,322	2%
Health New England	\$2,981,675	2%
All Others	\$17,761,562	10%
<b>Total HSN10 Collections</b>	<b>\$169,943,794</b>	<b>100%</b>

The total surcharge amount for Health Safety Net fiscal year 2010 (HSN10) was set by the Massachusetts legislature at \$160 million.

In order to produce the total amount specified by the legislature, DHCFP set the surcharge percentage at 1.90% for HSN10.

Approximately 800 registered surcharge payers made payments in HSN10. The table lists the top ten surcharge payers and their contributions.

**Notes:** Payment rates effective 10/1/09 for Health Safety Net fiscal year 2010. Totals may not add to 100% due to rounding.



# HSN10 Hospital Assessments and Payments

Hospitals	Assessment To HSN A	Payment From HSN B	Net Payment To/ (From) HSN C = A - B	Hospitals	Assessment To HSN A	Payment From HSN B	Net Payment To/ (From) HSN C = A - B
Anna Jaques Hospital	\$698,993	\$1,113,970	(\$414,976)	Lahey clinic	\$5,186,346	\$1,110,414	\$4,075,933
Athol Memorial Hospital	\$237,764	\$165,240	\$72,524	Lawrence General Hospital	\$952,822	\$6,143,525	(\$5,190,703)
Baystate Franklin Medical Center	\$589,932	\$852,935	(\$263,003)	Lowell General Hospital	\$1,861,378	\$2,732,605	(\$871,227)
Baystate Mary Lane Hospital	\$229,064	\$216,698	\$12,366	Marlborough Hospital	\$576,538	\$1,810,067	(\$1,233,529)
Baystate Medical Center	\$4,421,422	\$7,846,933	(\$3,425,512)	Martha's Vineyard Hospital	\$390,790	\$1,125,213	(\$734,422)
Berkshire Medical Center and Hillcrest Campus	\$1,590,590	\$4,381,714	(\$2,791,124)	Massachusetts Eye and Ear Infirmary	\$1,307,646	\$673,032	\$634,614
Beth Israel Deaconess Medical Center	\$8,992,824	\$13,981,104	(\$4,988,280)	Massachusetts General Hospital	\$19,312,387	\$23,307,365	(\$3,994,978)
Beth Israel Deaconess Hospital - Needham	\$515,692	\$0	\$515,692	Mercy Medical Center	\$1,081,936	\$4,089,675	(\$3,007,740)
Boston Medical Center	\$4,267,926	\$62,574,842	(\$58,306,916)	Merrimack Valley Hospital	\$328,576	\$806,035	(\$477,460)
Brigham and Women's Hospital	\$17,571,695	\$11,023,539	\$6,548,156	MetroWest Medical Center	\$2,246,737	\$5,981,495	(\$3,734,758)
Cambridge Health Alliance	\$1,777,081	\$0	\$1,777,081	Milford Regional Medical Center	\$1,757,252	\$1,167,526	\$589,726
Cape Cod Hospital	\$1,983,165	\$5,333,076	(\$3,349,911)	Milton Hospital	\$522,894	\$284,597	\$238,297
Caritas Carney Hospital	\$447,234	\$3,201,995	(\$2,754,761)	Morton Hospital and Medical Center	\$714,889	\$2,017,249	(\$1,302,360)
Caritas Good Samaritan Medical Center	\$984,453	\$4,482,325	(\$3,497,872)	Mount Auburn Hospital	\$2,174,617	\$1,742,276	\$432,341
Caritas Holy Family Hospital	\$1,023,212	\$2,612,196	(\$1,588,984)	Nantucket Cottage Hospital	\$226,172	\$299,530	(\$73,357)
Caritas Norwood Hospital	\$1,094,106	\$1,975,826	(\$881,720)	Nashoba Valley Medical Center	\$531,171	\$445,056	\$86,114
Caritas St. Elizabeth's Hospital	\$1,392,063	\$3,998,431	(\$2,606,368)	New England Baptist Hospital	\$1,529,130	\$0	\$1,529,130
Children's Hospital Boston	\$8,830,665	\$3,849,996	\$4,980,669	Newton-Wellesley Hospital	\$5,579,510	\$0	\$5,579,510
Clinton Hospital	\$227,323	\$330,072	(\$102,749)	Noble Hospital	\$348,970	\$431,109	(\$82,138)
Cooley Dickinson Hospital	\$1,285,853	\$897,193	\$388,659	North Adams Regional Hospital	\$431,840	\$630,965	(\$199,125)
Dana-Farber Cancer Institute	\$6,173,968	\$1,468,409	\$4,705,558	North Shore Medical Center	\$3,807,204	\$7,529,322	(\$3,722,118)
Emerson Hospital	\$2,371,457	\$0	\$2,371,457	Northeast Hospital Corporation	\$2,480,043	\$3,079,057	(\$599,015)
Fairview Hospital	\$185,949	\$956,065	(\$770,115)	Quincy Medical Center	\$606,551	\$1,277,408	(\$670,857)
Falmouth Hospital	\$790,430	\$1,039,648	(\$249,218)	Saint Anne's Hospital	\$812,127	\$2,419,399	(\$1,607,272)
Faulkner Hospital	\$2,214,706	\$495,230	\$1,719,476	Saint Vincent Hospital	\$2,154,516	\$4,427,607	(\$2,273,091)
Hallmark Health	\$2,165,118	\$1,489,889	\$675,230	Saints Medical Center	\$817,629	\$1,501,078	(\$683,449)
Harrington Memorial Hospital	\$527,689	\$1,723,857	(\$1,196,168)	Signature Healthcare Brockton Hospital	\$1,262,837	\$8,700,773	(\$7,437,936)
Health Alliance Hospital	\$1,101,494	\$2,200,822	(\$1,099,328)	South Shore Hospital	\$2,871,367	\$2,693,745	\$177,622
Heywood Hospital	\$724,331	\$982,792	(\$258,461)	Southcoast Hospitals Group	\$3,188,898	\$10,232,017	(\$7,043,119)
Holyoke Medical Center	\$480,912	\$1,591,324	(\$1,110,412)	Sturdy Memorial Hospital	\$865,990	\$1,744,501	(\$878,511)
Hubbard Regional Hospital	\$0	\$77,790	(\$77,790)	Tufts Medical Center	\$4,990,511	\$6,056,071	(\$1,065,560)
Jordan Hospital	\$1,564,806	\$1,697,239	(\$132,433)	UMass Memorial Medical Center	\$9,729,988	\$23,348,847	(\$13,618,858)
Kindred Hospital Boston	\$124,179	\$0	\$124,179	Winchester Hospital	\$2,211,569	\$0	\$2,211,569
Kindred Hospital Boston North Shore	\$130,673	\$0	\$130,673	Wing Memorial Hospital and Medical Centers	\$422,398	\$1,731,283	(\$1,308,884)
				All Hospitals	\$160,000,000	\$272,099,992	(\$112,099,992)

**Notes:** Payment amounts do not include offset payments from the Medical Assistance Trust Fund, or reserves for remediated claims of approximately \$18 million. Payment amounts reflect the shortfall amount withheld as of September 2010, which differs from the projected year-end calculated shortfall. The annual hospital assessment is calculated by multiplying each hospital's private sector charges (PSC) by the uniform assessment rate of 0.82%. Private sector charges are derived from the fiscal year 2009 HCF 403 Cost Reports filed by hospitals for the period from October 2008 through September 2009. All hospital reported data are unaudited and subject to change with future updates and calculations. Based on data as of 10/21/10.

# HSN10 Community Health Center Payments

Community Health Centers	HSN09	HSN10	Difference	Percent Change	Community Health Centers	HSN09	HSN10	Difference	Percent Change
Boston Health Care for the Homeless Program	\$1,258,039	\$1,027,477	(\$230,562)	-18.3%	Island Health Care	\$161,792	\$160,847	(\$945)	-0.6%
Brockton Neighborhood Health Center	\$3,900,080	\$5,140,144	\$1,240,064	31.8%	Joseph M. Smith Community Health Center	\$3,469,492	\$3,352,608	(\$116,884)	-3.4%
Caring Health Center	\$353,882	\$719,025	\$365,143	103.2%	Lowell Community Health Center	\$688,253	\$613,450	(\$74,803)	-10.9%
CHP Health Center	\$219,228	\$354,325	\$135,097	61.6%	Lynn Community Health Center	\$4,342,927	\$4,602,186	\$259,259	6.0%
Community Health Center of Cape Cod	\$476,588	\$514,607	\$38,019	8.0%	Manet Community Health Center	\$240,231	\$289,796	\$49,565	20.6%
Community Health Center of Franklin County	\$592,325	\$619,934	\$27,609	4.7%	Mattapan Community Health Center	\$410,370	\$520,295	\$109,925	26.8%
Community Health Connections	\$2,571,487	\$3,339,831	\$768,344	29.9%	Mid-Upper Cape Community Health Center	\$586,469	\$776,136	\$189,667	32.3%
Dimock Community Health Center	\$590,612	\$657,877	\$67,265	11.4%	Neponset Health Center	\$245,777	\$172,636	(\$73,141)	-29.8%
Duffy Health Center	\$166,731	\$53,020	(\$113,711)	-68.2%	North End Community Health Center	\$124,906	\$155,786	\$30,880	24.7%
Family Health Center of Worcester	\$2,368,779	\$1,755,191	(\$613,588)	-25.9%	North Shore Community Health	\$1,353,687	\$1,704,270	\$350,583	25.9%
Fenway Community Health Center	\$164,108	\$222,315	\$58,207	35.5%	Outer Cape Health Services	\$210,201	\$184,264	(\$25,937)	-12.3%
Geiger-Gibson Community Health Center	\$406,423	\$533,247	\$126,824	31.2%	Roxbury Comprehensive Community Health	\$149,798	\$129,492	(\$20,306)	-13.6%
Great Brook Valley Health Center	\$5,195,651	\$5,161,730	(\$33,921)	-0.7%	Sidney Borum, Jr. Health Center	\$14,302	\$19,910	\$5,608	39.2%
Greater Lawrence Family Health Center	\$2,292,458	\$3,150,645	\$858,187	37.4%	South Cove Community Health Center	\$2,227,106	\$2,676,139	\$449,033	20.2%
Greater New Bedford Community Health	\$1,943,720	\$1,883,300	(\$60,420)	-3.1%	South End Community Health Center	\$514,250	\$576,328	\$62,078	12.1%
Harvard Street Neighborhood Health Center	\$560,910	\$713,372	\$152,462	27.2%	Stanley Street Treatment and Resources	\$146,147	\$157,926	\$11,779	8.1%
HealthFirst Family Care Center	\$568,603	\$409,212	(\$159,391)	-28.0%	Upham's Corner Health Center	\$745,843	\$914,158	\$168,315	22.6%
Hilltown Community Health Center	\$244,229	\$305,710	\$61,481	25.2%	Whittier Street Neighborhood Health Center	\$1,000,367	\$1,228,194	\$227,827	22.8%
Holyoke Health Center	\$1,435,409	\$1,862,321	\$426,912	29.7%	<b>All Community Health Centers</b>	<b>\$41,941,179</b>	<b>\$46,657,704</b>	<b>\$4,716,525</b>	<b>11.2%</b>

Notes: HSN09 payments reflect updated CHC claims activity and may differ from data previously published. Based on data as of 10/29/10.



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# HSN10 Demonstration Projects

October 2009 – September 2010



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## Background

- M.G.L. c.118G s.36 authorizes the Division of Health Care Finance and Policy (DHCFP) to allocate up to \$6 million per year from the Health Safety Net Trust Fund on Health Safety Net (HSN) demonstration projects that use case management and other methods to reduce the liability of the fund to acute hospitals. Each project should demonstrate the potential to save the HSN at least \$1 for every dollar received in funding.
- This report presents the two demonstration projects that were active during HSN fiscal years 2009 (HSN09) and 2010 (HSN10) from October 1, 2008 to September 30, 2010, providing a full description of each grant program. Additionally, the report provides the history for each program where appropriate.





## Massachusetts Fisherman's Partnership

- The Fishing Partnership Health Plan (FPHP) offers fishermen and their families the opportunity to purchase health insurance at a reduced rate, made possible through subsidized premiums provided by the Health Safety Net (HSN). The FPHP is a freestanding trust fund that operates separately from its primary sponsoring organization, the Massachusetts Fishermen's Partnership. In state fiscal year 2002 (FY02), the legislature allocated increased funding from \$2 million to \$3 million a year effective state FY03 through state FY07. In state FY08, funding was increased to \$4 million.
- The FPHP contracts with Harvard Pilgrim Health Care to offer fishermen and their families a comprehensive benefit package that includes access to Harvard Pilgrim's network of providers, mental health services, and pharmacy coverage. All fishermen, regardless of health status or current insurance coverage, may enroll in the plan. FPHP offers four tiers of membership depending on the income of the fishermen; as of July 2010, 1,830 fishermen and their family members were enrolled.



# The Patient-Centered Medical Homes Initiative

In August 2008, the Legislature directed the Medicaid program (MassHealth) to carry out a medical home demonstration. Secretary JudyAnn Bigby, MD of the Executive Office of Health and Human Services (EHS) further directed the use of the Patient-Centered Medical Home (PCMH) model as the centerpiece in a statewide strategy to improve quality of care for chronically ill patients, reduce costs, and reform primary care.

- EHS has developed a PCMH design to test a new model to transform the quality of and payment for certain primary care practices in the Commonwealth. The design involves implementing a demonstration at primary care practices across Massachusetts, with the intent to roll out the model more broadly in the future based on evaluation results. Other payers will also support this initiative in order to maximize the potential for practice-wide change at the sites. In addition, this design reflects the shared responsibility of supporting and redesigning primary care practices in the Commonwealth with financial and infrastructure support provided by payers and commitment of resources and dedication to the guiding principles of the Initiative from primary care practices.
- Thirty-two practices were selected to receive funding to participate in the demonstration. Twenty-three of these practices are Health Safety Net (HSN) provider sites. An additional 14 practices were selected to receive unpaid technical assistance as part of the PCHM initiative. Eleven of these practices are HSN provider sites.
- As one of many payers participating in this initiative, the HSN has designated \$2 million in HSN09 demonstration funding to support HSN eligible providers in this initiative. The HSN staff participated in creating the evaluation criteria used for choosing demonstration sites, and will participate in creating the criteria for evaluation of demonstration goals and benchmarks. Preliminary evaluation data is expected at the end of the first demonstration year.



# Patient-Centered Medical Homes Sites

The Executive Office of Health and Human Services (EHS) selected a total of 46 sites to participate in the Patient-Centered Medical Home Initiative (PCMHI). Of those selected, 32 practices were selected to participate as Technical Assistance Plus (TAP) sites and 14 practices were selected to participate as Technical Assistance Only (TAO) sites. Both TAP and TAO practices will receive technical assistance provided by EHS and its partners to support the transformation to a medical home. TAP practices would also receive special PCMHI payments for performing certain start-up activities, various medical home activities, and Clinical Care Management services.

The 32 TAP sites, of which 23 are HSN providers:

- Barre Family Health Center\*
- Baystate Mason Square Neighborhood Health Center\*
- Boston Health Care for the Homeless\*
- Boston Medical Center – Family Medicine Center\*
- Brockton Neighborhood Health Center\*
- Codman Square Health Center\*
- Dorchester House\*
- Drum Hill Primary, LLC
- East Boston Neighborhood Health Center\*
- Fairview Pediatrics
- Family Health Center of Worcester\*
- Family Practice Group, P.C.
- Fitchburg Community Health Center
- Foley Family Practice, P.C.
- Geiger Gibson Community Health Center\*
- Greater Lawrence Family Health Center - Haverhill St.\*
- Grove Medical Associates, P.C.
- Harvard Vanguard Medical Associates, Medford
- Hilltown Community Health Center – Worthington\*
- Holyoke Health Center\*
- Joseph Smith Community Health Center – Allston\*
- Joseph Smith Community Health Center – Waltham\*
- Lee Family Practice, P.C.

- Lynn Community Health Center\*
- Mid Upper Cape Community Health Center\*
- Neponset Health Center\*
- Pediatric Associates of Hampden County – Westfield
- Revere Family Health Center\*
- South End Associates (of Fenway CHC)\*
- UMass Memorial Pediatric Primary Care Associates\*
- Union Square Family Health Center\*
- Whittier Street Health Center\*

The 14 TAO sites, of which 11 are HSN providers, are:

- Atkinson Family Practice
- Baystate High Street Health Center, Adult Medicine
- Baystate High Street Health Center, Pediatric Medicine
- Bowdoin Street Health Center\*
- Broadway Health Center\*
- Cambridge Family Health\*
- Great Brook Community Health Center\*
- Greater Gardner Community Health Center\*
- Greater New Bedford Community Health Center\*
- Malden Family Medicine Center\*
- Manet Community Health Center\*
- South Boston Community Health Center\*
- Southern Jamaica Plain Health Center\*
- Tufts Medical Center\*

Notes: \* indicates Health Safety Net providers



# Demonstration Projects

Demonstration Projects	HSN09	HSN10
Fishing Partnership Health Plan	\$4,000,000	\$4,000,000
Patient-Centered Medical Home Initiative	\$2,000,000	N/A
Health Safety Net Demonstrations	N/A	\$2,000,000
<b>Total</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>

M.G.L. c.118G s.36 authorizes the Division to allocate up to \$6 million per fiscal year for projects designed to demonstrate alternative approaches to improve health care and reduce costs for the uninsured and underinsured.

Each project should demonstrate the potential to save the Health Safety Net at least \$1 for every dollar received in funding.

Notes: Fishing Partnership Health Plan demonstrations was statutorily required per Chapter 47 of the Acts of 1997. Funding for other demonstrations was awarded based on criteria determined by the Division. Based on data from 10/27/10.



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## Appendix A

### HSN10 Quarter 1 Trends

October 2009 – December 2009



# HSN10 Quarter 1 Major Findings

This appendix reflects Health Safety Net (HSN) utilization and payments for the first three months (October 1, 2009 through December 31, 2009) of Health Safety Net fiscal year 2010 (HSN10). In HSN10, payments and volume were reported by the month in which the claim was paid by the HSN.

The major findings in this appendix include:

- Overall, HSN hospital volume in the first three months of HSN10 remained generally stable with approximately 256,000 visits. However, inpatient hospital volume accounted for approximately 6,000 visits, a 13% increase compared to the same period in the prior year. Inpatient services generally cost more than outpatient services, and therefore, will generate a larger increase in costs relative to volume.
- HSN community health center (CHC) payments also remained stable, while volume increased in the first three months of HSN10 when compared to the same period in the prior year. CHC visits increased more than payments within the first three months of HSN10, which may be attributable to an increase in services offered at CHC sites and patients seeking lower-cost services.
- Total unique HSN users increased by 13% in first three months of HSN10 compared to the same period in the prior year.

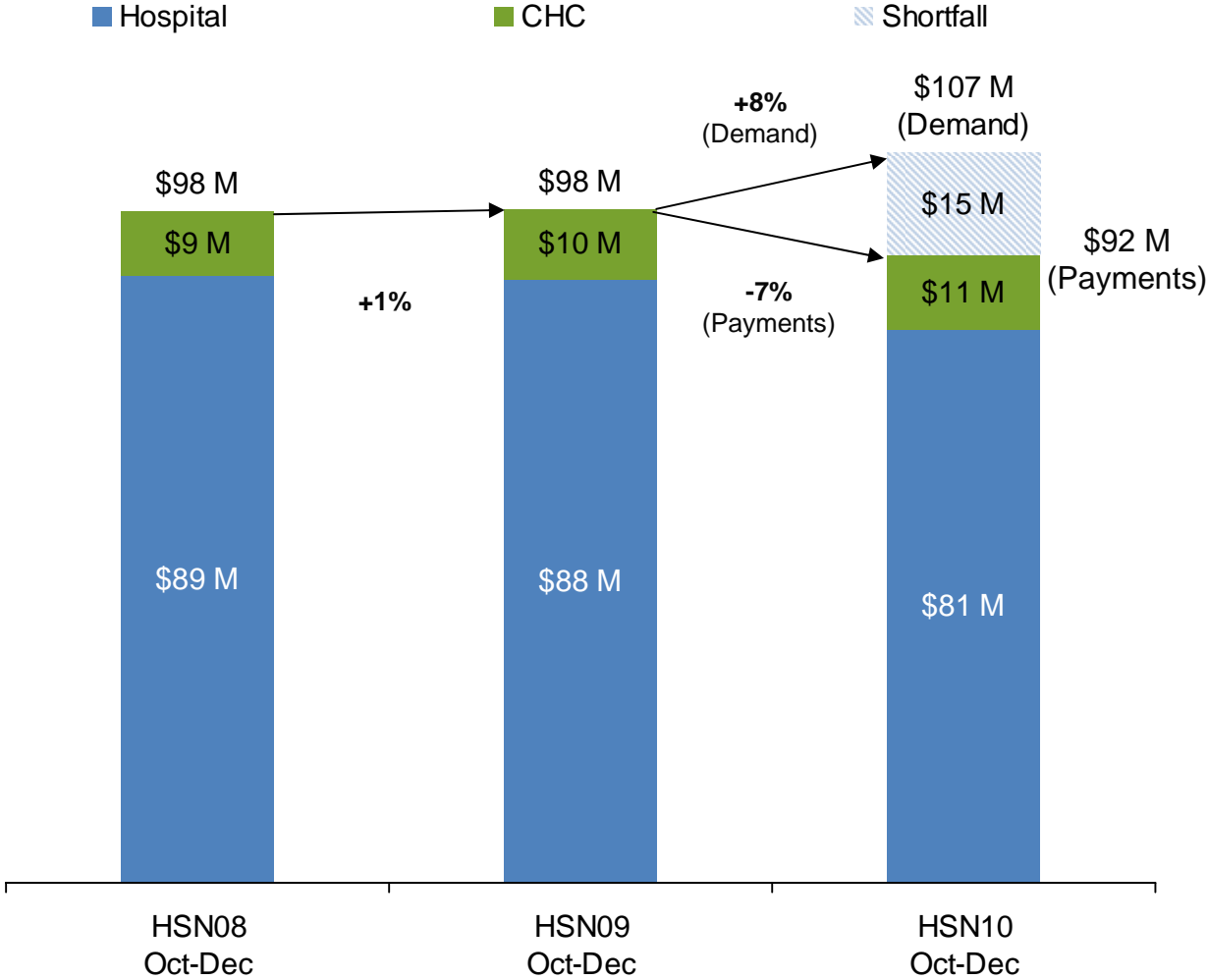
## HSN10 Oct-Dec Compared to HSN09 Oct-Dec

	Hospital	CHC	Total
<b>Demand</b> Oct 2009–Dec 2009 compared to Oct 2008–Dec 2008	↑ 8%	↓ 1%	↑ 8%
<b>Payments</b> Oct 2009–Dec 2009 compared to Oct 2008–Dec 2008	↓ 8%	↓ 1%	↓ 7%
<b>Total Volume</b> Oct 2009–Dec 2009 compared to Oct 2008–Dec 2008	↓ 2%	↑ 5%	0%
<b>Users</b> Oct 2009–Dec 2009 compared to Oct 2008–Dec 2008	N/A	N/A	↑ 13%

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. HSN08 is Health Safety Net fiscal year 2008. HSN09 is Health Safety Net fiscal year 2009. HSN08 and HSN09 data reflect updated claims activity and may differ from previously published reports. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once.



# HSN Quarter 1 Total Demand and Payment Trends

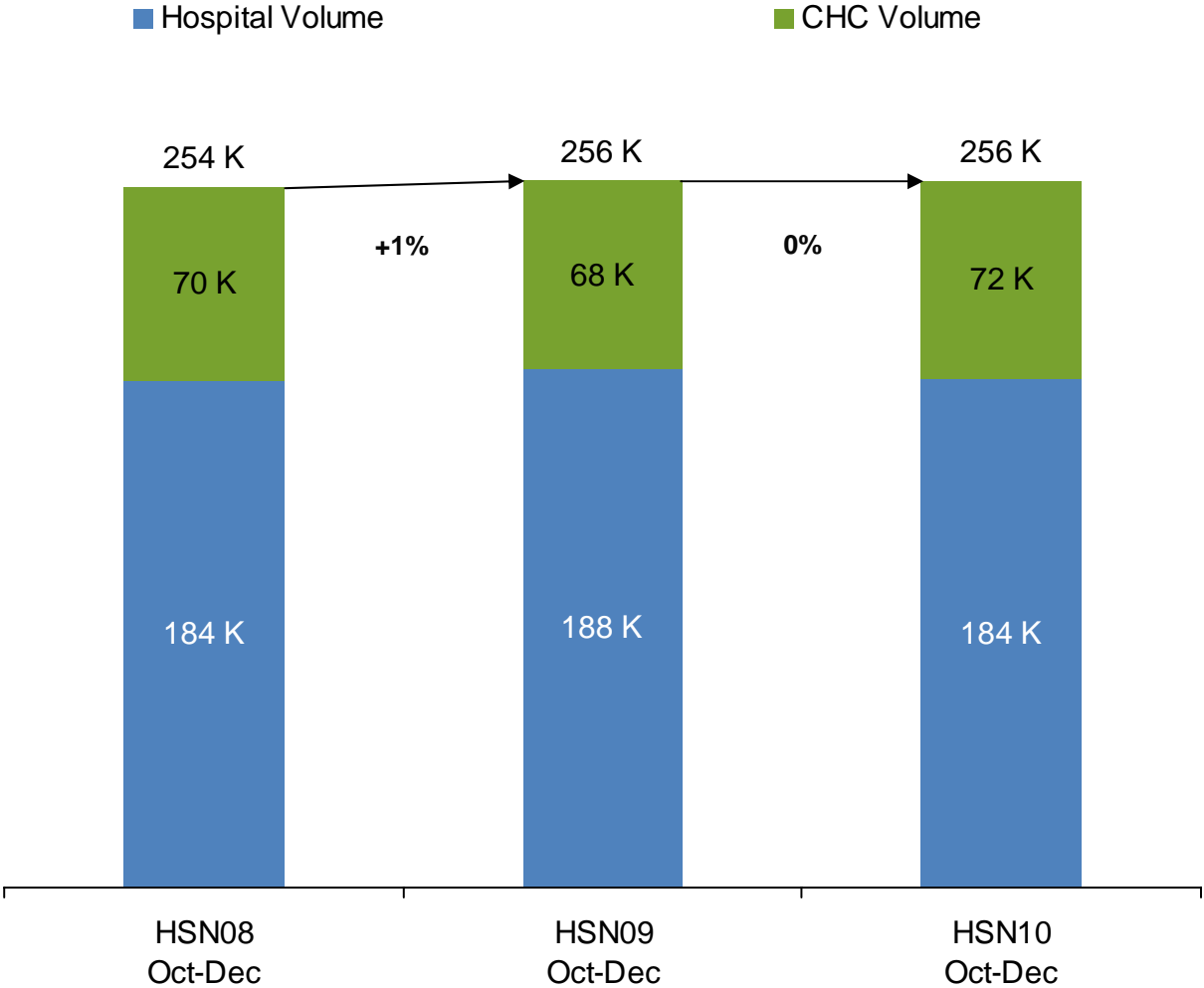


Total Health Safety Net (HSN) payments declined by 7% in the first three months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while demand increased by 8%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall. Because HSN10 demand is expected to exceed HSN10 funding, hospital providers experienced a \$15 million shortfall during the first three months of HSN10.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. HSN09 Oct-Dec hospital payments include adjustments to emergency room bad debt payments to account for transition period claims adjudication changes that excluded emergency room bad debt claims during the first three months of HSN09. HSN10 CHC payments reflect updated claims activity and may differ from data previously published. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 1 Total Service Volume Trends



Health Safety Net (HSN) total volume for hospitals and community health centers remained unchanged in the first three months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

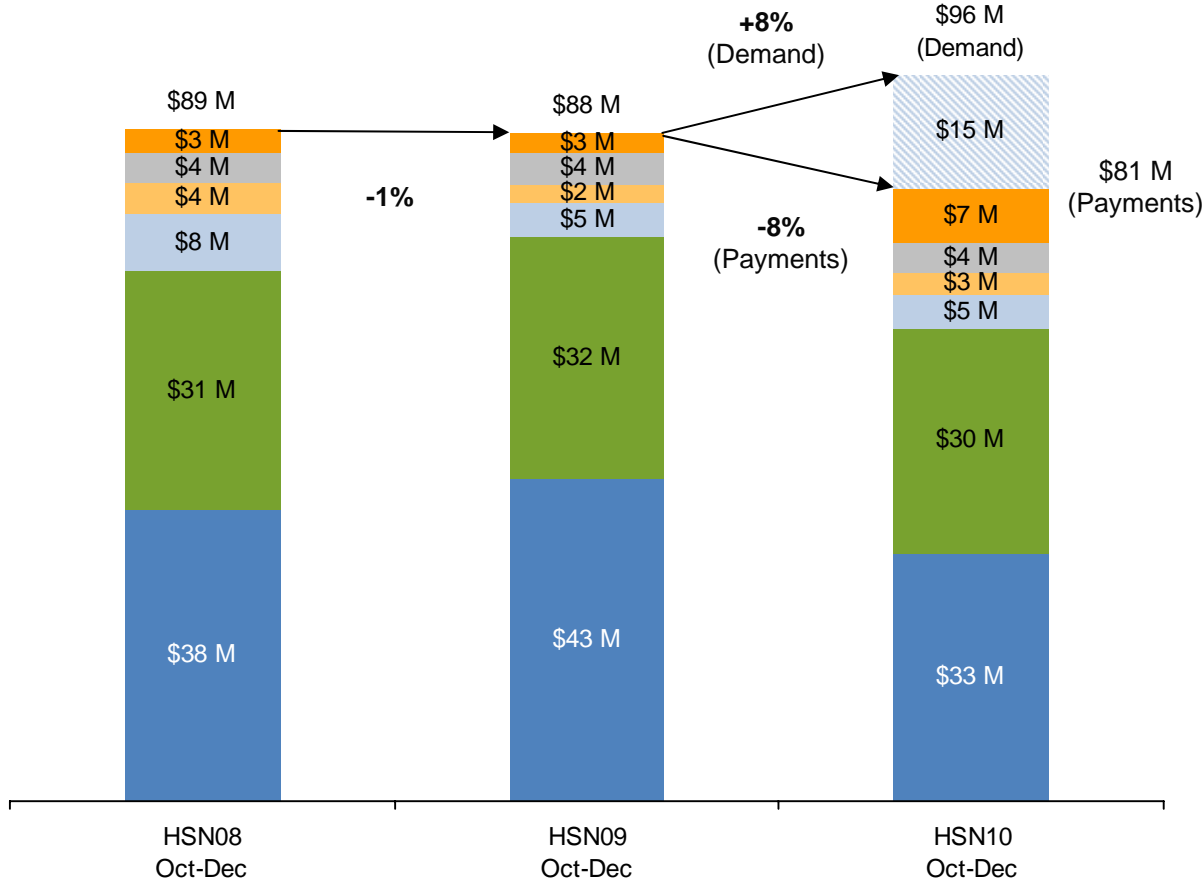
Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. HSN09 Oct-Dec hospital volume includes adjustments to emergency room bad debt volume to account for transition period claims adjudication changes that excluded emergency room bad debt claims during the first three months of HSN09. For the first three months of HSN10, community health center volume is projected based on payments made to community health center providers in the months shown. Hospital and community health center volume exclude pharmacy claims. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 2/17/10.



# HSN Quarter 1 Hospital Demand and Payment Trends

■ Outpatient ■ Inpatient ■ Outpatient ERBD ■ Inpatient ERBD ■ Pharmacy ■ Other ■ Shortfall

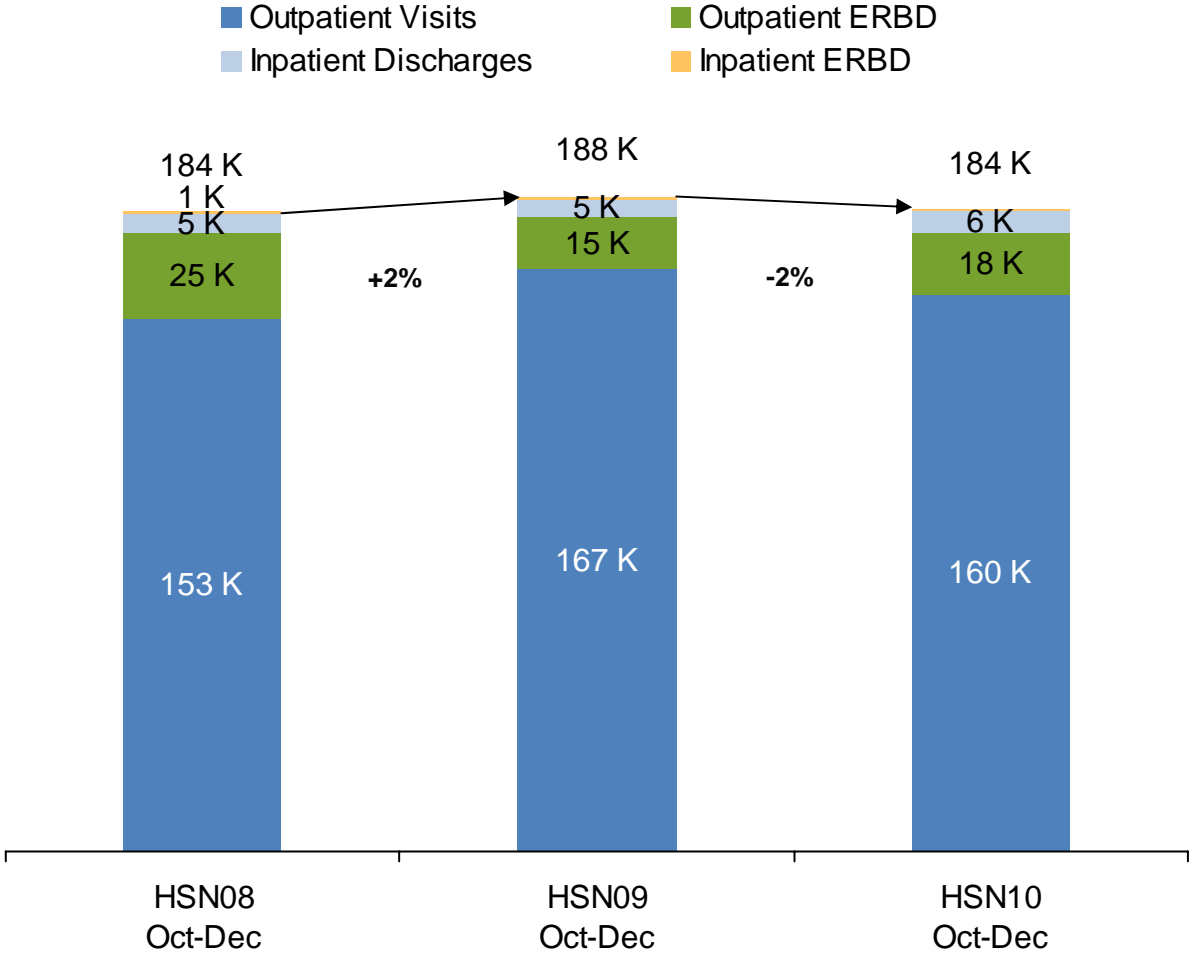


Hospital payments declined by 8% in the first three months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while hospital demand increased by 8%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Other HSN Payments include payment adjustments that are not attributable to a service category. Hospital payments are reported in the month in which payment was made. HSN09 Oct-Dec hospital payments include adjustments to emergency room bad debt payments to account for transition period claims adjudication changes that excluded emergency room bad debt claims during the first three months of HSN09. The HSN10 shortfall allocation is distributed proportionally by service type. HSN10 payments differ from data previously published due to a technical change made to the methodology used to determine the payment amount attributable to each service category. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 1 Hospital Service Volume Trends

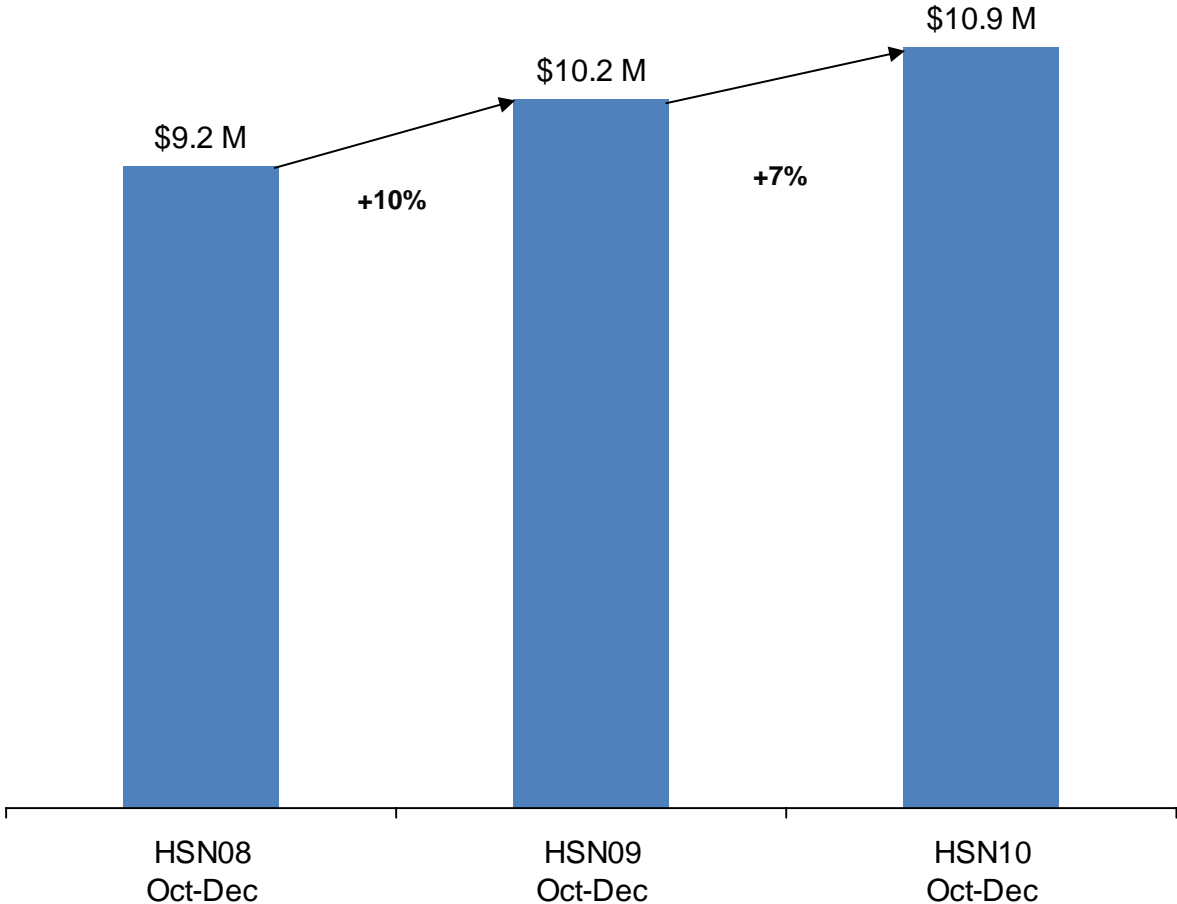


Hospital volume declined by 2% in the first three months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

During the first three months of HSN10, total outpatient volume declined while total inpatient volume increased compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. HSN09 Oct-Dec volume includes adjustments to emergency room bad debt volume to account for transition period claims adjudication changes that excluded emergency room bad debt claims during the first three months of HSN09. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 1/29/10.

# HSN Quarter 1 Community Health Center Payment Trends

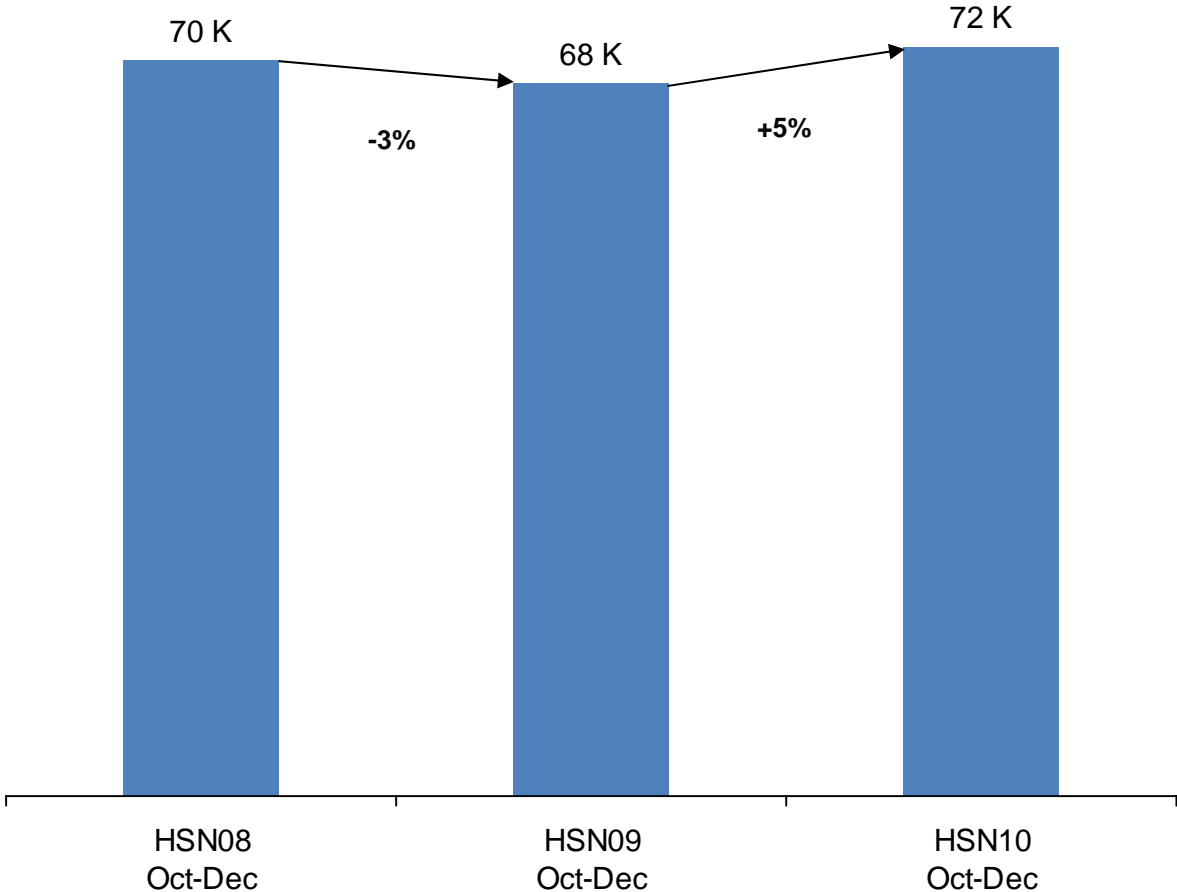


Community health center (CHC) payments increased by 7% in the first three months of HSN10 compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center payments are reported in the month in which payment was made. HSN10 CHC payments reflect updated claims activity and may differ from data previously published. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 1 Community Health Center Volume Trends

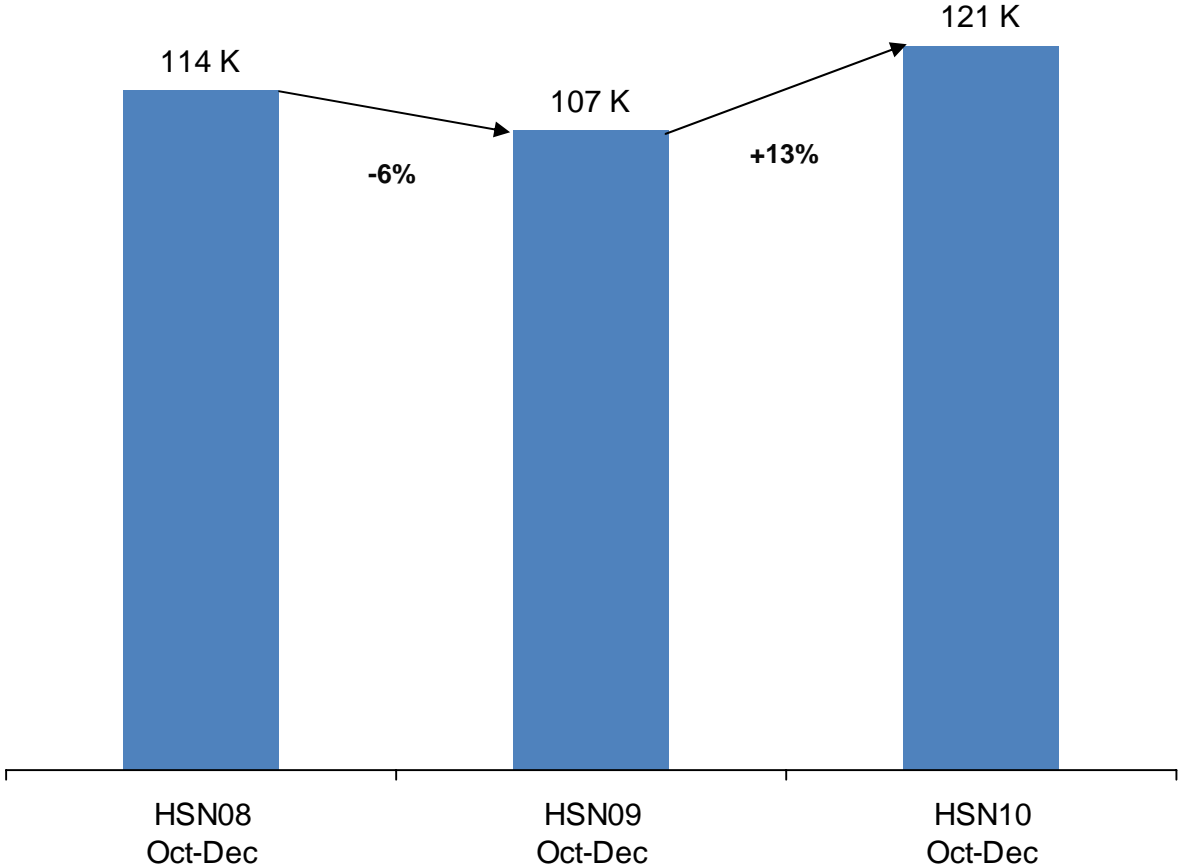


Community health center (CHC) volume increased 5% in first three months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

CHC visits increased more than payments within the first three months of HSN10, which may be attributable to an increase in services offered at CHC sites and patients seeking lower-cost services.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown. Community health center volume excludes pharmacy claims. For the first three months of HSN10, community health center volume is projected based on payments made to community health center providers in the months shown. CHCs have been moving from a voucher-based to a claims-based adjudication and payment system since April 2009; this transition may result in shifts in volume that is expected to stabilize once all CHCs have transitioned to the new system. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 3/29/10.

# HSN Quarter 1 Total User Trends



Medical expenses for an estimated 121,000 individuals were billed to the Health Safety Net (HSN) in the first three months of Health Safety Net fiscal year 2010 (HSN10).

The number of users increased by 13% in the first three months of HSN10 compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once. Users are reported on claims for which payments were made to hospital and community health center providers in the months shown. HSN09 Oct-Dec hospital users includes adjustments to emergency room bad debt users to account for transition period claims adjudication changes that excluded emergency room bad debt claims during the first three months of HSN09. Numbers are rounded to the nearest thousand; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

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## Appendix B

### HSN10 Quarter 2 Trends

October 2009 – March 2010



## HSN10 Quarter 2 Major Findings

This appendix reflects Health Safety Net (HSN) utilization and payments for the first six months (October 1, 2009 through March 31, 2010) of Health Safety Net fiscal year 2010 (HSN10). In HSN10, payments and volume were reported by the month in which the claim was paid by the HSN.

The major findings in this appendix include:

- Total HSN volume in the first six months of HSN10 was approximately 518,000 visits, a 5% increase compared to the same period in the prior year. However, inpatient hospital volume accounted for approximately 13,000 visits, a 14% increase compared to the same period in the prior year. Inpatient services generally cost more than outpatient services, and therefore, will generate a larger increase in costs relative to volume.
- HSN community health center (CHC) volume increased by 4% and payments increased by 7% in the first six months of HSN10 when compared to the same period in the prior year.
- Total unique HSN users increased by 18% in first six months of HSN10 compared to the same period in the prior year.

### HSN10 Oct-Mar Compared to HSN09 Oct-Mar

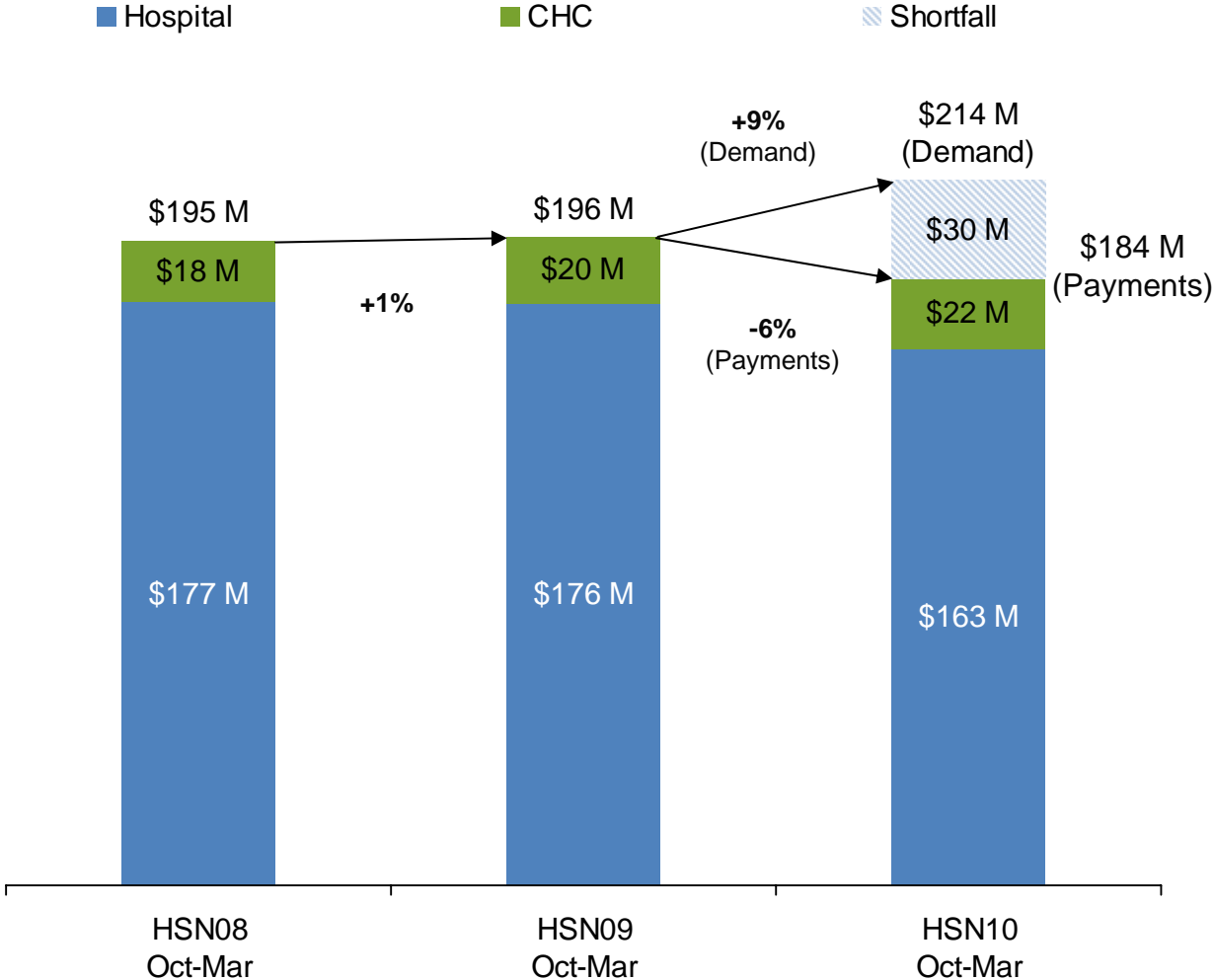
	Hospital	CHC	Total
<b>Demand</b>			
Oct 2009–Mar 2010 compared to Oct 2008–Mar 2009	↑ 9%	↑ 7%	↑ 9%
<b>Payments</b>			
Oct 2009–Mar 2010 compared to Oct 2008–Mar 2009	↓ 8%	↑ 7%	↓ 6%
<b>Total Volume</b>			
Oct 2009–Mar 2010 compared to Oct 2008–Mar 2009	↑ 6%	↑ 4%	↑ 5%
<b>Users</b>			
Oct 2009–Mar 2010 compared to Oct 2008–Mar 2009	N/A	N/A	↑ 18%

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. HSN08 is Health Safety Net fiscal year 2008. HSN09 is Health Safety Net fiscal year 2009. HSN08 and HSN09 data reflect updated claims activity and may differ from previously published reports. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once.



# HSN Quarter 2

## Total Demand and Payment Trends



Total Health Safety Net (HSN) payments declined by 6% in the first six months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while demand increased by 9%.

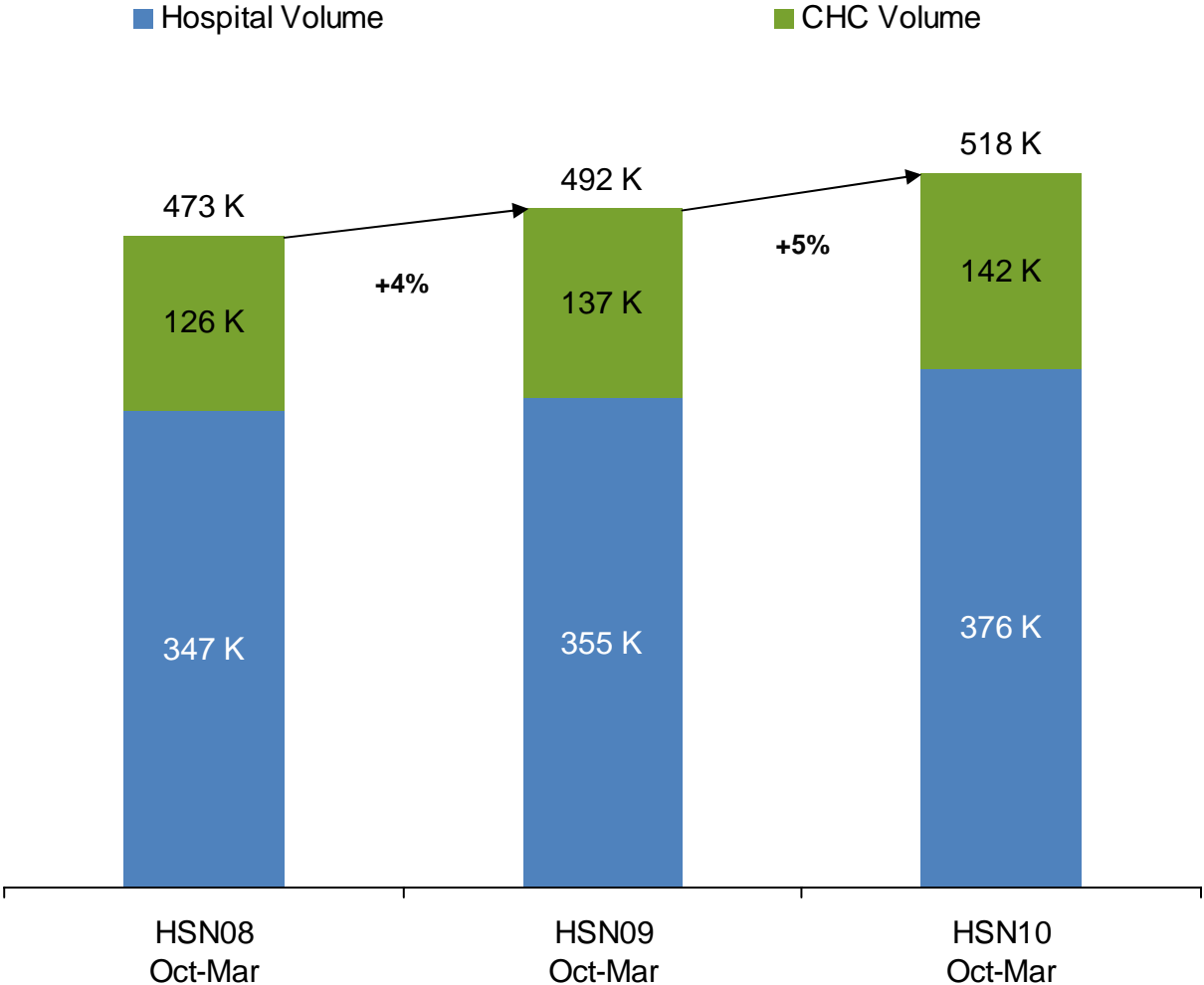
Demand represents the amount that providers would have been paid in the absence of a funding shortfall. Because HSN10 demand is expected to exceed HSN10 funding, hospital providers experienced a \$30 million shortfall during the first six months of HSN10.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. HSN08 and HSN09 hospital payments differ from data previously published due to a technical change made to the methodology used to calculate payments. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 3/22/10.



# HSN Quarter 2 Total Service Volume Trends



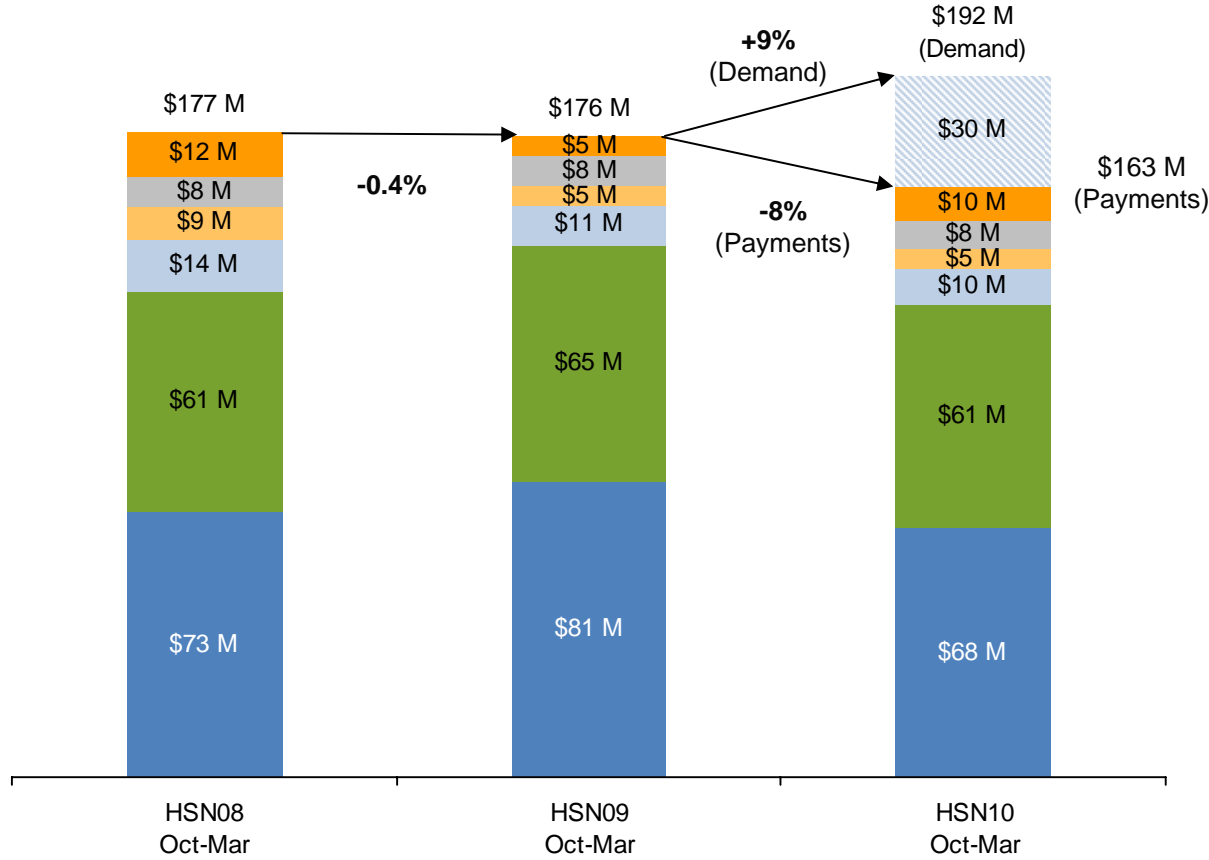
Health Safety Net (HSN) total volume for hospitals and community health centers increased 5% in the first six months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center volume exclude pharmacy claims. HSN08 CHC volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 hospital volume differs from data previously published due to a technical change made to the methodology used to calculate hospital visits. HSN09 CHC volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 3/22/10.

# HSN Quarter 2 Hospital Demand and Payment Trends

■ Outpatient ■ Inpatient ■ Outpatient ERBD ■ Inpatient ERBD ■ Pharmacy ■ Other ■ Shortfall

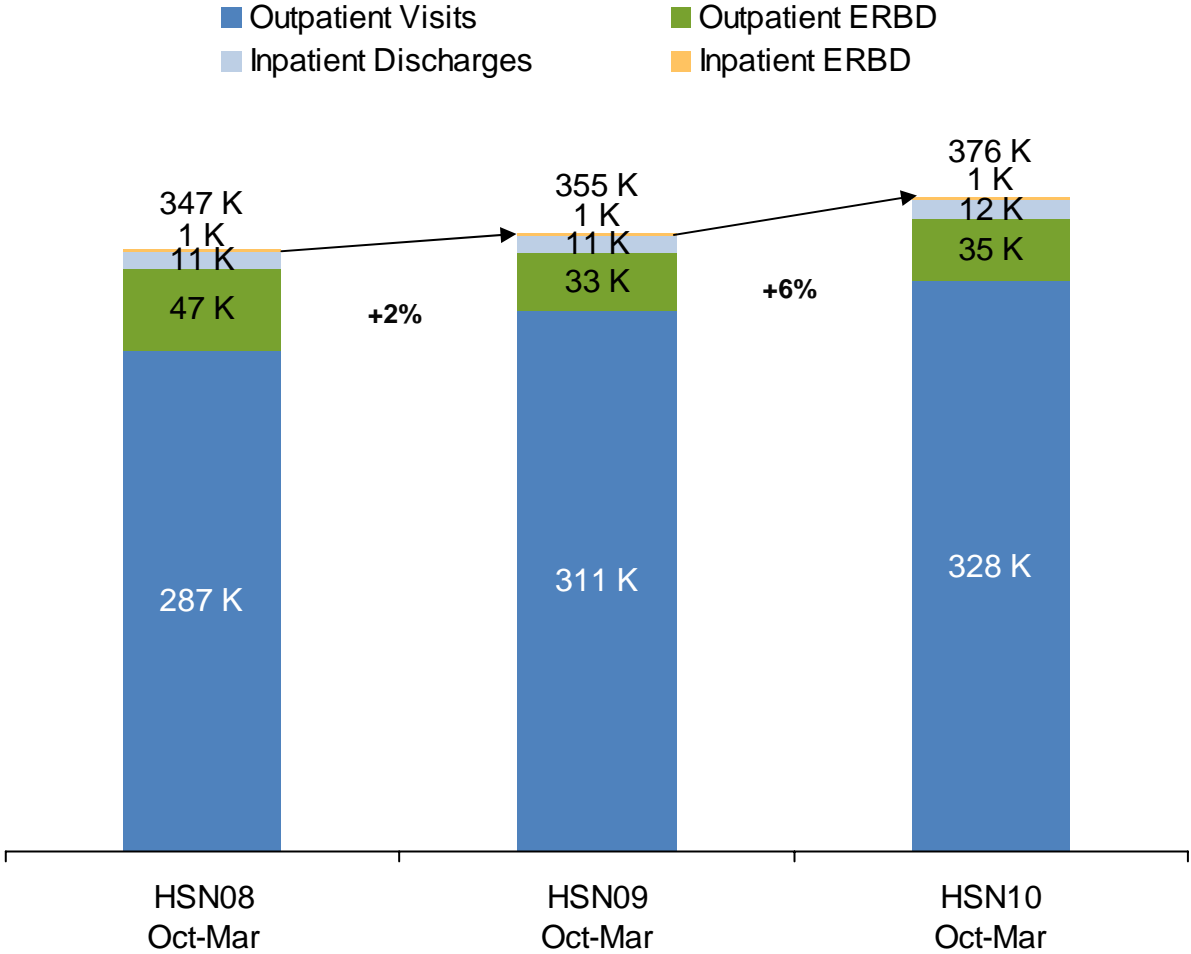


Hospital payments declined by 8% in the first six months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while hospital demand increased by 9%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Other HSN Payments include payment adjustments that are not attributable to a service category. Hospital payments are reported in the month in which payment was made. The HSN10 shortfall allocation is distributed proportionally by service type. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 2 Hospital Service Volume Trends



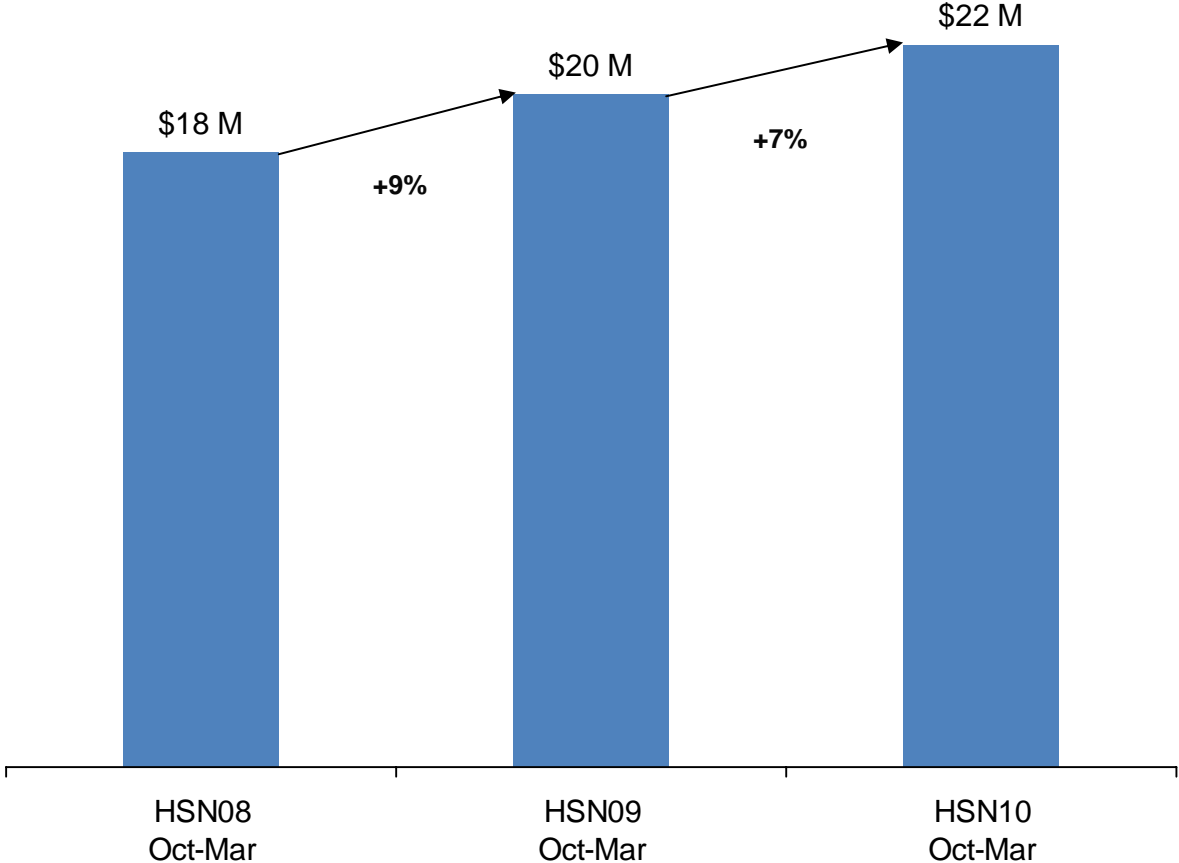
Hospital volume increased by 6% in the first six months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

During the first six months of HSN10, total inpatient and total outpatient volume increased compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. HSN09 and HSN09 volume differs from data previously published due to a technical change made to the methodology used to calculate hospital visits. HSN09 CHC volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 3/22/10.

# HSN Quarter 2 Community Health Center Payment Trends

Community health center (CHC) payments increased by 7% in the first six months of HSN10 compared to the same period in the prior year.

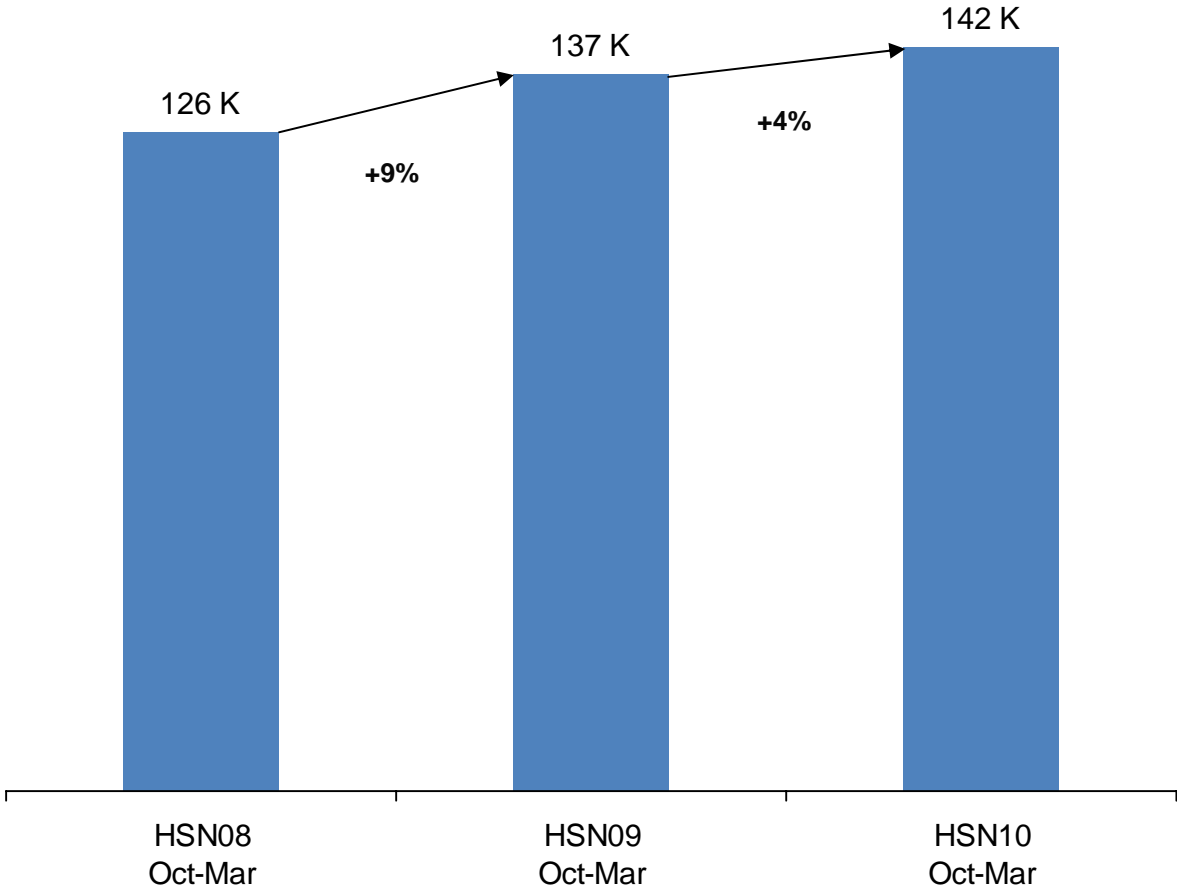


**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center payments are reported in the month in which payment was made. HSN08 and HSN09 CHC payments reflect updated claims activity and may differ from data previously published. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 3/22/10.



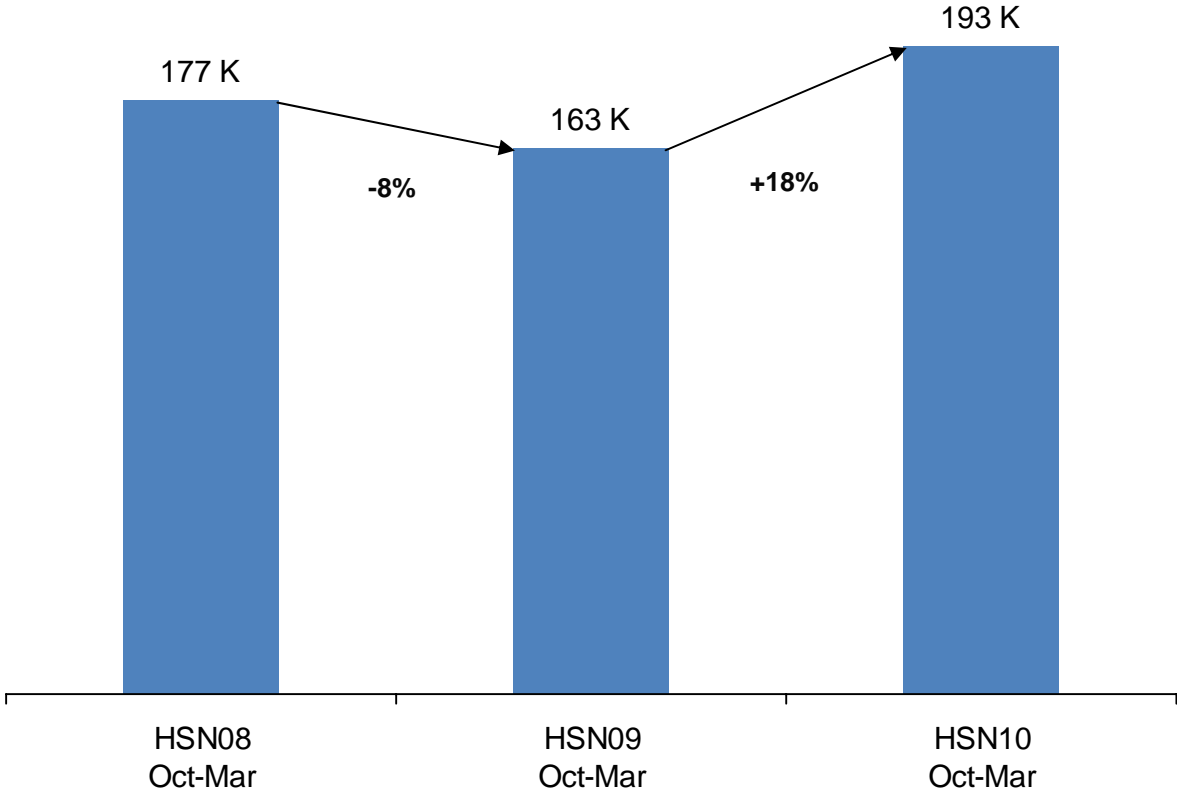
# HSN Quarter 2 Community Health Center Volume Trends



Community health center (CHC) volume increased 4% in first six months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown. Community health center volume excludes pharmacy claims. CHCs have been moving from a voucher-based to a claims-based adjudication and payment system since April 2009; this transition may result in shifts in volume that is expected to stabilize once all CHCs have HSN08 volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 volume reflects updated CHC claims activity and may differ from data previously published. transitioned to the new system. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 2 Total User Trends



Medical expenses for an estimated 193,000 individuals were billed to the Health Safety Net (HSN) in the first six months of Health Safety Net fiscal year 2010 (HSN10).

The number of users increased by 18% in the first six months of HSN10 compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once. Users are reported on claims for which payments were made to hospital and community health center providers in the months shown. Total users in HSN08 and HSN09 differ from data previously published due to a technical change made to the methodology used to calculate total users. Numbers are rounded to the nearest thousand; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

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## Appendix C

### HSN10 Quarter 3 Trends

October 2009 – June 2010



## HSN10 Quarter 3 Major Findings

This appendix reflects Health Safety Net (HSN) utilization and payments for the first nine months (October 1, 2009 through June 30, 2010) of Health Safety Net fiscal year 2010 (HSN10). In HSN10, payments and volume were reported by the month in which the claim was paid by the HSN.

The major findings in this appendix include:

- Total HSN volume in the first nine months of HSN10 was approximately 814,000 visits, a 7% increase compared to the same period in the prior year. However, inpatient hospital volume accounted for approximately 20,000 visits, a 26% increase compared to the same period in the prior year. Inpatient services generally cost more than outpatient services, and therefore, will generate a larger increase in costs relative to volume.
- HSN community health center (CHC) volume increased by 4% and payments increased by 9% in the first nine months of HSN10 when compared to the same period in the prior year.
- Total unique HSN users increased by 14% in first nine months of HSN10 compared to the same period in the prior year.

### HSN10 Oct-Jun Compared to HSN09 Oct-Jun

	Hospital	CHC	Total
<b>Demand</b>			
Oct 2009–Jun 2010 compared to Oct 2008–Jun 2009	↑ 20%	↑ 9%	↑ 18%
<b>Payments</b>			
Oct 2009–Jun 2010 compared to Oct 2008–Jun 2009	↓ 3%	↑ 9%	↓ 2%
<b>Total Volume</b>			
Oct 2009–Jun 2010 compared to Oct 2008–Jun 2009	↑ 9%	↑ 4%	↑ 7%
<b>Users</b>			
Oct 2009–Jun 2010 compared to Oct 2008–Jun 2009	N/A	N/A	↑ 14%

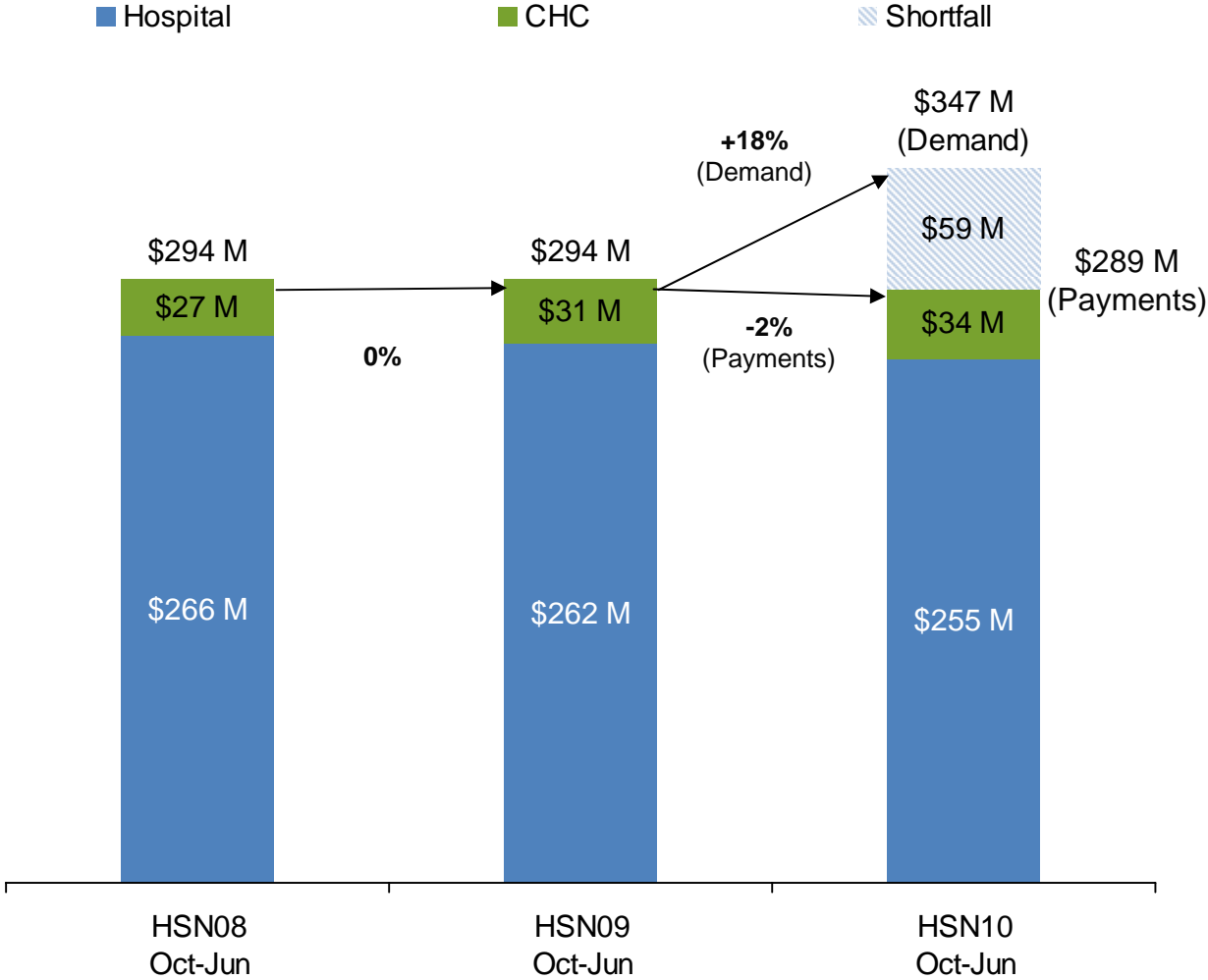
**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. HSN08 is Health Safety Net fiscal year 2008. HSN09 is Health Safety Net fiscal year 2009. HSN08 and HSN09 data reflect updated claims activity and may differ from previously published reports. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once.





# HSN Quarter 3

## Total Demand and Payment Trends



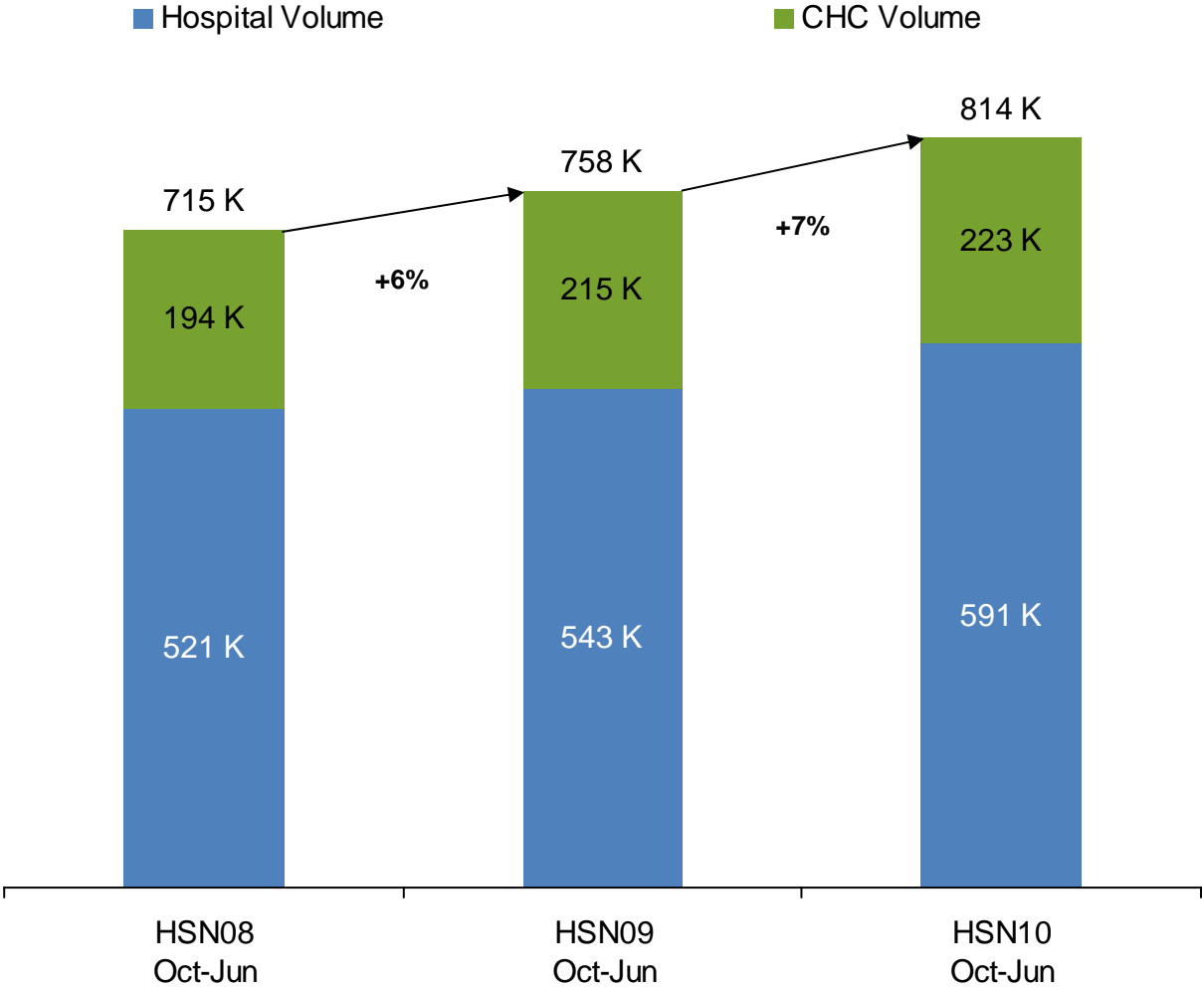
Total Health Safety Net (HSN) payments declined by 2% in the first nine months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while demand increased by 18%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall. Because HSN10 demand is expected to exceed HSN10 funding, hospital providers experienced a \$59 million shortfall during the first nine months of HSN10.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center payments are reported in the month in which payment was made. HSN09 hospital payments differ from data previously published due to a technical change made to the methodology used to calculate payments. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 3 Total Service Volume Trends



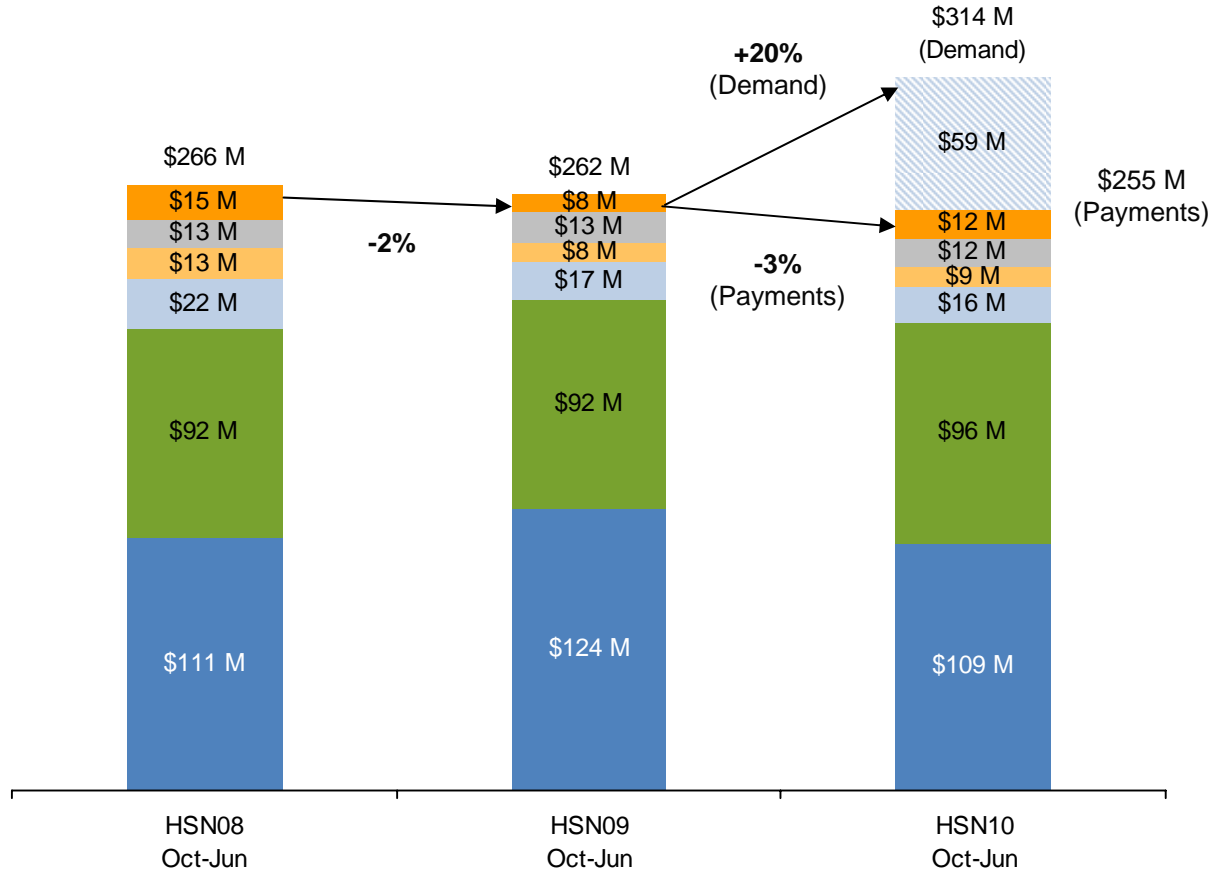
Health Safety Net (HSN) total volume for hospitals and community health centers increased 7% in the first nine months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital and community health center volume exclude pharmacy claims. HSN08 hospital and CHC volume differ from data previously published due to technical changes made to the methodology used to calculate hospital and CHC visits. HSN09 hospital volume differs from data previously published due to a technical change made to the methodology used to calculate hospital visits. HSN09 CHC volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 9/15/10.

# HSN Quarter 3 Hospital Demand and Payment Trends

■ Outpatient ■ Inpatient ■ Outpatient ERBD ■ Inpatient ERBD ■ Pharmacy ■ Other ■ Shortfall

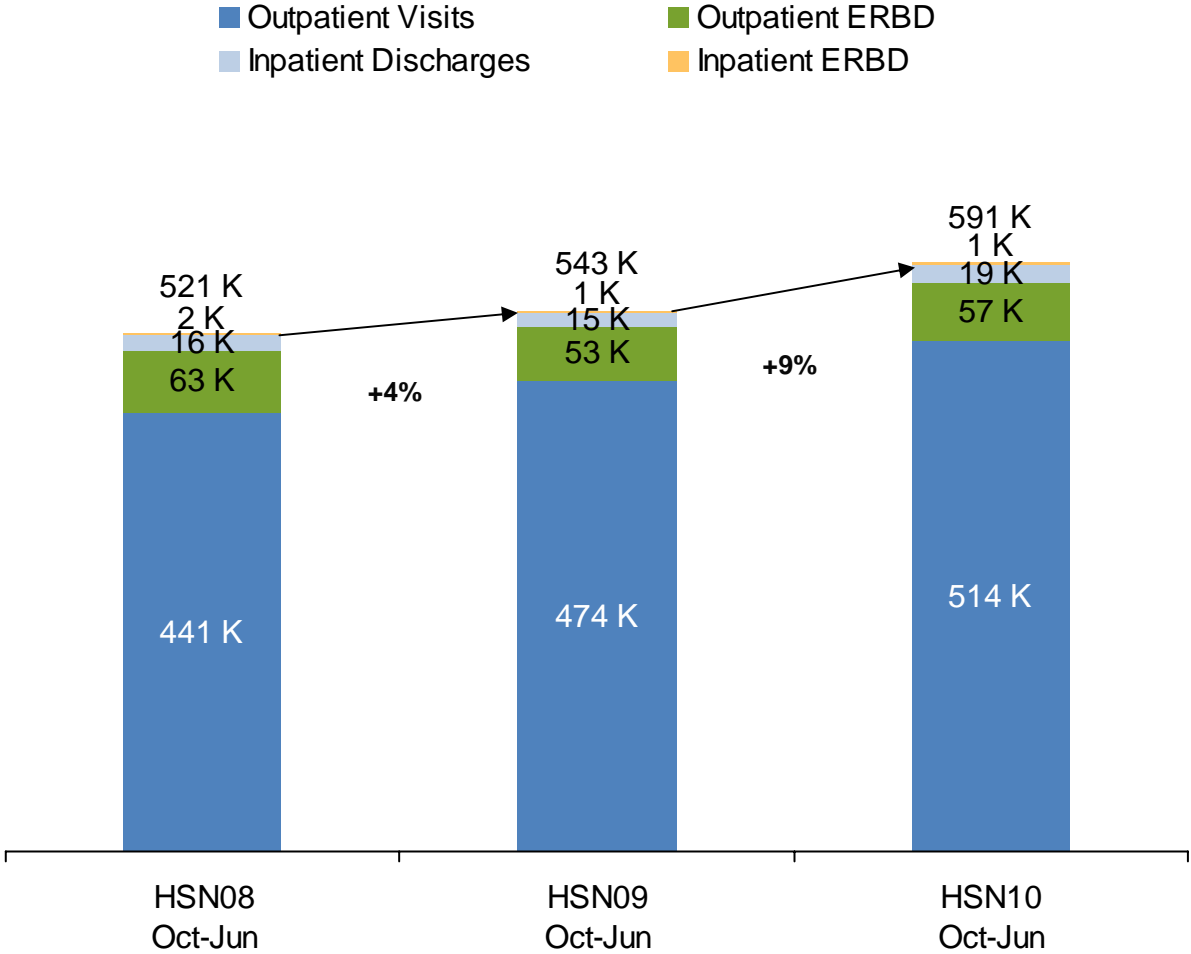


Hospital payments declined by 3% in the first nine months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year, while hospital demand increased by 20%.

Demand represents the amount that providers would have been paid in the absence of a funding shortfall.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Other HSN Payments include payment adjustments that are not attributable to a service category. Hospital payments are reported in the month in which payment was made. The HSN10 shortfall allocation is distributed proportionally by service type. HSN09 hospital payments differ from data previously published due to a technical change made to the methodology used to calculate payments. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 10/25/10.

# HSN Quarter 3 Hospital Service Volume Trends



Hospital volume increased by 9% in the first nine months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

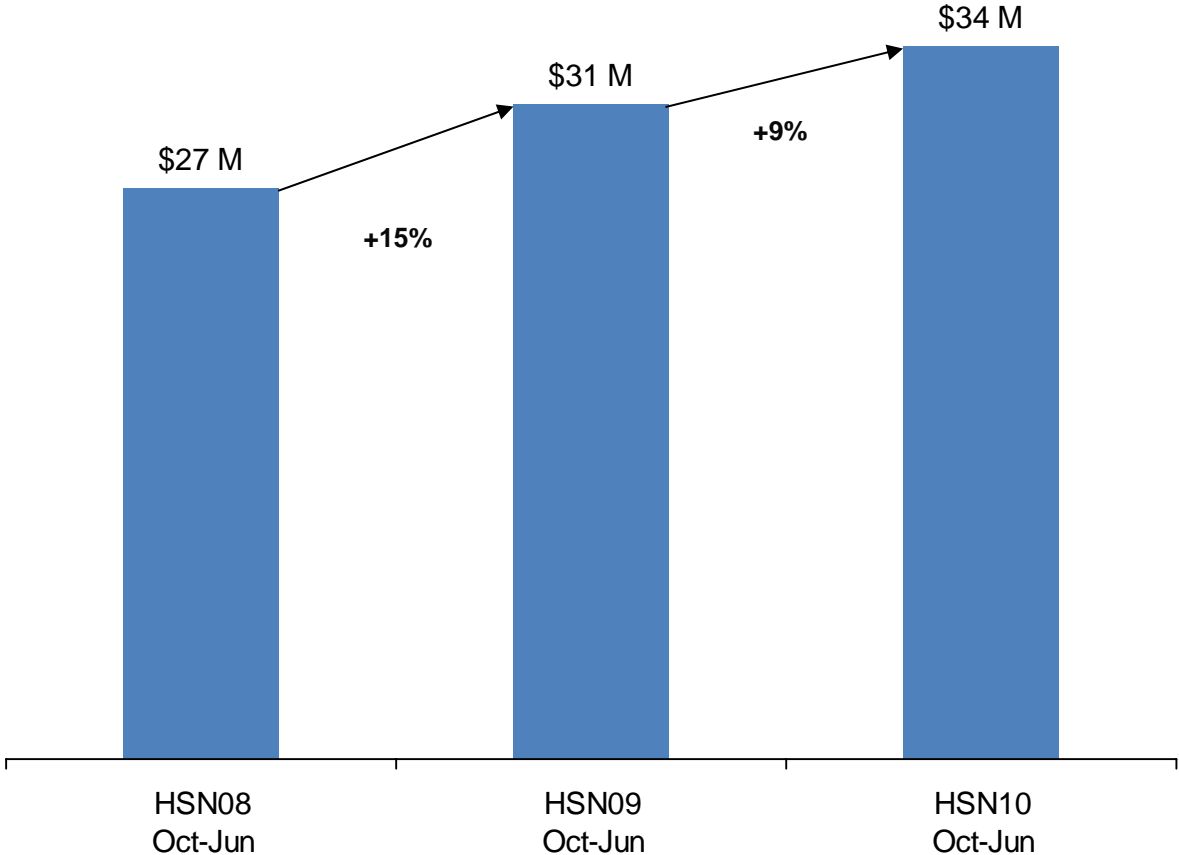
During the first nine months of HSN10, total inpatient and total outpatient volume increased compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Hospital volume is the sum of inpatient discharges and outpatient visits for which payments were made to hospital providers in the months shown. HSN08 and HSN09 volume differs from data previously published due to a technical change made to the methodology used to calculate hospital visits. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 9/10/10.

# HSN Quarter 3 Community Health Center Payment Trends

Community health center (CHC) payments increased by 9% in the first nine months of HSN10 compared to the same period in the prior year.

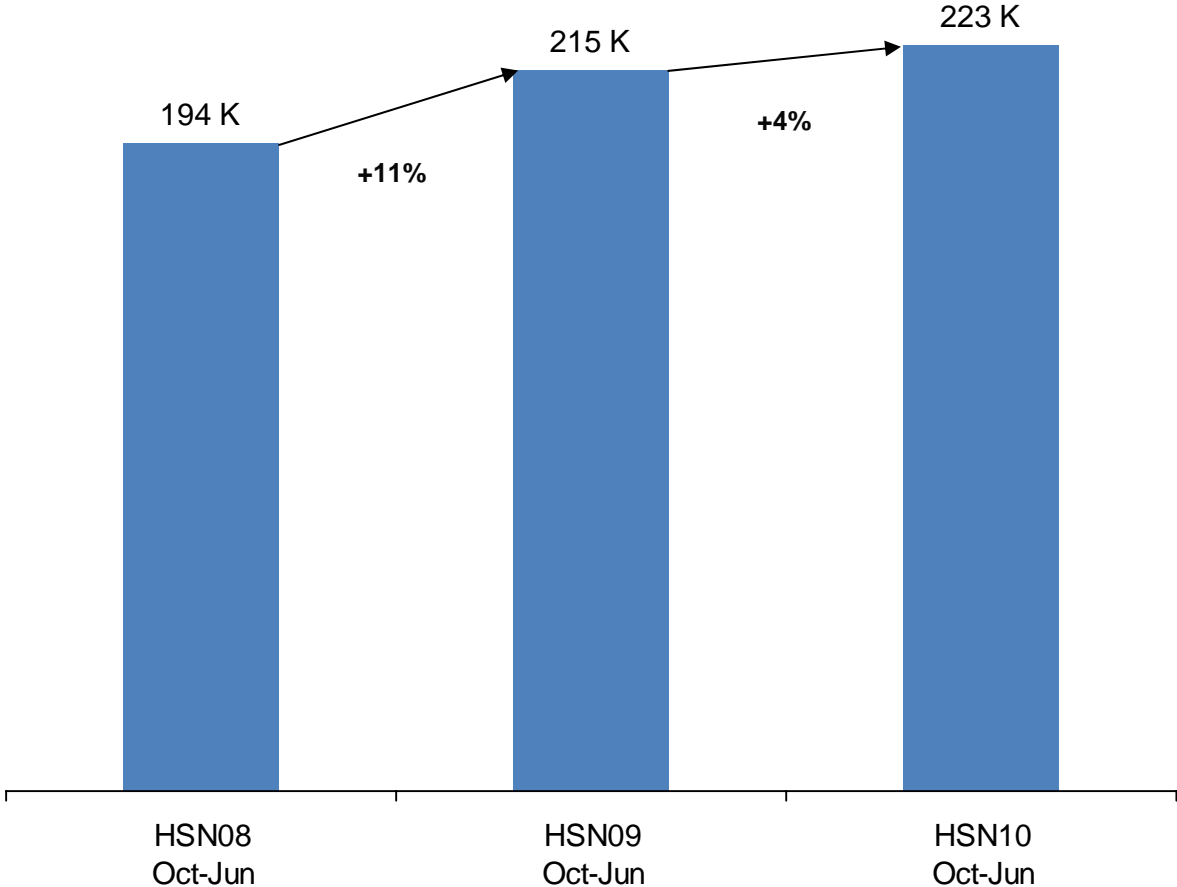


**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center payments are reported in the month in which payment was made. HSN08 and HSN09 CHC payments reflect updated claims activity and may differ from data previously published. Numbers are rounded to the nearest million and may not sum due to rounding; percent changes are calculated prior to rounding.

**Source:** DHCFP Health Safety Net Data Warehouse as of 10/2510.



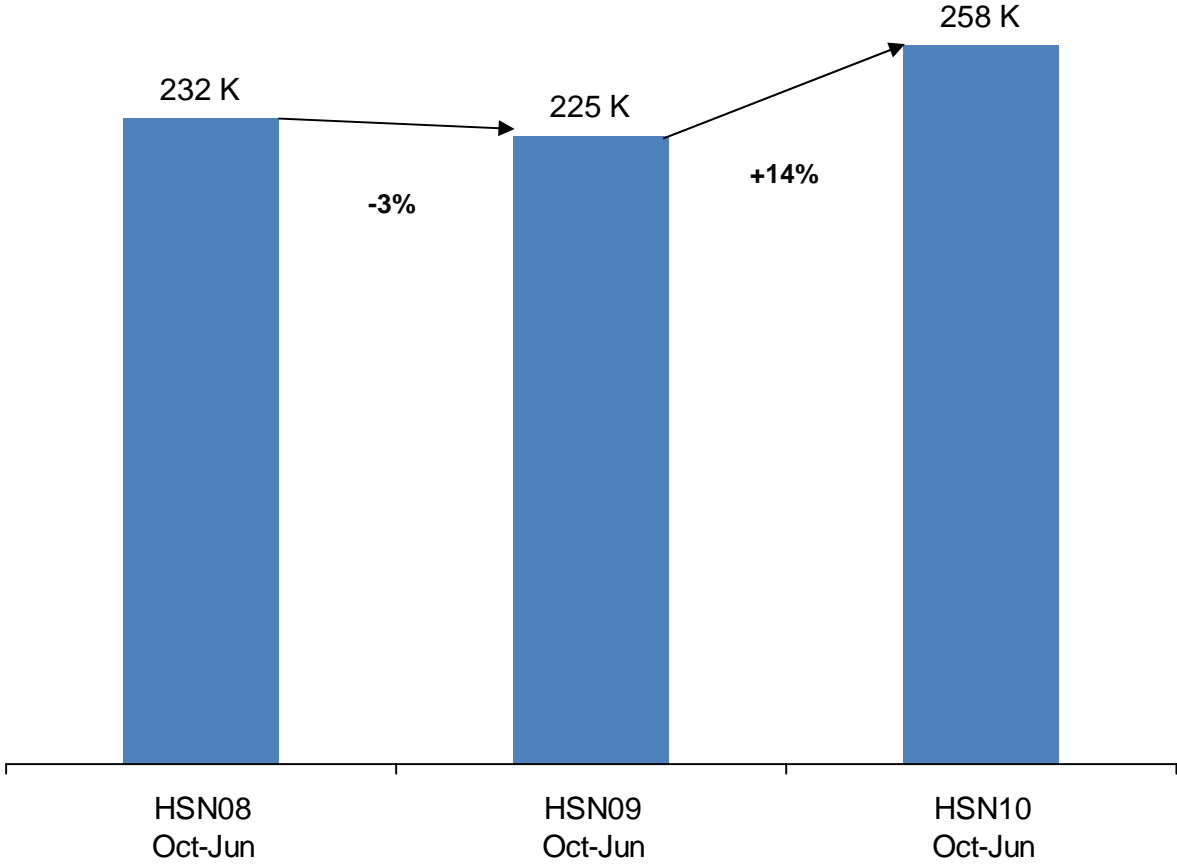
# HSN Quarter 3 Community Health Center Volume Trends



Community health center (CHC) volume increased 4% in first nine months of Health Safety Net fiscal year 2010 (HSN10) compared to the same period in the prior year.

**Notes:** The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Community health center volume is the sum of visits for which payments were made to community health center providers in the months shown. Community health center volume excludes pharmacy claims. CHCs have been moving from a voucher-based to a claims-based adjudication and payment system since April 2009; this transition may result in shifts in volume that is expected to stabilize once all CHCs have transitioned to the new system. HSN08 volume differs from data previously published due to a technical change made to the methodology used to calculate CHC visits. HSN09 volume reflects updated CHC claims activity and may differ from data previously published. Numbers are rounded to the nearest thousand and may not sum due to rounding; percent changes are calculated prior to rounding.  
**Source:** DHCFP Health Safety Net Data Warehouse as of 9/15/10.

# HSN Quarter 3 Total User Trends



Medical expenses for an estimated 258,000 individuals were billed to the Health Safety Net (HSN) in the first nine months of Health Safety Net fiscal year 2010 (HSN10).

The number of users increased by 14% in the first nine months of HSN10 compared to the same period in the prior year.

Notes: The Health Safety Net fiscal year runs from October 1 through September 30 of the following year. Users who receive a service in more than one setting (hospital, community health center or emergency room bad debt) are counted only once. Users are reported on claims for which payments were made to hospital and community health center providers in the months shown. Total users in HSN08 and HSN09 differ from data previously published due to a technical change made to the methodology used to calculate total users. Numbers are rounded to the nearest thousand; percent changes are calculated prior to rounding.

Source: DHCFP Health Safety Net Data Warehouse as of 10/25/10.



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