



# Enhancing Primary Care in Michigan's Safety Net Organizations

Letter of Interest due  
February 14, 2014



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## Enhancing Primary Care in Michigan's Safety Net Organizations

The BCBSM Foundation and the BCBSM Social Mission Department are issuing a *Request for Letters of Interest* to Michigan-based safety net organizations that primarily serve the uninsured, underinsured, Medicaid and other vulnerable populations.

Michigan's safety net organizations serve as the default system of care for low-income residents who have limited health insurance or no coverage at all, as well as for other vulnerable groups with serious physical and mental illnesses. The health care system faces many opportunities and challenges as the Affordable Care Act takes full effect in 2014, including fulfilling the ACA's promise of access to care.

The BCBSM Foundation and the BCBSM Social Mission Department will collaborate on the important challenge of helping safety net providers develop or adapt new innovations that can be replicated by other providers and in other settings across the state.

By combining funds, the BCBSM Foundation and the BCBSM Social Mission Department plan to award a total of \$250,000 (for up to five grants and up to two years) **to increase access to primary care and to improve service delivery and quality of care in safety net organizations**. Although no clinic or community partner match is required, we encourage proposals that demonstrate additional financial or in-kind contributions. Letters of interest are due by Feb. 14, 2014. We will request a full proposal from selected organizations by April 1, 2014. The full proposals will be due May 1, 2014.

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## A. Background

### Increase in Demand

Michigan's safety net providers were deeply affected by the recent economic recession during which the numbers of uninsured and publically insured individuals grew statewide. By 2011, more than 17 percent of Michigan's adults ages 19 to 64 were uninsured. An additional 16.7 percent, or 1.4 million Michiganders, ages 0 to 64, were covered by Medicaid or the State Children's Health Insurance Program, also known as MICHild. Since then, safety net clinics continue to experience a growing demand for reduced-rate services.

As a result of the increase in both the uninsured and the Medicaid populations, free clinics and federally qualified health centers experienced increased volume in patients seeking services. During this time and in response to the growing demand, safety net providers, including FQHCs and free clinics, increased their capacity, often serving as the only medical home for low income and uninsured patients.

Under the ACA, safety net organizations can be expected to face opportunities and challenges related to funding and providing care. Some providers will face an increase in patients as a result of the mandate that everyone have health insurance.

For those providers already struggling to meet existing demand, meeting the needs of the newly insured patients may be an added challenge. Other safety net providers, primarily free clinics, may see a drop in their patient volume once their patients purchase insurance or enroll in Medicaid and transition their care to clinics accepting insurance coverage. At the same time, free clinics may face challenges in obtaining funding and recruiting volunteers to provide care. They may also choose to identify and fill remaining gaps in service, such as dental care, for those who remain uninsured.

Finally, some safety net providers may not see any change in their patient volumes, either because they're already at capacity or, because they treat undocumented immigrants, the homeless and others who are likely to remain uninsured.

## Importance of Primary Care

Primary care focuses on providing medical services to patients with acute, preventable and chronic conditions. When delivered on a regular basis, primary care can help keep people healthy and avoid complications that lead to the need for expensive specialty care. When delivered in appropriate settings, such as physician offices or outpatient clinics, the cost of services is lower than when the same services are delivered in emergency rooms. Primary care is a cost-effective way of supporting health for a large number of people.

The demand for primary care is likely to increase as the existing safety net is challenged to meet demand. The ACA makes coverage of primary care services an integral part of the essential health benefits package for all insurance policies. Thus, improvements in capacity through innovation hold the promise of improving the health for our most vulnerable population.

## B. Program Rationale

Blue Cross Blue Shield of Michigan has a long history of commitment to increasing access to health care in partnership with safety net health care providers. We have a unique social mission to help ensure access to high quality medical care for all residents in Michigan. We strive to provide leadership, advocacy and resources to reduce barriers and promote quality health for uninsured and underserved people in Michigan.

The BCBSM Foundation and the BCBSM Social Mission Department created this initiative as part of our commitment to increasing access to health care. This program provides grant support to non-profit health clinics in underserved communities throughout Michigan. We recognize that providing grant support to resource-strapped clinics will help these providers operate more efficiently, increase their capacity and ultimately expand access to primary and preventive care in underserved communities.

*Enhancing Primary Care in Michigan's Safety Net Organizations* grants are intended to increase access to primary care and improve service delivery and quality of care for uninsured Michigan residents, including those who live in areas with limited access to care. We hope it will also strengthen the health care safety net through innovative approaches designed to expand access to health care for everyone.

## C. Program Aim

The BCBSM Foundation and the Social Mission Department at BCBSM aim to award up to five grants to Michigan-based safety net organizations to develop or adapt an innovative health care delivery model that increases access to primary care and improves service delivery and quality. To achieve this aim, we're jointly requesting letters of interest to improve safety net organizations' capacity to treat patients in need of primary care. We'll invite the most promising applicants to submit full proposals.

We seek to fund innovative projects; this can mean applying a previously developed innovation to your setting or developing a new and promising intervention. Projects will be judged by:

- Significance of the project in relation to enhancing primary care
- Evidence of feasibility and effectiveness, if available
- Potential for replicability in other settings
- Sustainability beyond the grant period
- The quality of invited proposals

We encourage applicants to employ whatever strategy helps achieve the aim of this funding proposal. Potential strategies may include, but aren't limited to:

- Implementing team-based care models incorporating physician extenders
- Implementing innovative patient navigation, disease management or care coordination systems
- Developing clinic-based initiatives that address the social determinants of health

**Examples of innovative programs** can be found on the Agency for Healthcare Research and Quality Health Care Innovations Exchange (<http://www.innovations.ahrq.gov>) and in the innovations sections of the journal *Health Affairs*. These include, but aren't limited to:

- Telemedicine for special populations
- Practice enhancement assistants
- Field-based outreach workers
- Using Skype for health care needs, especially in rural communities
- Community coordinated care models
- Primary care teams for patients with chronic diseases
- Integrating public health approaches with medical care

- Implementing innovative information technology systems
- Eliminating barriers to care in innovative ways, such as through mobile clinics
- Integrating primary care and behavioral health services

An important part of this funding program will be learning from the achievements of the various projects and sharing the results in order to expand the capacity of all safety net clinics to provide primary care. To that end, the BCBSM Foundation will fund a separate evaluation of the project.

We'll select an independent evaluator to assess the impact and cost-effectiveness of funded projects individually and across the program. Clinics awarded a grant under this program are required to participate in the evaluation by providing quantitative and qualitative information.

## D. Eligibility

This initiative is targeted to a subset of safety net providers, specifically the following types of clinics.

### Free clinics

Free and charitable clinics are safety net health care organizations that utilize a volunteer-staff model to provide economically disadvantaged individuals with a range of medical, dental, pharmacy, vision or behavioral health services.

Entities that otherwise meet the above definition, but charge a nominal-sliding fee to patients may still be considered free or charitable clinics as long as essential services are delivered regardless of the patient's ability to pay. Free or charitable clinics restrict eligibility for their services to individuals who are uninsured, underinsured or have limited or no access to primary, specialty or prescription health care.

<b>Hybrid clinics</b>	These are health clinics that primarily serve the uninsured and underinsured and are neither free clinics nor federally qualified health centers. They employ health care professionals to provide clinical services and have a board-certified physician serving as medical director.
<b>Federally qualified health centers</b>	Grant-supported federally qualified health centers are public and private non-profit health care organizations that meet certain criteria under the Medicare and Medicaid programs (respectively, Sections 1861(aa)(4) and 1905(l)(2)(B) of the federal Social Security Act and receive funds under the Health Center Program Act (Section 330 of the Public Health Service).
<b>Look-alike health centers</b>	Non-grant supported health centers are those that have been identified by HRSA and certified by the U.S. Centers for Medicare and Medicaid Services as meeting the definition of "health center" under Section 330 of the PHS Act, although they don't receive grant funding under Section 330. They're referred to as "look-alikes."
<b>Tribal health centers</b>	These are outpatient health programs and facilities operated by tribal organizations (under the U.S. Indian Self-Determination Act, P.L. 96-638) or urban Indian organizations (under the U.S. Indian Health Care Improvement Act, P.L. 94-437).
<b>Rural health clinics</b>	Rural health clinics are certified facilities located in an area defined by the U.S. Census Bureau as "nonurbanized," which is defined as an area with a population of fewer than 50,000 and designated by the U.S. Department of Health and Human Services as having a shortage of personal health care services or primary care medical services. In addition, facilities must be certified by CMS as meeting relevant requirements involving physical plant, personnel credentials and staffing, licensure, governing policies, medical services, and referral arrangements as specified in the Rural Health Clinics act – P.L. 95-210 to participate in the program.

In addition to being one of the targeted clinics listed above, providers must meet these additional criteria:

- Majority of patients are low income and are either uninsured, underinsured, covered by Medicaid or newly insured under the ACA
- Have a mission to serve low income, uninsured or underinsured patients
- Be recognized by the Internal Revenue Service as a 501(c)(3) organization or be a community-based nonprofit organization paired with a 501(c)(3) organization serving as fiduciary
- Provide direct medical services
- Provide services at little or no cost to the patient
- Have a board-certified physician serving as medical director
- Be in good standing regarding all previous BCBSM or BCBSM Foundation grants



Grants made under this initiative won't provide support to for-profit organizations or individuals associated with organizations not located in Michigan. Safety net organizations whose executive staff includes the following people aren't eligible to receive BCBSM Foundation grants:

- Blue Cross Blue Shield of Michigan employees and members of their immediate families
- Employees and immediate family members of any Blue Cross Blue Shield of Michigan affiliate or subsidiary

## E. Program Funds

The BCBSM Foundation and BCBSM Social Mission Department have jointly allocated \$250,000 to fund up to five projects for up to two years each. Program funds will be available for salary support, program costs, supplies and other costs related to the proposed project. Computer equipment, including PC hardware and software, aren't supported unless they're directly related to the aim of the proposed project.

## F. Letter of Interest

To be considered for this initiative, please submit your letter of interest packet by Feb. 14, 2014 to the address below. Staff from the BCBSM Foundation and the Social Mission Department will review the LOIs and determine by April 1, 2014, which projects will be invited to submit full proposals.

Please submit an original and four copies of your letter of interest, which should contain the following information:

- Completed *Letter of Interest Cover Sheet* (may be downloaded from [bcbsm.com/safetynet](http://bcbsm.com/safetynet) or [bcbsm.com/foundation](http://bcbsm.com/foundation))
- Letter of interest (three pages, double-spaced, 12-point font size) that includes:
  - A description of the proposed project briefly addressing the aims of the program
  - An overview of the objectives, expected impact and measurement of the project
  - Estimate of funds needed for the project and expected duration of the project

- Copy of resume or curriculum vitae of the project director or individual responsible for program implementation and participation in the evaluation

Projects must be conducted in Michigan by Michigan providers. As noted in our Program Aims (Section C), an independent rigorous evaluation will be a critical component of this initiative. It is the intent of the BCBSM Foundation and Social Mission Department that successful projects be disseminated and replicated in communities throughout the state of Michigan. Additionally, we would like program results to be relevant to all organizations concerned with the health of their respective communities.

The BCBSM Foundation and the BCBSM Social Mission Department will invite selected LOIs to submit a full proposal by April 1, 2014. Interested parties are encouraged to contact the BCBSM Foundation or BCBSM Social Mission Department with questions. Please submit your questions via email to [innovations@bcbsm.com](mailto:innovations@bcbsm.com).

**LOI packets must be received by 5 p.m, Feb. 14, 2014.  
No hand or electronic deliveries will be accepted. Packets  
should be mailed to:**

**Enhancing Primary Care in Michigan's Safety Net  
Blue Cross Blue Shield of Michigan  
600 E. Lafayette  
Mail Code L10C  
Detroit, Michigan 48226**

## G. References

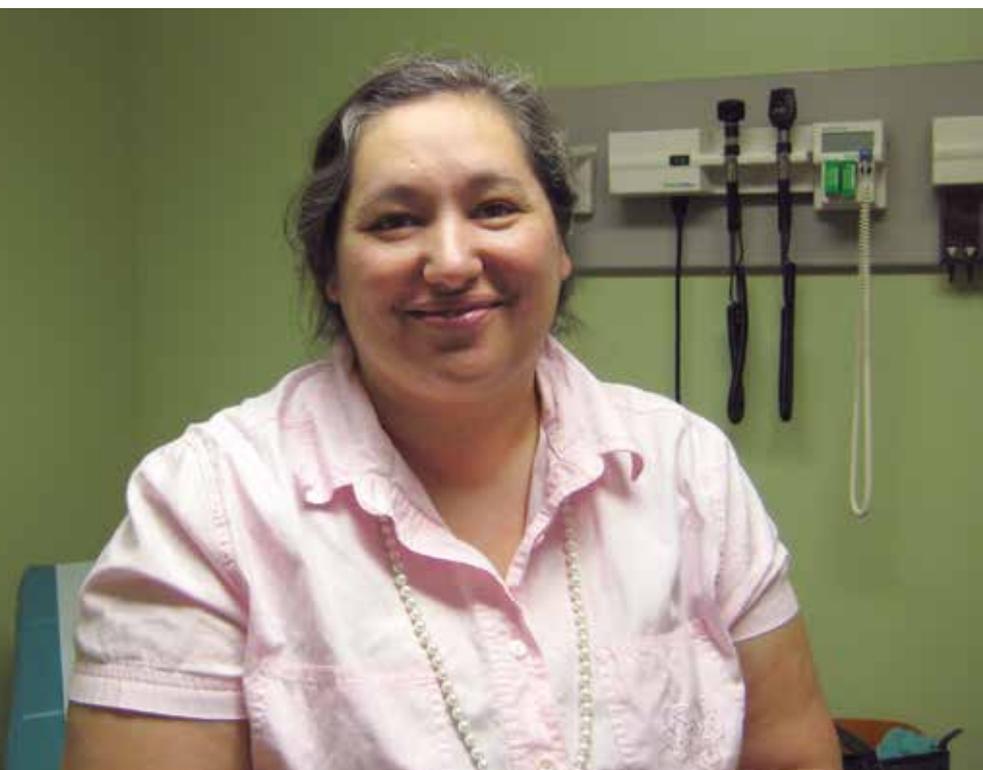
Traylor & Udow-Phillips; *Safety Net Providers and Uncompensated Hospital Care in Michigan: Cover Michigan 2013*. August 2013. Center for Healthcare Research & Transformation, Ann Arbor, MI.

Fangmeier, Joshua; Udow-Phillips, Marianne. *The ACA's Coverage Expansion in Michigan: Demographic Characteristics and Coverage Projections*. Cover Michigan 2013. July 2013. Center for Healthcare Research & Transformation. Ann Arbor, MI.

National Association of Free and Charitable Care Clinics, <http://www.nafclclinics.org/>.

Health Resources Services Administration. Primary Care: The Health Center Program. <http://bphc.hrsa.gov/about/index.html>.

Centers for Medicare and Medicaid Services. Rural Health Clinics. <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/RuralHlthClinfctshst.pdf>.





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Blue Shield  
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of Michigan



MC X520  
600 E. Lafayette Blvd.  
Detroit, MI 48226-2998

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