

NACHCLINK

A Primary
Care Information
Resource for
NACHC Members

From the President...

"Change" remained the operative word in 1996 for healthcare patients, providers, insurers and policymakers and managing change and positioning for the future remained a major focus of America's Health Centers.

NACHCLink asked NACHC President and CEO, Tom Van Coverden about how health centers fared last year in facing the challenges of change and his perspectives on the new year.

NL: As we enter the new year, how do you feel about where we stand?

TVC: All things considered—great! Legislatively, we achieved a major victory on several fronts—each indicating a high degree of confidence in and support for health centers and the job they are doing—on a bipartisan basis.

The mere fact that both houses of Congress passed our five-year reauthorization on unanimous consent procedures is most significant. Moreover, the new law (PL 104-299) would allow for future increases (vs. caps) and creates two new loan guarantee programs to assist us in the transition to managed care; i.e. for capital expansions and the development and operation of integrated service networks and plans.

This action, coupled with the permanent FTCA extension and a new FY97 appropriations adding \$40 million for



grants to centers and allowing up to \$80 million for the combined loan guarantee programs at a time when several hundred programs were eliminated, cut or block granted, is an incredible achievement and vote of confidence.

But, our work is far from over!

NL: How are our members dealing with managed care?

TVC: It varies from state to state, but again, I would say we are making good headway despite obstacles. Currently, our centers have established 28 state licensed HMOs or similar full risk plans. Over 150 centers participate as stockholders or directors of these plans, with current Medicaid enrollment of 560,000. Eight of these full risk contracts are statewide plans.

Eight additional plans are now under development, and we are currently working with many centers to develop provider-sponsored networks (PSNs) which are subcontracting and accepting partial risk. We estimate that over 100 PSNs are under development. All of this has happened with very little by way of capital investment; using either ISN grants

27th Annual Convention and Community Health Institute

**COMMITMENT, PARTNERSHIP AND
ENTERPRISE = "SUCCESS"**

NACHC's 27th Annual Convention and Community Health Institute held in San Francisco, August 25-28 served as the vehicle in bringing together over 1300 health center representatives, health care policy experts, government officials and health care vendors to explore the impact of the changing environment on health centers and their patients, share information and perspectives and to present ideas and develop strategies in meeting common goals and challenges. NACHC members attended over 75 highly-rated education and training sessions, workshops and pre-Institute seminars and conducted business through the 1996 House of Delegates, which included election of new officers and deliberations around two proposed Bylaws amendments.

1996 HOUSE OF DELEGATES

More than 600 health center board members and staff representing 400 Organizational members attended the 1996 House of Delegates to elect new officers and to vote on two major proposed amendments to the NACHC Bylaws. James W. Couch, Vice President and Chief Operating Officer of West End Medical Center, Atlanta, GA, took the helm as Chair of the NACHC Board of Directors after serving a one-year term as Chair-Elect.

NEW OFFICERS

The following individuals were elected to office:

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Johnson & Johnson Announces 1997 Community Health Care Sites

In 1997 Johnson & Johnson will award two-year grants (\$50,000 per year for a total of \$100,000) to six nonprofit organizations which work to measurably improve access to quality health care for medically underserved populations, particularly for women and/or children. The 1997 sites are:

New Jersey
Georgia (Atlanta-Athens area)
Puerto Rico
South Carolina
Northern California
Connecticut

Requests for proposal packets containing information, criteria and an application form have been mailed to all FQHCs as well as other selected nonprofit organizations and agencies located in the six 1997 target areas. (Proposals must be submitted using the program's application form.) Deadline for proposal submission is: **January 10, 1997.** In order to receive a proposal packet, please contact: Deitra Bell at NACHC, (202)659-8008, ext. 118 or fax: (202)659-8519. **LINK**

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board's assessment of its own functioning, and helps the consultant to develop an agenda for the meeting when the board will gather to review the assessment findings and make plans for future improvements. (This agenda is usually discussed with the board chair and chief executive officer prior to the meeting.)

In order for the board to take full advantage of the self assessment, a full day meeting works best. Structured to include a great deal of interaction, the event also serves a team building function and usually results in renewed energy and commitment as well as a better understanding of how the board can better serve the health center's mission. **LINK**

HHS to Issue Anti-Kickback Opinions on Specific Practices and Arrangement

Earlier this year, the U.S. Department of Health and Human Services (HHS) published a long awaited final rule clarifying anti-kickback protections ("safe harbors") which exclude certain managed care payment practices and business arrangements from criminal prosecution or civil sanctions under Medicaid and Medicare law. The final rule did little to ease concern among health centers and others about how their own arrangements would be treated under fraud and abuse statutes. Thanks to a new law signed by President Clinton this summer, however, health care providers may finally receive the guidance they've been seeking.

Under the new **Health Insurance Reform Act** and beginning in March 1997, the U.S. Department of Health and Human Services will be required to issue advisory opinions on the application of health care fraud and abuse sanctions to **particular circumstances.** Signed into law on August 22, 1996, the law provides health centers and other providers the opportunity to obtain assurances that their agreements with other entities — including space or equipment leases, referral arrangements, personal service contracts — do not violate the anti-kickback provisions regarding prohibited remuneration and inducement.

The new law requires HHS to issue advisory opinions within sixty (60) days of the receipt of a request for guidance as to the following matters:

- ▶ what constitutes prohibited remuneration;
- ▶ whether an arrangement satisfies the legal criteria and HHS' regulations for activities which do not result in prohibited remuneration;
- ▶ what constitutes an inducement to reduce or limit services to persons entitled to Medicare or Medicaid benefits;
- ▶ whether any activity constitutes grounds for imposition of anti-kickback sanctions.

Advisory opinions issued by HHS, however, will not address the following matters:

- ▶ whether fair market value was or will be paid for any goods, services or property;
- ▶ whether an individual is a bona fide employee for tax purposes.

An advisory opinion issued by HHS will be binding upon the agency and the party or parties requesting the opinion. Health centers that receive a HHS opinion indicating that their actual or proposed arrangement does not violate anti-kickback laws can continue or enter that arrangement without fear of anti-kickback sanctions. Additionally, health centers will be able to evaluate their own arrangements in light of published HHS opinions regarding other similar arrangements.

The new law will also give health centers the opportunity to propose the modification of existing safe harbors and the establishment of new ones as HHS will be required to annually solicit such proposals (beginning in January 1997) and issue final rules in response.

For more information on the Health Insurance Reform Act and provisions related to HHS advisory opinions, contact Jacqueline C. Leifer or Nancy L. Evert, Feldesman, Tucker, Leifer, Fidell and Bank at (202)466-8960. **LINK**

ON THE LOOKOUT

Two positions are available in exciting Denver, CO for **Board Eligible or Certified Physicians** with interest in practicing and teaching primary care in the country's largest community health care system. For information contact Richard A. Wright, MD, MPH, 660 Bannock Street, (M.C. 0278), Denver, Colorado 80204, (303) 436-6850.

The Department of Community Health Services is recruiting a **Director of Family Medicine** who will also serve as an Associate Director of the Generalist Department of Community Medicine. As an academic affiliated institution, the director will have a full-time academic position with the Department of Family Medicine at the University of Colorado Health Sciences Center. Contact Richard A. Wright, MD, MPH, 660 Bannock Street (M.C. 0278), Denver, Colorado 80204 (303) 436-6850.

Siouxland Community Health Center, Sioux City, IA has an immediate opening for a **BC/BE Family Practitioner**. Join two BC Family Practitioners, a BC Pediatrician, a Physician Assistant and two Nurse Practitioners. All subspecialties represented at two major hospitals, including a regional Trauma Center and a new cancer center. Sioux City is located 90 miles north of Omaha, NE, and offers

outstanding schools, cultural amenities and spectator sports. Competitive salary employment position with excellent benefits. Call Ruth McGraw at 800-638-6942. E-mail: rmcgraw@worldmall.com

Charles Drew Health Center, Omaha, NE, is seeking a BC of BE Family Practitioner to become **Medical Director**. The new physician will join a five physician multispecialty clinic. Applicants should have administrative experience in conjunction with a strong clinical background. An interest in civic involvement and community service is highly desirable. With an outstanding cost of living, Omaha is ranked as one of the top ten healthiest places to live in America and the fifth safest city its size. Call Ruth McGraw at 800-638-6942. E-mail: rmcgraw@worldmall.com

Community Health Center located in East Central Mississippi is seeking a **Family Practitioner**, an **Internal Medicine Physician**, and a **Pediatrician** to practice in a rural health area. Urban or rural life styles are possible. Competitive salary, malpractice, incentives and attractive benefits are provided. Send curriculum vitae to Wilbert L. Jones, Executive Director, Greater Meridian Health Clinic, Inc., 2700 Sixth Street, Meridian, MS 39301. Closing Date: 12/31/96

Registered Nurses, Nurse Practitioners and Dental Hygienists.

Colorado Migrant Health Program is seeking staff for its summer program in schools, Head Start centers and community health settings. Spanish speaking ability preferred but not required. Positions are for six weeks to four months during the summer. For information contact, Colorado Migrant Health Program, 4300 Cherry Creek Drive South, Denver, Colorado 80222-1530 or call (303) 692-2430.

Chief Executive Officer. David Raines Community Health Center, Inc., Shreveport, LA has an immediate opening for a Chief Executive Officer. Minimum requirements are a Master's Degree in Public Health, Health Care Administration, Business Management (MBA) or a related field. Experience: Minimum of five years experience as a CEO in a Primary Care Clinic or a Community Health Center. Excellent salary and fringe benefits. Qualified applicants please respond by December 31, 1996 to David Raines Community Health Center, Inc., Attn: Executive Search Committee, 1625 David Raines Road, Shreveport, LA 71101. No Phone Calls Please! **LINK**

SPOTLIGHT ON MEMBERS

Golden Valley Health Center in Merced, CA was honored this year as the **1996 Business of the Year** by the Greater Merced County Chamber of Commerce. The health center had its beginning in 1965 when the Merced County Health Department received a federal grant to serve migrant farmworkers. In 1972, the operation was transferred from the county to what was called the County General Hospital. Merced County hired Mike Sullivan (who

still serves as Chief Executive Officer of the center) hoping that it would eventually be privatized. In 1973, it became the private non-profit Merced Family Health center, funded mostly by federal grants. Twenty-three years later, the center now treats 42,000 patients in 160,000 visits each year at 13 locations in Merced and Stanislaus Counties. The 13 centers (some of which are school-based) are staffed by 22 physicians, 14 nurse practitioners, physician assistants and nurse

midwives, and eight dentists as well as a number of medical assistants. Golden Valley's Chief Executive Officer, Mike Sullivan, says that his board and staff were "obviously very proud to be honored by our business community." We want Mike to know that the Health Center community also is very proud as Golden Valley represents the best. Congratulations! **LINK**

MARK YOUR CALENDAR

1997 National Farmworker Conference

May 15-18, 1997
Hyatt Regency Alicante
Anaheim, CA
(714) 750-1234

28th Annual Convention and Community Health Institute

August 23-27, 1997
New Orleans Hilton Riverside
New Orleans, LA
(504) 561-0500

1997 Health Policy Seminar & Mid-Winter Meeting

December 11-13, 1997
The Walt Disney World Swan Resort
Orlando, FL
1 (800) 934-1500

Video Review, from page 10

Intended to inspire as well as inform the show presents interviews with medical professionals, profiles of breast cancer survivors, key statistics and facts about breast cancer and early detection and words of encouragement and advice offered by a host of well-known African-American celebrities. These familiar faces play an important role in driving home the key messages about breast cancer early detection and many of the celebrity cameo appearances lend themselves well as stand-alone public service announcements.

Copies of the program can be obtained from BioTechnical Communications, Inc. The cost of the tape is \$34.95. Organizational checks, money orders or cashiers checks (no personal checks or purchase orders) should be made out to BioTechnical Communications, Inc. and mailed to: BioTechnical Communications, Inc., 2058 North Mills Avenue, Suite 214, Claremont, CA 91711. Bulk rates are available for 100 or more. For additional information, call (909) 920-3485. **LINK**



National Association of
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