August 31, 2009

Ms. Shakema Sanders, MSA
Business Manager
Virginia Department of Health
Office of Minority Health and Public Health Policy
109 Governor Street, 10th Floor
Richmond, VA 23219

Dear Ms. Sanders:

Attached is the annual report from the Virginia Primary Care Association, dba as the Virginia Community Healthcare Association for Agreement Number: 09-559-2.vpca.

If you have any questions, please contact me at your convenience.

Sincerely,

R. Neal Graham
Chief Executive Officer

Enclosure

cc: Karen Remley, MD, MBA, State Health Commissioner
Kim Snead, Executive Director, Joint Commission on Health Care
The Honorable Lacey E. Putney Chairman, House Appropriations Committee
The Honorable Harry R. Purkey, Chairman, House Finance Committee
The Honorable Charles J. Colgan, Chairman, Senate Finance Committee
Debbie Oswalt, Executive Director, Virginia Health Care Foundation

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***Improving Access to Pharmacy Services Through***
***Virginia's Community Health Centers, Migrant Health Centers, Health Care for the Homeless Programs and Rural Health Clinics***

Presented by the Virginia Primary Care Association
To
Commissioner of Health
Senate Finance Committee
House Appropriations Committee
Joint Commission on Health Care
Virginia Department of Health

August 31, 2009

**Section I** - The Commonwealth of Virginia General Assembly appropriated funds to the Virginia Primary Care Association (VPCA), dba, Virginia Community Healthcare Association *"for the purchase of pharmaceuticals and medically necessary pharmacy supplies, and to provide pharmacy services to low income, uninsured patients of Community and Migrant Health Centers throughout Virginia.*

***Summary of our results for the year ending June 30, 2009 follows:***

- ***Funds*** allocated have been ***expended for the following purposes***:
  - *Purchase of medications*, partnering with local pharmacies, including paying dispensing fees
  - Purchase or upgrade computers to run *The Pharmacy Connection software*, maintain license of product and obtain latest version of TPC
  - *Staff* and associated office supplies and postage to operate an enhanced patient medication assistance program

- Virginia's community health centers have leveraged $433,750 of state funding into more than $43,638,358 (average wholesale price) worth of medications through accessing corporate indigent pharmaceutical programs to assist some of the Commonwealth's neediest citizens. ***This was an increase over the prior year of $13,944,928 worth of medications*** that were distributed to the citizens of the Commonwealth.

- Medications have been made available to over ***68,211 low income and uninsured Virginians*** in over 60 counties/municipalities throughout the Commonwealth. This is an increase over the last fiscal year of 9,869 patients.

- That means that on average, ***every $1 invested leveraged over $100 worth of medications*** (average wholesale cost).

- ***Sixty-four percent of this assistance has helped the poorest of the poor-*** those under 100 percent of the federal poverty level. The remaining funds assisted those under 200 percent of the federal poverty level.

- The average per patient cost was $6.36. The average per patient value of medication received was $639.76. The average cost per patient went down from the previous fiscal year and the value of medications received per patient increased.

For the twelve months ending June 30, 2009, our centers have provided pharmacy assistance for a total of **68,211 patients** with the following characteristics:

***Patient characteristics***

**Gender** of patients served:
58.7% female, 41.3% male

**Ethnicity** of patients served:

| | |
|---|---|
| 6.1% Hispanic | 28.1% African-American |
| 61.2% Caucasian | .7% Asian |
| 3.9% Other | |

**Federal Poverty levels** of patients served:
64.0% @ or below 100%
An additional 22.7% @ or below 150%
An additional 13.3% @ or below 200%

**Age** breakdown for patients served:

| | |
|---|---|
| 1.9% | 0 - 18 |
| 15.1% | 19 - 35 |
| 70.1% | 36 - 64 |
| 12.9% | 65 years and older |

The **most prevalent diseases treated** and for which medications were prescribed and received through this program continue to be for the following chronic diseases:

-Hypertension/heart disease
-Diabetes
-Depression
-Asthma/Allergies
-Anti-coagulants

The funds provided by the General Assembly were used for the following categories on a percentage basis:

| | |
|---|---|
| Medications | 20.34% |
| Personnel | 74.34% |
| Computer | .49% |
| TPC fees, software | .88% |
| Pharmacy/Dispensing Fees | 2.50% |
| Office supplies/postage | 1.45% |

**Section II** - The Commonwealth of Virginia General Assembly appropriated $750,000 in funds to the Virginia Primary Care Association (doing business as the Virginia Community Healthcare Association), *"to expand existing or develop new community health centers in medically underserved and economically disadvantaged areas of the Commonwealth."*

| Recipient Organization | Location of Project | Projected # New Patients to be Served |
|---|---|---|
| Capital Area Health Network | Richmond | 507 OB/GYN |
| Eastern Shore Rural Health Systems | Onley | 1,800 Primary Care |
| Horizon Health Services | Ivor | 1,450 Dental |
| Monroe Health Center | New Castle | 1,502 Dental |
| Peninsula Institute for Community Health | Virginia Beach | 3,333 Primary Care |
| **Total** | | **8,592** |

**Section III** - The Commonwealth of Virginia General Assembly appropriated $175,000 in funds to the Virginia Primary Care Association (doing business as the Virginia Community Healthcare Association), *"to expand access to care provided through community health centers."*

Funds were distributed to the twenty six community health centers and one rural health center that comprise the membership of the Association for outreach activities. In 2008, these organizations served an additional 28,257 patients, 17,033 of which were uninsured. These numbers represented an increase of 13.02% overall patients and 23.77% increase in the number of uninsured. From CY2007 and CY2008, the total number of patient visits increased by 29,828 representing an increase of 3.77%. The total number of uninsured patient visits increased from CY2007 to CY2008 by 27,749 which is a 12% increase.

**Section IV** - The Commonwealth of Virginia General Assembly appropriated $1,800,000 in funds to the Virginia Primary Care Association (doing business as the Virginia Community Healthcare Association), to *"support community health center operating costs for service provided to uninsured clients."*

The Virginia Community Healthcare Association distributed funds to all members who have service sites in the Commonwealth. For calendar year 2007, the 105 individual service sites saw 83,496 uninsured patients which accounted for 222,793 encounters with medical providers. In calendar year 2008, the number of uninsured patients increased to 88,729, an increase of 5,233 uninsured patients. Their encounters with medical providers increased 27,749 to 250,542 visits. The cost absorbed per visit for calendar year 2008 was $64.87 ($1.8M/27,749) whereas the CY 2008 average cost per visit for all CHCs in the nation was $129.