

# Colorado's *KP Helps* Assists Patients In Need

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In response to rising copays for health care, Kaiser Permanente (KP) Colorado has greatly expanded a 13-year-old charitable fund to assist low-income members with out-of-pocket expenses not covered by their benefit plan.

Called *KP Helps*, the program has traditionally been funded by contributions from individual Kaiser Foundation Health Plan employees and Permanente physicians. In December 2002, in response to concerns about increasing copays, the physicians of the Colorado Permanente Medical Group directed \$500,000 of their money as a donation to *KP Helps*. The contribution was funded by transferring to *KP Helps* \$1000 from the 2002 variable deferred compensation of each eligible physician. This contribution will be used over three years. The Health Plan also contributed \$150,000 as matching funds to staff donations.

KP members experiencing financial hardship are referred to *KP Helps* by KP staff and physicians. Applicants are then screened for financial need. Members qualify for *KP Helps* if their income is below 200% of the poverty level or if their health care costs are more than 20% of their income. Liquid assets must be less than \$4000, excluding a retirement account.

Awards are capped at \$400 and can be used only to cover health care costs, not premiums. The most frequent use of awards is to help pay for pharmaceutical products. Other frequent use is for durable medical equipment, visit copays, and medical procedure copays for MRIs, CTs and colonoscopies. The highest utilizers of the fund are persons with chronic diseases, including diabetes, heart disease, asthma, psychiatric disorders, pediatric diseases, and pregnancy-related issues.

The expansion of *KP Helps* was motivated in large measure by growing concern that copays, when applied to lower income members, may restrict use of both essential and nonessential services. This in turn may lead to poorer clinical outcomes and higher downstream treatment costs for preventable disease states.

A recent study published in JAMA investigated this issue.<sup>1</sup> The study found that after cost sharing was introduced in the province of Quebec, Canada, the use of essential drugs decreased by 9.1% in the elderly and by 14.42% in welfare recipients. Among those patients who reduced the use of essential drugs, emergency room visits increased by 14.2% in the elderly and 54.2% among welfare recipients. In addition, the rate of adverse events per

10,000 persons a month increased 6.8% in the elderly and 12.9% in the welfare recipients. Importantly, there was no increase in emergency room visits or adverse events in those who did not decrease their use of essential drugs after the cost-sharing was introduced or among those that decreased their use of only non-essential drugs.

Given current economic realities, *KP Helps* will be faced with significant future challenges. The use of *KP Helps* more than tripled from 2000 to 2002, and 2003 data indicated this trend will continue.

The rising cost of medical care will continue to vex both providers and consumers of health care. The challenge for KP will be to compete effectively in the marketplace while providing the highest quality care possible to all its members. Programs like *KP Helps* can be a part of the answer to this challenge. ♦

## Reference

1. Tamblyn R, Laprise R, Hanley JA, et al. Adverse events associated with prescription drug cost-sharing among poor and elderly persons. JAMA 2001 Jan 24-31;285(4):421-9.

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