



CITY OF HOUSTON

OFFICE
of
BUSINESS OPPORTUNITY

Pay or Play Program Annual Report

FY2019

July 1, 2018 – June 30, 2019



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Table of Contents

Executive Summary.....pg. 3

Pay or Play Program Summary: Currently Funded Initiatives.....pg. 4

Care Houston Program.....pg. 4

Emergency Telehealth Navigation Program.....pg. 4

Call Crisis Diversion Program.....pg. 4

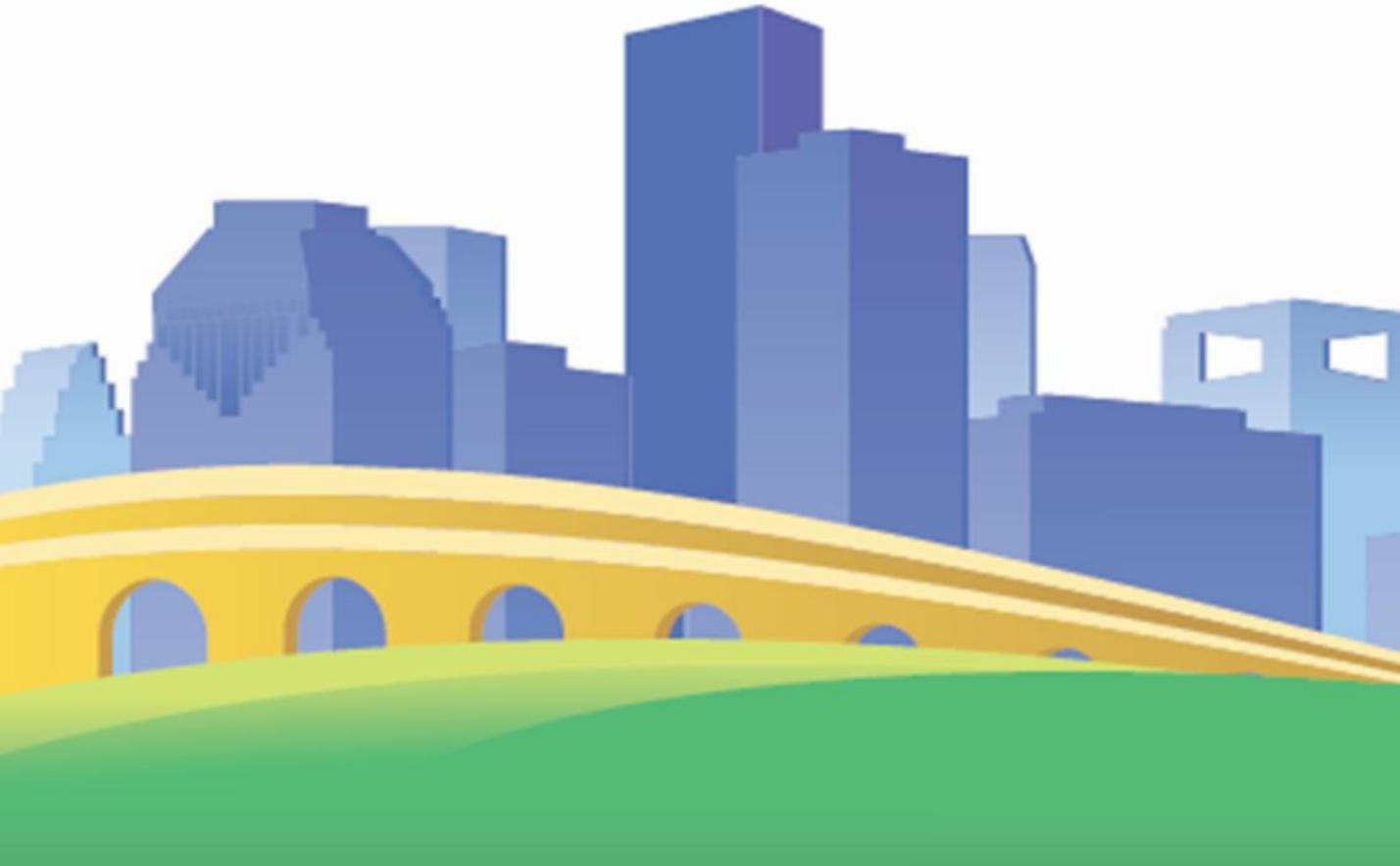
Pay or Play Program Annual Report.....pg. 5

Pay or Play Funds Collected.....pg. 5

Pay or Play Expenditurespg. 6

Options Selected by Contractors.....pg. 7

Pay or Play Participation by Departmentpg. 8



Executive Summary

OBJECTIVES

In July 2007, the Pay or Play Program was established under Article VI, Section 7a of the City Charter and City of Houston Code of Ordinance, Chapter 15 to level the playing field and defray costs associated with caring for uninsured citizens in Houston and Harris County. The program is governed by Executive Order 1-7 (EO 1-7) which mandates that contractors, on covered contracts, either contribute a prescribed amount to the “Contractor Responsibility Fund” (CRF) for their uninsured employees (Pay) or provide a minimum level of health care coverage to their employees (Play).

The Pay or Play Program (POP) is applicable to City of Houston prime contracts over \$100,000 and related subcontracts over \$200,000. However the Program is not applicable to contracts whose primary purpose is for the procurement of property, goods, supplies and/or equipment, inter-governmental contracts, intergovernmental agreements or cooperative purchasing agreements.

The POP Program Contractors provide periodic reports, supporting documentation, and required payment, if applicable, to the Contract Administrator to support their Pay or Play status. Records may be obtained for up to three years.

A contract may qualify for an exemption from the POP Program requirements if it meets one of the following criteria: 1) it is a response to an emergency that endangers public health or safety; (2) it is an essential contract to the City or public that has no other qualified responsive bidders that meet the POP requirements; (3) compliance with the program would cause an adverse impact on the City’s ability to obtain services or an adverse financial impact on the City; (4) it is a bulk purchase; or (5) it is an intergovernmental /Inter-local agreement. Requests for exemption are submitted by the contracting department for approval through the Office of Business Opportunity (OBO).

PURPOSE OF REPORT

The purpose of this report is to provide an annual update on the progress of the Pay or Play Program for fiscal year July 1, 2018 through June 30, 2019. This report, submitted by the Office of Business Opportunity, is reflective of program activities and analysis.

The primary objective of the report is to provide a view of the program’s progress as it relates to program participation and funding analysis.

The results documented within this report are POP Program activities performed within the Pay or Play Management System by POP liaisons and Contractors to support program compliance as of June 30, 2019.

DISCLAIMER OF CONFIDENTIALITY

This report contains no confidential information. The information shared within this report is solely for the use of the recipient.

FY 2019 Pay or Play Program Summary

Currently Funded Initiatives

The funds collected through the POP Program are deposited into the Contractor Responsibility Fund. The revenue is used to support health programs such as the Care Houston Program (CHP), and the Emergency Telehealth and Navigation Program (ETHAN)*as well as costs associated with administering the POP Program.

The currently funded initiatives contribute to alleviating the burden on emergency medical resources, providing subsidy to small businesses for health benefits to their employees and offering assistance with finding social and medical services for the uninsured public.

Care Houston Program (CHP)

The Care Houston Program is a collaboration between the Houston Fire Department (HFD) and the Houston Health and Human Services Department (HHS) with the express purpose of decreasing the volume of non-emergency calls for emergency medical services (EMS) and reducing the use of HFD personnel for non-emergency responses. This program requires that EMS identify residents who have made more than five emergency calls in a 90 day period and provides the residents' contact information to HHS. HHS staff then reaches out to each resident to determine whether she/he agrees to participate in the Care Houston Program. If the resident agrees to participate, a nurse case manager makes a home visit, conducts a needs assessment, assists the resident in devising a service plan, and provides social and medical referrals as needed. CHP is now referred to as the Client Access Program.

The Emergency Telehealth and Navigation Program (ETHAN)

ETHAN is a collaboration between Harris County Healthcare Alliance, HFD, HHS, Harris County RIDES, Greater Houston HealthConnect, The Clinton Foundation and Community Health Centers. This program provides non-emergent 911 callers with the option of a no-cost taxi ride to an emergency room or a community health center. It also provides the option of scheduling an appointment at a community health center at no charge to the caller. ETHAN focuses on diverting from the emergency medical system those patients who do not need emergency care and can benefit more from primary care services.

*Formally known as Alternative Transportation Program.

Call Crisis Diversion

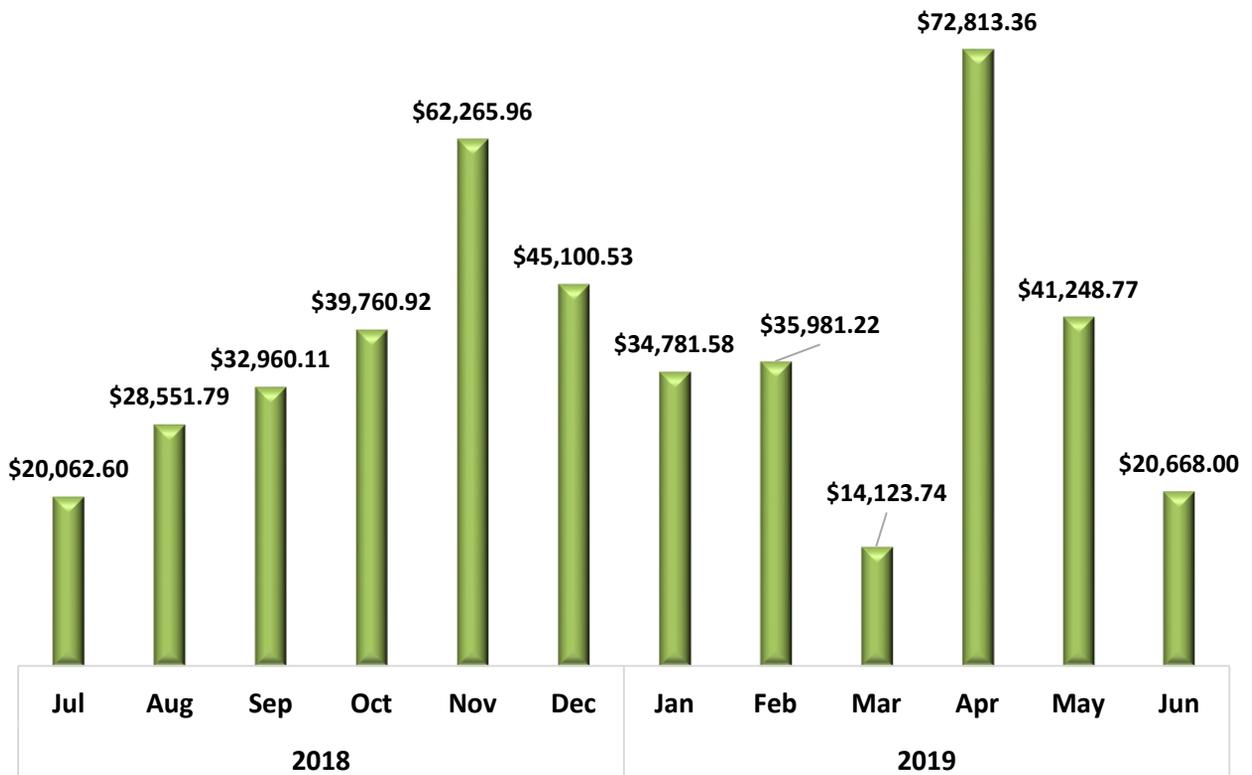
The City of Houston is the home of the first of its kind Crisis Call Diversion (CCD) program in the United States. This innovative program co-locates Crisis Phone Counselors from The Harris Center for Mental Health and Intellectual and Developmental Disabilities inside the Houston Emergency Communication Center (HEC) to work alongside Houston Police and Houston Fire Department Dispatchers with the intention of diverting non-imminent risk mental health related calls away from first responders and toward a more appropriate mental health response. The goals of the program include providing an opportunity to be more effective and efficient with City of Houston first responder resources as well as linking Houstonians with mental health concerns to an appropriate and meaningful experience with a Crisis Phone Counselor and possible long term mental health resources.

Pay or Play Program

Annual Report FY 2019

The City of Houston utilizes *Systems, Applications, and Products in Data Processing (SAP)* software for financial accounting and real-time budget management. SAP provides a month-to-month breakdown of revenue and expenditure for various programmatic budget items. This summary provides a financial analysis of the Pay or Play Program for fiscal year 2019 using SAP data. In FY 2019 the total revenue of the Pay or Play Program was \$448,318.58.

Pay or Play Funds Collected by Month
Data provided by City of Houston Financial Management System (SAP)



Pay or Play Program

Annual Report FY 2019

Expenditures

In FY 2019 \$400,000 was expended to Care Houston Program , followed by \$400,000 to the Emergency Telehealth Navigation Program and \$230,000. was expended to the Call Crisis Diversion Program, for expenses that totaled \$1,030,000 for these three programs.

Care Houston (now referred to as the Client Access Program)

In FY2019, the Client Access Program provided services to 9,383 households and completed 21,439 unique services. **Data provided by HHD*

ETHAN

In FY 2019, 3,334 City of Houston residents and visitors were served by the Houston Fire Department Emergency Telehealth and Navigation Program (ETHAN). Of those, 92% were dispositioned by Emergency Medical ETHAN Physicians for non-Houston Fire Department ambulance transportation. In a recent study that began on December 1, 2014 by UTHealth School of Biomedical Informatics, significant differences in the cost of care and productivity were discovered when ETHAN was utilized, with 44-minute median reduction in total response time per incident. This equates to approximately 2x greater utilization (turns) per day for the EMS unit than the standard EMS control group. An HFD unit response cost an average of \$1,600. Improving the unit's productivity can lead to a great financial savings to the city and its residents. Since inception, ETHAN has served 24,441 clients. **Data provided by HFD*

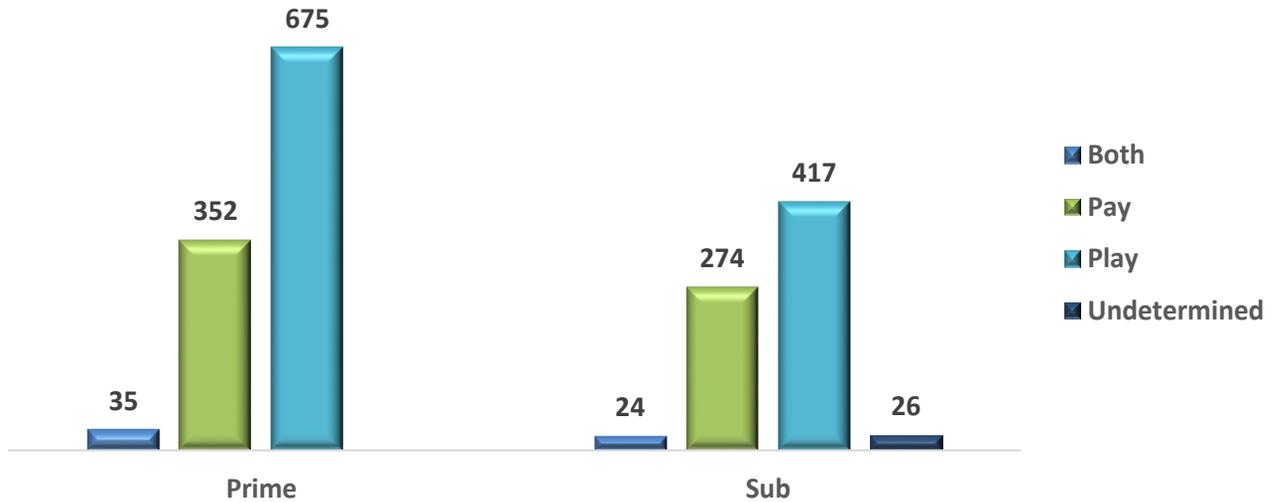
Crisis Call Diversion

In FY 2019, The Crisis Call Diversion Program spoke with 4,315 callers who reached out to 911 with a concern that included a mental health component. Crisis Phone Counselors were able to divert 2,255 of those calls away from first responders and toward a more appropriate and cost effective mental health resource. Through the Call Crisis Diversion program, the City of Houston realized \$1,244,240 of savings on Emergency First Responder resources. **Data provided by The Harris Center for Mental Health and IDD*

Month	Care Houston Program	ETHAN	Call Crisis Diversion
Jul	\$0	\$0	\$0
Aug	\$0	\$80,000	\$0
Sep	\$0	\$0	\$0
Oct	\$0	\$80,000	\$0
Nov	\$0	\$0	\$0
Dec	\$0	\$0	\$0
Jan	\$0	\$80,000	\$0
Feb	\$0	\$80,000	\$0
Mar	\$0	\$0	\$0
Apr	\$0	\$0	\$0
May	\$0	\$0	\$0
Jun	\$400,000	\$80,000	\$230,000
Total Disbursed	\$400,000	\$400,000	\$230,000

Pay or Play Program Annual Report FY 2019

FY 2019 Pay or Play Options Selected by Prime Contractors and Subcontractors



POP Options Selected

According to the Pay or Play Management System, FY 2019 data indicated that more prime contractors and subcontractors chose to participate in the “play option” (providing insurance) of the program rather than the “pay option” (paying into the CRF).

This data illustrates the impact of the program’s efforts to promote a workforce that is offering healthcare options to reduce the number of uninsured citizens in the covered areas.

A total of four City of Houston contracts have been approved by OBO for waiver from the program. The chart below illustrates the contracts that were approved for waiver in FY 2019.

Department	Adverse Impact	Intergovernmental Agreement	Total Waived Contracts
GSD	1	0	1
HHD	0	1	1
HPW	0	2	2
Total	1	3	4

Pay or Play Program

Annual Report FY 2019

POP Participation

In FY 2019, 1,803 COH POP contracts were recorded in the Pay or Play Management System

City of Houston Department	POPMS Contracts
Administration and Regulatory	6
Controllers Office	3
Department of Neighborhoods	1
Finance	7
General Services	308
Houston Airport Systems	116
Houston & Community Development	122
Houston Fire	6
Houston Health & Human Services	69
Houston Information Technology Services	5
Houston Police	6
Houston Public Library	4
Human Resources	37
Municipal Court	1
Mayor's Office	7
Office of Business Opportunity	4
Planning	2
Parks & Recreation	2
Houston Public Works	1,095
Solid Waste	2
TOTAL	1,803



Educate. Connect. Grow.

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