



CITY OF HOUSTON

OFFICE
of
BUSINESS OPPORTUNITY

Pay or Play Program Annual Report FY 2024 (July 1, 2023 – June 30, 2024)



John Whitmire, Mayor
Cylenthia Hoyrd, Interim Director



Table of Contents

Executive Summary.....pg. 3-4

FY2024 Pay or Play Program Summary: Currently Funded Initiatives.....pg. 5

Client Access Program.....pg. 5

Emergency Telehealth Navigation Program.....pg. 5

Pay or Play Program Annual Report FY 2024.....pg. 6

Pay or Play Funds Collected.....pg. 6

Pay or Play Expenditurespg. 7

Pay or Play Expenditures (Cont'd).....pg. 8-9

Options Selected by Contractors.....pg. 10

Pay or Play Participation by Departmentpg. 11



Executive Summary

OBJECTIVES

In July 2007, the Pay or Play (POP) 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 the City Contractors' Pay or Play Program 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 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, leases, goods, supplies and/or equipment, intergovernmental contracts, interlocal agreements, bulk purchasing or cooperative purchasing agreements and contracts for which the City of Houston has not expended funds, regardless of the funding source.

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.

PURPOSE OF REPORT

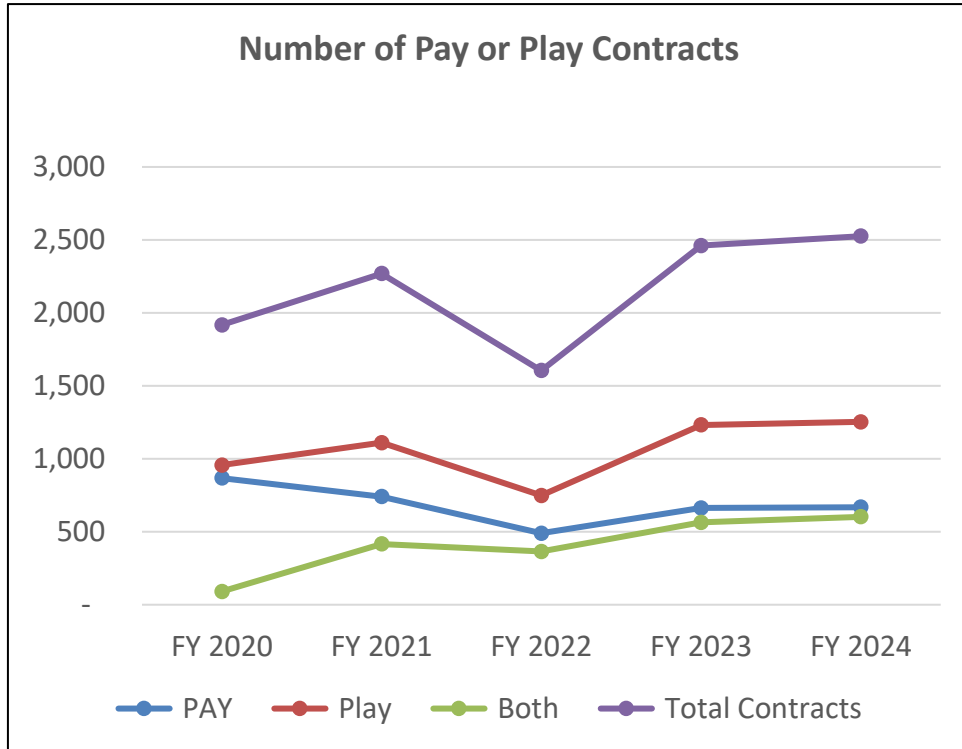
The purpose of this report is to provide an annual update on the progress of the Pay or Play Program for Fiscal Year July 1, 2023 through June 30, 2024. This report, submitted by the Office of Business Opportunity (OBO), is reflective of program activities and analysis. The information reflected in this report is based on POP Program activities documented within the B2G-POP Module by POP liaisons and contractors to support program compliance as of June 30, 2024.

PROGRAM TRENDS

Using data from the B2G-POP Module and prior POP Program Annual Reports, this Summary reflects the number of contracts that are "Play", "Pay", or both ("Pay" & "Play"). The highest number of contracts are "Play" contracts, meaning the contractors' employees are receiving the requisite level of health care insurance. Contractors utilizing the "Pay" option contribute a prescribed amount into the CRF for hours employees worked on City of Houston eligible contracts. The number of contracts in which both the "Pay" & "Play" options are leveraged have also increased significantly over the past five years.

Executive Summary, Cont'd

PROGRAM TRENDS, Cont'd



	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Pay	869	742	490	664	669
Play	958	1,111	749	1,233	1,254
Both	91	417	366	565	603
Total Contracts	1,918	2,270	1,605	2,462	2,526

FY 2024 Pay or Play Program Summary

Currently Funded Initiatives

The funds collected through the POP Program are deposited into the Contractor Responsibility Fund. In FY 2024, the revenue was used to support health programs such as the Client Access Program (CAP) 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.



HOUSTON HEALTH
DEPARTMENT

Client Access Program (CAP)

The Client Access Program, formally known as the Care Houston Program, is a collaboration with the Houston Health Department (HHD). HHD works in partnership with the community to promote and protect the health and social well-being of Houstonians and the environment in which they live. OBO's POP Program exists to enhance fairness in competition for contracts between bidders that choose to offer a health benefit to their workforce and those that do not. The CAP is intended to impact the lives of individuals and families that do not have access to health coverage by providing a linkage to health services through Harris Health, Title V, the Children's Health Insurance Program, etc. CAP provides access to Federally Qualified Health Centers and Community Health Centers for participants who meet eligibility requirements.



The Emergency Telehealth and Navigation Program (ETHAN)

ETHAN is an original collaboration between Harris County Healthcare Alliance, Houston Fire Department, Houston Health Department, Harris County RIDES, Greater Houston HealthConnect, The Clinton Foundation and Community Health Centers. This community-based mobile integrated healthcare project ensures individuals who call 911 with non-emergency complaints will be triaged by telehealth emergency medical physicians who are immediately available and skilled at making rapid triage decisions. Patients who are assessed by the ETHAN physician and confirmed to be non-emergent can be scheduled to either a local Federally Qualified Health Clinic, home care, primary care physician along with arranged transportation by a taxicab, self-transport or no-transport. ETHAN physician's virtual-visit focuses on diverting non-emergency patients to alternate managed solutions of care.



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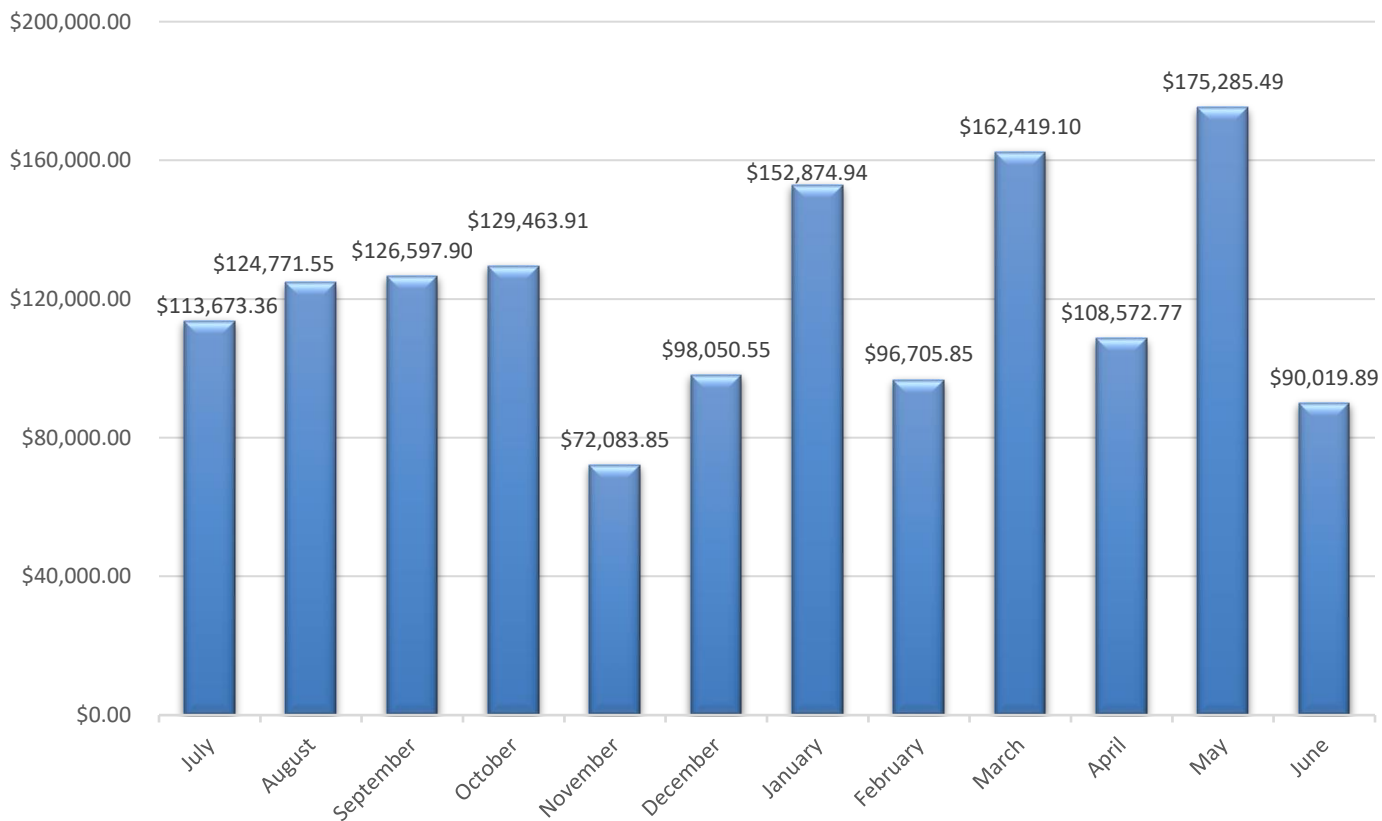
Pay or Play Program

Annual Report FY 2024

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 expenditures for various programmatic budget items. This summary provides a financial analysis of the Pay or Play Program for Fiscal Year 2024 using SAP data. In FY 2024, the total revenue of the Pay or Play Program was \$1,450,519.16.

Pay or Play Funds by Month

Data provided by City of Houston Financial Management System (SAP)
July 2023 – June 2024

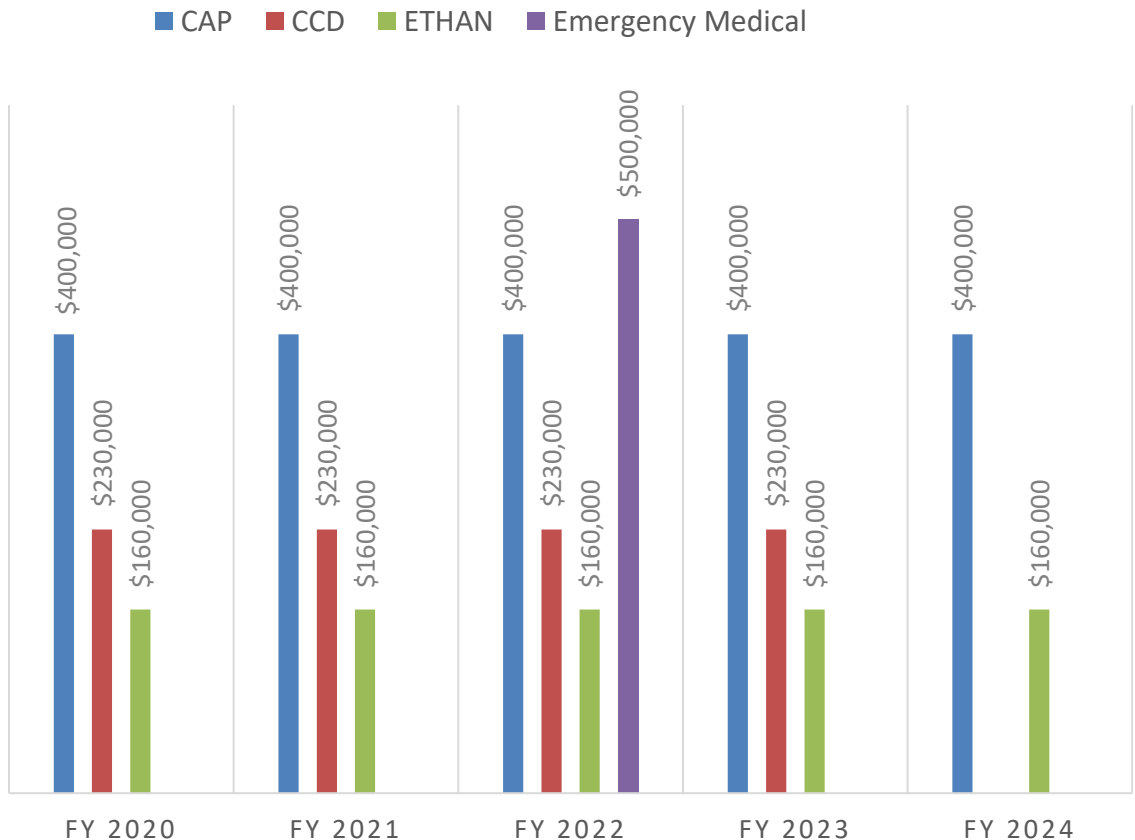


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Expenditures

In FY 2024, \$400,000 was expended for the Client Access Program and \$160,000 to the Emergency Telehealth Navigation Program. A total of \$560,000 in funds were disbursed for the two (2) programs in FY 2024.

Funded Initiatives' Expenditures Trend FY 2020 – FY 2024



Note: HFD's Emergency Medical Services ETHAN Fire Personnel was funded for \$500,000 in FY 2022 only. The Crisis Call Diversion Program was not funded in FY 2024.



Pay or Play Program Annual Report FY 2024

Expenditures Cont'd...

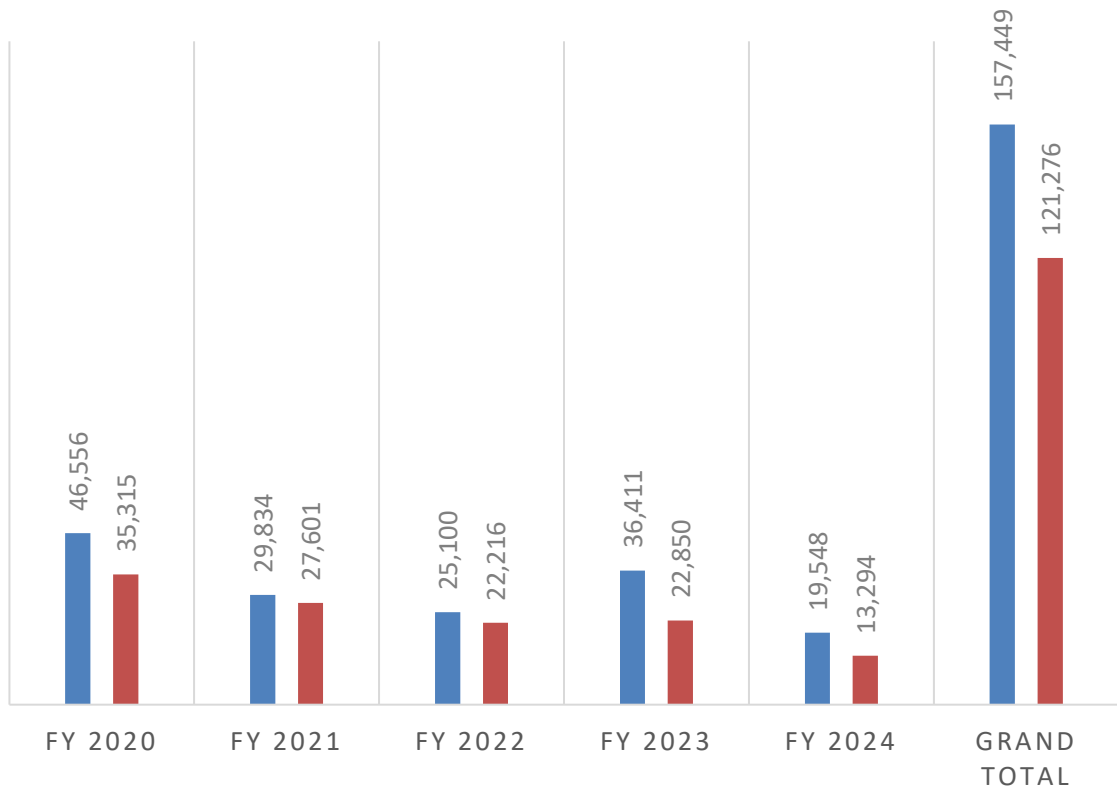
CLIENT ACCESS PROGRAM (CAP)

In FY 2024, the Client Access Program provided services to 19,548 uninsured individuals at the Houston Health Department (HHD) Health Centers as of June 2024. CAP conducted 13,294 interviews with individuals and families seeking connection to medical coverage.

**Data provided by HHD*

CLIENT ACCESS PROGRAM ACTIVITIES

■ Uninsured Serviced ■ Medical Interviews



Pay or Play Program Annual Report FY 2024

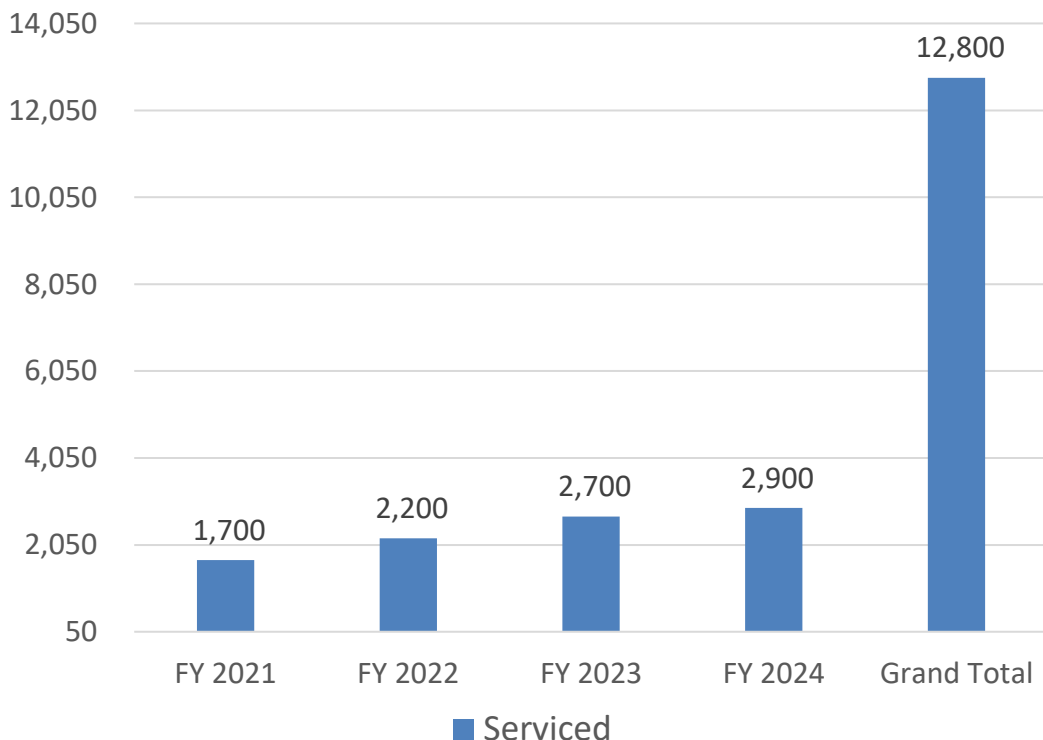
Expenditures Cont'd...

ETHAN PROGRAM

In FY 2024, more than 2,900 City of Houston residents and visitors were served by the Houston Fire Department's Emergency Telehealth and Navigation Program (ETHAN). Of those, 90% were dispositioned by Emergency Medical ETHAN Physicians for non-Houston Fire Department ambulance transportation. The motivation for the Houston Fire Department EMS Telehealth Project was driven by the University of Texas, School of Public Health Study, which estimated 40% of all emergency department visits are primary care related. The ETHAN Project has demonstrated significant success in increasing efficiency and quality of care; through reduced ambulance transports and EMS call-times (44-minutes reduction per incident). This equates to approximately 2x greater utilization (turns) per day for the EMS unit and this productivity can lead to a great financial savings to the city and its residents. To date, it is estimated the overall healthcare savings by program cost avoidance utilizing ETHAN is roughly \$50 million dollars. Since inception, ETHAN has served approximately 36,000 clients and has become an integral component within the City of Houston's healthcare delivery system. ETHAN is a force multiplier for the Houston Fire/EMS medics, empowering them to reduce healthcare disparities, improve efficiencies, support patient care continuum and bring back the traditional "physician house call" for managed solutions of care.

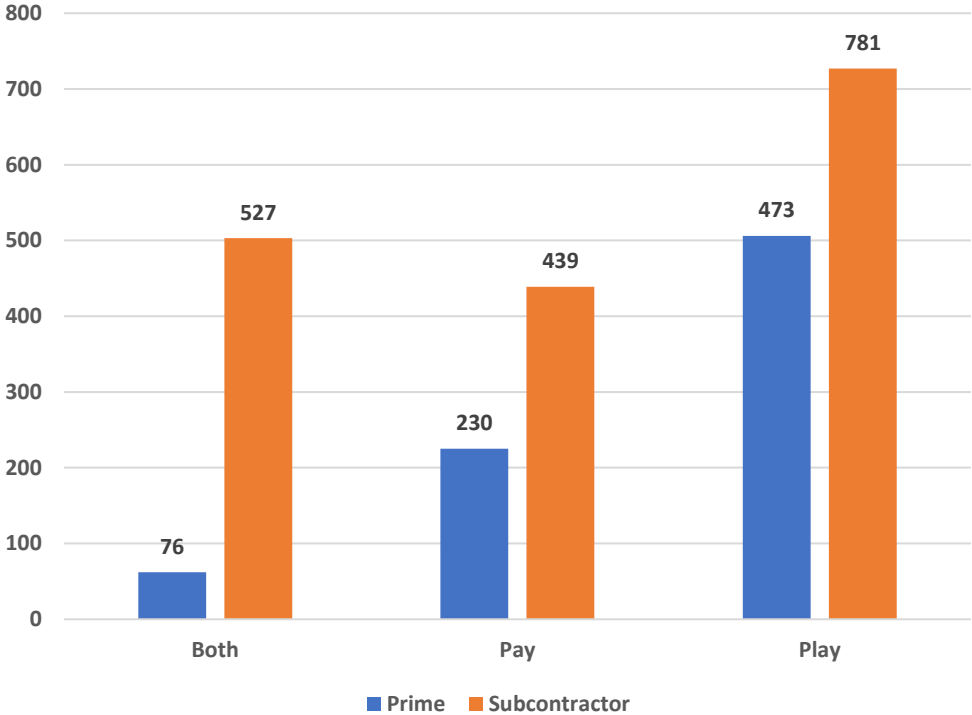
**Data provided by HFD*

ETHAN Program Activities



Pay or Play Program Annual Report FY 2024

Pay or Play Options Selected by Prime Contractors and Subcontractors



POP Options Selected

Based on data in the B2G-POP Module, during FY 2024, -overall participants chose the “Play” option (to provide insurance) rather than the “Pay” option (to contribute to the CRF); which is consistent with historical data trends.

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.

Pay or Play Program

Annual Report FY 2024

POP Participation

In FY 2024, 1,914 COH POP contracts were recorded in the B2G-POP Module.

City of Houston Department/Division	POP Eligible Contracts
Administration and Regulatory Affairs	25
Controllers Office	2
Department of Neighborhoods	12
Finance	16
Fleet Management	39
General Services	173
Houston Airport Systems	206
Houston & Community Development	117
Houston Emergency Center (Mayor's Office Division)	2
Houston Fire	11
Houston Health Department	139
Houston Information Technology Services	36
Houston Police	53
Houston Public Library	7
Houston Public Works	921
Human Resources	40
Legal	45
Municipal Courts	6
Mayor's Office	19
Office of Business Opportunity	4
Planning & Development	3
Parks & Recreation	13
Solid Waste Management	25
TOTAL	1,914



Educate. Connect. Grow.

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