Colorado’s *KP Helps* Assists Patients In Need

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.¹ 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 14.4% in welfare recipients. Among those patients who reduced their use of essential drugs, emergency room visits increased by 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.

Reference


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