



CITY OF HOUSTON

OFFICE
of
BUSINESS OPPORTUNITY

Pay or Play Program Annual Report FY 2023 (July 1, 2022 – June 30, 2023)

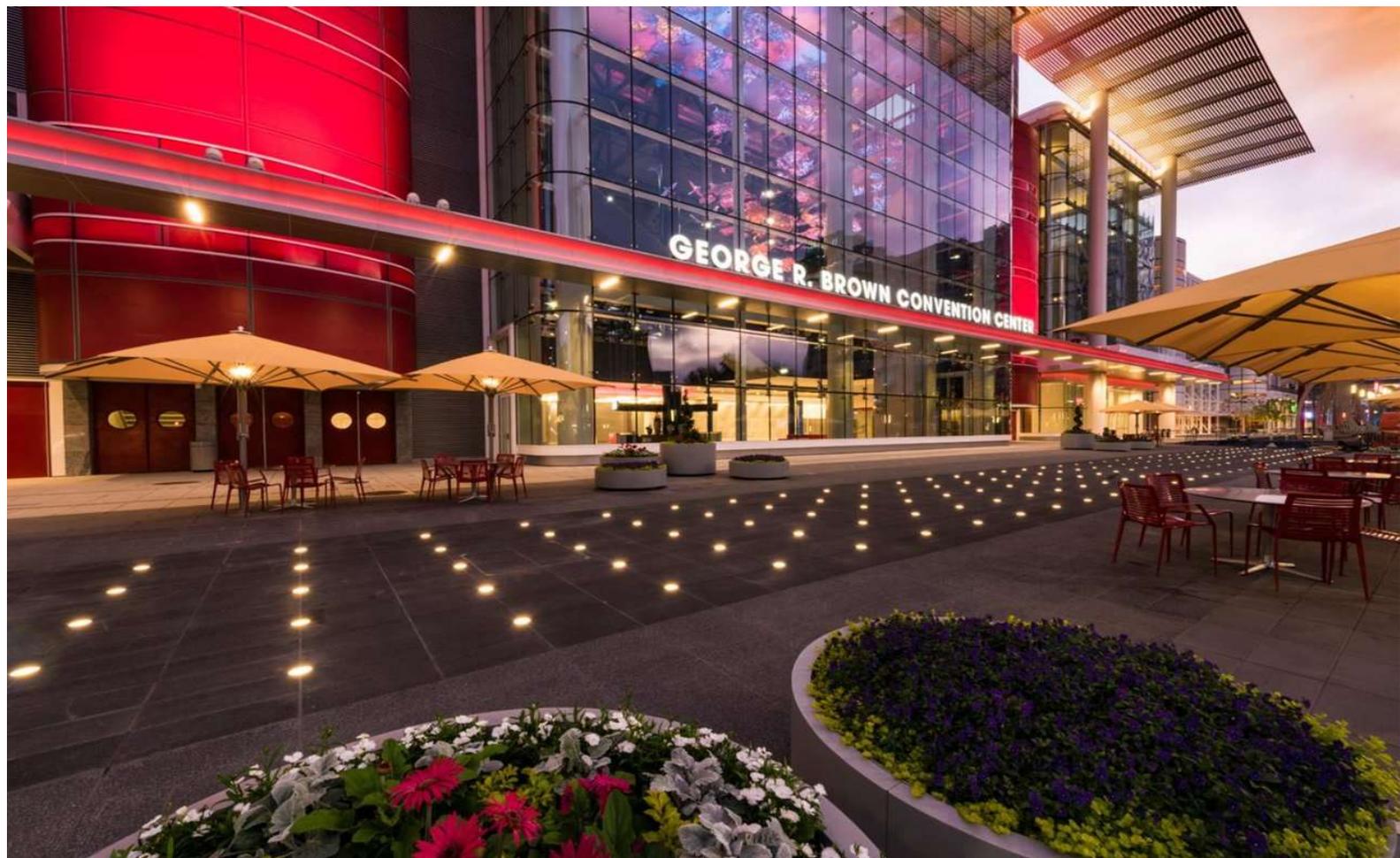


Sylvester Turner, Mayor
Marsha E. Murray, Director



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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, 2022 through June 30, 2023. 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, 2023.

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 2019	FY 2020	FY 2021	FY 2022	FY 2023
PAY	626	869	742	490	664
Play	1092	958	1111	749	1233
Both	59	91	417	366	565
Total Contracts	1777	1918	2270	1605	2462

FY 2023 Pay or Play Program Summary

Currently Funded Initiatives

The funds collected through the POP Program are deposited into the Contractor Responsibility Fund. In FY 2023, the revenue was used to support health programs such as the Client Access Program (CAP), the Emergency Telehealth and Navigation Program (ETHAN)*, and the Crisis Call Diversion Program 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 is a collaboration with the Houston Health and Human Services Department (HHS). HHS 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, HFD, HHS, 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.

*Formally known as the Care Houston Program.



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FY 2023 Pay or Play Program Summary Cont'd



Crisis Call Diversion Program

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 mission of assisting callers to 911 with mental health-related concerns, to receive the most appropriate response for their crisis. The CCD Program co-locates Crisis Phone Counselors within 911 Dispatch to provide a risk assessment for mental health-related calls to 911 and divert non-imminent risk, non-criminal calls for service away from emergency services and towards a more appropriate mental health response.

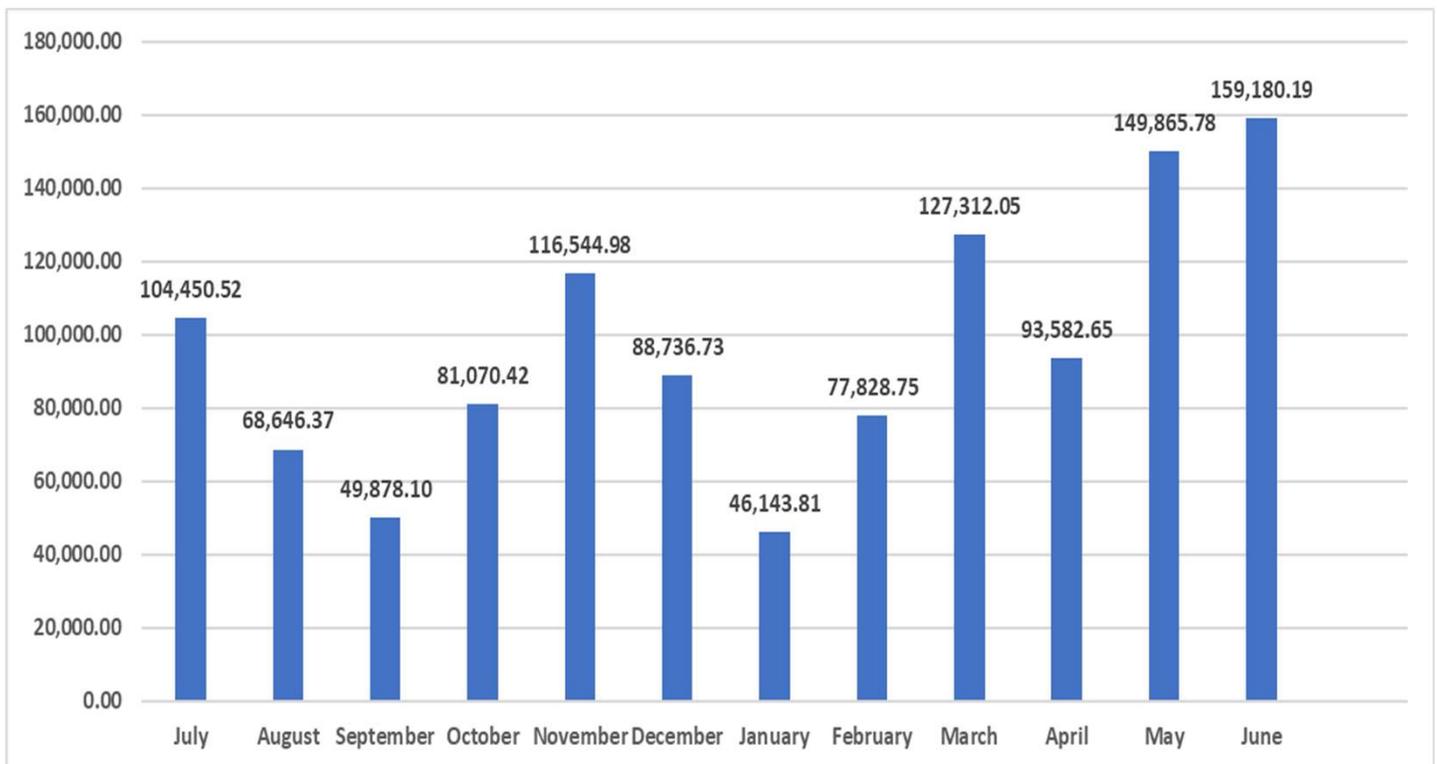
Pay or Play Program

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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 2023 using SAP data. In FY 2023, the total revenue of the Pay or Play Program was \$1,163,240.35.

Pay or Play Funds Collected by Month

Data provided by City of Houston Financial Management System (SAP)
July 2022 – June 2023

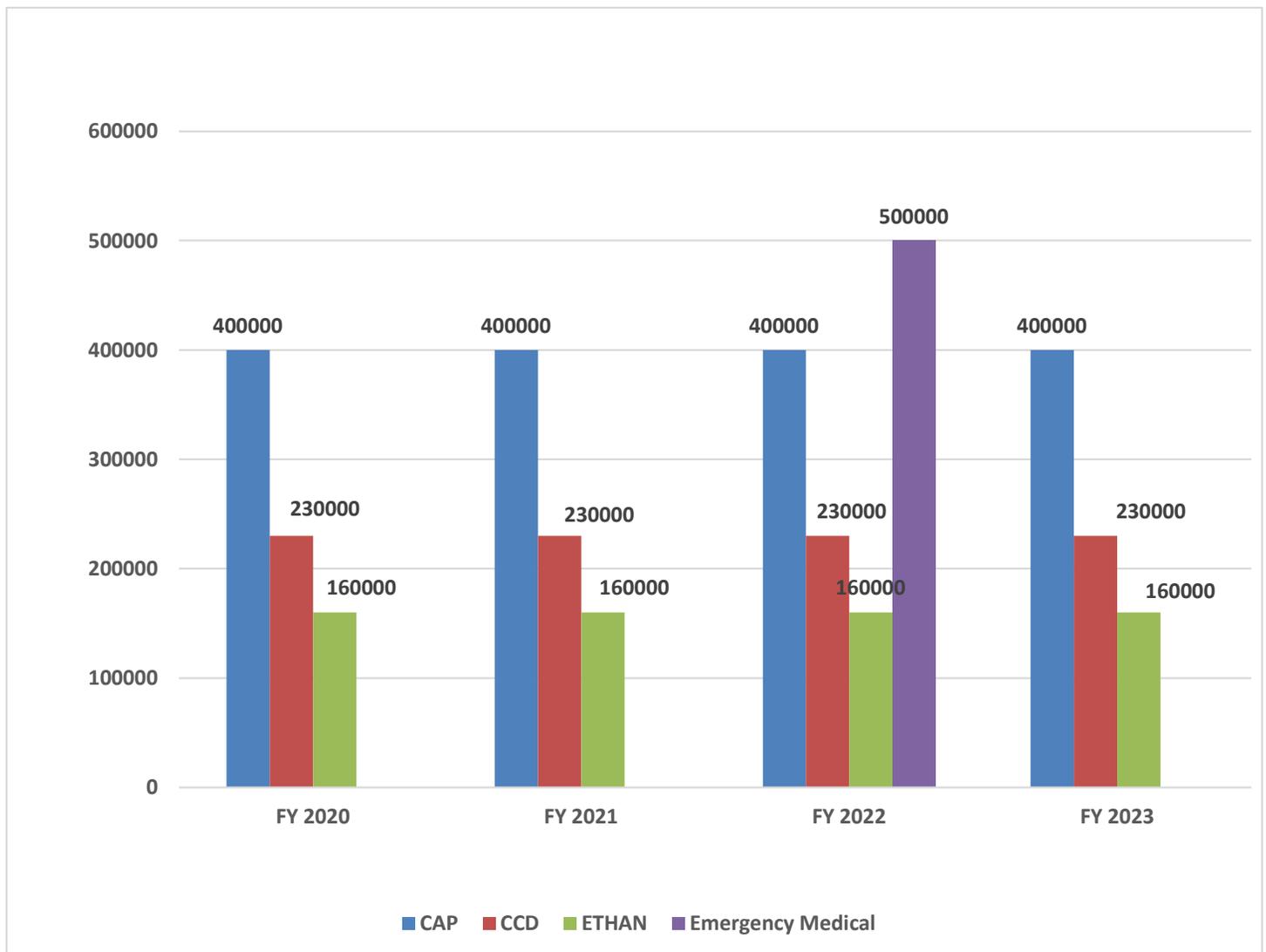


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Expenditures

In FY 2023, \$400,000 was expended for the Client Access Program, followed by \$160,000 to the Emergency Telehealth Navigation Program, and \$230,000 to the Crisis Call Diversion Program. A total of \$790,000 funds were disbursed for the three programs.

**Funded Initiatives' Expenditures Trend
FY 2020 – FY 2023**



Note: HFD's Emergency Medical Services ETHAN Fire Personnel was funded for \$500,000 in FY 2022 only.

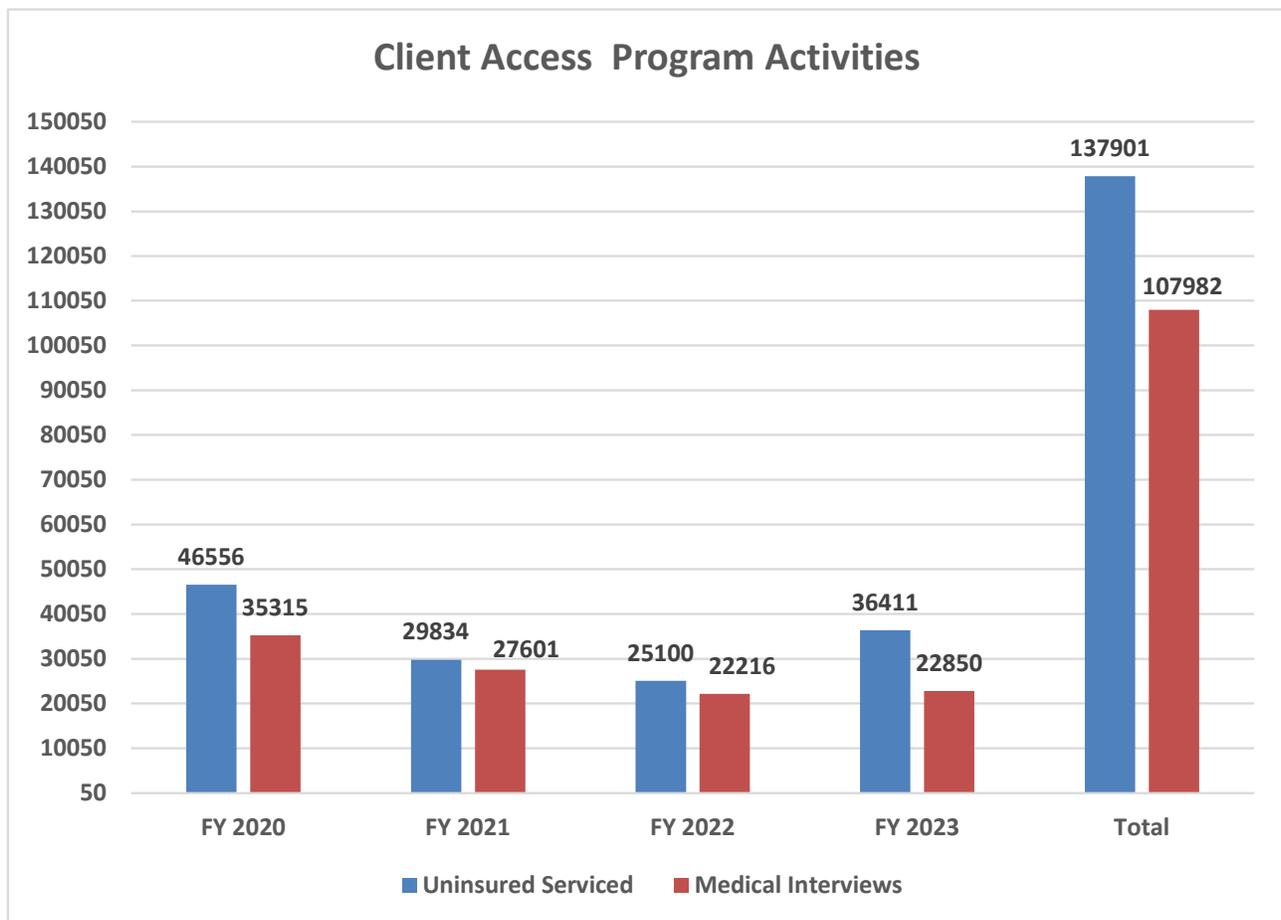
Pay or Play Program Annual Report FY 2023

Expenditures Cont'd...

CLIENT ACCESS PROGRAM (CAP)

In FY 2023, the Client Access Program provided services to 36,411 uninsured individuals at the Houston Health Department (HHS) Health Centers as of May 2023. CAP conducted 22,850 interviews with individuals and families seeking connection to medical coverage.

**Data provided by HHD*

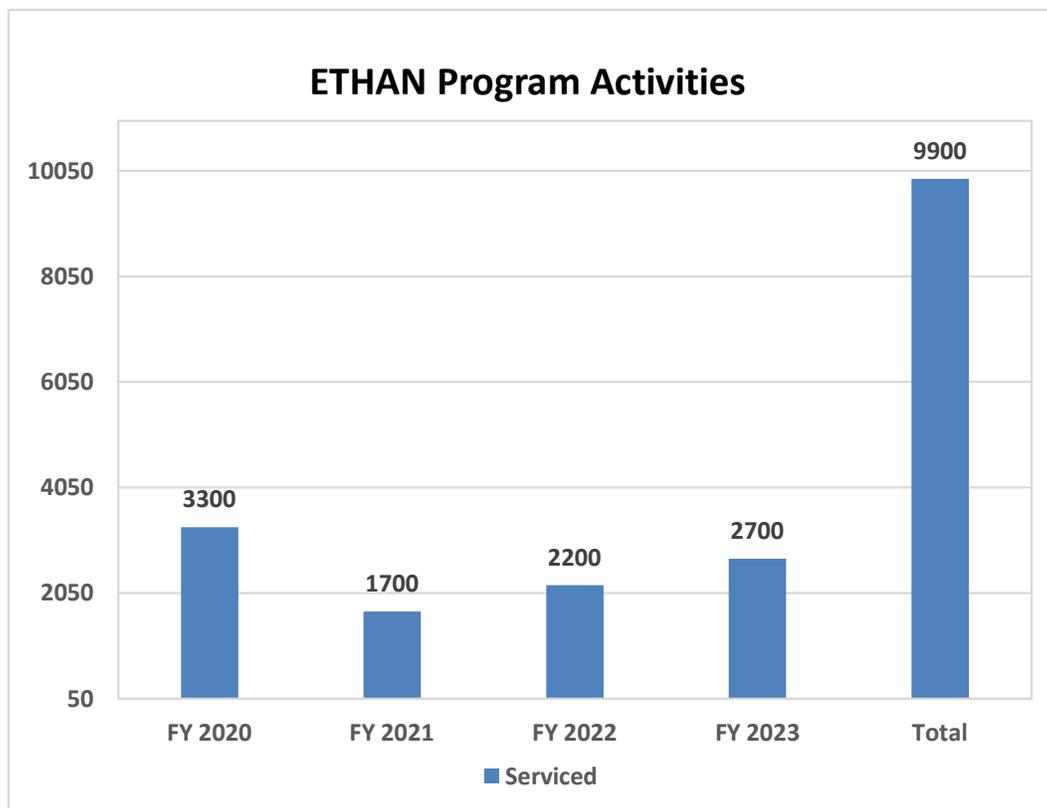


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Expenditures Cont'd...

ETHAN PROGRAM

In FY 2023, more than 2,700 City of Houston residents and visitors were served by the Houston Fire Department 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 over \$46 million dollars. Since inception, ETHAN has served roughly 33,000 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*



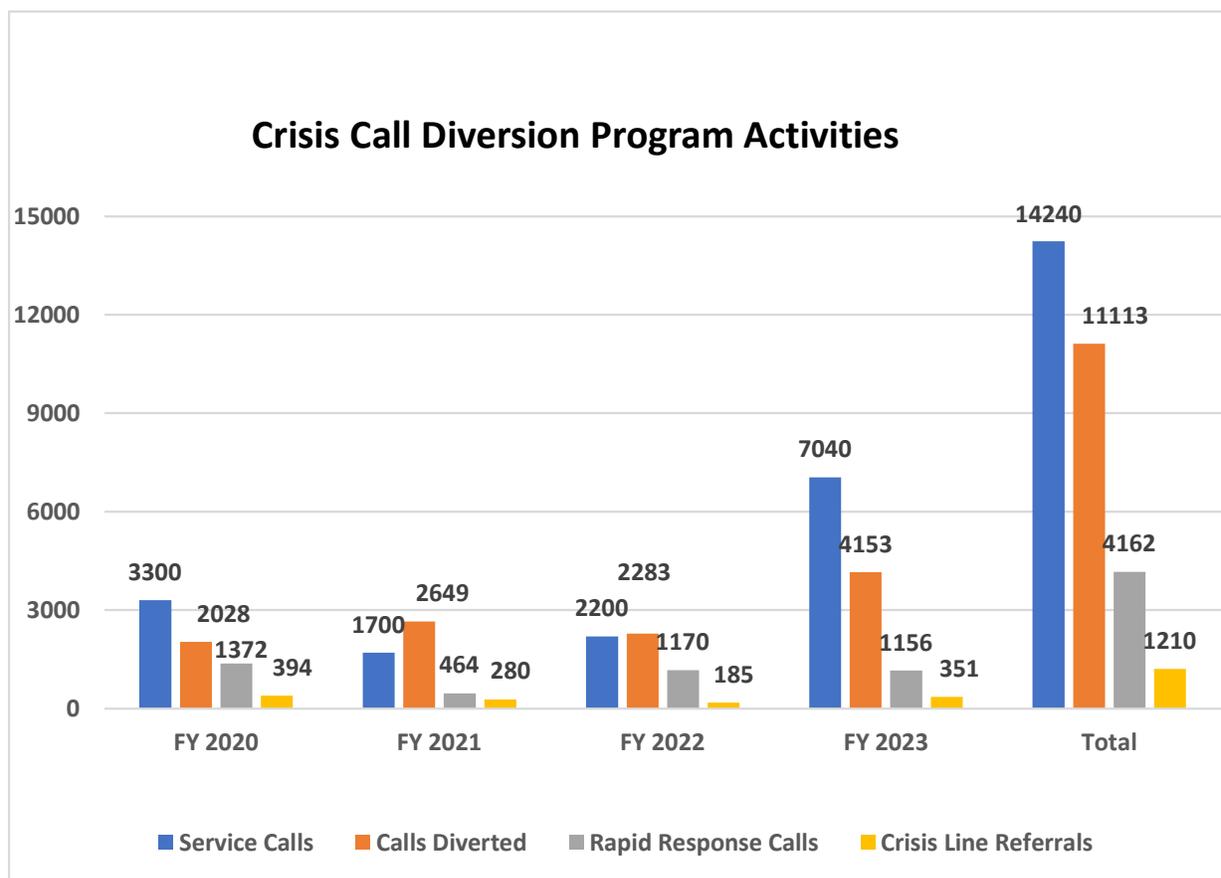
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Expenditures Cont'd...

CRISIS CALL DIVERSION PROGRAM

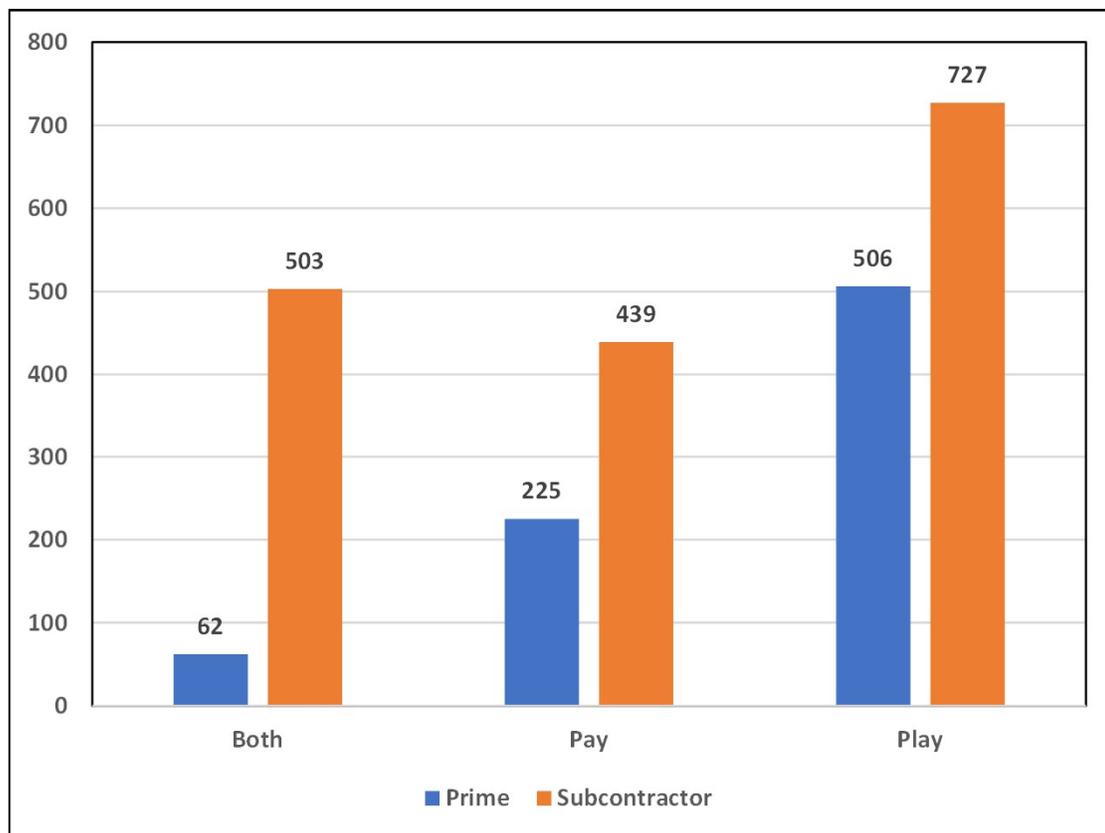
In FY 2023, The Crisis Call Diversion Program processed 7,040 calls for service. Counselors were able to divert 4,153 calls away from first responders (2,722 HPD diversions and 1,431 HFD diversions) toward a more appropriate and cost-effective mental health resource. CCD dispatched the Mobile Crisis Outreach Team-Rapid Response Unit (MCOT-RR) to 1,156 calls and provided 351 referrals to the 988/Crisis Line. \$2,595,137 is estimated in combined first responder resources reallocated.

*!*Data provided by The Harris Center for Mental Health and IDD*



Pay or Play Program Annual Report FY 2023

Pay or Play Options Selected by Prime Contractors and Subcontractors



POP Options Selected

According to the B2G-POP Module, FY 2023 data indicated that 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 2023

POP Participation

In FY 2023, 1,771 COH POP contracts were recorded in the B2G-POP Module.

City of Houston Department	POP Eligible Contracts
Administration and Regulatory Affairs	22
Controllers Office	2
Department of Neighborhoods	12
Finance	16
Fleet Management	39
General Services	181
Houston Airport Systems	174
Houston & Community Development	104
Houston Fire	11
Houston Health & Human Services	121
Houston Information Technology Services	35
Houston Police	30
Houston Public Library	5
Houston Public Works	869
Human Resources	39
Legal	44
Municipal Courts	5
Mayor's Office	19
Office of Business Opportunity	4
Planning & Development	6
Parks & Recreation	11
Solid Waste	22
TOTAL	1,771



Educate. Connect. Grow.

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