ABOUT US

Methodist Healthcare Ministries of South Texas, Inc. (MHM) is a private, faith-based not-for-profit organization dedicated to providing medical and health-related human services to low income families and the uninsured throughout South Texas.

The mission of the organization is “Serving Humanity to Honor God” by improving the physical, mental and spiritual health of those least served in the Southwest Texas Conference area of The United Methodist Church. The mission also includes MHM’s one-half ownership of the Methodist Healthcare System – the largest healthcare system in South Texas. This creates a unique avenue to ensure that the Methodist Healthcare System continues to be a benefit to the community by providing quality care to all and charitable care when needed, and it provides revenue to MHM for its programs.

INVESTING IN OUR COMMUNITY

Since its inception, MHM has provided over $560 million in healthcare services through its clinics and programs as well as through our partnerships, and has the unique distinction of being the largest private funding source for community health care to low-income families and the uninsured in South Texas.

ABOUT THIS PUBLICATION

As any gambler knows, even hitting the jackpot has its costs. Oil and gas production in the Eagle Ford Shale Play area has brought a wealth of opportunity for residents and businesses. But along with them have come new challenges.

Most people in the region have heard about the need for employee housing and tougher roads to withstand oil field supply trucks. They may not know, however, about the strain being put on the area’s healthcare facilities, which were already spread thin. The booming population, rising cost of living and increase in oil field-related health problems all impact healthcare delivery. Left unchecked, they could affect worker recruitment and productivity, and the health of all patients in the region.

The first step in addressing those needs is dialogue. Government officials, healthcare providers, business leaders and citizens of the affected communities all can benefit from sharing ideas and viewpoints about the changes at hand.

In an effort to facilitate those discussions, MHM commissioned a baseline study: South Texas Community Medical Needs Assessment 2013. Conducted by the Center for Community and Business Research at the University of Texas San Antonio, the study covers 18 counties that are affected by Eagle Ford Shale (EFS) activity: Atascosa, Bee, Bexar, DeWitt, Dimmit, Edwards, Frio, Gonzales, Karnes, Kinney, La Salle, Live Oak, Maverick, McMullen, Uvalde, Webb, Wilson and Zavala. Researchers gathered data on population, healthcare infrastructure and the changing demand for services.

A summary of the findings is presented here, along with a list of capacity-building strategies for stakeholders to consider. The hope is that this information will fuel discussion about sustainable ways to meet healthcare needs during and after this period of remarkable growth.

Acknowledgement

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MUSHROOMING POPULATION IS STILL POORER THAN AVERAGE

The once quiet, 18-county EFS region has undergone dramatic change stemming from the shale drilling boom. The population in the 24,000 mile area stood at 2.2 million in 2010 and is expected to swell to as high as four million by 2050. That doesn’t include the labor force moving in for shale-related jobs.

It’s hard to pin down the exact number of such economic migrants but Eagle Ford activity supported 86,000 jobs in a core 14-county drilling area in 2012, according to an economic impact study by the Center for Community and Business Research. The shortage of trained workers in the area means that many of those jobs were no doubt filled by workers from other parts of the state, the country and the world.

The influx of people is felt firsthand at healthcare facilities in the area – especially cash-strapped Federally Qualified Health Centers (FQHCs), which see patients regardless of their ability to pay. At one FQHC, Gonzales Community Health Center, CEO Henry Salas says the number of patient encounters at his six-facility group increased 50 percent between 2011 and 2013. “We had to get new equipment through grants, and the amount of supplies we use has grown,” he says.

The Karnes Community Health Center in Karnes City is experiencing a similar situation. Space is so tight, patients often can’t find a parking place or a seat in the waiting room. Pamela Clark, a nurse practitioner, is making do with two patient rooms but says she could move patients through more efficiently if she had three. “It’s frustrating for us,” she says. “We want try to move as quickly as we can.”

With the population surge come financial challenges. Many of the EFS communities are no strangers to poverty, and while the drilling has generated billions of dollars in economic activity, it has helped some more than others.

The average per capita income for the 18-county region in 2012 ranged from just below $11,000 in Maverick County to $25,400 in Bexar, compared to a national average of $28,000. Only the tiny population of McMullen County reached above the national average, with a per capita income of $33,000. For individuals left out of the new prosperity, the soaring cost of living has become a burden.

HEALTHCARE GEOGRAPHICALLY OUT OF REACH

Healthcare facilities are few and far between in many parts of the region. State data shows 36 hospitals in the 18 counties but 23 of them are in San Antonio’s Bexar County, which also contains the only Level I trauma center in the region. Five EFS counties have no hospitals at all; 17 are designated primary medical shortage areas.

Clinics and doctor’s offices provide the bulk of primary, preventive and specialty care. Outside of Bexar county, which has more than 4,000 clinics and primary care sites, the number of clinics in each county ranges from 32 (Atascosa and Maverick) to zero (McMullen). Zavala and Edwards counties each have one clinic.

In these areas, patients may drive as long as an hour to get to the closest clinic or doctor’s office. Adding to the hardship is the fact that the vast majority of clinics have fewer than 20 employees. Professionals often split their time among multiple facilities, meaning operational hours of the clinics and availability of services may be restricted.

Specialists of all sorts are in short supply outside of Bexar County. Providers such as psychiatrists,
radiologists and gynecologists are so scarce that their numbers are statistically considered zero. In some areas, the only medical professionals are nurses in schools, nursing homes or jails.

The scarcity of preventive and specialty services at a local level directly impacts the effectiveness and capacity of Emergency Medical Services (EMS). EMS systems are increasingly called upon to transport patients long distances and perform services and referrals normally provided by other healthcare providers.

This comes at a time when many EMS systems are already strained. Because they operate with a declining volunteer workforce, few reimbursements and largely in isolation from the much of the rest of the healthcare system, they find it difficult to perform traditional EMS functions, much less widen their scope of services to respond to increased needs.

All of these factors mean the healthcare delivery system is less dependable than it should be.

**BOOM-RELATED HEALTH ISSUES INCREASING**

The major causes of chronic illness (arthritis, heart disease and diabetes) and death (cancer, diseases of the heart and liver, stroke, injury and suicide) in the EFS area have not changed much. But with the larger population, there are more cases now. And among oil field staff, who often work 12-hour shifts for up to 14 days in a row, detecting and caring for serious health issues is complex.

For instance, Clark, the nurse practitioner in Karnes City, recently saw a 22-year-old slim oilfield worker who came in with a respiratory infection and diabetic ketoacidosis, a potentially life-threatening complication of the disease. The patient didn't even know he had diabetes and had waited so long to seek help that the clinic had to have him transported to a hospital. “Like most other oil field workers, he doesn't want to take time off to tend to his health,” says Clark. “He had to be brought in by three colleagues after showing up to work critically ill.”

There are anecdotal reports of other health issues often associated with transient populations living in a barracks-style environment while working and playing hard, such as mental health problems, substance abuse and sexually transmitted diseases. Dr. Carlos Moreno, CEO of Vida Y Salud Health Systems, says that the incidence of Chlamydia in the Winter Garden Region of Texas, which is part of the EFS area, is 365 per 100,000 people. That compares to a national average of 84 per 100,000.

But the most noticeable health impacts so far are work-related illnesses and injuries: heat exhaustion, dehydration, sleep deprivation, exposure to oil and gas spills and accidents. Across the United States, oil and gas workers suffer six times as many work-related motor vehicle deaths as workers in other industries, according to 2008 figures from the Centers for Disease Control and Prevention.

Traffic accidents affect the general population too. Moreno says he has personally been driven off the road twice by slumbering drivers and he’s had his windshield broken twice.

The biggest energy production areas have seen the worst increases in traffic accidents. In McMullen County, accidents surged 412 percent between 2009 and 2011. That’s in a county with no hospital, EMS or fire department. The Dilley volunteer fire department in Frio County says it’s seen the number of wrecks triple.
The smashup trend coincides with a dramatic rise in the number of visits to Bexar County emergency rooms from the other 17 counties. Between 2011 and 2013, those ER outpatient visits jumped 14 percent. "One could hypothesize those increases may be the result of increased drilling activities in those counties," says Geoffrey Crabtree, senior vice president for Methodist Healthcare Systems.

MEDICAL STAFF HARDER THAN EVER TO RECRUIT

At the administrative level, the most pressing issue impacted by the shale oil boom is staffing. The turnover rate has increased from around 21 percent or 22 percent to the high 30s at the Atascosa Health Center, according to Chief Executive Officer Monty Small. At Vida y Salud, Moreno says his turnover rate in 2013 was closer to 60 percent.

A number of factors are at work. The first is that as the cost of living has increased in the EFS area, some personnel are being priced out of their homes. Moreno says two of his front office people had to move back in with their families in other parts of the country because their rent went from $300 to $1,200.

Others are leaving for better wages in the oil field. "We can’t compete with the salary these people are offering," says Moreno. Those most likely to be poached are front office staff and administrators. But even some medical personnel are being lured away. "You have nurses -- anybody in any capacity -- even switching professions to take on these once-in-a-lifetime salary opportunities," he says.

Jim Buckner, CEO of Dimmit Regional Hospital, thanks his lucky stars that just before the EFS boom hit, the hospital persuaded the community to create a hospital district, which funnels county tax dollars to his facility. It allowed for some much needed pay raises. Staff is still hard to keep and recruit but it would have been a lot worse without the hospital district. "If we didn’t have the tax revenues, oh my God, I don’t know what to think," he says. "Things were so strapped here."

Recruiting new workers is expensive and difficult, as is evidenced by the fact that all of the 18 counties studied except Bexar are designated as primary healthcare shortage areas. It’s always been hard to bring new doctors to rural South Texas, but it’s gotten even harder because of traffic and quality of life issues. “Whatever’s happened hasn’t helped the development of family-oriented activities,” says Alfredo Zamora, Jr., executive director for South Texas Rural Health Services. “People still have to go to San Antonio or Laredo to see a good show, go to a plush restaurant or do much shopping.” Most of the oil money goes to lodging and a few restaurants—primarily those that cater to oil workers.

Rachel Gonzales-Hanson, CEO of Community Health Development in Uvalde, says at least two candidates have turned down job offers because of her clinic’s proximity to the oil field. Her own commute time has tripled, so she can understand people’s reluctance. “They’re afraid of injuries, and they want quality of life, not the traffic from the oil field.”

At Atascosa Health Center, CEO Small says in order to keep medical personnel, he allowed his front office and administrative staff to shrink through attrition so he could give small raises to medical staff. With chronic staff shortages, the clinic began cross-training employees a couple of years ago so workers can fill in for each other when there’s a vacancy.

“Everyone’s asking for raises again," he says. “It’s a struggle.”
INCREASED NUMBER OF UNINSURED PATIENTS

The other noticeable shift for healthcare administrators is an increase in uninsured patients. At one of the sites for the Gonzales Community Health Center, for instance, the percentage of uninsured patients grew from 60 percent in 2011 to 74 percent in 2013. “Most of the work is being done by subcontractors, and the subcontractors don’t have any health insurance, and they bring their families with them,” says CEO Salas.

Besides subcontracting positions, a significant portion of EFS-related jobs are in industries that service oil workers, such as hospitality. Those workers continue to be chronically uninsured.

It’s a trend seen across the region. The number of self-pay and charity care inpatients at hospitals in the 18 counties increased 11 percent between 2011 and 2013, according to hospital databases. “That’s a significant number,” says Methodist Healthcare’s Crabtree.

Dimmit Regional’s Buckner agrees. “Not as many of the workers are covered by insurance as you’d think,” he says. “Many of them, if they do have insurance, have high deductibles. And not everyone, it turns out, pays their bills.”

At FQHCs, it’s a similar situation, says Gonzales-Hanson. Because of the clinics’ sliding scale fee structure, unpaid bills wreak havoc on accounts receivables. An unemployed patient who receives $100 worth of care might normally only generate a $20 account receivable for the clinic. The other $80 would be covered by grant subsidies.

But if the patient gets a job and is no longer eligible for an income-based discount, the clinic would get no subsidy and instead have a $100 account receivable. “If they don’t pay their bill, it’s a double whammy for us,” she says. “And paying medical bills is not their first priority.”

ADDRESSING THE NEED: COMMUNITY PERSPECTIVE

One thing most stakeholders can agree on is they’d like to see more – of practically everything. In interviews conducted for the needs assessment report, county and city government officials as well as regional healthcare directors had a long list of needs for many of the counties within the EFS region. Chief among these are more hospitals and clinics with comprehensive services. They would also like to see more urgent care clinics; specialty providers; nurse practitioners; EMS services; women’s health, geriatric and pediatric services; and more primary care providers who accept Medicare and Medicaid.

A survey of businesses in the region – including oil and gas companies – revealed a similar wish list.

In the meantime, several oil companies have contracted with telemedicine providers. Others employ on-site first-aid and emergency medical personnel.

But many FQHC executives are frustrated by ideas they see as creating a separate health care environment. They view them as divisive and fear even more wage competition from corporate initiatives. “Why don’t these oil types help existing facilities to increase capacity and use them for their healthcare?” wonders Gonzales-Hanson.

Other recommendations from the healthcare community include better planning for oil field emergencies such as gas explosions and snake bites. Most of all, though, they want all stakeholders involved in discussions. “If they don’t know the resources in the community, the solutions could hurt more than they help,” says Gonzales-Hanson.
STRATEGIES FOR CONSIDERATION

In moving forward, open dialogue on how to create sustainable communities in the Eagle Ford Shale area should include a cross section of those that will both benefit from, and be affected by the activities resulting from the boom.

Consideration should be given to:

- Identifying public and/or private financial resources which will increase and sustain the number of primary and specialty care providers in counties designated as professional healthcare shortage areas.

- Exploring opportunities to utilize state revenue sources for strategic investments and improvements, to enhance existing facilities or services which will increase capacity and access to healthcare.

- Leveraging the collaborative structure of the Regional Healthcare Partnerships in the 18-county region who are currently implementing Medicaid 1115 Waiver projects. Future initiatives may want to focus on projects that enhance healthcare access such as telemedicine, clinic capacity expansion and or the recruitment of primary and or specialty care physicians in the EFS area.

  Although Medicaid 1115 Waiver projects specifically address the unfunded and Medicaid patient, the use of these dollars in the EFS area will have a positive impact on the overall healthcare infrastructure.

- Examining the influence that health reform legislation may have on shaping and remaking healthcare delivery systems across the 18-county area.

- Integrating innovative technology such as mobile clinics, healthcare kiosks or telemedicine into the current infrastructure to increase capacity and serve emerging needs.

“Not as many of the workers are covered by insurance as you’d think...And not everyone, it turns out, pays their bills.”

-Jim Buckner, CEO

Dimmit Regional Hospital
HOW THE BOOM IS BITING: FIELD REPORT FROM GONZALES COMMUNITY HEALTH CENTER

Like most other FQHCs in the Eagle Ford Shale, Gonzales Community Health Center has seen an uptick in patient load since oil exploration began. The number of patient visits to the Gonzales clinic soared from 31,000 in 2011 to 45,000 in 2013. The percentage of uninsured patients jumped too, from 60 percent to 74 percent.

The situation puts pressure on staff and facilities – more income from insured patients would allow the center to reinvest. Patients suffer too. When the grant money that pays for indigent programs runs out, non-essential care gets delayed or eliminated. “Where we would do a certain kind of lab work, we’re careful when we run out of funds to do just what is necessary to confirm the diagnosis and we don’t look beyond that to the preventive medicine type of things we do,” says CEO Henry Salas. “Instead of taking care of it holistically we just take care of the situation that they’re in for at that time.”

Salas recalls one patient who came in to get medication for mental health issues. When he returned for a follow-up appointment a month later, staff detected a whole host of other medical problems: diabetes, hypertension, dental problems. But with resources stretched to the limit, they couldn’t treat his issues right away. “Instead of taking care of him at that time, we had to schedule him to come back later because he didn’t have insurance,” says Salas. “It took about three months to get him everything he needed. For lack of a better term, we band-aided a bunch of stuff until we could get it taken care of.”
If they don’t know the resources in the community, the solutions could hurt more than they help.

-Rachel Gonzales-Hanson, CEO
Community Health Development