

FINANCING

MEDICAL-LEGAL

PARTNERSHIPS:

VIEW FROM THE FIELD

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The health care landscape is shifting toward incentivizing organizations that deliver care to address social determinants of health.¹ Progress is slow, however, with interventions that target patients' social and environmental needs financed through in-kind supports or a patchwork of philanthropy and government grants.² Medical-legal partnership (MLP) is an example of a social determinants intervention that has taken hold without a stable or predominant funding stream. The model embeds attorneys specializing in civil law into the health care setting to address patients' unmet legal needs. MLP attorneys — usually sourced by civil legal aid nonprofits or law schools — assist patients with health-harming legal needs by enabling access to public benefits, resolving substandard housing conditions, removing unlawful barriers to education or employment, assisting with guardianship and immigration issues, and more.³

To date, nearly 350 health care organizations nationwide have implemented medical-legal partnerships. This fact sheet draws on national survey data from these organizations and their partnering legal organizations to describe how medical-legal partnerships are adapting to meet their funding challenges.⁴

The Medical-Legal Partnership Budget

Although the size, scope, and focus of medical-legal partnerships vary, they generally provide the following services:

1. Legal intake and on-site direct legal services to patients (services range from brief legal advice to full representation);
2. Consultations with physicians and other health care staff about patients' legal needs;
3. Training on social determinants and legal issues for health care staff; and
4. Other activities to support the needs of patients, such as advocacy trainings and legal clinics.

Medical-legal partnerships require various kinds of support at different stages of their development. In the start-up phase, partnerships require staff time from both the health care and legal organizations to draft a memorandum of understanding that identifies the scope of the legal services that will be provided and outlines other operational details of the arrangement.⁵ There may be a data-sharing agreement developed to facilitate the linkage of patient information and basic legal information.⁶ Groundwork must also be laid to acclimate legal professional(s) to the health care organization's structure and staff. Training and marketing of MLP services to health care organization staff and patients are significant activities for both new and established MLPs. As they mature, MLPs need staff time to grow the partnership by building data infrastructure, improving the quality and consistency of patient referrals for legal services, and identifying opportunities to support policy and advocacy activities that advance patient health. Administering the budget, applying for grants, and fundraising are also ongoing functions of most MLPs.

According to our survey data, of those MLPs that report a budget, the median MLP budget is \$100k. Median staffing includes 1 full time equivalent (FTE) attorney and 0.2 FTE from the health care organization to support the work of the partnership. It is worth noting that these data points likely underrepresent the total commitment of resources for MLP activities. Our data indicates that it is not uncommon for MLPs to draw on resources not necessarily reflected in budgets, such as in-kind support from health care organizations, fellowship programs for MLP attorneys, and other donated staffing from legal resources.

MEDICAL-LEGAL

PARTNERSHIP FINANCING

QUICK FACTS

MEDIAN ANNUAL MLP BUDGET

\$100,000

MEDIAN MLP STAFFING

- 1 FTE attorney per health care organization
- 0.2 FTE health care organization support staff

AVERAGE AVAILABILITY OF ON-SITE LEGAL SERVICES

1-2 full days or 4 half days per week

2/3 OF MEDICAL-LEGAL PARTNERSHIPS rely on 2+ sources of funding

APPROXIMATELY HALF OF MEDICAL-LEGAL PARTNERSHIPS are included in their health care organization's operating budget

Source: 2016-2017 National Center for Medical-Legal Partnership Surveys.

The MLP budget primarily supports legal staffing for the core services listed above, with the provision of free legal services for low-income patients at the heart of the MLP mission. These legal services are mainly provided by a designated MLP attorney(s) from a civil legal aid nonprofit, law school, or private firm pro bono partner (see pages 4-5 for funding information related to civil legal aid nonprofits and law schools). When the MLP attorney(s) cannot assist a patient due to capacity or expertise constraints, they may refer them to a colleague, either within their own legal organization or to another resource in the community. These referrals may not be reflected in the MLP budget.

Staff support from the health care organization is also crucial for strategic implementation of the partnership, gaining buy-in among clinicians and social work staff, and acclimating legal staff to the health care environment. The types of health care staffing dedicated in MLP budgets varies by organization and can range from physicians to administrative staff and social workers. At a median of 0.2 health care FTE versus 1.0 legal FTE, less dedicated staffing for MLP is reported from the health care organization. Given that MLP budgets tend to be limited, it is not unusual for partnerships to only report dedicated funding for core legal activities. Staffing and infrastructure needed to strategically grow the partnership through activities like ongoing coordination and planning with health care staff, data sharing and tracking, and evaluation may fall by the wayside or rely upon in-kind support from the health care organization.

Sources of Medical-Legal Partnership Funding

Funding for MLP activities comes from three main areas: health care funding sources, legal funding sources, and philanthropy.



HEALTH CARE FUNDING

Approximately half of partnerships report some financial contribution from their health care organization partner, generally in direct support of legal services. However, virtually all health care organizations with an MLP devote some amount of resources to the partnership, often through in-kind support. In addition to providing physical space for the MLP attorney(s) to meet with patients, health care partners frequently provide non-dedicated staff time to

support the implementation and management of the MLP. When health care organizations contribute formal funding to the partnership, they do so via a number of sources:

Health Care Organization's Operating Budget

When MLP represents a line item in the health care organization's operating budget, it signals a financial commitment to providing legal services to patients as a part of the health care organization's standard operations. This is significant because MLPs are often funded as pilot projects or programs with temporary or term-limited funds. Approximately half (54 percent) of all health care organizations with MLPs report including MLP funding in their organization's operating budget. When health care organizations do commit funds toward an MLP, they only make up a portion of the total MLP budget. Though there's a substantial range and wide variation among organizations, the median amount devoted to MLP from hospital operating budgets is \$65,000, compared to a median total MLP budget of \$100,000. For health centers, the median amount from the operating budget is \$28,000, with a median total MLP budget of \$75,000. While health center MLP budgets tend to be smaller, health centers are somewhat more likely than hospitals to include MLP in their operating expenses (see the section on HRSA Enabling Services on page 4 for more information on health center funding). Many health care organizations may provide in-kind staffing and resources to their MLPs that are not reflected in the MLP budget.

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Nonprofit Hospital Community Benefit Funds

Non-profit hospitals that benefit from tax-exempt status under §501(c)(3) of the Internal Revenue Code are required by law to provide "community benefit" activities. The Affordable Care Act requires that nonprofit hospitals complete and document a community health needs assessment every three years to help strategically guide these activities. About half (48 percent) of nonprofit hospitals with MLPs surveyed featured them in their community benefit annual reports, indicating that MLP was likely a community benefit supported activity within those organizations. Hospital community benefit portfolios can be

a popular vehicle for funding the start or growth of MLPs, but change year to year and do not represent a stable funding source from the organization.

HRSA Enabling Services Funds

In 2014, the federal Health Resources & Services Administration (HRSA) recognized civil legal aid as an enabling service that health centers can include under their federal grants.⁷ These funds are particularly significant because they represent federal recognition of the importance of legal services in patient care. Forty-one percent of health centers with MLPs report using enabling services funds for legal services for their patients. By design, health centers care for vulnerable populations and tend to have fewer financial resources available to spread across their numerous and diverse services. While health centers are enthusiastic supporters of MLP, they are also required by law to provide a number of other enabling services to ensure access to care for their patients, including transportation, language services, and case management. Legal services in health centers may be underfunded despite need for these services among this vulnerable patient population.

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LEGAL FUNDING

The majority of partnerships rely on at least one source of funding from the legal sector. Major sources of legal funding for MLP activities include the following:

Legal Services Corporation (LSC) Funds

Nearly one quarter (23 percent) of civil legal aid nonprofits surveyed reported using Legal Services Corporation (LSC) funding to support MLP activities specifically. LSC is an independent nonprofit organization that was established by Congress in 1974 to provide civil legal assistance to low-income Americans with incomes below 125 percent of the Federal Poverty Level (FPL). LSC is now the single largest funder of civil legal aid for low-income individuals nationwide. LSC funds are authorized by Congress annually and disbursed to local civil legal aid organizations nationwide through competitive grants. LSC helps

support civil legal aid for more than one million Americans every year, but data shows that the funding is not nearly enough to cover the need for legal services.⁸ Furthermore, in both FY 2018 and FY 2019, the Trump Administration proposed the elimination of the Legal Services Corporation entirely. Legal aid organizations that receive any LSC funds are subject to certain restrictions on activities that they are able to engage in and populations they can serve. For example, organizations receiving LSC funds are prohibited from representing undocumented immigrants, class action lawsuits, abortion litigation, and political lobbying.⁹ These restrictions can limit the scope of legal assistance provided by LSC-funded legal organizations that participate in MLPs.

Interest on Lawyers Trust Accounts (IOLTA) Funds

Interest on Lawyers Trust Accounts (IOLTA) are state-operated programs designed to increase access to civil legal assistance for low-income individuals. IOLTA funds are generated through client funds that are held by attorneys in a trust for future use. If client funds cannot generate interest on their own, these funds are pooled in an interest-bearing state-administered IOLTA account. Interest generated from IOLTA accounts can be used to fund civil legal services and other access-to-justice programs for low-income individuals and families.¹⁰ One in four (26 percent) legal organizations that operates a medical-legal partnership uses IOLTA funds to support these activities. While IOLTA is an important source of funding for MLP services, these funds are limited and insufficient to meet the demand for civil legal aid. IOLTA funds also fluctuate based on total account balances and interest rates, and changes in available funds can be significant, especially in economic downturns when access to civil legal assistance is particularly important.¹¹

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Law Schools

Fifty-four law schools in 27 states are currently involved in a medical-legal partnership, which represent one quarter of all ABA-approved law schools nationwide. Law schools may provide civil legal assistance directly by law professors, students, or other volunteers, financial support for partnership

activities, or both. Medical-legal partnerships with law school partners typically report larger budgets. This may be due to greater resources being available to support learning and training opportunities for law students through medical-legal partnerships, which is consistent with the law school teaching mission to provide opportunities for practice.

Legal Aid Fellowships

Numerous legal aid fellowship programs, such as Equal Justice Works and AmeriCorps JD, provide funding, training, and guidance to law students or recent law school graduates who wish to pursue a career in public interest law. Equal Justice Works offers medical-legal partnership as a specific issue area for fellows to pursue. Between 2013 and 2018, 53 Equal Justice Works fellows provided support to a medical-legal partnership over the course of their two-year fellowship.¹² Although fellowship programs are a huge asset and provide start-up funding for the legal staffing for many MLPs, these programs have an expiration date and are subject to the fellow's area of legal expertise (e.g. a fellow specializing in education law will likely focus on patients' education-related legal needs). Equal Justice Works also requires that MLP fellows start a new MLP or expand an existing program. Fellowship programs are not designed to provide ongoing support for legal services at a health care organization. MLPs must identify a new funding source for the lawyer to continue providing legal services after the fellowship's end.



PHILANTHROPY

Funding from the health care and legal organization partners is often insufficient to sustain MLP activities, particularly when an MLP is in its pilot stage and just beginning to prove itself as an important service for patients. MLPs are heavily reliant on philanthropy to jump start new partnerships and to fill in funding gaps. In fact, nearly two thirds of medical-legal partnerships (64 percent) receive funding from national and regional foundations that support health, social justice issues, or specific vulnerable populations, conversion foundations, private donations, and other forms of charitable giving. While philanthropic funding sources have been a financial lifeline for MLPs across the country, this type of funding is usually time-limited and therefore not a sustainable source of revenue. Additionally, valuable and limited MLP staff time needs to be devoted to grant writing and reporting.

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Innovative Medicaid Financing Models

Due to a new focus on addressing social determinants and leveraging value-based initiatives for vulnerable populations, innovative funding arrangements for MLP services are starting to emerge across the country. In at least seven states — California, Colorado, Indiana, Massachusetts, New York, Ohio, and Oregon — as well as in the District of Columbia, funding for legal services is included in a Medicaid managed care contract or other value-based payment arrangement or innovative delivery system reform model, such as the Delivery System Reform Incentive Payment (DSRIP) Program or Medicaid §1115 waiver. These financing arrangements aim to improve health outcomes or reduce costs by identifying and addressing unmet social and legal needs among vulnerable patient populations. Table 1 on page 6 provides details on specific financing arrangements in five of these states. Some integrate legal services into existing demonstration models or contracts for specific types of Medicaid patients, while others offer broader financial support for legal services provided to all patients at a particular health care site, regardless of health insurance coverage of the patient in need of these services. In some cases, funding for legal services may be tied to specific medical-legal partnership activities, such as training or data collection and reporting. Evaluation of legal services utilization and health outcomes is underway in a number of these partnerships. Given the shift towards value-based payment arrangements and delivery system reforms to coordinate care and produce better health outcomes, we expect innovation in this area to continue.

TABLE 1. SELECT EXAMPLES OF MEDICAID FINANCING ARRANGEMENTS FOR LEGAL SERVICES

TYPE	STATE	PARTNERS	DESCRIPTION
Medicaid Managed Care Contracts	IN	Eskenazi Health Indiana Legal Services	Eskenazi Health is a large health system that offers MLP services in five of its health centers across Indianapolis, Indiana, as well as in a sexual assault and domestic violence center, and a transgender health clinic. In January 2017, two of the health centers offering MLP services contracted with a Medicaid managed care entity to sponsor the MLP. The two-year contract included a fixed amount for the health centers and their legal partner, Indiana Legal Services, to provide legal services to all patients at these two locations. Though the Medicaid managed care plan sponsors the services, all patients at the two health centers are eligible for MLP services, regardless of their health plan.
	OR	Oregon Health & Sciences University, Richmond Clinic Lewis & Clark Law School	The Richmond Clinic, a health center affiliated with Oregon Health & Sciences University, launched a one-year pilot MLP with Health Share of Oregon, the largest coordinated care organization (CCO) in the state, in August 2016. CCOs function like regionally-based Medicaid managed care organizations with a significant focus on prevention, care coordination, and community engagement and financial flexibility to support services that improve health outcomes and reduce costs. Oregon’s statewide CCO model was approved through a §1115 Medicaid demonstration waiver, but legal services were negotiated directly with the CCO. The MLP focuses on addressing the needs of medically complex patients. The pilot MLP was funded by the health center and the CCO. Evaluation of the legal services utilization and impact on health outcomes is currently underway.
Medicaid §1115 Demonstration Waiver	CA	Los Angeles County Department of Health Neighborhood Legal Services of Los Angeles County	Los Angeles County has partnered with Neighborhood Legal Services of Los Angeles County, Legal Aid Foundation of Los Angeles, Inner City Law Center, Bet Tzedek Legal Services, and Mental Health Advocacy Services to provide legal services county-wide to the vulnerable MediCal beneficiaries targeted by the Los Angeles Whole Person Care program. \$500,000 was designated for legal services, technical assistance, and training for the first year of the demonstration program. Whole Person Care also uses 1:1 local to federal matching funds to support the committed legal services. Legal services are made available on-site at a central Whole Person Care outpatient clinic to all patients. Additionally, a virtual medical-legal partnership online platform enables community health workers and providers outside of the central clinical site to screen and refer patients with legal needs electronically and receive secure feedback from legal services providers. Key outcomes measures will be collected and evaluated as part of the program.
Delivery System Reform Incentive Payment (DSRIP)	NY	NYC Health + Hospitals New York Legal Assistance Group	The New York State Delivery System Reform Incentive Payment (DSRIP) program is the main mechanism that New York state is using to redesign their Medicaid program and address population health goals. The New York DSRIP program provides funding for MLP topical trainings on social and legal needs, as well as regular data monitoring of key program measures, such as volume of legal services provided and uptake of legal services.

Going Forward

Medical-legal partnerships are financed through a patchwork of essential, but insufficient funding sources. MLPs commonly lean on philanthropy to support their mission. While many MLPs use grants or other charitable resources to fund an initial pilot phase, many more continue to turn to grant funding to help fill in gaps and sustain the partnership over time. Half of health care organizations with MLPs are now providing some support through their operating budgets; however, this funding typically makes up just a portion of the overall MLP budget. At the heart of the MLP approach is legal staffing provided by civil legal aid nonprofits, law schools, pro bono partners, and legal fellowship programs which cannot fully meet the widespread demand for their services. Taken together, these insufficient and sometimes unstable funding sources mean that MLPs tend to operate on slim budgets that can often only support core services like legal intake and direct legal assistance for patients. Rarely do MLP budgets allow for adequate staffing to strategically grow and better target the limited resources of the partnership.

When implementing a medical-legal partnership, health care and legal organizations should plan beyond the “start-up phase” for the various staffing needs of the MLP overtime. They should budget for staff time to build data sharing and quality improvement infrastructure, train staff, routinely engage clinicians and other health care staff, and incorporate data collection and evaluation activities into their partnership early on.

In order to make legal services a reliable and sustainable activity within the health care organization, MLPs need to be funded as a core service instead of a pilot program or charitable project. MCOs and other value-based payment arrangements are a key area of opportunity for potential new financing for MLPs that has the potential to provide stable health care funding for these activities, particularly for the Medicaid population.

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MISSION

The National Center for Medical-Legal Partnership leads education, research, and technical assistance efforts to help every health organization in the United States leverage legal services as a standard part of the way they respond to social needs. Our mission is to foster a system in which all health organizations can leverage these services. Over the last decade, the National Center's work has helped cultivate programs that do just that at nearly 350 hospitals and health centers across the U.S.

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