

Testimony of
THE COMMUNITY HEALTH CENTER ASSOCIATION OF
CONNECTICUT (CHCACT)

Before

The Appropriations Committee

regarding the Department of Public Health Budget

Presented by

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The Community Health Center Association of Connecticut has the privilege of representing thirteen of the fourteen Federally Qualified Health Centers (FQHCs) in Connecticut. FQHCs provide critical access to and high quality primary care and preventive services to patients in underserved areas of our state regardless of ability to pay. In 2009 all FQHCs in the state combined cared for over **283,762 unduplicated users** at almost **350 sites** across the state. This represents an **increase of 70% since 2001** due to expansion of the number of centers and sites of service. Patient visit volume has increased 9% each year since 2003 to over one million visits last year for medical, dental and mental health services. The health centers' medical user population grew by almost 9% between 2006 and 2008, and dental users grew by 8% between 2006 and 2008.

Health center uninsured visit volume has grown between 2005 and 2009 by **375%**. Between 2006 and 2007 before the economic downturn, the volume of uninsured visits rose 10% in one year alone to

171,154 visits. Uninsured patient volume in 2009 for CHCACT's member FQHCs has grown to close to 50,000 patients and 177,601 visits. A conservative estimate of the impact of a \$2 million reduction in DPH funding would be that CHCACT's member FQHCs would be provide nearly 30,000 fewer patient visits. An ironic outcome at a time when the emphasis is on greater access to primary care services to reduce the burden on more costly overburdened emergency departments.

The proposed cut to the community health services line item of the Department of Public Health budget will dramatically impact the FQHCs' ability to function. In the case of Connecticut's one FQHC Look Alike, United Community and Family Services (UCFS) in Norwich, without DPH funding UCFS will have **NO** resources to cover services to the uninsured. Unlike the other thirteen health centers in Connecticut, UCFS does not receive any federal 330 grant funding. Even though UCFS operates and fulfills all the requirements of a federally qualified health center, grant funding is awarded through a highly competitive process and infrequently. UCFS must await a future opportunity to apply for federal 330 funding. Until then, it is critical that DPH's funding for services to the uninsured for UCFS and for all FQHCs be continued.

Any changes to DPH's support for services to the uninsured must be considered in light of other cuts and revenue losses the FQHCs will experience. **Cost sharing requirements for HUSKY** will further impact FQHC revenues. Medicaid patients make up nearly 50% of the population of patients served by FQHCs. SAGA patients make up 10 % of the patient population. The FQHCs care for a patient population that is unable to pay co-pays and will likely become uninsured if required to pay increased premiums. The result will be greater losses for each patient visit. . The cuts to the DSS budget will accelerate the growth of uninsured visit volume and decrease revenues beyond what the FQHCs will be able to absorb.

The FQHCs are deeply concerned that the General Assembly has an unrealistic expectation of the ability of health centers to absorb a reduction in their payments for services to the growing volume of uninsured

patients if cost sharing results in loss of insurance among the HUSKY population. At a time when Congress and the president are increasing the emphasis on FQHCs as a cost effective health care delivery system and when the emphasis on medical homes is increasing, Connecticut will be best served by preserving the statewide system of care that health centers offer Connecticut's children and families.

We cannot rely on further spending cuts in this budget. Dollars cut already outnumber revenues raised 3:1.¹ Because of the national recession, people's needs are going up dramatically as the state's resources to meet those needs are falling. And spending cuts result in job losses.²

We need a balanced approach that addresses the state's structural revenue problem with a revenue solution. Specifically, we urge you to support the revenue options proposed by the Better Choices for Connecticut coalition, including closing corporate tax loopholes, evaluating corporate tax breaks to see whether CT is actually getting an economic return on its investment, delaying reductions in the estate tax, and increasing income taxes on households most able to pay.

On behalf of the patients and families currently served by FQHCs, we ask that the Committee be extremely cautious about any cuts to reimbursement that will destabilize the FQHC infrastructure which is so critical to public health at a time when so many Connecticut citizens must turn to the safety net.

¹ Budget passed in the fall had \$3 billion in cuts according to Sen. Pres. Don Williams and about \$1 billion in revenue increases.

² Based on calculations of the impact of spending cuts by the national Center for Economic and Policy Research, www.cepr.net, the spending cuts we have made cost us over 40,000 jobs.