

**Testimony of  
Ludwig Spinelli, CEO  
Optimus Healthcare Inc.  
Before  
The Appropriations Committee  
regarding the Department of Public Health Budget  
February 22, 2012**

Representative Walker, Senator Harp, Members of the Appropriations Committee:

I am speaking this evening about the proposed DPH and DSS cuts in the FY 2013 budget that will impact Optimus Health Care, a large FQHC in Fairfield County. Optimus cares for 51,698 total patients a year and provides 236,741 visits across its three services--medical, dental and behavioral health. This past calendar year saw an increase of more than 2,000 new patients to Optimus representing an increase of about 5%. These increases are typical of FQHCs around the State.

My primary concern is the reduction of **\$666,822** to Community Health Center grants "due to increased" Medicaid payments. The Governor's budget states that "Funding for community health centers will be reduced in recognition of increased Medicaid payments to federally qualified health centers."

As you are aware FQHCs' DPH funding was cut twice this current State Fiscal Year through two rescissions. The proposed cut would reduce funding to Optimus by an additional 14% which would be almost \$100,000 per year. Optimus relies on these DPH funds to pay for staff to provide medical, dental and behavioral health care to patients without ability to pay. In calendar year 2011, Optimus cared for 9,706 uninsured people and provided a total of 40,000 visits to those patients. If DPH were to spread the \$666,822 reduction evenly across all 15 FQHCs in Connecticut, Optimus would lose an additional \$47,630. If DPH chooses to make the cuts proportionate to each FQHCs current percentage of DPH funding, Optimus could be cut as much as \$ 292,000.

Optimus is also concerned about the "savings" of \$16.9 million that are supposed to be realized through a waiver that would change the MLIA eligibility and benefits. FQHCs serve the vast majority of MLIA clients who at times often lose eligibility and are placed on the sliding for scale. Changes to the MLIA program will mean lower reimbursement for the safety net providers at a time when the economy is still very weak and patients lose their jobs and insurance while seeking necessary health care. Any loss in DSS revenue results in fewer resources to provide care (hire clinical staff) and will result in fewer persons receiving care from the FQHCs. Health centers will care for all clients regardless of their insurance; however the LIA waiver and means testing will definitely lower the fees realized by FQHCs. Combined with cuts to DPH funding, the result will be less care available to patients who need FQHCs the most---those who cannot pay and therefore are not able to access services anywhere else. Less care rendered at a FQHC will likely result in a 4 fold increase for services rendered at a hospital emergency

department. Health centers are reimbursed for all services at one rate and are not permitted to charge for itemized procedures, tests, or services that the way that a hospital or private practice would bill.

Secondly, the reduced dental rates will also yield lower reimbursements to the FQHCs under the proposed \$8.2 million cut. This proposal reduces the reimbursement for posterior composite resin restorations to the same level as silver amalgam fillings. Dental services are marginal or break even at best in most FQHCs. Optimus, this past year had a sizable deficit due in part to reimbursement below actual cost from the Department of Social Services, high demand and large numbers losing dental coverage. This current year, adults are entitled to only one cleaning per 12 month period, against the standard of care of one cleaning every 6 months.

I request the committee not institute the proposed cuts due to the negative impact on patients and their safety net providers. Our center frequently has patients return from for profit private providers asking the Center to give dental care; usually restorative that the private providers either refused or the patient can not afford.

At a time when the medical home concept is being promoted, these cuts will weaken the entire infrastructure to provide quality needed care.