



# Community Health Center Association of Connecticut

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Testimony of

Community Health Center Association of Connecticut

Presented by

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Human Services Committee

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Thank you for this opportunity to comment today on House Bill 6367, *An Act Implementing the Governor's Budget Recommendations for Human Services Programs*. The Community Health Center Association of Connecticut (CHCACT) offers comments on three issues contained in this bill:

- Expansion of HUSKY to individuals up to 133% of federal poverty level – *CHCACT Supports*;
- Reduction in HUSKY parents' eligibility from 185% to 133% of FPL – *CHCACT Opposes*;
- Elimination of the Behavioral Health Partnership Oversight Council – *CHCACT Opposes*.

CHCACT is a nonprofit organization that exists to advance the common interests of Connecticut's federally qualified health centers (FQHCs) in providing quality health care. Through training, technical assistance, public policy work and other initiatives, CHCACT supports the 14 FQHCs in their provision of comprehensive health care to over 329,000 residents across the state every year.

A profile of FQHC patients in Connecticut (2012):

- 94% low income (under 200% of federal poverty level)
- 58% Medicaid
- 23% uninsured
- 16,000 homeless
- 73% racial/ethnic minorities

FQHCs are grounded in their communities: they are governed by local Boards of Directors, at least 51% of each Board must be patients at the centers. Their staff – **over 2800 people across the state** – live in the neighborhoods and therefore know the cultures of and speak the languages of the patients they serve. A recent survey of staff at CT FQHCs revealed that the most common second language was Spanish. But there was no consensus about the next most common language: FQHCs across the state responded that their next most common language was Creole, Bosnian, Albanian, Bangla...the list of languages went on and on!

**Expansion of HUSKY to individuals up to 133% of federal poverty level:**

CHCACT thanks Governor Malloy for his proposal to expand HUSKY to all individuals up to 133% of federal poverty level, which is in line with the goal to expand health care access to all Americans. FQHCs across the state project that many of their uninsured patients would become eligible for health insurance coverage through this program. Not only does the proposal increase access to health care, but the state's costs are 100% reimbursable by the federal government for the first few years. In short, this proposal is a win-win. I urge the Committee's approval of this section.

**Reduction in HUSKY Parents' Eligibility From 185% of FPL to 133% of FPL:**

At the same time, when the nation and our state are attempting to expand access to health care, the proposal to reduce the income limit for HUSKY parents is antithetical to those goals. Although individuals at the impacted income levels (i.e., parents between 134% and 185% of FPL) will be eligible for significant federal subsidies to help them purchase insurance, they are likely instead to become uninsured. A study conducted by Mercer Health and Benefits for our very own Health Insurance Exchange projected that only half of parents in that income category would be likely to purchase insurance. Based on the governor's budget, that **could create 15,000-20,000 newly uninsured parents in Connecticut.**

Why will they choose to be uninsured instead of buying health insurance through Access Health CT, Connecticut's health insurance exchange? First, premiums in the health insurance exchange, although not yet known precisely, are expected to be prohibitive. Because of the cost of living, those earning 150% of the federal poverty level in Connecticut are living at a lower standard than people with the same earnings in other states; most of their earnings are accounted for by rent, utilities, food and other basic needs. Finding the money for health insurance premiums will prove extraordinarily challenging, especially for parents, who may need/prefer to spend extra money on necessities for their children.

Moreover, even those who do purchase insurance may still lose access to health care. Co-pays and deductibles could discourage these low-income individuals from seeking health care services. Federal regulations do limit out-of-pocket maximums for individuals earning under 200% of FPL: the limits are \$2250/year for individuals and \$4500/year for families. A single parent who loses HUSKY coverage could be forced to pay an additional \$2250 annually, on top of monthly premiums. This is for coverage that will likely be less comprehensive than that provided by HUSKY.

Importantly, when parents lose HUSKY coverage, their children often lose it as well<sup>1</sup>. So, an unintended consequence of this proposal could be that Connecticut ends up with more uninsured children, as well as adults.

Finally, the state's safety net providers – those who will continue to serve this population, regardless of whether or not they have insurance – will take yet one more financial hit with this proposal. When the budgets of the health centers have already been reduced through rescissions

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<sup>1</sup> GAO, *Given the Association between Parent and Child Insurance Status, New Expansions May Benefit Families*, GAO-11-264, February 2011, available at <http://www.gao.gov/products/GAO-11-264>.

(e.g., November's rescissions to the DPH Community Health Services line item) and other Medicaid funding cuts (described below), this revenue stream takes on added importance to ensure financial sustainability.

Instead of making this change now, CHACT respectfully recommends that policymakers wait until the state has the Exchange up and running, until provider networks are solidified, until outreach and enrollment infrastructure have been established, and until both DSS and the Exchange have adjusted to the many changes coming in the next year or more. At that point, this proposal could be reconsidered.

**Elimination of the Behavioral Health Partnership Oversight Council:**

As this Committee knows, the Behavioral Health Partnership Oversight Council (BHPOC) provides legislators, providers, consumers and other stakeholders the opportunity to influence how behavioral health services are provided to HUSKY enrollees in Connecticut. The governor proposes to eliminate this Council and instead add these responsibilities to those of the Council on Medical Assistance Program Oversight (the "Medicaid Council"). I urge the Committee to reject that idea.

BHPOC was established in 2005 because Medicaid/HUSKY enrollees were having difficulty accessing behavioral health services. Since then, HUSKY is now held up as a model for behavioral health; indeed, HUSKY enrollees have a more extensive behavioral health network than individuals in commercial insurance plans<sup>2</sup>.

Because the Medicaid Council provides such a valuable forum to address issues impacting HUSKY enrollees and the program in general, its agenda is already robust. In fact, it is rare that the Council completes an agenda during its meetings; to begin to compensate for that fact, certain reports (e.g., enrollment) are now provided quarterly instead of monthly. Despite the best efforts of the Council members, meetings often run over the time allotted – and many items do not receive the full discussion needed. Adding additional items of focus for the Council will, therefore, negatively impact all of HUSKY (medical, dental and behavioral health).

Given the fact that the governor has indicated no savings from this proposed elimination, and the deleterious impact eliminating the BHPOC could have, I urge the Committee to reject this proposal.

**Additional Comments:**

During this era of implementation of health reform, the FQHCs continue to be a critical part of the state's public health care system, providing care to some of the neediest residents of our state. In fact, they and the hospitals are some of the only places that turn no one away, including immigrants – both legal immigrants who have been here fewer than five years (and are therefore ineligible for Medicaid), and undocumented immigrants. Based on the experiences of Massachusetts, the role of health centers will likely increase with the increase in health insurance enrollment. Governor

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<sup>2</sup> Office of the Healthcare Advocate, *Findings and Recommendations: Access to Mental Health and Substance Use Services*, January, 2013, available at [http://www.ct.gov/oha/lib/oha/documents/publications/report\\_of\\_findings\\_and\\_recs\\_on\\_oha\\_hearing\\_1-2-13.pdf](http://www.ct.gov/oha/lib/oha/documents/publications/report_of_findings_and_recs_on_oha_hearing_1-2-13.pdf).

Malloy's budget proposal recognizes this by projecting a significant increase in FQHC patients over the next several years.

Moreover, FQHCs provide more than just health care services. In addition to enabling services, FQHCs also have Medicaid Outreach workers and SNAP Outreach workers on site. Patients are connected to services that they need to improve their quality of life. The state aims to integrate outreach/enrollment efforts for HUSKY and the Exchange; it is our hope that these eligibility services will continue, which is a requirement under federal law (42 C.F.R. §435.904). FQHCs hope to be participants in those initiatives.

I ask this Committee to continue your historical support of health centers. Thank you and I'd be happy to answer any questions.