

Senate Finance and Assembly Ways and Means
Joint Legislative Hearing on the State Fiscal Year 2019-20 Executive Budget
Health and Medicaid
February 5, 2019

Thank you for the opportunity to provide testimony on the Governor's State Fiscal Year (SFY) 2019-20 budget proposal. My name is Rose Duhan and I am the President and CEO of the Community Health Care Association of New York State (CHCANYS), the Primary Care Association for federally qualified health centers (FQHCs).

CHCANYS: Supporting New York's Primary Care Safety Net Providers

CHCANYS is the voice of community health centers that serve as leading providers of primary care in New York State. We work closely with more than 70 FQHCs, also known as community health centers (CHCs), that operate over 800 sites statewide. FQHCs are non-profit, community run clinics located in medically underserved areas that provide high-quality, cost effective primary care, including behavioral and oral health services, to anyone seeking it, regardless of their insurance status or ability to pay. Each FQHC is governed by a consumer-majority board of directors who seek to identify and prioritize the services most needed by their communities.

Since the implementation of the federal Affordable Care Act, New York's FQHCs have experienced exponential growth both in the number of sites and patients served. New York's 800 sites now serve 2.3 million, or one in nine, New Yorkers annually -- 700,000 more people than were served at health centers five years ago. In 2017, nearly 90% of patients served were below 200% of poverty, 59% received Medicaid, 16% were uninsured and 28% of patients spoke limited English, although numbers at individual health centers vary. More than one quarter of New York's FQHC patients are best served in a language other than English, and two-thirds identify themselves as black and/or Hispanic. FQHCs do not collect information on immigration status. However, all FQHCs provide robust enrollment assistance to patients, so it likely that the vast majority of uninsured patients are not eligible for insurance coverage due to immigration

status. In short, FQHCs are New York's primary care safety net providers-- keeping people well in the community and out of higher cost institutional based settings regardless of immigration status or insurance coverage.

Specific Comments and Requests Regarding the SFY 2019-20 Executive Budget Proposal

A. To address federal threats to immigrant coverage and ensure ongoing access to comprehensive primary care services for all New Yorkers, regardless of immigration status, increase the D&TC Safety Net Pool by \$20M.

CHCANYS is extremely concerned about the detrimental effect the Trump Administration's proposed changes to public charge determination will have on New York State's immigrant population and communities. The proposed rule would expand the list of government programs to include Medicaid when evaluating whether an individual is likely to become a "public charge" dependent on government subsidies, and therefore ineligible to be granted legal admission to the country or granted permanent residency status. The change in policy disincentivizes individuals from enrolling in such government programs for fear of repercussions for themselves, family members, or loved ones.

More than half of the FQHCs that responded to a CHCANYS survey in October 2018 stated that they have experienced an uptick in the number of patients who are eligible but not enrolling in Medicaid due to concerns over deportation, inability to attain a green card, or inability to sponsor a loved one to attain legal permanent status. They also reported decreases in early access to prenatal care among expecting mothers and decreased medication adherence rates, including among high need populations, such as individuals with human immunodeficiency virus, or HIV, due to immigrant communities' concerns over accessing Medicaid. Fears of deportation associated with accessing public benefits have led to food insecurity, housing instability and increased behavioral health needs, including poor performance in school among children.

In addition to the direct harm to immigrants and their communities, this federal proposal would also place significant financial strain on New York's CHCs by increasing uncompensated care costs while decreasing revenues. Undocumented patients are continuing to seek care at health centers, but are increasingly wary of sharing identifying information with any government

sponsored programs, resulting many opting out of participation in Medicaid. A recent analysis¹ by the Geiger Gibson/RCHN Community Health Foundation Research Collaborative estimates that as many as 95,000 former Medicaid enrollees at NY State's FQHCs could become uninsured due to fears of immigrant enforcement actions, despite that the public charge rule is not yet final. This could mean New York State Health Centers could lose up to \$100,000,000 in Medicaid revenue.

CHCANYS appreciates that the Executive has historically supported the D&TC Safety Net Pool, which helps cover the cost of caring for the uninsured and included flat funding of \$54.4M in the Budget proposal. CHCANYS asks that the Legislature increase the D&TC Safety Net Pool by \$20M. Such funding is eligible for a federal match, so adding \$20M in State dollars would result in a \$40M net increase to the Pool.

B. To support comprehensive primary care services, ensure level funding for providers participating in the Patient Centered Medical Home (PCMH) program.

One of the key ways that the State has sought to enhance the existing primary care network through DSRIP is by increasing the number of primary care practices with National Committee for Quality Assurance (NCQA) Primary Care Medical Home (PCMH) certification. In 2018, NYS finalized its own state-specific PCMH model. New York PCMH incorporates many practice capabilities that are central to the FQHC model, such as providing coordinated, patient-centered care; promoting population health and using health information technology to deliver evidence-based care. NY PCMH also requires that providers participate in value-based payment arrangements.

Funding for the program is a crucial investment in primary care and is necessary to support the rigorous standards of NY PCMH and the practice transformation efforts necessary for value-based payment. FQHCs have enthusiastically participated in these efforts and now over 95% of New York's FQHCs have achieved some level of PCMH certification. As of January 2019, three

¹ Leighton Ku, Jessica Sharac, Rachel Gunsalus, Peter Shin, and Sara Rosenbaum, How Could the Public Charge Proposed Rule Affect Community Health Centers? (November 2018), <https://www.rchnfoundation.org/?p=7294>.

FQHCs have become NY PCMH accredited, and it is anticipated many more will achieve certification by the end of 2019. The high adoption rate of PCMH certification amongst New York’s FQHCs is a testament to health centers’ commitment to the DSRIP goals and to providing high-quality comprehensive care through care coordination, team-based care, population management capacity, health IT and a focus on measures that increase patient access.

CHCANYS is very concerned that the flat funding included in this year’s Executive budget will not adequately cover the increased number of certified practices, ultimately resulting in reduced payments to providers. Last year, after the Executive sought to reduce the program funding, the Legislature restored the PCMH dollars available to certified providers. Despite the Legislature’s acknowledgement of the importance of this program, the funding remained insufficient to maintain the historic level of commitment to participating providers. In order to achieve its health care delivery system transformation goals, the State must commit to continued investment in the development of high-quality primary care. We respectfully request that the Legislature guarantee that the PCMH program is funded at a level that supports all PCMH certified providers by including budget language that prohibits the Department from reducing rates below what participating practices currently receive. Additionally, to the extent that additional funds are available for the program, such funds should be distributed to safety net providers—those practices for which Medicaid enrollees comprise at least 35% of patients.

C. Support the Executive proposal to allow agencies to waive regulations for providers who implemented programs under a DSRIP waiver to ensure continued access to innovative care models.

The Executive budget proposes permitting DOH, OMH, OASAS and OPWDD to waive certain regulations for providers engaged in DSRIP projects to “to avoid duplication of requirements and to allow the efficient scaling and replication of DSRIP promising practices”² Since the inception of DSRIP, many health centers have received waivers to enhance their behavioral health services and provide increased level of services to patients under their existing Article 28 licenses. These health centers have invested substantial resources in expanding integrated

² HMM Article VII, Part H, Section 2

behavioral health services in furtherance of statewide transformation goals. To the extent that this provision ensures the continued operation of integrated behavioral health and primary care services at health centers without requiring additional licensing requirements, CHCANYS urges the legislature to support the Executive's language.

D. Maintain Level Funding for Doctors Across New York

Since 2008, the Doctors Across New York (DANY) program has provided loan repayment and practice support funding to address physician recruitment and retention in locations throughout the State that lack sufficient capacity to meet community needs. While DANY has helped place physicians in communities across the state, the number of placements has not kept pace with the growing physician shortage. In the 11 years since DANY became law, there have been five solicitation cycles, with the program historically receiving more applications than awards available. The most recent awards, made in October 2018 for contracts beginning January 2019, funded 100 physicians, 17 of which planned to practice at community health centers. DOH is currently soliciting applications for a sixth round of funding and anticipates making an additional 75 awards during summer 2019.

CHCANYS and the Workforce Advisory Group (WAG) look forward to continuing to collaborate with the Department of Health to improve program effectiveness, utilization and outcomes. CHCANYS commends the Executive for proposing level funding of \$9M for the DANY program, which would support 75 new awards and urges the Legislature to maintain this critical workforce program.

E. Maintain Support for Health Centers Serving Migrant & Seasonal Farm Workers

CHCANYS supports maintaining level funding for health centers that operate migrant health care programs across New York State. Migrant Health Care funding allows health centers and other eligible providers to serve over 18,000 migrant and seasonal agricultural workers and their families, an extremely vulnerable population that is integral to New York State's agribusiness. It is estimated that 61 percent of farmworkers live in poverty, with a median income of less than

\$11,000 annually. New York's migrant health centers keep farmworkers healthy by providing primary and preventive health care services, including culturally competent outreach, interpretation, transportation, health education and dental care. CHCANYS urges the Legislature to maintain \$406,000 in funding for the Migrant Health Care program.

F. Restore funding for the Population Health Improvement Program

The Population Health Improvement Program (PHIP) supports regional collaboration and coordinated planning to effectuate the NYS Prevention Agenda, support population health and address health disparities. The eleven regional contractors work closely with local health providers, including FQHCs, and community-based organizations, to collect and analyze relevant public health data, inventory community needs and develop and implement local strategies to address issues impacting their regions. PHIPs focus on issues such as smoking cessation, addressing obesity, promoting walkable communities, and improving access to primary care and behavioral health services. The Executive Budget proposal eliminates funding for this important initiative. CHCANYS urges the Legislature to restore \$7.5M in funding for PHIP.

G. Restore funding for School-Based Health Centers

New York's 225 school-based health centers (SBHC), over half of which are operated by FQHCs, provide comprehensive primary care, including mental health and dental services, on site at schools throughout the State. For many children, especially those who are undocumented, uninsured and/or those in underserved areas, the SBHC is a critical point of care. Despite this, grant funding for SBHC has been significantly reduced in the last several years.

In 2017, grant funding for SBHCs was cut due to an across the board 20% reduction to many health programs in the State Budget. At the same time, DOH implemented a new formula to distribute State grant funds which reduced funding to 30 SBHC sponsors, many of whom are located in some of the most medically underserved and low-income areas of the State. These cuts ranged from 25% to 70% of the sponsors' total grant funds.

Last year, the Legislature added funding in the final 2018-19 State Budget to restore funding to those SBHC whose grants were reduced due to the new funding distribution. The 2019-20 Executive Budget proposal includes \$17M in grant funding for SBHC. CHCANYS respectfully requests that the Legislature fully restore SBHC grant funding to 2107 levels (\$22M).

Conclusion

To support the primary care safety net and ensure ongoing access to comprehensive community-based care for all New Yorkers, CHCANYS respectfully urges the Legislature to:

- ✓ Add:
 - \$20M to the D&TC Safety Net Pool
- ✓ Support:
 - Level funding for PCMH certified providers
 - Agency authority to waive DSRIP-related regulations
 - Level funding for health services for migrant and seasonal farm workers
 - Continued investment in the primary care workforce through the Doctors Across New York
- ✓ Restore:
 - \$7.5M funding for PHIP
 - \$5M funding for SBHCs