TODD NOVAK



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Assembly Bill 726: relating to: community health center grants and making an appropriation. Testimony of State Representative Todd Novak Assembly Committee on Health January 29th, 2020

Thank you, Chairman Sanfelippo, and members of the Committee on Health for holding this public hearing on AB 726, which increases funding for Community Health Centers by \$2 million annually.

Currently, Wisconsin has 17 community health centers around the state. These facilities provide general primary care as well as urgent care, medical screenings, dental care, voluntary family planning, well child services (immunizations), gynecological and obstetrical care, prenatal and perinatal services, in house laboratory and radiology services, and medication assisted care. These facilities fill a niche where access to primary care is limited; frequently these facilities serve those who are uninsured.

Under current law, the state gives community health centers \$5.49 million, which is only 4% of their general operating budget. This amount was determined in fiscal year 2009, and has remained the same. Since the most recent increase (FY 09), the number of patients seen by community health centers has increased from 199,000 to nearly 305,000 per year. Moreover, the number of locations where health centers serve patients has increased from 73 to 182. These increases have occurred all the while the level of funding has not.

In my district, Access Community Health Centers had 46,000 medical visits. Under the current funding rate, Access alone receives \$465,460 from the \$5.49 million allocated in the state grant. The state grant is allocated to pay for provider and staff salaries and, in particular, helps uninsured and under-insured patients care at the same level as those with more comprehensive health care coverage. This year, approximately 25% of Access's medical patients are without adequate coverage to meet their financial obligations. An increase in funding would help them greatly.

This bill increases the amount of the state grant from \$5.49 million to \$7.49 million. An increase in funding could allow for greater access to care services. This could mean 32,000 dental visits for low income residents, and behavioral health and substance abuse disorder care for another 3,000 patients. This increase would give Access Community Health Centers an increase of \$170,000 to a total of \$635,000. The additional funding will be instrumental in helping Access develop even greater capacity to provide comprehensive primary care services that helps my constituents to be healthier. There are even greater services that are not covered by many insurance plans for dental and behavioral health; yet, these services are needed to optimize an individual's health. Access estimates that the \$2 million increase in health center funding will help Access alone to provide 7,500 additional visits on an annual basis. This translates to care for 2,500 more people.

Thank you for your consideration of AB 726. I am happy to answer any questions you may have.



Howard Marklein

STATE SENATOR • 17th SENATE DISTRICT

January 29, 2020 Assembly Committee on Health Testimony on Assembly Bill (AB) 726

Thank you Chairman Sanfelippo and committee members for hearing Assembly Bill (AB) 726, which increases grants to the state's Community Health Centers by \$2 million annually. Thank you Rep. Subeck for co-authoring this bipartisan legislation.

Wisconsin's 17 Community Health Centers provide high quality health care to individuals facing financial, cultural, or language obstacles that limit health care access. These Centers provide medical, dental, behavioral health, and pharmaceutical services to over 300,000 patients each year.

Currently, Wisconsin invests \$5.49 million annually in Community Health Centers. This investment accounts for just 4% of the total operating budget for these valuable Centers. State funding has not been increased since 2009, yet since that time the number of patients served each year by Wisconsin's Community Health Centers has increased from 199,000 to nearly 305,000. In addition, the number of service delivery locations has increased from 73 to 182.

AB 726 increases grants to Wisconsin's Community Health Centers by \$2 million annually. This will bring the state's total investment to \$7.49 million. The money will be distributed using the current statutory formula and there are no federal strings attached to this money.

This additional funding can provide the resources for 32,000 dental visits each year for low income residents and behavioral health and substance abuse disorder care to another 3,000 patients.

I have two Community Health Center satellite locations in my district and understand the valuable services they provide to my constituents. Specifically, Access Community Health Centers, which has a satellite location in Dodgeville, would receive an additional \$170,000 annually to support its work. This increase in funding will help Access provide 7,500 additional visits on an annual basis, which equates to care for 2,500 more people.

In addition, AB 726 makes a technical fix to incorporate into statutory language the allocation made in the 2019-2021 biennial budget that directs the Department of Health Services (DHS) to distribute \$500,000 in grants annually to free and charitable clinics.

AB 726 is supported by the Wisconsin Primary Health Care Association, representing Wisconsin's 17 Community Health Centers. Thank you again to the committee for hearing this proposal, and your timely action on the bill.



- TO: Chairman Sanfelippo Members of the Assembly Committee on Health
- RE: Assembly Bill 726 (SB 651): Community health center grants and making an appropriation

My name is Joanne Holland, Chief Financial Officer for Access Community Health Centers. Our health center provides medical, dental, behavioral health and pharmacy services throughout south central and south west Wisconsin.

Many of you are familiar with health centers. We are thankful for your time today to consider the investment Wisconsin is making in our organizations. We help people to be well, prevent unnecessary use of the emergency room and strengthen a safety net that supports people in hard times.

During our testimony you will hear more about the services offered by community health centers and the impact of our work. Today, I will be talking with you about our stewardship.

I have a handout to share with you from Access' annual report. We produce this document each year to communicate to our funders and our community about the work we have done with your money. Each year our financial statements are audited by independent public accountants. This audit process includes special analysis of the federal and state funding received by Access and other health centers. I am proud to say that Access has received clean audit opinions and has never had findings or questioned costs as a result of this important process. Our accounting function is well managed and produces financial statements on which Access and its stakeholders, like you, can rely.

We were honored to host Speaker Vos at one of our clinic sites in November. He took his time during the visit and asked numerous questions. We hope that he enjoyed the visit as much as we did. The Speaker asked about how Medicaid payments, federal grant and state grant money impact our work.

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Here is a thumbnail sketch about the context in which the investment of funds is used to help our patients:

- Access employs about 260 people and takes care of about 30,000 patients each year on a \$30M budget. We spend about \$1,000 per patient whom we care for each year.
- About 50% of our patients have Medicaid, 20% are uninsured, 10% are disabled and have Medicare and Medicaid and the remaining 20% have a range of private coverage.

Let's talk a little more about health center funding and stewardship:

Medicaid - Health centers like Access receive a higher rate of reimbursement from Medicaid than other health care providers. While Access does not profit from Medicaid, we are able to cover our expenses.

Last year, we made an investment in oral surgery to help make sure patients can get their more significant oral health needs met. We also contract with private dentists and spent \$500,000 for pediatric referrals.

Federal and State Grant – These grant monies represent about 12% of Access' revenue. We use this money to help offset the cost of care to our nearly 6,000 uninsured patients. We are not a free clinic – last year we collected over \$1M from our patients – yet we were able to discount \$7M in services. Most uninsured patients have jobs; they may not have employer health insurance or if they do the deductibles and co-pays are expensive.

Here is the return on investment to Wisconsin for health center funding:

- 30,000 people have a health care home with medical, dental, behavioral health and pharmacy services;
- Babies are born who are healthy and can thrive;
- Visits to the emergency room are reduced;
- Fewer children miss school because of tooth pain;
- People with substance use disorder can address their addiction and have the opportunity to lead productive lives.



Improving health. Improving lives.

Funding for Access Community Health Centers supports both patients and patient services, fulfilling our mission to improve the health and lives of the people we serve. Our diverse revenue stream enables us to grow our services in a reliable and responsible manner. The following is an overview of our finances from July 1, 2018 to June 30, 2019.

Assets	FY2019	
Cash and investments	\$5,344,053	
Accounts receivable (net)	3,946,894	
Property and equipment (net)	13,781,546	
Pledges receivable capital campaign	8,500	
Other assets	392,675	
Total Assets	\$23,473,668	
Liabilities and Net Assets		
Accounts payable and accrued expens	es \$3,364,165	
Debt	4,393,018	
Other liabilities	1,121,277	
Total Liabilities	8,878,460	
Total Net Assets	14,595,208	
Total Liabilities and Net Assets	\$23,473,668	
P		A
Revenue	¢00 770 /04	(7 01
Patient services revenue (net)	\$23,773,634	
Grants revenue	4,549,921 263,075	M
United Way Contributions revenue	2,077,628-	00
Other revenue	704,247]
In-kind revenue	659,702	
Total Revenue	\$32,028,207	
Iotal Revenue	\$52,020,207	
Expenses		w
Personnel	\$19,043,557	su m
Space and facilities	1,081,050	or
Supplies	1,533,327	co di
Contractual	7,345,127	de
Depreciation	987,431	
Minor equipment	303,403	
Travel	43,541	
Other	1,270,754	Ti
In-kind expenses	659,702	pl ou
Total Expenses	\$32,267,892	pr
Excess of Revenue Over Expenses	\$(239,685)	ex
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Revenue Composition



Expenses by Program





TO: Chairman Joe Sanfelippo & Members of the Assembly Health Committee

RE: 2019 Assembly Bill 726: Community health center grants and making an appropriation

My name is Sarah Francois and I am the director of fund development & marketing at Progressive Community Health Centers. Our agency operates four clinic locations in the city of Milwaukee and serves more than 16,000 low-income patients annually. Today, I join my colleagues from across the state to provide additional information regarding Assembly Bill 726, which supports an increase in funding for the Community Health Center State Grant.

In my nearly 12 years at Progressive Community Health Centers, I've had the pleasure of watching our agency develop into a thriving, trusted focal point in the community we serve. Over the past decade, our patient population has more than tripled. Capital expansion projects have enabled us to accommodate new service lines such as pediatrics, podiatry, radiology and mammography. We also recently implemented a \$15 per hour minimum wage and currently employ more than 100 staff, which further supports the local economy and workforce development efforts.

Whether it be an urban area like Milwaukee or a rural setting in the Northwoods, every corner of our state has unique population characteristics and challenges. State grant funding allows individual health centers to be flexible in delivering services that best fit the needs of our local communities. This leads to more efficient use of resources and better quality health outcomes for patients.

At Progressive Community Health Centers, we use state grant funding to support oral health and chronic disease management initiatives, both of which are important components of the Healthy Wisconsin state health plan. According to the Centers for Medicaid and Medicare Services, in 2016 only 20% of Wisconsin Medicaid eligible children age five and under received preventive dental services. Our Seal-A-Smile program includes partnership with six Milwaukee Public Schools to reverse this trend and provide preventive oral health services to more than 700 students each year. Not only do we treat children directly in the school setting, we are also the only community health center in southeastern Wisconsin that has a pediatric dentist on staff to accept urgent referrals for emergency needs such as tooth abscesses and infection.

Chronic disease represents another public health crisis that disproportionately impacts lowincome, vulnerable populations. According to the Centers for Disease Control (CDC), 60% percent of U.S. adults suffer from ongoing chronic illness. Progressive Community Health Centers' predominately African American patient population is at even higher risk for having costly and debilitating chronic disease such diabetes, heart disease and obesity.

This includes patients like Sharon, age 35, who struggled to get her type 2 diabetes under control. During an appointment at our clinic last August, Sharon was in tears. She expressed constant fatigue, disorientation and had to wear Depends while working as a school bus driver due to incontinence. Her blood sugar was nearly four times higher than recommended, with an A1c measurement of 11.7%. She hadn't been taking her insulin regularly because it was too costly to fill the prescription.



With the help of our clinical pharmacy resident Sharon got a new, less expensive prescription and learned to properly use her medication. She and our clinical care coordinator also developed a personalized nutrition and exercise plan. Six months later, Sharon's blood sugar dropped to normal levels with an A1c of 6.6% and she no longer needs insulin. At a recent visit, Sharon expressed her gratitude and credited our staff with saving her life. She said, "I was so depressed about my situation, that I was seriously considering taking my own life. You helped me turn a corner and get back on track."

Stories like Sharon inspire our agency to invest in providing clinical and social support services that are not always fully reimbursable by Medicaid and other insurance payors. When the clinical pharmacist completed her residency program, we made the decision to allocate a portion of our state grant funds to hire her as a permanent part-time staff member. Since then she has helped more than 300 patients manage their chronic conditions.

Some might ask why we go out of our way to provide services we don't get paid for. Simply put, it's the right thing to do. The core mission of community health centers is to provide comprehensive, quality health care to the most vulnerable in our communities. We are the safety-net for thousands when all hope seems lost.

Community health centers are innovators. We are a group of dedicated health professionals, advocates and trailblazers that pull out all the stops to go the extra mile for our patients, even when it means doing more with less. We are excellent stewards of the public funds afforded to us and appreciate the investment that the state legislature has made in Wisconsin's community health centers.

That said, our state grant funding has remained frozen at the same level for the past 10 years. How many more lives could we have touched during that time period with just a little bit more? What if we invested in one more single mother who returned to work after getting her diabetes under control? What if we invested in her three children so they could go to school ready to learn with healthy teeth and bright smiles? Will those children be more likely to grow up and become positive influencers in their community?

With additional state grant funding, we will do our part to make sure that answer is 'yes'. We will expand our Seal-A-Smile program to partner with additional schools and serve more students. We will increase the capacity of our clinical pharmacist and care coordination team to help more people like Sharon.

Many in our community struggle to make ends meet, balancing the high cost of rent, food, transportation, and health care. As you, our elected officials, gather to debate the state budget, I ask you to do what's best for Wisconsinites. Empower people to take control of their futures and be healthy enough to work, contribute to their community, and live a productive life.

Thank you for the opportunity to testify on behalf of the nearly 300,000 Wisconsin residents who rely on community health centers for their primary care needs. We appreciate the bi-partisan support for this bill and an increased state investment in health centers.

TO: Chairman Joe Sanfelippo

Members of the Assembly Health Committee

RE: 2019 Assembly Bill 726: Community health center grants and making an appropriation

On behalf of Family Health Center of Marshfield, Inc., thank you for allowing me to provide additional information for the consideration of this Committee, regarding Assembly Bill 726.

Family Health Center of Marshfield is a Community Health Center in central and northern Wisconsin. We serve 70,000 patients annually at our 14 medical, 10 dental, 3 substance use disorder, and 2 mental health clinics.

The Community Health Center State Grant has allowed us to be nimble in addressing emerging healthcare needs. For example, 16 years ago the lack of access to dental care used to be the number one health related constituent phone call. Family Health Center was able to use grant funds to help build our first dental clinic in Ladysmith WI in response to this emerging need. All of Wisconsin's Community Health Centers stepped up to address this, and the calls about where to go for care are fewer and far between.

Currently the Community Health Center State Grant helps Family Health Center:

- Assist 700 low-income patients with no dental coverage who need help paying for their dental care at 5 of our 10 dental clinics
- Serve vulnerable populations with dental needs:
 - Veterans very few of which have dental coverage
 - Disabled population sites providing hospital based dental care is very slim resulting in this population travelling great distances for dental care, if it is addressed at all
 - Dental emergencies over 50% of the time when patients go to the emergency room with dental pain, they are prescribed opioids, which has contributed to the addiction epidemic
 - Pregnant women research has shown dental issues that are not taken care of can result in preterm delivery
 - Elderly poor oral health can result in poor health outcomes
 - Formerly incarcerated, and others for whom their oral health is a barrier to work improving oral health opens up different opportunities for employment, i.e. service industry
- Provide non-reimbursable nursing services over the phone to 6,500 patients who are uninsured or underinsured: connect patients with a family doctor, obtain preventive health care including dental services, assist in managing their health care conditions, help them navigate the complex health care system, and work with the patients to address barriers to health including social determinants of health

With your support, the Community Health Center State Grant will allow Family Health Center to:

- Expand dental financial assistance to all of our dental clinics
- Extend telephonic nursing services to those recently hospitalized or at high risk, which can mean less returns to the hospital for more costly care, helping them get back to work sooner
- Start to take a look at how we can address the health and social implications of those incarcerated and formerly incarcerated
- Allow us to ask what can we do to make the community healthier? Who is not coming in to be seen, why and what can we do about that? What other work can be done?

The shrinking labor pool is a concern as opportunities for employment grow. Family Health Center offers programs and develops partnerships to help individuals' health improve, become job ready, find jobs, and keep jobs. Programs include:

- Working with local criminal justice divisions, treatment court coordinators, parole officers and the Workforce Development partnership on referral processes for dental and substance use disorder care and education of these teams about these issues and services offered
- Dental Centers are striving to work with local Job Centers more closely to develop seamless and timely referrals

We appreciate the bipartisan support and the investment the legislature has put into Community Health Centers. It is important to note this State Grant has been frozen for the past 10 years. Meanwhile need has grown. A \$4 million increase in the Community Health Center State Grant will assure that the one in twenty Wisconsin residents whom rely on Community Health Centers for care will be able to do so, well into the future.

Thank you for the opportunity to testify on behalf of the communities Family Health Center of Marshfield serves.

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N.E.W. Community Clinic

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January 29, 2020

To: Chairman Sanfelippo Members of the Assembly Committee on Health

RE: Assembly Bill 726 (SB 651): Community health center grants and making appropriation

- Thank you for the opportunity to testify today on behalf of N.E.W. Community Clinic in support of Assembly Bill 726 (SB 651) which would increase state grant funding for Health Centers by \$2 million annually.
- My name is Tony Lee and I'm the health benefit coordinator for N.E.W. Community Clinic. I have been with the clinic for over ten years.
- A brief history of our clinic is that in 1970 a young college student, while serving an internship identified a gap in the availability of medical services for a large group of people—from there we opened in 1971 in a second floor apartment and staffed entirely by volunteers. We moved to our modern care facility downtown Green Bay in 1987, and we are still there today.
- Our clinic in downtown Green Bay is a full service, patient centered medical home clinic, offering services in medical, dental, mental health and AODA counselors. Three hospitals on a rotating basis complete our lab work at no cost and discount for our clients who need any other services including surgeries. We also use sample medications donated to us. We see about 400 patients a month with 9% being children and all of patients are low income and uninsured.
- We also have a collaborative arrangement with the Medical College of Wisconsin which the residents provide free psychiatric care to the low income and uninsured in our clinic.
- In our most recent patient survey, it was evident that, we as a clinic play a vital role in the health, happiness, and continued employment of our patients.
 - Our staff was rated 9.56 out of a high of ten
 - o 93% stated that we met their medical needs
 - 59% stated that we saved them from going to the ER—If those patients would have gone to the ER at an avg cost of an ER visit it would have resulted in over \$2.5-\$2.7 million in cost
- We also screen for dental and then refer our uninsured patients to either our west or our east side location. With the opening of our east side location, dental ER visits have decreased 50% from 2014 to 2019.
- In closing, we are committed to serving with empathy and compassion while being non-judgmental and accepting. We create a positive environment for our clients, staff and volunteers to foster a trusting relationship. Our patients are all low income, uninsured and many of them are one check away from being homeless. We are the safety net for keeping our patients employed, out of medical debt, healthy and active in our community. Without our clinic, and our providers, many of our patients would have nowhere to go. Funds will go directly towards primary health care, psychiatric counseling, pediatric care, and expanding our case management to facilitate follow up care and reduce ER visits for the uninsured and low income in Green Bay. Thank you.



TO: Chairman Sanfelippo Members of the Assembly Committee on Health

RE: Assembly Bill 726 (SB 651): Community health center grants and making an appropriation

Chairman Sanfelippo and Members of the Assembly Committee on Health. Thank you for the opportunity to testify today on behalf of the Wisconsin Primary Health Care Association (WPHCA) in support of Assembly Bill 726 (SB 651) which would increase state grant funding for Health Centers by \$2 million annually.

The Wisconsin Primary Health Care Association is the membership organization for the 17 federally qualified health centers (FQHCs or Health Centers) in Wisconsin. Health Centers are non-profit, community-directed medical, dental, and behavioral health providers. In Wisconsin, Health Centers annually serve over 300,000 patients in communities throughout the state, with 1 in 5 patients lacking insurance.

Over 50% of Health Center patients in Wisconsin live in poverty and face multiple social and environmental factors that affect both their need and access to health care services. These factors include residing in communities that are considered federally-designated health professional shortage areas (HPSA), areas that may be remote and/or geographically challenging, and communities hit hard by the opioid crisis and other substance use disorders that lack the resources to provide the needed Substance Use Disorder and mental health treatment. Additionally, many patients struggle with obtaining and maintaining health coverage.

The state Health Center grant funding, which has stayed level at \$5.49 million over the last ten years while the number of patients and communities served has increase and service lines added, is distributed among the Health Centers in proportion to how funding for the Federal Health Center grant is allocated. This funding has helped Health Centers to make significant impacts tailored to the specific needs of the communities they serve. These include:

- Increasing access to oral health care, particularly for vulnerable populations
- Continuously reinvesting in innovative quality improvement activities that improve quality of care and care outcomes
- Significantly broadening access to substance use disorder (SUD) treatment and co-located mental health services
- Improving access to preventive care and chronic disease management, reducing overall cost
- Building partnerships that directly impact the health of entire communities

5202 Eastpark Blvd., Suite 109, Madison, WI 53718 • Phone 608-277-7477 • Fax 608-277-7474 E-Mail: wphca@wphca.org • Website: www.wphca.org A \$2 million annual increase in the State Grant, bringing the total to be distributed among health centers to \$7.49 million, allows health centers to continue and expand upon current state grant programs and activities. For example:

- \$1 million investment could support nearly 32,000 dental visits to low income residents
- \$1 million investment could support the work of 18 Behavioral Health/Substance Use Disorder Therapists providing access to critical care to over 3,000 patients

In addition, increased investment through the state grant gives Health Centers the opportunity to develop services and programs to help address legislative and executive priorities such as workforce readiness and development and expanding access to health services for rural and agricultural areas.

Wisconsin's Community Health Centers recognize the connection between health and work readiness. They not only engage in providing services to help their clients get and stay healthy, but also offer programs and partnerships to help individuals in their communities become job ready, find jobs and keep jobs. programs include:

- Partnering with counties and other community organizations to connect patients with employment opportunities
- Providing community members and partnering with state programs like Division of Vocational Rehabilitation to provide work experience opportunities within a Health Centers.
- Assisting patients in overcoming health related barriers to work. Unmet dental needs are a barrier to work, particularly in service-related jobs. Substance use disorders can be barriers jobs in service and manufacturing.
- Partnering with community organizations to help provide supports to overcoming barriers to work including issues like access to childcare and transportation.

We hope that increased state grant funding along with more partnerships with the state, counties and community groups will help Health Center continue and expand these programs.

The Wisconsin Primary Health Care Association greatly appreciates the bi-partisan support for an increased state investment in Health Centers and the communities they serve. We look forward to supporting our member Health Centers as they work to meet the needs of their patients. Thank you for the opportunity to testify on behalf of our members.

Sincerely,

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Carly Meyer, Advocacy and Communications Coordinator Wisconsin Primary Health Care Association

ABOUT WPHCA:

WPHCA is the membership association for Wisconsin's 17 Federally Qualified Health Centers (FQHCs) also known as Community Health Centers (CHCs). Community Health Centers work to create healthier communities by improving access, providing quality health care and reducing health disparities for Wisconsin's underserved and low-income populations. Our aim is to ensure that all Wisconsinites achieve their highest health potential. We execute our mission and focus our aim through providing training and technical assistance to Wisconsin's Community Health Centers and advocating on their behalf.

Wisconsin State Health Center Grant AB 726/SB 651

Health Centers use State Grant funds to make significant impacts in every community they serve, including:

Increasing access to oral health care, particularly for vulnerable populations

Continuously reinvesting in innovative quality improvement activities that improve quality of care and care outcomes

Significantly broadening access to substance use disorder (SUD) treatment and co-located mental health services.

Improving access to preventive care and chronic disease management, reducing overall cost

Building partnerships that directly impact the health of entire communities.

Providing start-up funding for new services that may be reimbursable longer term.

Over the last 10 years Health Centers have increased the number of patients served and the services provided while state funding has remained level (2008-2018)



A \$2 million increase in the state grant award would allow Health Centers to reach even deeper into the communities they serve and address state health priorities.

\$1 million state grant investment could support nearly 32,000 dental visits to low income residents

\$1 million state grant investment could support the work of 18 Behavioral Health/Substance Use Disorder Therapists providing access to critical care to over 3,000 patients

