



February 7, 2019

Senator Tom Sherman, Chairman
Senate Health and Human Services Committee
Legislative Office Building, Room 101
33 N. State Street
Concord, NH 03301

RE: SB 293-FN relative to federally qualified health care centers and rural health centers reimbursement

Dear Chairman Sherman and members of the Health and Human Services Committee:

Thank you for the opportunity to speak to you on SB 293, which requires the New Hampshire Department of Health and Human Services to reimburse federally qualified health centers and rural health centers (community health centers) for services provided to Granite Advantage Health Care Program enrollees whose benefits are suspended due to failure to comply with the work requirement. Bi-State Primary Care Association urges the Committee vote SB 293 “ought to pass.”

Bi-State Primary Care Association is a non-profit organization that works to expand access to primary and preventive care for all New Hampshire residents. We also represent New Hampshire’s 15 community health centers, which are located in medically underserved areas throughout our state. The community health centers are non-profit organizations that provide integrated oral health, substance use disorder treatment, behavioral health, and primary care services to over 115,000 patients, most of whom live below 200% of the federal poverty level or \$24,120 for an individual.¹ Community health centers serve approximately 18% of the state’s Medicaid enrollees and 24% of the state’s population. Over the last five years, demand for the health centers’ services has grown, with a 6% increase in patients, and a 12% increase in patient visits. Community health centers must serve patients regardless of their ability to pay or insurance status. Some health centers, many health centers, including Manchester Health Care for the Homeless, Harbor Homes, and Manchester Community Health Center, serve predominantly Medicaid patients.

Since the passage of SB 313 in 2018, Bi-State and our members have grown exceedingly concerned about the unintended consequences of the community engagement requirement included in the bill and the administrative rules. As you know, the Granite Advantage Health Care Program must complete 100 hours of qualifying activities in order to maintain eligibility. If a person fails to meet the 100 hours and fails to cure the deficiency, the beneficiary’s coverage will be suspended. Community health centers are funded in part by the Health Resources and Services Administration. Congress was very intentional with this funding and specified that HRSA funds shall not be used to supplant Medicaid. Based on conversations with our national association and HRSA, it is our current understanding that community health centers may use their HRSA grants to pay for services provided to patients whose Medicaid expansion benefits have been suspended because of failure to comply with the work requirement. This issue has been raised to the Centers of Medicare and Medicaid Services (CMS) by the New Hampshire Department of Health

¹ Health Resources and Services Administration, Uniform Data System, NH Rollup (2017), federally qualified health centers are required to submit patient demographics, services offered and received, clinical data, and payer information to the Health Resources and Services Administration annually; BSPCA Survey of Membership (2018).

and Human Services (DHHS) and CMS has not provided an answer. This issue has multiple implications, including reducing the amount of funding available to serve truly uninsured patients. Like other small, nonprofit health care organizations, health centers' revenue includes insurance reimbursement, both public and private, grants, and donations. Any reductions in their insurance reimbursement requires the health centers use their very limited grant dollars for purposes they were not intended for: Medicaid beneficiaries.

It is common for grant funding to include clauses in the contracts relating to supplanting Medicaid. For example, the substance use disorder treatment providers expressed the same concern as to whether or not they were allowed to use their grants from the Bureau of Drug and Alcohol Services to serve patients whose enrollment in the Granite Advantage has been suspended. To date, CMS has not addressed this question. We have also raised concerns with DHHS regarding how the "suspension" of a beneficiary affects her ability to enroll in other Medicaid programs, including the family planning benefit. The financial eligibility threshold is higher than the eligibility threshold for Medicaid expansion. If a person's enrollment in the Granite Advantage is suspended, can she then qualify for the family planning benefit? Will this be done automatically? To date, CMS has not addressed these questions.

We are also very concerned that the administrative burdens placed on community health centers as a result of the community engagement requirement will distract clinicians from treating patients because of the added forms the clinicians must complete and strain administrative and billing staff. Health Care providers will be responsible for checking each patient's insurance status before their visit, as they do now. The Department continues to implore health care providers to assist in ensuring no patient loses their insurance benefit as a result of noncompliance with the work requirement and understandably so. No one wants to see a patient lose valuable health insurance coverage. That being said, community engagement requirement creates an added layer – the health center must now verify whether the patient is in compliance with the work requirement and conduct outreach to each patient to notify them of the community engagement requirement and assist the patient in compliance. We have asked DHHS to allow the health centers and other providers to access this information in "batches," rather than patient by patient. It is our understanding that DHHS is researching whether or not its systems have this ability. To further complicate the situation, the navigator network no longer exists in New Hampshire. This is a significant reduction in consumer assistance available to Granite Staters.

In short, we believe that the community health centers should be reimbursed for services provided to Granite Advantage Health Care Program beneficiaries whose coverage has been suspended because of the financial and administrative burden placed on the health centers. Safety-net providers cannot bear the financial burden and the uncertainty of compliance with the community engagement requirement. We respectfully request you recommend SB 293 "ought to pass."

Please do not hesitate to contact me if you have any questions or would like more information.

Sincerely,

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