

525 Clinton Street
Bow, NH 03304
Voice: 603-228-2830
Fax: 603-228-2464



61 Elm Street
Montpelier, VT 05602
Voice: 802-229-0002
Fax: 802-223-2336

www.bistatepca.org

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Contact: Susan Noon, MBA, APR
603-228-2830 x 144 snoon@bistatepca.org

Proposed Cut to Community Health Centers Impacts All

NEW HAMPSHIRE -- NH stands to lose at least 47 primary care clinicians, reduce access to primary care medical homes to nearly 12,000 people, increase the use of hospital emergency rooms for non-emergent care, and eliminate services that have been successful in preventing the advancement of diabetes and asthma by cutting a budget line by an amount that represents one-quarter of one-percent of the State's Department of Health and Human Services budget. This very small percent of the State's DHHS budget represents a whopping 42% cut to New Hampshire's Community Health Centers where more than 112,000 people receive their primary care. The economic health of the state is also impacted given that NH's Community Health Centers currently employ more than 1,000 people and have an economic impact of \$77 million¹.

Governor Lynch has stated that one of his health care initiatives is to ensure that all residents have a "medical home." The medical home model of care emphasizes a "whole person" coordination of care by providing patients with a single source of entry for medical, dental, and behavioral health care. "By connecting people to an integrated system of care, the cost of providing care across the spectrum is greatly reduced for the entire health care delivery system," notes Tess Stack Kuenning, Executive Director of Bi-State Primary Care Association.

During his public testimony on March 10 at the State House, Dr. Frederick Kelsey, Medical Director at Mid-State Health Center in Plymouth, said, "I served as a member of the Governor's Health Workforce Commission and one of the major findings of that committee's work was the challenge New Hampshire faces in recruiting and retaining primary care clinicians to our state. Many of our Community Health Centers report that these cuts will lead to a reduction in their workforce by as many as 47 positions. If we lose these talented and committed individuals, they will be very difficult to replace." Kelsey reminded the legislators that it costs about \$250,000 to place a physician in a medical practice.

"New Hampshire's Community Health Centers are non-profit organizations that provide comprehensive primary and preventive care services to anyone *regardless of ability to pay*," Kelsey continued. The \$4 million in proposed cuts to the Primary Care Contracts represent a 42% reduction to the Community Health Centers' General Fund appropriations." Kelsey gave five reasons why it matters, including pointing out that "Access to primary care does save money – early interaction will stop the chain of events that leads to costly care." He addressed the economic benefit of Community Health Centers with several years of financial data, "Mid-State Health Center began utilizing the primary care contract dollars in 2008. In the first twelve months of receiving state funding, we more than doubled our community care services and have

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maintained that same level throughout the past 3 years. With these funds, we are able to provide outreach and offer a sliding scale fee schedule to those patients who would otherwise go without primary and preventive care. For every dollar the state granted Mid State through the primary care contract, we delivered \$2.00 in health care services. If we don't have access to these funds going forward, what do we tell these people?"

Additional testimony on behalf of the Community Health Centers was given by Steven Densberger, Vice President of Pennichuck Corporation of Merrimack and a board member and vice chair of Lamprey Health Care, a Community Health Center with medical offices in Newmarket, Raymond, and Nashua. "I have read about this Legislature's interest in targeting the State's limited dollars toward programs that can demonstrate that they work. Lamprey Health Care and the State's Community Health Centers certainly meet and exceed those criteria. I realize that you will have to make cuts to balance the budget, but I ask you to please avoid making the mistake of taking away these critical resources for a network of medical providers who are meeting the critical needs in our local communities. I ask you to please restore these cuts."

The proposed Federal Budget cut of \$1.3 billion to the nation's Community Health Centers, converging with the proposed \$4 million in the biennium budget cut in NH, could dismantle our health care system. The proposed budget cuts to NH Community Health Centers puts the health of tens of thousands of NH residents in jeopardy and risks the closure of Community Health Centers throughout the state.

With offices in Bow, NH, and Montpelier, VT, Bi-State Primary Care Association is a nonpartisan, nonprofit charitable organization that works with federal, state, and regional health policy organizations and policymakers, foundations, and payers to develop strategies, policies, and programs that promote and sustain community-based, primary health care services.

¹*Primary Care Revolution* – Economic Impact Analysis prepared by Capital Link/2009 UDS data