

Testimony of Ms. Lindsay C. Farrell
President and CEO, Open Door Family Medical Center, Inc.
Before the House Appropriations Subcommittee on Labor, Health and Human Services,
Education, and Related Agencies
Wednesday, March 18, 2009 2:00pm
Room 2358 of the Rayburn House Office Building

Introduction

Chairman Obey, Ranking Member Tiahrt, and Members of the Subcommittee:

My name is Lindsay Farrell, and I am the President and CEO of Open Door Family Medical Center, Inc. We are located in the suburbs north of New York City in Westchester County, New York where we operate eight health centers and serve 32,000 patients. What is interesting is that Westchester is one of the wealthiest counties in the Country, yet income disparity between the rich and poor is huge-- more than 55% of the people served by Open Door have no health insurance what so ever. The rest of our patients are covered by essential government programs like Medicaid, SCHIP, and Medicare and only a small number (3%) are covered by commercial insurance provided through their employers.

And so, on behalf of the 18 million patients served by community health centers nationwide, as well as the volunteer board members, staff, and countless members of the health center movement, I want to thank you for this Subcommittee's unyielding support for health centers and your dedication to the health center mission of providing affordable, accessible primary health care to all Americans. In this time of enormous challenges in our health care system and our economy, your faith in us and your support through the Recovery Act will allow us to rise and meet these challenges and continue to excel. With your ongoing support, our cost-effective, high quality system of care can continue to expand, reaching 30 million Americans by 2015.

About Community Health Centers

Over more than forty years, the Health Centers program has grown from a small demonstration project to an essential element of our nation's primary care infrastructure.

Today, health centers serve as the primary health care safety net in thousands of communities and, thanks to your support, the federal Health Centers grant program enables more low-income and uninsured patients to receive care each year. Health centers currently serve as the family doctor and health care home for one in eight uninsured individuals, and one in every five low-income children. Health centers are helping thousands of communities address a range of increasing (and costly) health problems, including prenatal and infant health development, childhood obesity, chronic illnesses, mental health, substance addiction, oral health, domestic violence and HIV/AIDS.

Federal law requires that every health center be governed by a patient majority board, which means care is truly patient-centered and patient-driven. Health centers must be located in a federally designated Medically Underserved Area (MUA), and must provide comprehensive primary care services to anyone who comes in the door, regardless of ability to pay. Because of these characteristics, the insurance status of health center patients differs dramatically from other primary care providers. As a result, the role of public dollars is substantial. Federal grant dollars, which make up roughly twenty-one percent of health centers' operating revenues on average, go towards covering the costs of serving uninsured patients and delivering care effectively to our medically underserved patients. Just over 40% of health centers' revenues are from reimbursement through federal insurance programs, principally Medicare and Medicaid. The balance of revenues come from State and community partnerships, privately insured individuals, and low-income uninsured patient's sliding-fee payments.

About Open Door Family Medical Center and Its Importance to Our Area

Open Door is an essential health care provider in Westchester County because we are the family doctor and dentist to people who otherwise would have to seek care in our local hospital emergency rooms. As you can imagine, our three hospital partners are tremendously supportive of Open Door because we are open six days a week and evenings, we are on call 24 hours a day and as a result, we prevent non-urgent emergency room visits. Additionally we provide our State's Prenatal Care Assistance Program; our obstetricians and midwives delivered nearly 600 new babies last year. Further, our dentists and hygienists are deeply committed to prevention and use precious resources wisely- we have sealed the vast majority of our children's molar teeth

so they won't grow up with a mouth full of cavities. Our nutritionists too are determined to educate about the importance of eating the right foods and the lifetime benefits this will provide to every family. At Open Door, doctors, dentists, nutritionists and social workers all work as a health care team all together under one roof. We are a "health care home" that provides immunizations and an array of health screenings, works to prevent disease, and treat illnesses. But importantly, we also strive to engage patients so that they will do what they need to in order to be healthy. We know this is the best way to use health care dollars effectively.

Funding Background

I know I speak for health centers nationwide when I say how deeply we appreciate the funding increases for the Health Centers program that the Subcommittee has approved over the last several years. This expansion effort has brought access to care to millions who were previously medically disenfranchised. Since 2001, this Subcommittee has nearly doubled the investment in the Health Centers program. In that time more than 2,600 new health center sites have been created, and more than 8 million new underserved patients have gained access to care in a health center. In addition to an overall funding increase, the Subcommittee has also recognized the importance of keeping existing centers stable by providing base grant adjustments. I urge you to continue to support this balanced approach which maintains support for existing centers while expanding the health centers program to serve new patients and enhance services.

The importance of increased funding that balances our need for base grant growth and expansion is demonstrated in my own health center. Because we have been caring for increasing numbers of uninsured patients over the last ten years, our base funding simply has not kept pace with patient demand and rising costs. While we pursue every competitive grant opportunity we can in order to continue to enhance and expand our services, and we do a tremendous amount of private fundraising to bring in as much additional revenue as we can, we have no other stable source of funds that allow us to keep our services accessible to all who need them. Further, increasing costs—most notably employee health insurance and highly competitive nursing salaries- have placed a huge burden on the expense side. Base grant adjustments are absolutely essential in allowing maximum access for the uninsured of our community.

Reauthorization

The importance of continuing the health centers expansion has also been recognized by the Congress as whole. Late last year, in the culmination of a multi-year process, Congress unanimously passed the Health Care Safety Net Act of 2008. This legislation contains specific funding targets, which, if realized would grow health centers across the country to serve 30 million patients by 2015. We were immensely proud that this legislation garnered unanimous support in both chambers of Congress, and was signed by former President Bush. When he was in the Senate, President Obama was also an original co-sponsor of this legislation.

This Year's Request

Despite the record expansion of the health centers program, hundreds of communities have submitted applications for a new health center over that last few years that received very high scores, but could not be funded due to lack of funds. You recognized the overwhelming need and enthusiastic desire in countless communities to expand these valuable health care services with your support for operations funding in the Recovery Act. With additional resources, health centers stand ready to provide our low-cost, highly effective care to millions more individuals and families in need. Health centers also look forward to health reform, and we are eager to do our part to ensure that with improved coverage, there is also access to care. Increased resources for health centers will help to grow the primary care infrastructure that is essential to ensuring that the government's investment in reform translates into improved health and wellness for the nation.

An investment of **\$2.602 billion** for the Health Centers program in Fiscal Year 2010, the authorized level, could expand this system of care to millions of new patients. Carving out **\$66 million** of that increase for base grant adjustments for existing health centers would ensure that these centers can keep pace with rising health care costs and rising numbers of underserved patients. This level of funding in FY2010 will also keep the Health Centers program on a path towards reaching our collective goal, embodied in the Health Care Safety Net Act, of reaching 30 million patients by 2015.

Conclusion

I know that the members of this Subcommittee are well aware that the Health Centers program is an unprecedented health care success story. Entities ranging from OMB to IOM to GAO have recognized the efficiency and effectiveness of our model. There are also countless published studies that demonstrate our excellence in chronic disease management, our ability to reduce health disparities, lower costs, and generally improve outcomes across demographic lines and in a variety of communities.

However, the reason I am most proud to be here as the representative of community health centers nationwide and my own center, Open Door, is the way we are transforming health care at the grass roots where we sit at the intersection of private practice and public health. Health centers are unique in their vantage point and have much to contribute to the debate over health care reform as a result. For example, because we have to do a tremendous amount of reporting about our clinical outcomes to HRSA, Open Door implemented an electronic medical records system about a year and a half ago. Today we are realizing the benefits of mining our data to improve clinical practice. Thanks to HRSA, we are JCAHO Accredited and quite effective at change management and Performance Improvement. We monitor our clinical care relentlessly to be sure we are always following evidenced based standards and we publish a clinical report card regularly to tell the community how well we are doing. We look forward to sharing this data with other medical practices (the way they do in Wisconsin in Congressman Obey's district) and pushing for greater transparency among our medical colleagues. Changing the "medical ecology" is not as easy as it sounds but at Open Door we believe we will be an agent for change by giving patients much more information about how well we are delivering value to our community and the patients who rely on us.

I know the very difficult funding decisions you are forced to make in these tough times. However, health centers provide a true, documented value to the government and to all who benefit from their services. Please continue your outstanding support our efforts once again this year.