Chairman Burke, Ranking Member Goyal, and Members of the Health and Human Services Subcommittee, my name is Tom Horan, and I am the Executive Director of Columbus Neighborhood Health Centers, a Federally Qualified Health Center here in Franklin County with 6 health care delivery sites serving over 20,000 patients in 2010. I am also a member of the Ohio Association of Community Health Centers (OACHC), which represents all of Ohio’s 37 Community Health Centers with more than 160 sites throughout the state, serving nearly 500,000 patients. Joining me on the panel are Mark Bridenbaugh, CEO of Family Healthcare and Treasurer of OACHC, and Dr. Kris Drummond, Dental Director of Akron Community Health Resources.

Our testimony will focus on some very positive elements of the Governor’s proposed budget, background information regarding the Health Center value proposition, and a plea for restoration of the state’s General Revenue Fund investment in Health Centers – funding that is critical considering our growing uninsured and underinsured patient populations.

**Positive Initiatives in the Governor’s Proposed Budget:**
We commend the Governor for his proposal to continue funding the Adult Dental Medicaid Program, particularly because its impact directly coincides with the overall health of our low-income children and families as well as it is vital to the sustainability of Ohio’s established dental delivery system in our underserved communities. We are also enthusiastic about the proposed CMS Health Homes for Medicaid Enrollees with Chronic Conditions initiative to be implemented in FY 2013. Heath Centers look forward to helping define the parameters of the Health Home program and believe that our effective and efficient delivery model will be critical to its implementation.

**The Heath Center Value Proposition:**
As the health care landscape evolves, Ohio’s Health Centers stand ready and are leading this transformation with quality primary health care services, better access for more people, and lower health care costs that benefit the Ohio taxpayer and our state’s health care system. We bring a proven model of health care delivery that for over 45 years has defined the basics of a health care home.

The health care and economic challenges we face as a state today are tremendous, and everyone is rightly focused on value – patients, providers, payers, and federal, state and local governments. Designed to be an effective primary care safety net, Ohio’s Health Centers have achieved an unparalleled record of stability, cost-effectiveness, and quality improvement as they have grown to serve a half million Ohioans.

<table>
<thead>
<tr>
<th>Average Cost Per Patient Per Day</th>
<th>1. Hospital Inpatient............ $41.36</th>
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<tbody>
<tr>
<td>2. Hospital Outpatient........... $7.59</td>
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<tr>
<td>3. Emergency Room................ $3.64</td>
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<tr>
<td>4. All Physician Settings........ $2.64</td>
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<tr>
<td>5. Health Center.................. $1.67</td>
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Drawing from years of experience on the front lines of health care, we see the results of our work every day – from healthier newborns to better health outcomes for adults with chronic illnesses. Treating people before they get sick with a costly illness does not have to cost a lot of money. We provide quality care at $1.67 per patient per day, compared to the US average of $2.64 at all physician offices (and far below the cost of a hospital stay - $41.36 per patient per day).
We are making a difference in the lives of people hit hard by the economic recession. Health Centers across Ohio have witnessed the thousands of people and their families who have lost health insurance due to job losses. Indeed many of these people have walked through our doors seeking care. In the past two years alone, Health Centers have served over an additional 100,000 people, many of whom are uninsured.

Because Community Health Centers are located in areas where traditional primary care doctors and dentists typically are in short supply or are unwilling to accept uninsured or Medicaid patients, this accessible and comprehensive care is like no other health care provider in Ohio, or even the country. Every Health Center is a not-for-profit, locally controlled and operated entity with a volunteer Board of Directors that is comprised of a patient-majority (and often having other community leaders on the Board as well), assuring that the health care delivery plans are reflective of the true health needs of the community each Health Center is serving.

By being responsive to their communities’ individual needs, Health Centers improve the health and well-being of their patients utilizing a locally-tailored health care home model designed to coordinate care, manage chronic disease, keep patients out of costly hospital emergency rooms and reduce referrals to specialty care.

Health Centers meet or exceed nationally accepted practice standards for treatment of chronic conditions. In fact, the Institute of Medicine and the Government Accountability Office have recognized Health Centers as models for screening, diagnosing, and managing chronic conditions such as diabetes, cardiovascular disease, asthma, depression, cancer, and HIV. Health Centers’ efforts have led to improved health outcomes for their patients, as well as lowered the cost of treating patients with chronic illness.

The care received at Community Health Centers is ranked among the most cost-effective. In fact the Community Health Center Program has been so successful at achieving its objectives that the federal Office of Budget and Management has rated it as one of the top federal programs and the best competitive grant program within the U.S. Department of Health and Human Services. Research shows Health Centers yield substantial cost savings to the health care system by providing a health care home that focuses on prevention, effectively manages chronic conditions, and reduces emergency department visits, specialty care, hospitalizations, and other avoidable, costly care. A recent George Washington University study states that for every dollar in Health Center funding reductions, $11.50 in potential savings is lost as a result of reduced Health Center capacity to efficiently manage care and reduce avoidable costs.

Health Centers currently save over $1,200 per patient annually even though they often provide services not typically furnished in other care settings. Further, Health Centers save the Medicaid program around 30% in annual spending for Health Center Medicaid patients. Health Centers produce a high return on investment in providing an appropriate and reliable health care home for their patients and reducing reliance on costly emergency department visits for primary care.

![Health Centers Save Money](Image)

Specifically, if avoidable visits to emergency rooms were redirected to Health Centers, over $18 billion in annual health care costs could be saved nationally, with nearly $1 billion in savings in Ohio alone.

**Caring for the Uninsured:**
More people are joining the ranks of the uninsured and need access to affordable, quality health care. In fact, according to the recently released Ohio Family Health Survey, more than 308,645 working-age adults were added to the ranks of the uninsured over the last 5 years; nearly half or 143,709 Ohioans became uninsured within the past two years.
Community Health Centers are the solution for these people. HB 153 proposes to eliminate state funding that aid and assist Ohio’s Community Health Centers in providing care to the uninsured, a loss we simply cannot afford when our uninsured patient population continues to rise. It is important to note that our funding does not automatically fluctuate as the number of uninsured patients or the number of Ohio Health Center organizations increase.

So while Health Centers are used to, and are quite good at doing more with less, it would be a mistake to think we can continue to provide quality care to more uninsured Ohioans without state investment. Now is not the time to eliminate state funding as any funding cuts represent care denied and savings lost!

We are cognizant of the fiscal constraints the state is facing, which is why we do not stand here today and ask for an increase, but rather request that you hold the Health Center Program harmless and restore funding for the Program at the current biennium levels. Specifically, we respectfully request the restoration of $2.68M per state fiscal year to Line Item 440-465, Federally Qualified Health Centers housed at the Ohio Department of Health. This will maintain current funding levels for the Ohio Community Health Center Program through FYs 2012-13 and continue to support access to quality care for over 54,000 uninsured patient visits.

Undoubtedly, the elimination of state funding for the Health Center Program will negatively impact the level of service that we can in turn provide to the uninsured patient population. Like any good business faced with this situation, we will look at every aspect of our operation before we reduce direct patient services. However, while we continue to look at revenue enhancement opportunities to improve our bottom line, even with such measures, service reductions will be necessary.

Our state funding assists Health Centers in providing care to our underinsured and uninsured patients, our fastest growing populations. Simply put, we provide the right care at the right time in the right setting, reducing inappropriate ER use, and lowering overall health care costs. We are the largest component of the primary care safety net system, and the state’s investment is critical.

We conclude by noting that our federal funding remains under a cloud of uncertainty. How the President and Congress will resolve their dispute concerning funding in the current federal fiscal year remains a question mark. What is clear is the vote in the U.S. House earlier this year that would cut sixty percent of our federal FY 2011 funding. We greatly appreciate Dr. Wymyslo joining our cause and taking his time to lobby our Congressional delegation for full federal Health Center funding. We also respectfully submit that all our federal-focused advocacy efforts are bolstered when the state is willing to do its part and also make an investment.

Chairman Burke, Ranking Member Goyal, Members of the Subcommittee, thank you for the opportunity to speak to the impact of HB 153 as introduced on the Ohio Health Center Program and our uninsured patient population. On behalf of our patients and the communities we serve, we respectfully request your support for restoration of Health Center Funding, continuing the current funding levels into the upcoming biennium. We are happy to respond to any questions.