HealthReach Community Health Centers

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February 20, 2022

Re: LD 1787 An Act to Improve the Quality and Affordability of Primary Health Care Provided by Federally Qualified Health Centers

Dear Members of the Health and Human Services Committee,

HRCHC is a federally qualified health center (FQHC) serving 26,290 patients across eleven rural locations with populations ranging from 850 to 3500 residents (Belgrade, Coopers Mills, Richmond, Albion, Bethel, Rangeley, Strong, Kingfield, Livermore Falls, Bingham, and Madison) and at a school-based health center at Lawrence High School in Fairfield. Approximately, twenty three percent of all HRCHC patient have Mainecare as their primary insurance coverage. All of HRCHCs' eleven practices are certified as patient centered medical homes and are nationally recognized for diabetes and heart/stroke care. HRCHC offers primary care, behavioral health, and psychiatric medication management services across all centers as well as dental care at two locations (Strong and Bingham) and substance use disorder services at nine locations.

HRCHC is **in favor of the proposed legislation**. Current Mainecare reimbursement rates for services delivered by community health centers are based on the costs of providing services **20 years ago** and have **not been adequately adjusted** to keep pace with increases in costs, intensity, and scope of services offered. Community health centers such as HRCHC have responded to patients' needs by expanding beyond primary care to integrate behavioral health, substance use disorder and psychiatric medication management services to create better care coordination and mitigate the transportation and wait list barriers often encountered by residents in rural communities. In addition, FQHCs have adopted electronic medical records, invested in patient portals, and contributed to Maine's health information exchange (HealthInfoNet) to better support patient care. The increased costs related to these investments in patient care have not been adequately recognized in Mainecare's reimbursement rates.

Investment in primary care is associated with lower costs, better patient experience, and lessened downstream use of more expensive healthcare services. Ensuring that resources are effectively allocated to support greater access to comprehensive, coordinated primary care is important to achieving a well-functioning healthcare system. Community health centers play a vital role in that system by locating in medically underserved areas which wouldn't have comprehensive primary care services without the presence of an FQHC. The ability to sustain these services in rural communities is eroding with recruitment challenges and increased costs of supplies. The barriers encountered by rural, underserved residents in communities like Bingham, Rangeley or Kingfield would be significant if they no longer had access to comprehensive services in their communities.

LD 1787 proposes to address the sustainability issue by re-basing Mainecare reimbursement rates for FQHCs rather than relying on the history of insufficient adjustments to a rate established 20 years ago.

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There is precedent for legislative sponsorship for this type of proposal given the support that was garnered in 2019 for rebasing the rates for rural health clinics. This proposed re-basing is important given the upcoming alternate payment structure proposed by Mainecare's new PC Plus program. Ensuring adequate reimbursement at the start of the PC Plus program will be critical to the ability of FQHCs to successfully participate in this program which will, in turn, impact the overall success of this newly proposed payment model.

In closing, we thank you for the opportunity to submit written testimony on this proposed legislation and encourage your support.

Sincerely,

Constance Coggins /

President/CEO

HealthReach Community Health Centers