Chairman Widener, Ranking Member Skindell, and Members of the Finance Committee, my name is Dana Engle, CEO of the Rocking Horse Center, a Federally Qualified Health Center in Clark County with four health care delivery sites serving over 13,500 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.

My testimony will focus on some very positive elements of the proposed budget, background information regarding the Health Center value proposition, and a plea for continued restoration of the state’s 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 Vision and Dental Medicaid Programs, 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 delivery systems 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. Health 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 Health 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.

**Average Cost Per Patient Per Day**

1. Hospital Inpatient ............. $41.36
2. Hospital Outpatient ............ $7.59
3. Emergency Room ............... $3.64
4. All Physician Settings .......... $2.64
5. Health Center .................. $1.67


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 U.S. 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.

**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.**
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 maintain restoration for the Program at the current biennium levels. Specifically, Sub. HB 153 completely restores the state’s GRF investment for FY 2013, appropriating $2.68M in Line Item 440-465 Federally Qualified Health Centers housed at the Ohio Department of Health, and provides $458,688 in GRF for FY 12 to supplement approximately $2.2M in repurposed, undispersed Public Health Priorities funds that the Association currently holds in trust. Combined, this maintains current funding levels for the Ohio Community Health Center Program through FYs 2012-13 and continues to support access to quality care for over 54,000 uninsured patient visits; and we respectfully ask this Committee to maintain this restoration.

Undoubtedly, the elimination of state funding for the Health Center Program would 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, Health Centers will look at every aspect of operations before reducing 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.

Each individual CHC receives a portion of the GRF allocation based on a formula of the center’s uninsured patient numbers. While each Health Center is its own locally controlled and operated non-profit organization and therefore makes its own financial decisions that are best for its operations, all Ohio Health Centers use their GRF dollars to care for the uninsured and the vast majority, if not all, use those dollars to pay provider salaries who in turn are providing care to the uninsured.

HB 153 as introduced zeroed out the state’s GRF investment in Community Health Centers for the next biennium, referencing federal investment of the national Health Center Program through the Affordable Care Act (ACA) as its justification. The ACA invests $1B in federal FY 11 to grow national Health Center capacity and expand services disbursed mainly through a nationwide competitive grant process with no guarantees for Ohio. It is important to note that these dollars are not duplicative to the state’s funding for our existing uninsured patients. It also should be noted that the Health Center Program received a $600M cut in the federal FY 11 appropriations package, which largely negates the impact of the investment made in the ACA.

Community Health Centers are the solution for these people. HB 153 as introduced proposed 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. I am pleased to say that the Ohio House of Representatives fully restored funding for the Health Center Program per Substitute House Bill 153 and fully recognized that 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 was and is not the time to eliminate state funding as any funding cuts represent care denied and savings lost!
Chairman Widener, Ranking Member Skindell, Members of the Committee, thank you for the opportunity to speak to the impact of Substitute House Bill 153 on the Ohio Health Center Program and our uninsured patient population. On behalf of our patients and the communities we serve, we thank you and your colleagues for your wisdom in restoring the Health Center line in the previous biennium and respectfully request your continued support for restoration of Health Center Funding as presented in Sub. HB 153, continuing the current funding levels into the upcoming biennium. I am happy to respond to any questions.

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Ohio’s Health Center Investment Compared to the Region