

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: SB-990

AN ACT CONCERNING COST-BASED REIMBURSEMENT FOR FEDERALLY

Title: QUALIFIED HEALTH CENTERS.

Vote Date: 3/2/2023

Vote Action: Joint Favorable Substitute Change of Reference to Appropriations

PH Date: 2/14/2023

File No.:

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SPONSORS OF BILL:

Human Services Committee

REASONS FOR BILL:

Federally Qualified Health Centers (FQHC) provide services to predominantly uninsured or medically underserved individuals in rural and urban communities. Due to the current Medicaid reimbursement rates, FQHCs have not been able to keep up with the increasing medical costs. Without this increase, FQHCs will not be able to provide services to the most vulnerable populations throughout the state. This bill would require changes to the existing Medicaid reimbursement for FQHCs.

SUBSTITUTE LANGUAGE:

The substitute language would require the CT Department of Social Services (DSS) to change the FQHC encounter rate based on an average of cost reports filed over the last two years within 60 days of FQHC filing notice of change in scope of services

RESPONSE FROM ADMINISTRATION/AGENCY:

Department of Social Services (DSS), William Gui Woolston, Director of Medicaid & Division of Health Services; opposes this bill as it conflicts with the federal regulations for FQHC reimbursement. The cost report released by FQHCs does not provide break out costs by payor source but includes costs for all payors (Medicaid, Medicare, private insurance, etc.). It is stated that this bill would require Medicaid to establish rates that would cover services already reimbursed by commercial payors and federal grants.

NATURE AND SOURCES OF SUPPORT:

The Arc of Connecticut, Director of Advocacy, Carol Scully; supports this bill stating that community health centers should be reimbursed for the actual cost of care.

Community Health Center, Inc., President & CEO, Mark Masselli; supports this bill as increasing the rates will allow them to continue providing services to individuals who are on Medicaid.

Fair Haven Community Health Clinic, CEO, Suzanne Lagarde; supports this bill stating that if the rates remain the same, then many FQHCs will be at risk and the quality of services will be decreased, harming underserved populations.

InterCommunity Health Care, President & CEO, Kimberly Beauregard; supports this bill stating that the current Medicaid rates do not keep up with the increasing costs. It is stated that many of their patients rely on Medicaid and having this increase will allow them to continue to service underserved communities.

United Community & Family Services, President & CEO, Jennifer Granger; supports this bill stating that without an increase, they would be forced to reduce services or have to lay off staff. It is stated this funding would allow them to continue providing quality services, care, and the retention of providers to all patients.

NATURE AND SOURCES OF OPPOSITION:

The following individuals oppose this bill and would request the legislature to grant a one-time appropriation of \$30 million to address the immediate needs health centers are facing. It is stated that health centers like CIFC Health do not receive adequate Prospective Payment System (PPS) rates to cover the cost of care. It is stated that to get a PPS rate increase would be a 'change in scope' request that would be submitted to DSS.

Community Health Center Association of Connecticut, Interim CEO, Kathrine Yacavone
Connecticut Institute for Communities, Inc., President & CEO, Katherine Curran
First Choice Health Centers, Inc., President & CEO, Jeffrey Steele
Generations Family Health Center, CEO, Melissa Meyers
Optimus Health Care, Inc. CEO, Karen Daley
Southwest Community Health Center, President & CEO, Mollie L. Melbourne
Wheeler, President & CEO, Sabrina Trocchi

Reported by: Chandra Persaud

Date: March 8, 2023