Connecticut Health Policy Project

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TESTIMONY to the Office of Health Strategy, Health Systems Planning
November 28, 2018
Re: Certificate of Need Application, Docket Number 18-32231-CON
Termination of Outpatient Primary Care Services
Ellen Andrews, PhD

Thank you for the opportunity share the CT Health Policy Project's deep concerns about this Certificate of Need Application. The CT Health Policy has worked for almost twenty years to expand access to high quality, affordable healthcare for every state resident. We are concerned that if this application is approved access to care for low-income New Haven area residents will be harmed and Medicaid costs to the state will escalate.

In speaking with New Haven area Medicaid members and community groups, we have found very few who are aware of the proposal. Most voice serious concerns when they hear the details. People are particularly concerned that the proposal will drive more patients to already crowded community health center sites. We have heard from providers in the current Yale-New Haven Primary Care Clinics (PCC) and beyond with grave concerns that the proposal won't meet the needs of their fragile patients. Community groups we've met with on the issue are deeply concerned about transportation barriers to care and are skeptical about Yale-New Haven's (YNHH) answer to the question. Unfortunately, neither the providers nor community groups are comfortable sharing their concerns publicly. Beyond the New Haven are, the CT Health Policy Project is very concerned about escalating Medicaid costs to the state of this proposal together with the five other hospitals that have already transferred clinic patients to federally-qualified health center (FQHC). It is very possible that more will consider this option to raise revenue.

If this CON is approved, **uninsured YNHH patients would pay significantly higher costs** for their care when they become FQHC patients. PCC does not charge patients with incomes below 2 ½ times the federal poverty level or $30,350/year for a single person, and discounted care above that level. In contrast, both FQHCs charge uninsured patients for almost all care, at least $20 and up to hundreds of dollars depending on the service, which is higher than state employee plan co-pays. Patients who cannot pay their bills may be referred to a collection agency and can be considered for "discharge".

There are serious **transportation concerns** with the proposal. Sargent Drive is not in a residential neighborhood. Travel from the other three clinics by bus during the day ranges from 20 to 45 minutes, including up to 29 minutes of walking and two busses. As acknowledged in the application, current

patients could shift their care to closer current FQHC clinic sites, adding to long wait times there. In the CON, YNHH states that they would consider options to ease travel, but no plans or promises are provided and transportation costs are not included in the proposal.

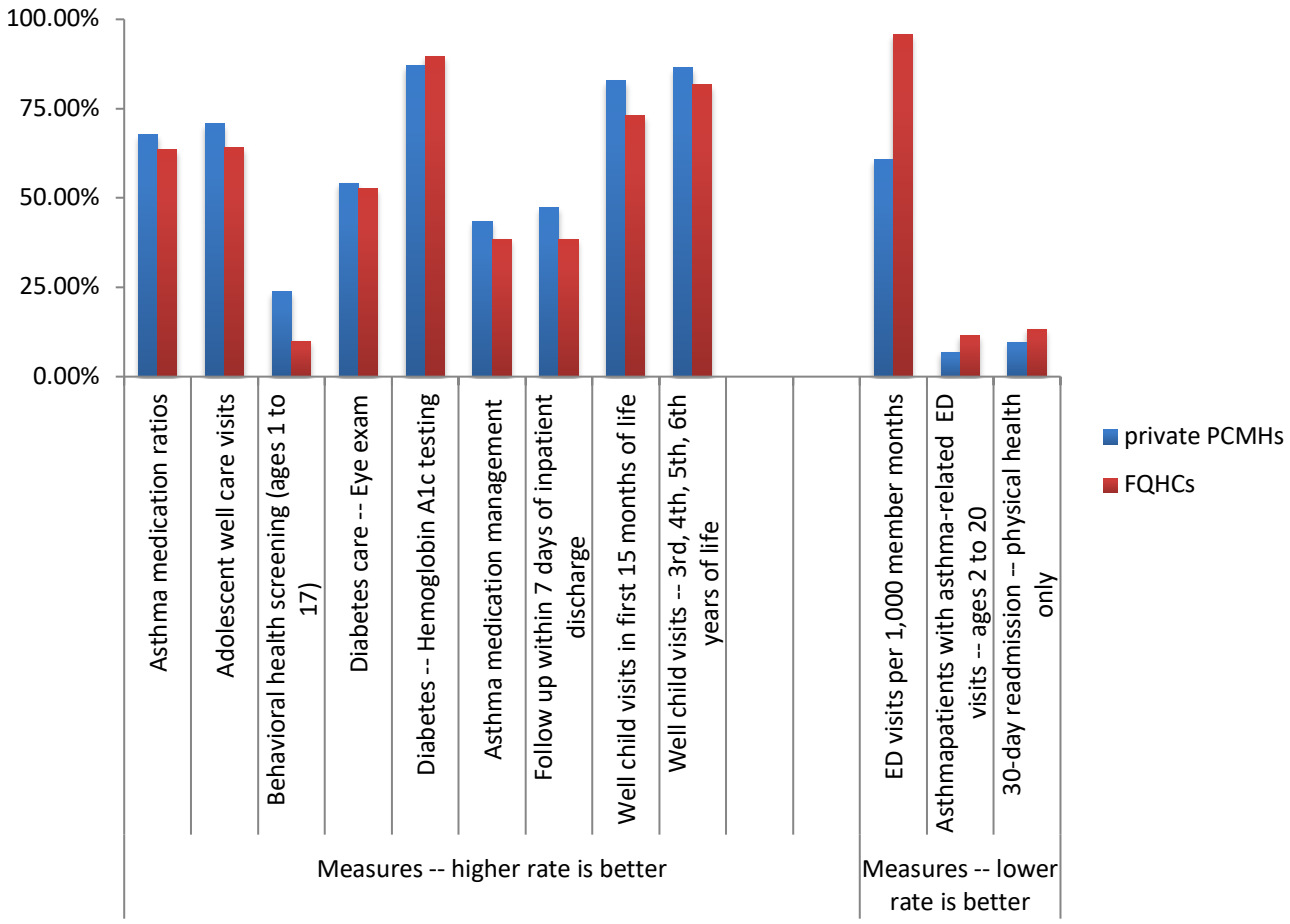
YNHH expects to save $8.3 million annually when this plan is fully implemented, largely by **increasing state funding**. According to the CON application, "Shifting active management to [the FQHCs] allows for increased reimbursement through the FQHC enhanced Medicaid rate structure." An additional cost to the state, beyond the higher rates for services, would be another $1.2 million each year to these two FQHCs for the enrollment of thousands of new members into their networks in the state's new PCMH Plus program. These state costs are in addition to five other Connecticut hospitals that have already shifted their primary care clinics to local FQHCs. These additional costs to the state budget **could result in cuts to the Medicaid program or other services.**

While the addition of **behavioral health capacity in the clinic is helpful**, the loss of access to the heavily-used pharmacy in the building at the St. Raphael's campus or very close by (York Street site) is very likely to **reduce medication adherence, causing significant harm**. If the medication assistance program ends, **many uninsured patients will not be able to afford** crucial medications, whether or not they can access a pharmacy. There are significant concerns about **access to abortion services** under the new plan. Another area of savings includes a plan to **increase the number of patients YNHH providers see** each day which is likely to reduce time with patients, the quality of care, patient's compliance with appointments or understanding of care plans. There are evolving **concerns about the new site's capacity** for training the numbers and types of trainees served in the current facility, as well as sufficient space for current patient care.

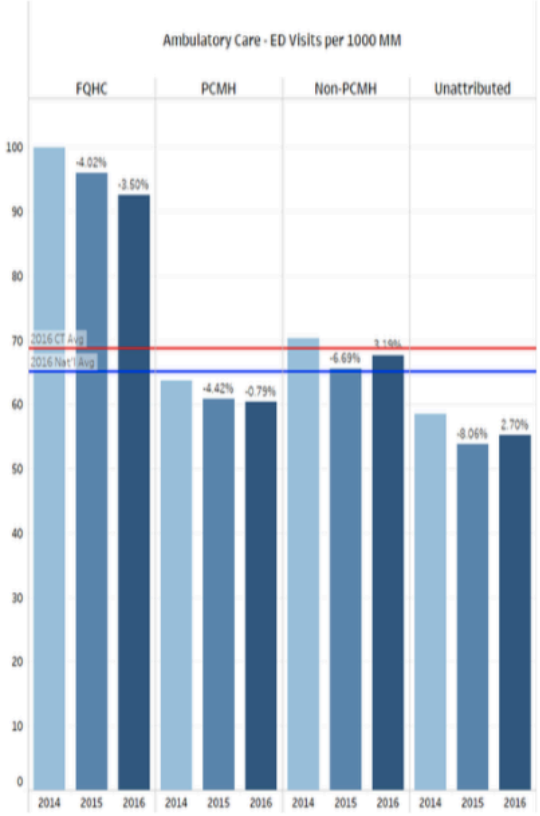
YNHH's grant to the FQHCs in the event of losses is capped. Anticipated sources of revenue to fund the venture are dependent on future state financing and policies, which are very uncertain. Any costs above the grant are the responsibility of the FQHCs. If they cannot negotiate a deal, FQHCs may leave the joint venture with one year's notice. **Losses could result in reductions in services to all FQHC patients, not just those served in the new facility**.

The plan also includes **bonuses for "key CHC management"** paid by YNHH of up to $68,665 for each FQHC upon completion of the deal.

There are **no plans reported to evaluate the impact of the plan** on patient access to care, impact on other sites and providers in the community, state budget costs, effect on training, or community impact.



There are significant quality concerns in transferring over 28,000 more patients to FQHCs. In 2015, Medicaid FQHCs performed more poorly than other patient-centered medical homes on 11 of 12 critical quality measures.



In 2014, 2015 and 2016, Medicaid patients of FQHCs were significantly more likely to visit an ED than either patients cared for by other patient-centered medical homes, patients attributed to practices that are not certified patient-centered medical homes, or even than patients with no usual source of care.

More specifically, Fairhaven patients had 8% more ED visits per member/month and Cornell Scott-Hill Health Center patients had 45% more than the state Medicaid average in 2016. This is compared to the entire state average, including FQHC patients. A comparison to only non-FQHC patients would likely widen the disparity.

The state budget faces significant deficits in future years. Connecticut cannot afford to pay more for the same (or less) care, delivered by the same clinicians, that is harder to access. We respectfully request that you deny this application.

Sources: YNHH Certificate of Need Application and subsequent documents, Docket #32231; CT Transit Trip Planner, accessed July 18, 2018; Sliding fee scales from Cornell Scott Hill and Fairhaven Community Health Centers; T Breen, New Haven Independent March 29, 2018; Yale-New Haven Health Press Release, November 29, 2017; M O'Leary, Yale-New Haven Hospital Teaming Up with Community Health Centers, New Haven Register, November 27, 2018; R Kogan, Clinic Plan Could Jeopardize Abortion Access, Hartford Courant Opinion, November 26, 2018; DSS presentations to MAPOC, July 14, 2017 and June 8, 2018; DSS responses to data requests