



MEMORANDUM OF SUPPORT

New York State Community Health Care Revolving Capital Fund

A.4593 (Gottfried)/S.5139 (Rivera)

May 2, 2022

The Community Health Care Association of NYS (CHCANYS) supports A.4593 (Gottfried)/S.5139 (Rivera) which would increase flexibility and expand eligible uses of the New York State Community Health Care Revolving Capital Fund.

CHCANYS is New York's Primary Care Association working closely with the more than 70 federally qualified health centers (FQHCs), also known as community health centers, that operate approximately 800 sites across the state. FQHCs are non-profit, community run centers located in medically underserved areas that provide high-quality, cost-effective primary care, including behavioral and oral health services, to anyone seeking care, regardless of their insurance status or ability to pay.

COVID-19 has brought financial uncertainty to countless businesses across the State and has been especially difficult for the health care safety net, including FQHCs. Many FQHCs are in need of resources to expand or renovate spaces to increase access to care, especially their technical capacity to offer remote care visit options. Existing funding streams often come with tight requirements that make it operationally difficult for FQHCs to spend down funds to meet their immediate and rapidly evolving needs.

Created in 2017 through a public-private partnership between the Primary Care Development Corporation (PCDC) and the State of New York, the New York State Community Health Care Revolving Capital Fund is intended to facilitate investment to expand and improve primary care capacity in the state by providing affordable loan capital for eligible community-based health care providers to support quality primary care expansion and integration. All community health and diagnostic and treatment centers, including FQHCs, mental health clinics, and alcohol and substance abuse treatment clinics, are eligible for financing through the fund.

The New York State Community Health Care Revolving Capital Fund has been instrumental in providing funding for FQHCs to begin and to continue facility capital projects. A.4593/S.5139 would increase the fund's flexibility and expand the list of eligible uses to allow for the use of working capital for operational costs such as recruitment and training of staff, redesign of facilities to accommodate new protocols, and purchasing, upgrading, or enhancing technology to support telehealth. These additional uses are critical to ensuring community-based health care providers can continue to offer quality care to all New Yorkers throughout the pandemic and beyond.

CHCANYS supports the adoption of A.4593/S.5139 and urges the New York State Legislature to swiftly pass this legislation.

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