



**NYC Council Committee on Finance
Public Hearing: New York City Council Fiscal Year 2024 Executive Budget Hearings
May 24, 2023**

Background

The Community Health Care Association of New York State (CHCANYS) is grateful for the opportunity to provide written testimony on the New York City Fiscal Year 2024 Executive Budget. CHCANYS is the statewide primary care association representing New York's 70+ federally qualified health centers (FQHCs), also known as community health centers (CHCs).

Located in medically underserved communities, CHCs provide high quality primary care to everyone, regardless of ability to pay, insurance coverage, or immigration status. NYC's community health centers serve more than 1.2 million patients at 490 sites across the city. Community health centers are a vital safety net for quality affordable healthcare services for many New Yorkers who otherwise wouldn't have access to healthcare. CHCs serve populations that, historically, the traditional healthcare system has failed. Among NYC CHC patients, 44% are Hispanic, 30% are Black, 17% are White, and 9% are other people of color. All CHCs provide robust enrollment assistance to patients and, although CHCs do not collect information on immigration status, it is likely that the vast majority of uninsured patients are not eligible for insurance coverage due to immigration status.

For communities throughout NYC, CHCs are a crucial safety net, working tirelessly to provide healthcare and social services for people who experience poverty, racism, and discrimination inhibiting their health, well-being, and ability to survive. We encourage the Council to fund programs that support CHCs' work.

CHCANYS SFY 2024 Budget Priorities

- I. Increase primary care investments to sustain and expand access.
- II. Allocate funding to support CHCs' ability to respond to the influx of asylum seekers.
- III. Provide \$10M for CHC participation in NYC Care.
- IV. Enact policies to expand the healthcare workforce.

I. Increase primary care investments to sustain and expand access

Increased investments are needed to sustain and expand access to primary care, especially community health centers. Primary care is continually evolving – the way primary care is delivered today is vastly different than care provided 20 years ago. Today, CHCs deliver a full spectrum of comprehensive primary care services, including addressing social needs such as housing, transportation, and food insecurity. However, reimbursement rates have not grown commensurate to the increased role of primary care in solving health and social needs. Consequently, even though the demand for CHC services continues to grow, CHCs cannot always meet demand due to inadequate resources. Costs today for personnel, benefits, equipment, medical supplies, and office space are all significantly higher than decades ago and have risen exponentially since the pandemic. CHCs often cannot adjust staff salaries to adequately compete with better resourced providers due to the stagnation of health center financing, jeopardizing CHCs' ability to retain staff. As such, CHCs are experiencing unprecedented workforce attrition and workforce shortages affecting operations and patient care.



Federal COVID relief dollars helped to stave off some of the impacts of rising costs. The funding allowed CHCs to increase wages to prevent some staff turnover and invest in programs to increase access to care, i.e. through telehealth expansion, creation of new access programs, testing and vaccination campaigns, opening of mobile clinics, pharmacy expansion, and more. However, that funding is now sunseting. The combination of the end of federal COVID relief funding with inflation has rapidly increased the financial strains experienced by CHCs.

Further compounding CHCs' financial challenges is the pending Medicaid redetermination process. Across the State, more than 7 million Medicaid beneficiaries will have their eligibility reassessed over the next year. The George Washington University predicts that more than 180,000 of New York's health center patients will lose access to Medicaid.¹ Medicaid redeterminations will have widespread impacts on patient access to services and care continuity and have the potential to further destabilize community health centers who may have to absorb the costs of care when they are already experiencing significant financial challenges.

To ensure that communities across NYC can continue to access primary care, CHCANYS requests the New York City Council to increase investments in primary care in underserved communities, like those served by health centers.

II. Allocate funding to support CHCs' ability to respond to the influx of asylum seekers

CHCs were among the first community partners to begin collaborating with NYC government to ensure asylum seekers were connected to comprehensive primary care upon arrival to NYC. CHCs continue to work to connect asylum seekers to medical care they need, including by conducting initial assessments to identify needs, providing mental health services, providing school-mandated vaccinations, and addressing patients' social care needs. One health center has set up a dedicated medical room within a hotel to provide direct medical care onsite. The health center reported reduced calls to 911 and fewer emergency room visits because of that care.

However, additional resources are needed to support CHCs' work in providing medical care and support services to asylum seekers. Health centers report continued unmet need for legal and translation services. Additionally, many health centers are struggling to get asylum seekers enrolled for health insurance coverage, even when they are eligible. Long wait times to get patients enrolled in insurance that may never pan out results in increased financial burden on CHCs, which are providing large amounts of uncompensated care to asylum seekers. Funding is required to ensure that CHCs can keep up with the demand for services, especially as asylum seekers become connected to a primary care home and their needs become more apparent.

The NYC FY24 Executive Budget proposal proposes additional investments to support NYC's efforts to provide supports to asylum seekers. **CHCANYS requests the New York City Council to allocate funding to CHCs to support their ability to respond to the influx of asylum seekers.**

¹ <https://geigergibson.publichealth.gwu.edu/potential-effect-medicaid-unwinding-community-health-centers>



III. Provide \$10M for CHC participation in NYC Care

In 2022, the NYC Council passed legislation to expand the NYC Care Initiative to include community health centers in addition to NYC Health + Hospitals, recognizing the critical role CHCs place in providing care to uninsured New Yorkers. CHCANYS applauded the Council's action, which would leverage CHCs as a far-reaching network of providers that have existing relationships with community-based services (including social support services, specialty care and hospital-based services) and the patient population served by NYC Care. However, the expansion signed into law by the NYC Council has yet to be implemented by the Executive. The FY24 New York City Executive budget proposal included \$100M for NYC Care but did not mention the expansion of NYC Care to include CHCs, nor did it allocate any funding towards CHCs specifically. In contrast, the NYC Council has called on the Administration to include \$10M for NYC Care to cover access at CHCs and other clinics outside of the H+H system.

CHCANYS is supportive of the NYC Council's efforts to include CHCs in the NYC Care program and supports the Council's request for \$10M dedicated to expansion of NYC Care at CHCs.

IV. Enact policies to expand the healthcare workforce

Demand for CHC services have increased since the height of the pandemic and are now close to pre-pandemic levels, however, CHCs are experiencing difficulties in maintaining delivery of services due health workforce shortages. Behavioral health visits are in especially high demand – more so than before the pandemic. Workforce shortages are felt across the board, and CHCs report increasing difficulty in recruiting medical assistants, nurses of all levels, behavioral health clinicians, dentists, dental hygienists, and dental assistants. The ability to recruit providers and staff with multiple language proficiencies is even more difficult, even as needs are rising, especially given that CHCs have been working with NYC government to provide care for asylum seekers arriving from the Texas/Mexico border.

Significant investment in healthcare workforce is required to ensure that CHCs can continue to provide quality accessible healthcare services for underserved communities and respond to rising challenges facing NYC. Workforce investments could include funding for existing workforce programs, developing new loan repayment programs for nursing and behavioral health staff, especially in communities of color, expanding loan repayment programs for individuals living in medically underserved communities, and increasing workforce development opportunities in medically underserved communities and communities of color.

CHCANYS requests the New York City Council to invest in and enact policies to expand the healthcare workforce in medically underserved communities and communities of color.

Conclusion

CHCANYS is grateful for the opportunity to submit this testimony to highlight the need for increased primary care and workforce investments in community health centers. For questions or follow up, please contact Marie Mongeon, Vice President of Policy, mmongeon@chcanys.org.