



## MEMORANDUM OF SUPPORT

### Health Care Transformation Fund

A.7182 (Paulin)/S.5658 (Rivera)

May 19, 2023

The Community Health Care Association of NYS (CHCANYS) supports A.7182 (Paulin)/S.5658 (Rivera) which would require at least 25% of the moneys deposited into the Health Care Transformation Fund on an annual basis be allocated exclusively for community-based health care providers.

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 (CHCs), that operate approximately 800 sites across the state. CHCs 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.

The Health Care Transformation Fund account is statutorily mandated "to support health care delivery, including for capital investment, debt retirement or restructuring, housing and other social determinants of health, or transitional operating support to health care providers." Over the years, health centers have benefitted from the Health Care Transformation Fund to improve their sites and expand their capacity to serve medically underserved communities.

Historically, community-based providers receive far less State investment compared to the dollars available to hospitals. Additionally, nonprofit community-based providers have fewer resources to dedicate to funding staff or consultant support to respond to State funding opportunities as compared to hospitals that have more resources. The result is a pattern of inequitable distribution of state funding where the least resourced providers are left behind.

In an attempt to correct this inequity, the State has mandated that the past several rounds of the health care facility transformation capital funding include set asides for community-based providers. A.7182 (Paulin)/S.5658 (Rivera) follows that precedent to permanently ensure that CHCs and other community-based providers receive at least a minimal share of the Health Care Transformation Funds to support their ongoing viability and efforts to improve patient outcomes, expand access to care, and lower costs.

**CHCANYS strongly urges the Legislature to pass A.7182 (Paulin)/S.5658 (Rivera) to increase investment in community-based providers and calls upon the State to demonstrate its commitment to supporting the work of these important providers.**

For more information, please contact Marie Mongeon, Vice President of Policy, at [mmongeon@chcanys.org](mailto:mmongeon@chcanys.org).