

GraceMed

A Health Ministry of the United Methodist Church
Great Plains Conference

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Good morning, Chairman Ryckman Jr. and members of the House Appropriations Committee. My name is Dave Sanford and I've been the CEO of GraceMed Health Clinic in Wichita, Kansas for the past 12 years. I appreciate the opportunity to speak with you today and explain why it is vital for SFY2017 safety net clinic funding to be restored to the SFY2016 level. It has been reduced by \$377,959.

GraceMed is one of 45 safety net clinics in Kansas. Safety net clinics are locally created, controlled and operated by volunteer Boards of Directors to provide quality healthcare services regardless of a patients' ability to pay. We take a unique approach to improve individual and community health, and we are economic drivers in our respective communities. In our efforts to improve individual, family and community health, we treat the whole person – not just the presenting symptoms, and we look for ways to prevent costly and debilitating diseases.

As stated, we are strong economic engines, creating and sustaining good, high paying jobs. In fact, we are among the largest employers in many communities. This results in increased revenue through purchases of goods and services, as well as through income, property, and sales taxes. We also know that communities with strong healthcare systems are more attractive to businesses – helping recruit new businesses and helping existing businesses

stay. These economic benefits reach beyond the community to the Statehouse and Governor's office.

GraceMed is a Christ-centered, non-profit community health center providing access to quality care for all residents of Wichita, Sedgwick County and south central Kansas. We accept Medicare, KanCare and most commercial health insurances. People without health insurance are not turned away – they are charged for services on a sliding fee scale based on household income. Our mission is to show and share the love of Jesus Christ by providing compassionate, accessible, high quality health care for residents of south central Kansas.

We continue to celebrate and recognize the growth of the number of Kansans served by our safety net clinics. Preliminary data shows that state-funded clinics served 256,000 unduplicated patients in 2015; a 6% increase over 2014. Additionally, the number of total patient visits increased 7% to almost 800,000. In 2015, six KAMU members opened new satellite clinics and three other clinics became Federally Qualified Health Centers (FQHCs).

GraceMed is among those who opened new satellite locations this past year, bringing our total number of Wichita-area clinics to eleven, allowing us to better serve residents of south central Kansas. Preliminary data shows our number of unduplicated patients grew by 5% in 2015 to just over 36,000, and we provided over 86,500 patient visits. Our latest location opened this summer at Jardine Technology Magnet Middle School. Schools are a hub of community activity and a natural fit for the services we provide; services that include, but are not limited to primary/preventive medical care, pediatric services, dental care, behavioral health and vision services.

The growth in Kansas safety net clinics, to some extent, has been underwritten by the investment of state funds through KDHE to the clinics. For that, we thank you! The progress we've made through strong state support is, quite frankly, at risk. The Governor's recommended primary care grant funding for SFY2017 takes us back many years, to a funding level that is lower than SFY2013.

The recent history of our funding includes:

<u>Budget Year</u>	<u>Recommended by Governor</u>	<u>Approved by Legislature</u>
SFY 2013	\$7,596,581	\$7,877,649
SFY 2014	\$7,243,225	\$7,877,649
SFY 2015	\$7,243,225	\$8,202,649
SFY 2015 (mid-year)	Cut \$254,000	\$7,948,649 Actual award
SFY 2016	\$7,570,690	\$7,948,649
<i>SFY 2017</i>	<i>\$7,570,690</i>	<i>Request \$7,948,649</i>

The SFY 2017 budget request represents the restoration of the proposed 5% funding cut recommended by the Governor. Restoring the proposed cut is essential, given that the clinics had a 6% increase in the number of patients served, a 7% increase in visits, and experience additional administrative costs related to Patient-Centered Medical Homes, electronic health record implementation, and KanCare. Since SFY 2013, safety net clinics have seen a 13% increase in patients with a funding increase of less than 1%. In addition, these clinics provided more than \$44 million in uncompensated care, much of which went to cover cost of care for Kansans without health insurance.

We understand you are in a tough position and must make difficult budgetary decisions. Now, more than ever, it is essential for state dollars to be invested in programs that provide cost-effective, high quality services, yielding positive individual and community results. Year after year, safety net clinics have demonstrated a high standard of stewardship of the funds provided and significant positive results in our respective communities. We are fiscally responsible with taxpayer money and use every penny wisely. We have served more patients through more visits, with the infinitesimal increases in funding. If this funding is reduced for SFY2017, there will be negative consequences. We may see hours of operation scaled back and

staff reductions. With a reduction in providers, fewer patients will be seen, waitlists for patient appointments will increase, and some patients will go unserved.

We urge you to endorse the state's long-term and significant investment in the safety net clinic system. This investment is tangible proof of your commitment to helping Kansans stay healthy and strong. Therefore, we request a reinstatement of \$377,959 in state general funds for safety net clinics for SFY 2017, and we ask that this be amended into HB 2577. This level of funding is absolutely necessary for safety net clinics to continue operating at current levels and to continue providing quality health care for our patients. Without Medicaid expansion, we are experiencing an increasing demand from low-income, uninsured Kansans. And, I believe you represent all the people, just not those with health insurance. Please help us provide access to care for the most vulnerable Kansans and make Kansas healthy and strong!"

Thank you for your time. I am happy to stand for questions.