[DATE]

The Honorable Jeffrey A. Klein
Independent Democrat Conference Leader
New York State Senate
Legislative Office Building, Room 304
Albany, NY 12247

Dear Senator Klein,

I am writing to urge you to **increase indigent care funding for Diagnostic and Treatment Centers (D&TC) by $20M, including a $10M mitigation pool,** in this year’s one house budget bill. These additional funds will ensure that New York’s most vulnerable are able to continue to access high quality, community-based primary and preventative care at Federally Qualified Health Centers (FQHCs) and other safety net providers. The Governor’s proposed budget includes $54.4M in indigent care funding for D&TCs, but an additional $20M is needed to maintain 2016 funding levels and mitigate financial harm to those safety net providers who serve the most uninsured patients.

The D&TC indigent care fund provides vital assistance to FQHCs, helping to off-set the overall cost of caring for the uninsured. At some health centers, more than half of patients are uninsured, a number that is likely to increase as the federal government seeks to make major changes to the existing healthcare system. Community- based safety net providers, such as FQHCs, serve the most vulnerable in their communities, providing critical primary and preventive care services, including behavioral services, to keep people well, productive and out of high cost care settings. The indigent care fund provides needed resources to ensure access to comprehensive healthcare for all New Yorkers.

In 2016, CMS approved a new distribution methodology for the indigent care pool, which changed the federal match for FQHCs, a change which disproportionately disadvantages those centers who serve large numbers of uninsured and comparatively small numbers of Medicaid patients. To address this disparity, in 2016 New York State created a one-time mitigation pool, comprised solely of State dollars, to ensure that those providers who saw the highest percentages of uninsured patients were not unduly harmed.

Unless State funding for indigent care is increased by $20M to maintain mitigation funding, many FQHCs and other safety net providers will face financial losses in 2017 and may be forced to reduce staff, eliminate expansion plans and/or limit access, and unnecessarily increasing reliance on more costly forms of care.

I urge you to act quickly to include $20M in indigent care funding in this year’s budget to support the critical work of FQHCs and other community-based safety net providers and ensure my constituents continue to have access to high quality community-based primary care.

Sincerely,