



TO: The Honorable Guy Guzzone, Chair
Members, Senate Budget and Taxation Committee
The Honorable Larry Hogan Administration

FROM: Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman

DATE: March 3, 2021

RE: **SUPPORT ONLY IF AMENDED** – Senate Bill 493 – *Budget Reconciliation and Financing Act of 2021*

The Mid-Atlantic Association of Community Health Centers (MACHC) is the federally designated Primary Care Association for Delaware and Maryland Community Health Centers. As the backbone of the primary care safety net, Federally Qualified Health Centers (FQHCs) are united by a shared mission to ensure access to high-quality health care to all individuals, regardless of ability to pay. FQHCs are non-profit organizations providing comprehensive primary care to the medically underserved and uninsured. MACHC supports its members in the delivery of accessible, affordable, cost effective, and quality primary health care to those most in need. To this end, MACHC **supports** Senate Bill 493, **only if the legislation is amended.**

MACHC wishes to register, both, its strong support for the Community Health Resources Commission (CHRC) and its strong opposition to the provisions of Senate Bill 493, which alters the funding formula for the CHRC and places the statutorily defined funding requirements for the Commission at risk and therefore, potentially jeopardizes the critically important work of the Commission.

Throughout its existence, MACHC has worked collaboratively with the CHRC to achieve its objective of expanding access to high quality health care services to all Maryland residents. The grants provided by the CHRC have been invaluable in both serving the needs of the communities associated with the grant project and as a means to identify successful and sustainable approaches to addressing access challenges that can be replicated in other underserved communities. Furthermore, the grant funds awarded by the CHRC have enabled the grantees to leverage millions of additional dollars in federal and private funding to supplement the State's investment. The return on investment for the State is notable. The grants awarded by the CHRC over the years have funded programs in all 24 jurisdictions of the state and these programs have collectively served more than 500,000 Marylanders, most of whom are low-income and represent vulnerable populations.

The Commission is required to be funded at \$8 million per year and that funding comes from revenues paid by CareFirst to fund not only the Commission but the Senior Prescription Drug Assistance Program (SPDAP). The CHRC is currently mandated to receive \$8 million in funding with the balance of the funding from CareFirst attributed to the SPDAP. To date, the funding from CareFirst has been sufficient to fully fund both the CHRC and SPDAP. In fact, SPDAP has not utilized all of the funds available to it from the fund. Despite that fact, Senate Bill 493 proposes to reprioritize the CareFirst funds by funding the SPDAP before funding the CHRC. This puts the CHRC at risk of not receiving its full appropriation. Further, the legislation reduces the funding for the CHRC to be less than \$4 million, as pointed out by the Department of Legislative Services.

MACHC strongly believes the CHRC will continue to be a vital and critical component of Maryland's commitment to address health care access and disparity issues, while ensuring that high quality health care services are accessible to all Marylanders. MACHC strongly requests the deletion of the provision in Senate Bill 493 that changes the funding formula.

For more information call:

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