

HB 1009 - Senate Finance - HOSP - LOSAA.pdf

Uploaded by: Jason Caplan

Position: FAV



Wes Moore, Governor · Aruna Miller, Lt. Governor · Laura Herrera Scott, M.D., M.P.H., Secretary

March 21, 2024

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

RE: HB 1009 Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding – Letter of Support as Amended

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (Department) respectfully submits this letter of support as amended for House Bill (HB) 1009 - Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding. HB 1009 will amend the State’s right of recovery on the property for Capital Grant Projects involving Federally Qualified Health Centers (FQHCs) from 30 years to 15 years after the completion of a project which the State may then recover funding under certain circumstances.

The Department is grateful for the opportunity to collaborate with the sponsors on the amendments to this bill. Specifically, the amendments will maintain the 30 year right of recovery for real property which is owned by a FQHC. It will also reduce the right of recovery from 30 years to 15 years for property that is leased by a FQHC and is sold or transferred to an individual or entity that is not qualified as an applicant, or not approved as a transferee by the Board of Public Works. The Department believes that providing a 30 year right of recovery for properties owned by a FQHC, and 15 years for properties that are leased, can ensure the continuity of these critical services provided by the Program. 15 years is consistent with industry standards for leases. The Department supports HB1009 as amended and urges a favorable report.

If you would like to discuss this further, please contact Sarah Case-Herron, Director of Governmental Affairs, at sarah.case-herron@maryland.gov.

Sincerely,

Laura Herrera Scott, M.D., M.P.H.
Secretary

2024 MCHS HB 1009 Senate Side.pdf

Uploaded by: Michael Paddy

Position: FAV



Maryland Community Health System

Committee:	Senate Finance Committee
Bill Number:	House Bill 1009 – Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding
Hearing Date:	March 21, 2024
Position:	Support

The Maryland Community Health System (MCHS) supports House Bill 1009 – *Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding*. The bill will would alter the number of years after completion of a project funded in part by a grant of the Federally Qualified Health Centers Grant Program after which the State may recover funding.

The Maryland Community Health System is a network of federally qualified health centers (FQHC) located across Maryland. The FQHC Grant Program which is under the Department of Health, provides capital grants to assist in the conversion, acquisition, design, construction, renovation, and equipping of Federally Qualified Health Center facilities. Currently, FQHCs may apply to the program if they are in leased space as long as the lease is for 15 years, however, this program unlike other capital grant programs, has a state right to recovery if the property is used for anything other than a FQHC of 30 years. FQHCs that do not have the ability to purchase and need leased space are having difficulty finding property owners that are willing to lease them space with a 30-year lease or FQHC's are having difficulty applying for the program because the property owner is not willing to encumber their property for up to 30 years when the property owner is only offering a 15-year lease.

This bill ultimately addresses the problem FQHCs are having with regards to being eligible for the program when operating with leased property. MCHS worked closely with the Department of Health on the new language to allow for a 15-year state right to recovery for FQHC's that are on leased property and maintaining the 30-year right to recovery for owned property.

We request a favorable report. If we can provide any further information, please contact Michael Paddy at mpaddy@policypartners.net.

HB1009_FAV_MACHC_PH - FQHCs Grant Program - Recove

Uploaded by: Pam Kasemeyer

Position: FAV



TO: The Honorable Ben Barnes, Chair
Members, House Appropriations Committee
The Honorable Mark S. Chang

FROM: Pamela Metz Kasemeyer
Danna L. Kauffman
Christine K. Krone

DATE: February 28, 2024

RE: **SUPPORT** – House Bill 1009 – *Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding*

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** House Bill 1009.

The Maryland Department of Health administers the FQHC Grant Program, which provides capital grants for the construction, renovation, and expansion of FQHCs in order to expand access to care to Maryland's most vulnerable populations in medically underserved areas. House Bill 1009 proposes to alter the number of years after the completion of a project funded in part by a capital grant under the FQHC Grant Program, after which the State may recover funding under specified circumstances. A grant may be provided to an FQHC, which owns the property or has a 15-year lease. Under current law, the right of recovery is 30 years, which is double the timeframe required for a property that has a 15-year lease. FQHCs have faced challenges to secure an agreement by a landlord to agree to a 30-year right of recovery when the lease is only 15 years, thereby limiting access to the Grant Program to expand access to care in medically underserved areas.

Under capital grant programs administered by the Department of General Services (DGS) the right of recovery is 15 years, regardless of whether the property is owned or leased. House Bill 1009 will align the FQHC Grant Program with the other grant programs administered by DGS by reducing the right of recovery to 15 years. A favorable report is requested.

For more information call:

Pamela Metz Kasemeyer
Danna L. Kauffman
Christine K. Krone
410-244-7000

2024 MASBHC HB 1009 Senate Side.pdf

Uploaded by: Robyn Elliott

Position: FAV



Committee: Senate Finance Committee

Bill Number: House Bill 1009 – Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding

Hearing Date: March 21, 2024

Position: Support

The Maryland Assembly on School-Based Health Centers (MASBHC) supports *House Bill 1009 – Public Health – Federally Qualified Health Centers Grant Program – Recovery of Funding*. The bill would align the lease requirements for the State’s Federally Qualified Health Center (FQHC) grant program with other State capital programs. Under the current program, the State has a 30-year right of recovery for renovations of leased properties. The bill would prevent the State’s right of recovery if the property was leased by the FQHC more than 15 years after completion of the project or if the property was owned by the FQHC more than 30 years after completion of the project.

MASBCH represents about 90 school-based health centers providing somatic, behavioral, and oral health across Maryland’s underserved communities. Many of our school-based health centers are sponsored by FQHCs. We support this legislation because it provides greater flexibility for FQHCs to renovate or build new locations to meet the changing needs of their patients. It is important for the students served by school-based health centers, as our sponsoring FQHCs also serve our student patients and their families.

We ask for a favorable report. If we can provide any additional information, please contact Robyn Elliott at relliott@policypartners.net or (443) 926-3443.