

MedChi

The Maryland State Medical Society

1211 Cathedral Street
Baltimore, MD 21201-5516
410.539.0872
Fax: 410.547.0915

1.800.492.1056

www.medchi.org

TO: The Honorable Maggie McIntosh, Chair
Members, House Appropriations Committee
The Honorable Larry Hogan Administration

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

DATE: March 3, 2021

RE: **SUPPORT WITH AMENDMENT** – House Bill 589 – *Budget Reconciliation and Financing Act of 2021*

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports with amendment** House Bill 589.

MedChi wishes to register its strong support for the Community Health Resources Commission (CHRC). The CHRC was first created to provide a mechanism for the State to provide grant funding to creative community-based projects with the objective of identifying approaches to addressing Maryland's access to care challenges in underserved communities. The CHRC's impact on this objective is notable and has been recognized by policymakers as new initiatives related to the medically underserved have been identified. Furthermore, the grant program the CHRC administers has leveraged thousands of dollars in additional federal and private funding in support of the projects identified and funded through the CHRC. Of the initial \$79 million awarded by the CHRC, this funding has enabled its grantees to leverage \$32 million in additional resources, most of which come from private and local resources.

The CHRC has been an invaluable force in Maryland's ongoing effort to assure adequate access to high quality health care services to all Maryland residents is achieved. MedChi fully supports the work of the CHRC and strongly urges this Committee to amend House Bill 589 by removing the proposed changes to the funding formula for the Commission. Currently, the CHRC receives an allocation of \$8 million from the CareFirst assessment. The balance funds the Senior Prescription Drug Assistance Program (SPDAP). To date, SPDAP has not fully utilized the \$14 million available. However, House Bill 589 reverses the priority funding and specifies that SPDAP shall have priority and the balance will be allocated to the CHRC. This reprioritization will result in CHRC not receiving the \$8 million specified in statute. Should SPDAP require additional funding in future years, discussion on funding for both SPDAP and CHRC could be considered. That situation does not exist currently and is not projected in the coming year. Furthermore, as pointed out in the analysis by the Department of Legislative Services, the BRFA this year reduces the funding to the CHRC to less than \$4 million, a cut of more than 50% to the CHRC's budget of \$8 million. The proposed changes could significantly hinder the work of the CHRC, and the communities served by the grant funding the CHRC provides to innovative projects that address challenging health concerns which serve to reduce health disparities and inequities in medically underserved communities. MedChi strongly requests the proposed changes be deleted from House Bill 589.

For more information call:

Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman
410-244-7000