



Women's Health Matters !

**New York State Senate and Assembly Health and Medicaid
Joint Legislative Hearings on the 2009-2010 Executive Budget
February 2, 2009**

**Testimony of Tracey Brooks, President and CEO of
Family Planning Advocates of New York State**

Good afternoon. I am Tracey Brooks, President and CEO of Family Planning Advocates of New York State. FPA represents the state's Planned Parenthood affiliates, hospital-based and free-standing family planning centers, and a range of health, community and social service organizations that collectively represent one of the states' largest networks of health care providers for women and men throughout the state.

Let me begin by expressing our thanks: even when family planning programs were under attack elsewhere in the country and in the world, our network of family planning programs in New York State has been serving hundreds of thousands of patients, thanks to your past support. Although the fiscal challenges of providing a key primary care safety net for patients across the State have been daunting, our family planning programs have sought to be productive partners with New York State in improving access to high quality health care services. And when economic crisis threatens more and more families, the role we play in people's lives becomes even more critical and essential, making your continued support more important than ever.

Family planning centers meet a vital need for health care services in New York, serving close to 450,000 women at 372 locations across the state. Family planning centers offer critical services that include family planning counseling, pregnancy testing, prenatal and postpartum care, health education, treatment and counseling for sexually transmitted infections, vaccinations and cancer screenings. Clients are primarily young women of child-bearing age who live in underserved communities. In many parts of the State, our centers are the only source of family planning services in the communities they serve.

Family planning saves money and improves health.

Especially in the midst of a budget crisis, family planning is a uniquely good investment. Family planning is a cost-effective policy that actually saves the state money. Every dollar spent on family planning services saves four dollars in Medicaid spending. Any reduction in support for family planning services at this point would not only be bad health care policy, it would be counter-productive fiscal policy.



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Family planning centers also serve a vital role in linking patients to other needed care—a service that greatly improves health outcomes and avoids the need for costlier care later on. For example, one provider recently enrolled a pregnant diabetic patient into the PCAP program, which was able to offer prenatal care as well as assistance in having her diabetes treated.

Family planning providers continue to provide vital care to uninsured patients.

Despite the many financial challenges they face, family planning centers are committed to serving the many New Yorkers in need of family planning care. Providers continue to provide needed services to uninsured and underinsured patients, even when they are not able to recoup the costs of providing care. One challenge facing providers is the increasing number of self-pay, or sliding scale patients, for whom they do not receive full or any reimbursement. With the growing number of unemployed people, the need for the cost-effective services offered by family planning centers is likely to increase, furthering the financial stresses faced by providers.

Years of under-funding is taking its toll.

Providers are struggling due to years of underfunding. In the past few months, two family planning centers have closed and another has reduced hours, because of budgetary concerns. Other centers have laid off staff, and most are operating under deficit budgets. Without needed financial support we fear these stories will only repeat themselves.

The state and the Legislature have a history of recognizing the value of the services offered at family planning centers by committing funding to improve and expand services. This important support has allowed providers to offer patients services that include the HPV vaccine, Rapid HIV testing, and new forms of birth control, including emergency contraception. Family planning providers appreciate this support, and we ask that it be continued at this critical time.

For many years, the family planning infrastructure has been severely underfunded: family planning centers have survived chronic and persistent underpayments to their programs only through the philanthropic support of their communities. Last summer's mid-year budget cuts placed unanticipated pressures on our providers' already strained finances. And this year, the ability to raise funds to make up shortfalls is severely limited by the economic downturn. Providers are reporting a sharp drop off in donations, leaving clinics in deep financial distress. Since our centers operate without significant reserves, they have not been able to make necessary investments in health information technology. Although the Governor's support for investing in the primary care system offers hope for relief, family planning providers are facing a crisis that strains the safety net to the breaking point.

With all of these challenges, we want to express our support for many of the policy directions contained in the Governor's budget proposal: Medicaid simplification, expanded eligibility for Family Health Plus and, perhaps most importantly, the continued implementation of Ambulatory Patient Groups (APGs), which offer promise of a reformed ambulatory care reimbursement system that matches payments more closely to the cost of providing services. We urge the Legislature to support these important initiatives and to renew their commitment to family planning by providing the funding that will be needed to make it through this economic downturn.

APG methodology should be supported.

We look forward to the imminent implementation of APGs in freestanding clinics like family planning centers. The APG methodology promises to be a fairer, more rational system that will offer reimbursement commensurate with the level of care provided and lead to a stronger primary care system. We urge you to support the APG system and the funding needed to implement it—and we would strongly oppose any effort to delay its implementation.

Although the APGs offer much hope for relief, implementation will be phased in over three to four years, so the full financial benefits of the new methodology will take several years to realize, and will require extensive retraining and technical assistance.. In the meantime, family planning providers need immediate financial relief.

We come to you today with these important requests:

- **Funding vital to the provision of direct care to patients must be restored.**

We urge you to exempt family planning clinics from the \$337,000 cuts in family planning that were proposed to reduce the current year's deficit and to restore \$675,000 for family planning grants in the 2009-2010 budget--the amount that was included in last year's budget before the series of cuts. At this time of economic crisis, when our services are needed in every community, your support is needed more than ever.

- **Federal family planning reimbursement should remain dedicated to family planning services.**

FPA cannot fail to note that in this year's budget, New York State has included \$10 million in federal funding reflecting a portion of the 90% federal share of Medicaid-funded family planning services that were unclaimed in previous years for those patients who receive family planning services through a Medicaid managed care plan. These federal funds should remain dedicated to family planning services.

Again, we recognize the unprecedented fiscal challenge facing New York State and the difficult choices you face in bringing the State budget into balance. An investment in family planning offers significant savings to the state as well as important health benefits to women and families. As you make budgetary choices, don't forget the difficult choices that disadvantaged women have to make every day and the roles that family planning programs have played in their lives.