

Budget Testimony
Presented by: Gina D'Andrea Weatherup
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Good Day. I am Gina D'Andrea Weatherup, Community Affairs and Advocacy Manager at Planned Parenthood Hudson Peconic. We are one of 12 Planned Parenthood Affiliates in New York State and as such we are part of the state's network of safety net healthcare providers who serve the ever-increasing number of uninsured and underinsured New Yorkers. Our affiliate offers a broad range of reproductive health services including family planning, prenatal care, abortion care, breast and cervical cancer screening and testing, sexually transmitted infections testing and treatment, including the new Gardasil vaccine for HPV, and HIV counseling and testing. We serve Suffolk, Westchester, Rockland and Putnam Counties.

I am here today to report that unforeseen federal changes to New York's Medicaid waiver programs and years of under funding of family planning programs now seriously threaten New York State's publicly funded family planning program and family planning centers throughout the state. The challenges our health centers are facing today are growing exponentially and new federal rules severely limit the services that can be provided under the Medicaid waivers.

Planned Parenthood Hudson Peconic has health centers located in Amagansett, Riverhead, Patchogue, Smithtown, West Islip, and Huntington, placing us directly

in the communities we serve in Suffolk County. We also have one center in Rockland County, one center in Putnam County, and five centers throughout Westchester County. Family planning centers are important partners in improving health outcomes of low-income women and in reducing health care disparities. We know our patients, they are our neighbors. We know their lifestyles and their families, and the communities in which they live and are therefore best situated to meet their family planning needs. Family planning is cost-effective preventive health care and family planning health centers are eager to be more effective partners in reaching under served communities. Our current infrastructure is failing and without additional investment, family planning providers fear that we will be out of business and unable to be an integral partner in New York State's goals of patient centered health care.

Challenges of Safety Net Providers:

Family planning health centers are on the front lines of health care for low-income women and families. Out of the 40,000 patients we serve annually, 81% of our patients live under 150% of the federal poverty level and 90% of our patients lack health insurance or have Medicaid.

Among the underserved are immigrants, refugees and New Americans. There is a growing recognition that it is essential to address challenges facing immigrant women to help decrease health care disparities. Cultural and language barriers to

health care services remain huge obstacles for many refugees, immigrants and New Americans. Reproductive health care services are an especially sensitive area; making access in the face of these barriers even more difficult.

Family planning health care centers in New York State are working to reduce language and cultural barriers. Language assistance options, such as interpreters and language phone lines as well as translated documents are essential to offering cultural and linguistically comprehensive health care services, but are costly. Our affiliate spends \$100 every month on Language Line, a telephone service that allows us to provide language translation in all of the languages our patients speak. More money is spent in staff time spent translating for patients, translating documents, and printing documents in multiple languages.

New York's Medicaid waivers were supposed to ease some of the costs associated with providing services and increase the number of patients we were able to serve. But unforeseen administrative costs and changes on the federal level have resulted in these programs aiding in the continued deficit our affiliate faces rather than alleviating financial barriers and meeting reproductive health care needs of women. We are projecting a full-year operating deficit of \$500,000 for 2007, or, 3% of our annual budget. In contrast, in 2006 we had a surplus of \$658,000, or, 4% of the 2006 budget. The deficit is directly attributable to the provision of services for which we are no longer reimbursed. The most significant change in

reimbursement is for HIV post-test counseling. Reimbursement levels are down over \$600,000 compared to 2006 levels.

Health care staff spend a significant amount of time enrolling patients into the federal Medicaid waiver programs, allowing patients who want to prevent an unintended pregnancy to obtain timely services. Unfortunately, our affiliate does not receive reimbursement for this additional staff time. Now, new federal identification and citizenship documentation rules have significantly increased administrative expenses associated with enrolling patients into the family planning waiver programs. An increasing number of clients are unable to produce the documentation necessary to enroll in Medicaid and the family planning benefit program. Our center has seen this in a 30% decrease in the number of patients enrolled in the Family Planning Benefit Program between 2006 and 2007. As a result, more of the patients we do see fall under the Title X program, or come to us for services for which we are not reimbursed.

Cost of Health Care Services

Medical inflation rates in health care have soared. Planned Parenthood Hudson Peconic is facing increases in lab costs and employee health insurance:

- We are facing an overall increase in lab costs of 9% in 2008 (~ \$66,000), unless we can find a vendor who will offer the same high-quality services

at a lower rate. Choosing to change vendors has its own costs related to staff time.

- The cost of providing health insurance for our staff is also increasing. In 2008, we face an increase of 13% for staff health insurance.
- The cost of doing business is also rising. We operate 14 separate offices, and have all of the attendant costs of rent, insurance, and facility maintenance. Because 90% of our patients either lack health insurance or are on Medicaid, we cannot simply pass these costs on to them as for-profit corporations do.

These increases directly impact the patients we serve.

- **Contraceptive Choice:** Choosing a contraceptive method to best fit one's lifestyle is strongly correlated with compliance. Yet low income women do not have a choice because newer methods of contraception are too expensive for many health centers to offer. While Planned Parenthood Hudson Peconic is able to leverage existing resources to provide new contraceptives like Implanon and NuvaRing to our patients, many patients cannot afford to pay even our reduced fees and are left with contraceptives that do not fit their lifestyle.
- **Rapid HIV Testing:** Health care centers need access to rapid HIV testing for their clients. Getting people to agree to be tested and receive their results is the cornerstone of the fight against the spread and treatment of AIDS. Health care centers need to be able to provide rapid HIV testing so

willing patients can be tested and receive results immediately. The cost of providing this test is prohibitive to many safety net providers. Family planning health centers can be effective partners with the State in our shared goal of having more people tested, maintaining people's negative status, and counseling people who test positive from engaging in risky behavior.

- **The thin-prep Pap smear:** This gold standard cancer screening test is too expensive for many affiliates to offer their patients.
- For both the Rapid HIV Test and the Thin-Prep Pap smear, Planned Parenthood Hudson Peconic is in a unique position as a multi-county affiliate. We are able to leverage our existing resources, thanks to funding from Westchester County, so that we provide the Thin-Prep and Rapid HIV test in all of our centers. Without the funding from Westchester County that allows us to offer Thin Prep and Rapid HIV testing for free at five health centers, it is possible that we would not be able to offer these tests, which represent the new standard in diagnostic screenings.
- Finally, despite the need for mid-level practitioners, many affiliates cannot offer competitive salaries to attract trained health care providers. In 2008, Planned Parenthood Hudson Peconic will look long and hard at the possibility of eliminating certain programs or positions, as well as at the possibility of closing one or more of our health centers. We have operated

in a deficit in 2007, we will operate in a deficit in 2008, but we cannot operate in a deficit indefinitely.

There are enormous savings that come from preventing complications of untreated STIs, or from the early detection of breast and cervical cancer. When women are able to plan and space pregnancies, health outcomes are better and costs are lower. New York's statewide view of health care is transitioning to preventive patient centered care. Family planning health centers provide a model for this type of care, rooted in prevention.

As you plan the upcoming budget we ask that you recognize that it is more important than ever to increase New York State's support for family planning services.

Thank you for this opportunity to provide testimony today.