

1. Reflecting on the health care market disruptions in Massachusetts in recent years, including the bankruptcy of Steward Health Care and related closures, what have been the most significant impacts of these disruptions on the patients and communities your organization serves, particularly with regard to equitable and affordable access to care? What have been the most significant implications for your organization and workforce?

Carney Hospital, located less than two miles from our facility, has long been a critical resource for specialty care, serving a significant portion of our patient population. Its closure has severely impacted our ability to efficiently and promptly refer patients for necessary follow-up care. Additionally, we are experiencing a notable increase in demand for primary care services. For the first time in recent memory, we have been forced to implement a waitlist for new primary care patients, which currently exceeds 500 individuals. While we continue to recruit both physicians and mid-level providers, attracting qualified candidates remains a significant challenge. Moreover, like many healthcare centers, we are now serving a growing number of medically complex patients, including those who have lost access to primary care in other settings and newly arrived migrants, all of which has placed additional strain on our ability to meet patient needs.

2. Please identify and briefly describe any policy, payment, or health care market reforms your organization would recommend to better protect the Massachusetts health care system from predatory actors, strengthen market oversight and transparency, and ensure greater stability moving forward.

Systemic (legislative) solutions are crucial to addressing the significant challenges facing Community Health Centers (CHCs). Key proposals include:

**340B Drug Discount Program:**

The 340B program provides federally funded discounts on prescription drugs, allowing health centers and other providers to offer low-cost medications to patients and generate savings that help expand access to care. For decades, CHCs have relied on 340B revenue to stretch limited federal and state resources, enabling them to care for a high proportion of publicly insured and uninsured patients with complex health needs. However, the future of 340B is at risk due to harmful actions by pharmacy benefit managers and drug manufacturers. These actions have led to substantial revenue losses for health centers, threatening their financial sustainability. State-level legislation can help mitigate these losses through our 340B bill, which would restore tens of millions of dollars in funding for health centers to reinvest in services and

communities, at no cost to the state. Federal reform efforts should continue alongside these state-level protections.

**PPS Codification and Commercial Floor Bill:**

This bill requires MassHealth to reimburse Federally Qualified Health Centers (FQHCs) according to the federal prospective payment system (PPS) methodology—or a comparable alternative payment model (APM), as is currently the case—and ensures that commercial insurers reimburse no less than MassHealth rates. Stable and equitable reimbursement is essential to the financial viability of health centers. Without fair payment, CHCs face high staff turnover and vacancies, which directly limits patient access to care. This legislation will protect against potential federal cuts to Medicaid funding for FQHCs and address the issue of commercial underpayment, which currently puts CHCs and their patients at a competitive disadvantage. By ensuring fair compensation, this bill would strengthen care delivery for underserved communities.

3. Reflecting on consistent HPC findings showing increasing health care affordability challenges, growing difficulties accessing needed care, and widening health disparities based on race, ethnicity, and income among Massachusetts residents, what are your organization's top two to three strategies for addressing these trends? What are the most significant challenges to implementing these strategies?

As an FQHC our primary concern is providing access to care. As mentioned about

4. Please identify and briefly describe any policy, payment, or health care system reforms your organization would recommend to achieve a health care system that is more affordable, accessible, and equitable in Massachusetts.

I refer you to the response to question #2 that discusses proposed legislation.

1. Chapter 224 requires providers to make price information on admissions, procedures, and services available to patients and prospective patients upon request. In the table below, please provide available data regarding the number of individuals that sought this information.

Health Care Service Price Inquiries Calendar Years (CY) 2022-2024			
Year		Aggregate Number of Written Inquiries	Aggregate Number of Inquiries via Telephone or In-Person
CY2022	Q1		12
	Q2		12
	Q3		3
	Q4		0
CY2023	Q1		31
	Q2		36
	Q3		4
	Q4		6
CY2024	Q1		11
	Q2		25
	<b>TOTAL:</b>		140

2. Please describe any steps your organization takes to assist patients who are unable to pay the patient portion of their bill in full.

As a Federally Qualified Health Center (FQHC), Harvard Street Neighborhood Health Center is committed to providing healthcare to all individuals, regardless of their ability to pay. We offer a sliding fee scale for patients who qualify and need financial assistance. For those unable to make necessary payments, we work directly with them to find solutions. In many cases, we end up writing off a significant number of accounts each year as bad debt, ensuring that patients can still receive the care they need without financial barriers.

3. Do any of your commercial global risk arrangements adjust your final settlement for bad debt? Please provide details on any commercial arrangements that make accommodations for uncollectable patient payments.

Not applicable

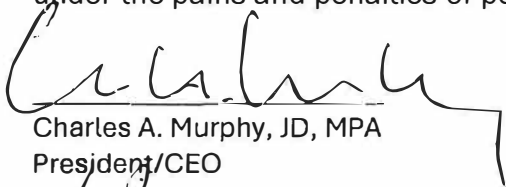
4. For each year **2022 to present**,
  - a. For **HOSPITALS**: please submit a summary table for your hospital showing the hospital's operating margin for each of the following four categories, as well as revenue in each category expressed as both NPSR and GPSR): (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.

Not applicable

- b. For **HOSPITAL SYSTEMS**: please submit a summary table for each hospital corporately affiliated with your organization showing the hospital's operating margin for each of the following four categories, as well as revenue in each category expressed as both NPSR and GPSR): (a) commercial, (b) Medicare, (c) Medicaid, and (d) all other business. Include in your response a list of the carriers or programs included in each of these margins and explain whether and how your revenue and margins may be different for your HMO business, PPO business, and/or your business reimbursed through contracts that incorporate a per member per month budget against which claims costs are settled.

Not applicable

The undersigned is legally authorized and empowered to represent Harvard Street Neighborhood Health Center for the purposes of this testimony and this document is signed under the pains and penalties of perjury.



Charles A. Murphy, JD, MPA  
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11/21/24