COMMUNITY HEALTH SERVICE AGENCY
P.O. BOX 1908 • GREENVILLE, TEXAS 75403-1908
(903) 455-5986 • (903) 454-4621

DAN SHEPHERD

CHIEF EXECUTIVE OFFICER, COMMUNITY HEALTH SERVICE AGENCY

STATEMENT BEFORE HHS MEDICAID COMMISSION MEETING

MAY 18, 2006

Governor Sunquist, Governor King, Members of the Medicaid Commission, thank you for the opportunity to offer my public comments today. My name is Dan Shepherd, and I am the chief executive officer of Community Health Service Agency Inc., a Federally Qualified Health Center in Greenville, Texas. CHSA operates a small network of health centers in North Central Texas serving over 17,000 patients annually of which 5, 370 are Medicaid. I am also speaking today on behalf of the 40 community health centers in Texas and the more than 1000 community health centers nation wide.

I have over 24 years of experience serving the medically underserved in rural Texas and I wish to speak to you today concerning the importance of community health centers such as CHSA in addressing the health needs of the elderly especially those that are poor and near poor.

Community Health Centers have a unique relationship with the patients and the communities they serve, and this is never more prevalent than in the CHC services designed for the elderly. The CHC model is based on the needs of the community, with community input that is empowering both to the patient and surrounding area. CHSA service to our seniors includes primary and preventive care, and we follow our patients to assure continuity of care into hospitals, assisted living centers and nursing homes.

We also work with various home health services and provide home visits when needed, and work along with others to integrate social services into our delivery system to insure our elderly patients have assistance with challenges such as food, transportation, and specialty referral. Like other community health centers, CHSA provides a care model that

strives to provide one stop shopping by not only providing needed health care and enabling services, but coordination and linking our patients to other needed services within the broader community. This model is cost effective, saves taxpayer dollars, increase compliance and reduces inpatient care. In fact, CHSA annual cost per patient/user for 2005 was $ 331.00 which also includes dental services.

CHSA uses both physicians and midlevel providers to provide needed health care within our clinics, hospitals and long term care facilities. In fact, CHSA has over 130 nursing home patients and our Agency physicians serve as Medical Director at three nursing homes. CHSA has a physician and nurse practitioner that make rounds at four nursing homes to address health issues on a daily basis. Indeed, our providers provide many services within our nursing homes that just a few years ago would have required the patient to be admitted to our local hospital. This service has reduced our hospital admission from our nursing homes by 30%, thus once again underscoring that the CHC model is both cost effective and responsive to the needs of our patients and their families.

As the Medicaid Commission moves forward on considering ways in which to reform Medicaid, it is critical that it keep in mind the important role health centers play in their communities and the unique relationship between these centers and the Medicaid program. To that end, it is important that Medicaid provide an adequately funded, comprehensive program that ensures appropriate supports and services are provided in the most cost effective settings, such as community health centers, to qualified individuals who are aging and or have disabilities. In fact, as states look to "re-structure" their long-term care systems and attempt to lower costs simultaneously, it is important that benefits are not eroded, that seniors and people with disabilities continue to have access to choice in terms of care setting, and that the full continuum of services is available and adequately funded.

To this end, strategies to improve the continuum of Medicaid long term care services, such as those put forth by the Partnership for Medicaid, should be promoted. These include: restructuring the current system of Medicaid Long Term Care, expanding PACE, the Program of All-Inclusive Care for the Elderly, curbing inappropriate estate planning techniques, encouraging the purchase of LTC insurance products, and exploring potential opportunities in the use of Home Equity. These are viable ideas and I urge the Medicaid Commission to consider them as you move forward in exploring ways in which to reform Medicaid.

Thank you.