Hearing on *AStrengthening the Safety Net:*
Increasing Access to Essential Health Care Services@

Opening Statement

Senator Bill Frist, M.D.
Chairman, Senate Subcommittee on Public Health

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Currently, 42.1 million Americans B one-sixth of the total population B lack health insurance. Despite several years of consistent, strong economic growth, the number of uninsured has increased by almost 4 million since 1992. We must take this opportunity to decrease the number of uninsured. Yesterday, Senator Jeffords and I introduced legislation to provide refundable tax credits to help individuals pay for health insurance. However, we must also strengthen and improve the health care safety net B a critical factor in ensuring access to quality health care for America=s uninsured and medically underserved.

The purpose of today=s hearing is to discuss our nation=s health care safety net system and the challenges facing providers who care for our nation=s uninsured and medically underserved. We will focus on the authorization of several programs that form the backbone of our health care safety net B the Consolidated Health Centers program, the National Health Service Corps, and the Healthy Communities Access Program, programs serving millions of Americans every year.

In 1996, the Health Centers Consolidation Act reauthorized the community health centers, the migrant health centers, health centers for the homeless, and health centers for residents of public housing until 2001. Today, our nation=s health centers face difficult environmental and operational challenges. Not only do they serve a significant number of uninsured and increasing numbers of immigrants, but health centers are also affected by aging facilities and difficulties in recruitment, retention, and retraining of health center leadership. These health centers serve more than 9 million individuals each year, more than half are uninsured. To increase access to these valuable health care providers, President Bush has recommended increasing the number of health center sites by 1,200 and doubling the number of

individuals served at these sites. To reach this goal, he has also recommended an increase of their funding level by $124 million. As we reauthorize this program, we will address these problems and improve the ability of America=s health centers to meet the enormous need for their services.

Another critical component of the safety net is the health care workers who provide care to the medically underserved. Since 1972, the National Health Service Corps, a program designed to geographic maldistribution of health professionals, has placed over 20,000 health care providers in health professional shortage areas. Over 4 million people currently receive care from approximately 2,500 National Health Service Corps clinicians. However, to ensure that each community has the necessary professionals to meet their basic health care needs, another 18,733 clinicians would need to be placed in these areas. To strengthen this program, we need to address specific issues, including the ratio of scholarships to loan repayments, the 10% set aside for nurses and physician assistants, and the coordination of Corps with immigration programs. As we look to reauthorize this program, we should consider all of these important issues in turn.

Finally, a March 15, 2001 article in the New England Journal of Medicine notes that uninsured individuals receive most of their care from private physicians, clinics and hospitals. It further states that private hospitals bear over 60 percent of the costs of uncompensated care; and private, office-based physicians provide more than 75 percent of the ambulatory care for uninsured patients with Medicaid coverage. Given this, it is important that we consider safety net providers other than those supported by Consolidated Health Centers and the National Health Service Corp. These other safety net providers include local hospitals and emergency room departments, public health departments, home health agencies, and many other health care organizations.

Moreover, the one program, the Community Access Program (CAP), considered those other safety net providers in order to improve the efficiency and coordination of care. Unfortunately, CAP was eliminated in the Bush Administration=s initial budget plan. In a Senate Budget hearing on March 6, 2001, I raised this issue with Health and Human Services Secretary

Tommy Thompson who responded that he would be willing to work with us to develop a program integrating all of the safety net providers within a community. I believe that we can develop a program B the Healthy Communities Access Program B that encompasses both the coordination focus of CAP as well as a disease management emphasis advocated by President Bush.

I am pleased to have so many distinguished witnesses here with us today, and I want to especially welcome Dr. Fox from the Health Resources and Services Administration, Dr. Freeman of Talbott, Tennessee, and the many representatives from the health centers here in the audience.