

Daniel Atkinson, CEO - Muskingum Valley Health Centers (MVHC) Senate Finance Committee Testimony on Substitute House Bill 96 May 27, 2025

Chairman Cirino, Vice Chair Chavez, Ranking Member Hudson and Members of the Senate Finance Committee, thank you for the opportunity to provide testimony on Substitute House Bill 96, state operating budget. My name is Dan Atkinson, and I am CEO of Muskingum Valley Health Centers.

Muskingum Valley Health Centers is a Federally Qualified Health Center that operates twelve (12) locations within a four-county region including Muskingum, Morgan, Guernsey, and Coshocton counties. MVHC serves over 73,000 patients annually, resulting in over 282,000 visits. MVHC offers services including primary care services, women's health, dental health, podiatry, behavioral health, and addiction services. Additionally, MVHC operates two in-house pharmacies and one specility pharmacy in Muskingum and Guernsey counties.

I would like to commend Governor DeWine and the Ohio House of Representatives for prioritizing the health and well-being of Ohioans through their investments in critical health initiatives. There are several provisions in Sub HB 96 that Community Health Centers (CHCs) strongly support, including:

- Funding for School-Based Health Centers (SBHCs),
- The Ohio Primary Care Workforce Initiative (OPCWI),
- Investments in dental and vision care for children in underserved areas.

I would like to take this opportunity to highlight the work our organization has done in the schoolbased health center arena. MVHC currently operates three successful school-based health center locations throughout our service area. This past August, MVHC opened the first of 16 school-based health centers funded through Governor DeWine's historical investment in Ohio's Appalachian counties at the Maysville Local School District. In addition to Maysville local schools, MVHC also operates two robust school-based health centers at Coshocton City Schools and FoxFire Schools. We will also be expanding with two additional school-based health centers in the Zanesville City School District in the fall of 2025. This model of care has been proven successful in increasing access to care for students by reduced barriers for parents and guardians. Ensuring that students have access to high quality care has improved attendance and student school performance. Continuing to support the school-based health center initiatives will improve not only the health and well-being of our students but will also ensure better educational outcomes.

These investments directly align with the mission of Community Health Centers: expanding access to comprehensive, quality, and affordable health care across Ohio. I respectfully ask that you refer to testimony submitted by the Ohio Association of Community Health Centers (OACHC) for full remarks and additional considerations.



Today, I will focus my testimony on a few key areas in HB 96. The first area is protecting the 340B Drug Pricing Program.

House Bill 96, as introduced, included language that would have prohibited the use of contract pharmacies in the federal 340B Drug Pricing Program for Medicaid patients. This program has been critical in allowing Community Health Centers to stretch limited federal and state dollars, delivering vital services such as medical and dental care, behavioral health, school-based health care, and substance use disorder treatments, to name a few. The savings generated through the 340B program are critical to the financial sustainability of community health centers throughout the State. As an FQHC operating in rural Ohio, I can assure you the dollars generated through this program provide critical services to some of the most vulnerable populations in our communities. At MVHC, the 340B drug program not only ensures patients have access to life saving medications but also supports programs such as patient transportation, comprehensive care management and numerous services that help support value-based care. I want to assure you that the money generated by this program is vital to the long-term goal of achieving greater value in our healthcare system that ultimately leads to reducing the overall cost of care.

We commend the Ohio House of Representatives for removing this deeply concerning provision from the *As Introduced* House Bill 96—and respectfully request the Senate to protect Community Health Centers' access to life-saving medications and services for Ohio's most vulnerable populations through 340B.

Like many industries, health care faces significant workforce shortages that impact our ability to meet community needs. MVHC has experienced challenges related to securing adequate workforce to consistently meet the needs of our communities. These workforce challenges have created significant gaps in our service area, especially with the recruitment of providers. One example is that MVHC has experienced a significant reduction in dental access in both Morgan and Coshocton Counties due to workforce shortages.

To address these challenges, MVHC participates in the Ohio Primary Care Workforce Initiative, the state's only pipeline program dedicated to expanding the primary care workforce in underserved communities.

While we are grateful for the Governor and House's continued support through level funding of \$5.4 million over the biennium, we respectfully request the Senate to increase OPCWI funding to \$7 million. This increase would support expanded teaching and precepting opportunities for students and allow additional workforce development initiatives. It will also be the first increase since the original allocation.

The OPCWI program has operated successfully for over a decade without a funding increase, despite rising costs and workforce demand. The program encourages providers to stay in Ohio and ideally serves in an under resourced area.

The OPCWI program has given MVHC the ability to provide training support for 40-50 students on an annual basis. This equates to nearly 500 students who have received on site training at an MVHC



location over the past decade. Without this crucial program, MVHC would be significantly hindered in meeting the community demands for healthcare services.

An increase now is an investment to strengthen Ohio's future healthcare workforce and improve access to care statewide.

Finally, we are concerned about the language requiring immediate termination of Medicaid coverage for Group VIII members if the federal medical assistance percentage (FMAP) falls below 90%. Medicaid expansion is vital not only for individual health outcomes but also for the operational stability of Community Health Centers like ours.

The Medicaid program is vital to MVHC's financial stability and our ability to maintain services at the current level. The Medicaid Group VIII accounts for approximately 26% of Medicaid covered lives in the MVHC service area (Coshocton, Guernsey, Morgan and Muskingum Counties). As a result of the Medicaid expansion initiative, many individuals in our service area are now able to access care to vital services such as preventive care and chronic disease management. Cutting care for these types of services may seem enticing in the short-run, but causes much higher health care costs in the long-run. For example, a diabetic patient that manages their condition appropriately by accessing MVHC services such as medication assistance, condition monitoring, and diet and exercise education programs, which are relatively low cost, will avoid the long-term consequences when they become Medicare eligible of in-patient hospital stays, higher drug costs, and possible surgeries. By providing this coverage to the working poor, we can help reduce the overall cost of care into the future by ensuring patients have access to the highest quality primary care.

MVHC estimates the revenue streams generated from the expansion program to be as much as \$6 million a year. Cutting this program would require MVHC to reduce our operating budget by this amount in order to maintain a breakeven budget. This represents approximately 10-12% of our annual operating budget.

Potential service impact would include the reduction of operating hours, reduction in dental services and the elimination of our mobile program. It would also force us to reduce our workforce, which would create additional negative economic impact. It would also dramatically impact our ability for future expansion and limit vital primary care and preventive services.

The rural healthcare ecosystem is extremely fragile and relies on many diverse funding streams. The interruption to any single revenue source has the potential to be catastrophic to the system. By eliminating Group VIII coverage, it is almost certain that this will have a significant negative impact on healthcare services for all individuals in SE Ohio.

We respectfully urge the removal—or at minimum, the revision—of this provision to avoid disrupting essential care for vulnerable Ohioans and threatening the sustainability of CHCs across the state.

Thank you for your time and consideration of these critical issues. I am happy to answer any questions you may have.