

FREDERIKSTED HEALTH CARE, INC.

• INGEBORG NESBITT CLINIC IN FREDERIKSTED •
NORTHSHORE HEALTH CENTER • SCHOOL-BASED HEALTH CENTER AT COMPLEX •
DENTAL EAST

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Committee on Finance
July 27, 2016

Frederiksted Health Care, Inc.
Frederiksted Health Center/Ingeborg Nesbitt Clinic
St. Croix Educational Complex-School Based Health Center
Frederiksted Health Care Dental East
Frederiksted Health Care Northshore Health Center

Good Afternoon Honorable Senator Clifford Graham, Chairman of the Committee on Finance, other Committee members, all other Senators and our listening and viewing audience. My name is Masserae Sprauve Webster. I am the Chief Executive Officer of Frederiksted Health Care, Inc. otherwise known as FHC. FHC operates the Frederiksted Health Center, the St. Croix Educational Complex – School Based Health Center, the Frederiksted Health Care Dental East site located at the Easterly Building in Orange Grove Christiansted and Frederiksted Northshore Health Center located at #6C La Grande Princess. Frederiksted Health Care, Inc. is a non-profit organization which provides primary health care services within the community of St. Croix.

FHC is managed by a Board of Directors that is actively involved in the oversight and fiduciary responsibilities of FHC. We are directed by a patient majority governing board thus we belong to the community. As a testimony to the continuous involvement regarding oversight and fiduciary responsibilities, Mr. Lennox Joseph, FHC Inc.'s Board Treasurer is present today. Also with us, is Ms. Jacquelynn Rhymer-George, Chief Financial Officer who will assist me in responding to any questions that you may present.

FHC is a Federally Qualified Health Center (FQHC). FQHC's ensure that all members of the community have access to health care. FQHC's are tasked to provide comprehensive primary care services in one building to all members of the

community. We pride ourselves in being distinct from the traditional approach to healthcare, as community health centers have the commitment, experience and tools necessary to respond to community problems. FQHC's are very much concerned and respond to the socioeconomic needs of the communities we serve. One example of this, is the fact that we promote and offer sliding fee discounts based on income and family size in an effort to make health care affordable for those who are uninsured or underinsured.

We believe it is important to share that medical and dental providers in a community health center serve patient with more chronic diseases and socio-economic complexities which in itself justifies the need for funding. While we share these challenges we would like to also share that despite the challenges, studies performed have indicated that the quality of care in a federally qualified health center versus that in private practice is equal to or in some cases BETTER.

FHC is a non-profit organization which provides health care services to the community of St. Croix. FHC offers primary medical care, walk-in services, non-emergent services, laboratory, behavioral health services, HIV testing, prevention, treatment and counseling, Ob/Gyn, prenatal, pediatrics, dermatology, optometry, pediatric and general dentistry, nutritionist, hypertension, cholesterol, diabetes screening and management. FHC also offers case management support services through our Ryan White Part C services for persons living with HIV & AIDS; education and prevention of HIV/AIDS, harm reduction interventions and Outreach and Enrollment services to identify and assist with the enrollment of persons who are now qualifying for Medicaid coverage through the Medicaid Expansion.

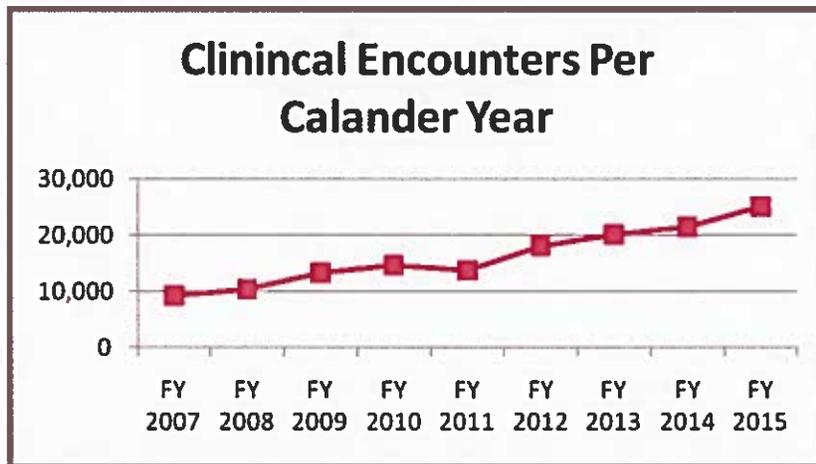
We are here today to give testimony on Frederiksted Health Care, Inc.'s Fiscal Year 2017 Budget Request in the amount of \$2,382,265. In previous years, the Virgin Islands Government allotment to FHC represented 50% of FHC's budget however in recent years as FHC has grown, the allotment represents 33%. This is not proportionate with the demands placed on FHC as we are serving more patients, and increasing the types of services we offer dramatically.

FHC continues to be ultra conservative in managing our funds; we have continued to "do more with less," to the greatest extent that we can. However, we must express our concern regarding funding if we are to assume additional public health services. In eight years, FHC has grown in patient care over 250% but staffing has not grown proportionately.

The Board of Directors through their commitment and vision, and as a result of experiencing the medical needs and growth of the community, decided to reinvest funds collected into expanding to Christiansted. FHC has a dental site and a medical site in Christiansted. FHC is presently expanding services at the Northshore site to include dental services. Since FHC expanded services to Christiansted, our demographics indicate a growth in the populations served in the eastern districts of St. Croix:

<u>Encounters by Districts</u>	<u>2012</u>		<u>2013</u>		<u>2014</u>		<u>2015</u>
C'sted	25%	} 55% East	25%	} 57% East	30%	} 60% East	32%
Kingshill	30%		32%		30%		32%
Frederiksted	45%		43%		40%		36%
							64% East

Please note that since 2007, FHC has experienced a steady increase in patient encounters:



- Fiscal 2007 9,250
- Fiscal 2008 10,408
- Fiscal 2009 13,298
- Fiscal 2010 14,744
- Fiscal 2011 13,762
- Fiscal 2012 17,995
- Fiscal 2013 20,062
- Fiscal 2014 21,384
- Fiscal 2015 25,052 ALMOST 3 TIMES ENCOUNTERS OF 2007

FHC provided services to 25,052 encounters in 2015. This was a marked increase of almost 3 times the encounters from 9,250 in 2007. We believe there are several factors that contributed to this increase but the most influential factors that have contributed to our growth are:

- 1) Frederiksted Health Care, Inc. is the only public oral health care provider on the island of St. Croix. While we at FHC accept this responsibility as an honor; we realize that it presents challenges to our community that is not fair to the patients. With only one full-time dentist and four part-time dentists that equate to .50 FTE, FHC has a waiting list of over 1,400 patients. We have explained this before but believe that it is important to reiterate that there are approximately 12,700 patients with Medicaid, who can only access oral health care at FHC. Further compounding this issue is the fact that there are approximately 18,000 uninsured individuals on the island of St. Croix. In the case of medical services, a patient with MAP or who is uninsured can seek primary care at FHC and DOH. Additionally, we know that the reality is that many patients do seek primary care at the Emergency room. The fact is that these medical patients can be spread over 3 public health providers. However, In the case of dental, a bottleneck is created as there is only FHC as the public oral health care provider on St. Croix
- 2) In addition, displaced employees of both the Virgin Islands Government and the private sector are changing from private providers for primary medical and dental care services and are seeking services from FHC as they no longer can afford private services. Most often displaced employees either opt not to or cannot afford to take COBRA insurance coverage, thereby creating a shift in statistics of individuals who are insured downward and self-pay, under-insured and uninsured upward. This demand on FHC, creates the need for additional space, providers, support staff, equipment and supplies.
- 3) High quality service. FHC maintains a committed and dedicated full-time staff of 84 and contract staff of 14 of which we are extremely proud of their hard work in improving health care to the lives that they touch. We have the pleasure of boasting of a wonderful staff, where patients are consistently paying compliments for their service and sharing the word; consequently, many have chosen the services of FHC regardless of income levels. FHC staff is committed to positioning ourselves as a “top notch” facility with excellent standard of care and patient outcomes.

FHC Board and Management continue to evaluate the needs of the community and search for solutions to address the socio-economic issues and ultimately improve health care. Below we will share a few of our initiatives.

Since 2012, in efforts to educate community partners about the Public Health Model of Violence Prevention, FHC has joined forces and participated in Peace

Rallies and co-hosted Intergenerational Round Tables with youths in some of our high risk neighborhoods. During the 2014-2015 school year in collaboration with the VI Bar Association and the VI Department of Education we helped to facilitate Help Increase the Peace (HIP) workshops in all 4th grade classes in public schools on St. Croix and several of the fourth grade classes in the St. Thomas/St. John District. In 2015, FHC partnered with the Community Peace Center and Stewards for the Performing Arts and Recreation Center (SPARC) to obtain a \$5,000 grant from the Virgin Islands Council on the Arts to fund Players for Peace, a community youth program that promoted peaceful communication through theater.

Additionally, FHC has been a contributor and supporter of Liberty Place, an organization that is involved in anti-bullying education in our schools. Liberty Place is concerned about young people bullying each other because of their perceived differences in racial, heritage, socioeconomic class and sexual orientation. We support the efforts of One Love, a gay-straight student alliance at UVI, and have helped them sponsor activities such as a memorial vigil after the Orlando shootings. FHC has our own outreach team doing work in schools aimed at addressing stigma related to HIV. We will continue to invest in these efforts because we hope they will help create a more tolerant, safer community for *all* kinds of young people.

In 2013, FHC introduced the 340-B prescriptions program to our patient population. The 340-B program is a federally mandated program that requires drug manufacturers to provide outpatient drugs to eligible health care organizations and covered entities at significantly reduced prices. This program allows FHC to stretch scarce resources as far as possible and makes prescriptions available to so many who previously could not afford their meds. FHC, realized that many of our patients were either not purchasing their meds or were taking them inappropriately as they tried to stretch their meds. For example, one tablet today and the next one two or three days later as opposed to the prescribed daily. Participating in this program makes medications available to our patients and alleviates this issue of access to meds. This enables FHC to provide more comprehensive care. The program is designed specifically to help those with chronic and terminal illnesses afford their medications. The difference between the discounted and retail price allows us to help the uninsured with their prescription expenses. Everyone benefits from the ability to be more compliant with their medication regimen. Through this program, FHC has underwritten approximately \$200,000 in the last eighteen (18) months to purchase or share costs of medications for patients who had financial difficulties. Several patients who were on chronic care management drugs have shared that they have gone from paying \$800 in out of pocket for their drugs to

now paying \$150 since participating in FHC's 340B prescription program. These savings can help these families in so many other crucial areas in their lives.

Our Ryan White Program continues to grow in participation and in depth. Our outreach efforts have become more focused on critical at-risk populations, and as a result we have had several people who are newly diagnosed HIV positive join our client roster. We know that the HIV/AIDS epidemic continues to hit the island hard, and we remain dedicated to addressing the critical prevention strategies that are so necessary, working with young people and adults to be more responsible in our sexual health.

In July 2015, FHC was awarded a CDC grant to expand education and prevention interventions to our community regarding HIV and AIDS. This grant was for \$2.5 million over 5 years. FHC provides outreach and testing. One of our big initiatives has been harm reduction. FHC has partnered with several business owners to make condoms accessible. In one year, we have distributed over 125,000 condoms to local restaurants and bars. We thank these proprietors for partnering with us in our fight against HIV/AIDS.

FHC has always provided care to the Homeless. However, FHC witnesses that these individuals often felt uncomfortable seeking services at the health center where other patients of better economic standing were at the same time. In realizing this barrier, in January 2016, we began a collaborative effort with St Croix Community Foundation, an anonymous donor, Catholic Charities and other community agencies have joined us such as the Barry University, Village Partners in Recovery, Frederiksted Twin City Lion's Club and Senator Positive Nelson offering haircuts. These organizations assist us in providing medical and social services directly to the homeless in our community and we would like to take this opportunity to Thank them for their partnerships.

The homeless clinic is hosted the 3rd Saturday of each month. This does not limit the homeless to only the one Saturday; they can come any time that FHC is opened but this gives them the comfort they have expressed not having when they have to come to the facility with other patients.

FHC provides medical, dental and behavioral services to these individuals. Meals, baths, clothing, shoes and haircuts are offered to those who attend. At each clinic we have served about 35 homeless individuals. Each month about 25 are follow-up patients and usually we serve 10 new patients.

Our ultimate goal is to stabilize these patients and as a coalition, move them toward permanent supportive housing. In our first 7 months, we have seen 70 homeless individuals – some 3 or 4 times – to treat most prominent medical and psychiatric conditions. We are making good progress with the population, and have a continued commitment to help address the issue of homelessness on St. Croix in a responsible and sustainable way.

The Homeless Clinic has made a very clear impact in our understanding of the everyday violence many of our marginalized citizens' experience. Once we began our work to be understood as 'safe space' for medical care and case management, the homeless and housing vulnerable have come to us with broken bones and gashes received in street skirmishes or simply as a result of being 'easy' victims of pocket theft or violent harassment likely to fly under the radar of reported crimes. We believe that we have created a "safe space for these individuals as many of these individuals have become very comfortable in visiting our facility outside of the Saturdays organized for them. "I want to see, my friend Dr. Smith."

FHC has submitted a grant application through St. Croix Foundation for Homeless support and wrap around case management services for the homeless on St. Croix in an effort to follow up on our work with the Homeless. Many of these individuals are our patients and cannot become healthy in their homeless conditions. FHC is presently awaiting notification regarding this grant application.

In 2016, FHC applied and received a grant of \$42,000 from the Elton John Foundation to conduct a needle exchange program; FHC believes this is very important in our efforts to curtail the transmission of HIV/AIDS, HEP C and other transmittable diseases. With guidance and support of VIPD, we are working within the intravenous drug-using community to provide clean syringes and cookers, which are mechanism well-known for the transmission of HIV and Hepatitis C. The Harm Reduction models of condom distribution and syringe exchange that we use are best practices for HIV prevention nationally.

In 2016, FHC applied for a Zika education prevention grant from HRSA and was awarded the grant for \$250,000.

We recently applied for an Information Technology grant in an effort to upgrade FHC's IT division. We are awaiting notification on the award from HRSA.

Recently in 2016, in an effort to continue improving quality of care, FHC implemented an on-site patient portal service. This service is a secure online

website that gives patients convenient access to personal health information using a secured username and password. FHC patients can access their health information such as: recent doctor visits, lab results, request prescription refills, schedule non-urgent appointments, update contact information, among other things. To ensure that the patient portal implementation is most beneficial, FHC offers our patients an orientation to help them register and to familiarize them with the portal's features. There is a computer placed in the waiting area so staff can help patients register with the portal on the spot.

FHC has been sub-contracted by Logistics Health, Inc. (LHI) to provide in-clinic medical services to Reservists and the 9/11 survivors residing on St. Croix. So far, LHI has referred 80 service members to FHC for in-clinic medical services.

In 2016, the Frederiksted Health Care dental department visited all the public elementary schools providing oral health education to all the second grade classes. It is our opinion that our community outreach efforts are more important in controlling oral disease in the community than the tooth repair work we are doing in our dental clinics. Most dental work performed in the clinic is focused on repairing the damage done by dental caries (cavities) and periodontal disease (gum disease). Most people assume that once they have their cavities filled that the disease is controlled. However, without concurrent changes to their diets and home care routines, most people will continue to suffer from these debilitating diseases. The true treatment for these diseases is what is done by the patients in their homes. By providing information to the public about what causes the diseases and how to stop the damage that is done through daily cleaning and choosing foods that are low in sugar we are providing the true means to stop the disease. We are only going to be successful in improving oral health on St. Croix by properly educating the public about the diseases of the mouth and then empowering them to maintain their health at the house through effective home care and healthy dietary decisions.

That being said, we do realize that we must also perform tooth repairs and treatment and FHC presently does not have the resources to handle the capacity. As shared earlier, public Oral Health Care is a great need for our community. FHC with our limited resources has been challenged to meet the need. Thus the Board of Directors at FHC decided to expand our Oral Health services to the Northshore facility. We applied for a supplemental grant from HRSA and we were awarded \$261,000 for the dental expansion at Northshore. We are presently undergoing renovations at Northshore to create a six (6) operatory suite. Equipment has been purchased and have arrived and should be plumbed and installed by mid- August.

FHC has turned every stone in an effort to secure funding for this expansion. FHC applied to Benny and Martha Benjamin Foundation. FHC has received approval of a grant of \$32,000 to assist with the Dental Expansion at Northshore through the Bennie and Martha Benjamin Foundation. FHC petitioned the Virgin Islands Department of Health for equipment the department had after the closing of their dental services. On July 6, 2016 FHC received a brand new dental chair which was donated by the Virgin Islands Department of Health. FHC is very grateful for this donation, as it is very much needed. The dental chair will be used in the FHC expansion of dental services to the Northshore site. Additionally, FHC applied and recently received a loan of \$75,000 through the St. Croix Foundation. This loan is supported by the Denali Asset Management Reimbursable Health Fund. FHC realizes that the need for Oral Health Care is great and is working diligently to bring this suite on line by the end of August. The FHC Board has committed program income funds to complete this project.

As FHC continues to grow, FHC now sees itself in a situation of limited usable space in which to provide expansion of services. At this time, this dental expansion is the last structural change that FHC can make within the sites that we currently occupy. We are bursting at our seams. We have turned lobbies into exam rooms and conference rooms into office space. We are at a point where we have exhausted all available space in our facilities and will need additional space to meet the needs of the growing community and the demands placed on FHC.

FHC does not have a grant writer but managers are constantly researching grants that are available and may be in line with FHC's mission. We would like to underscore that when FHC is awarded these grants, while they are good news for St. Croix and additional funds to FHC; this is not additional funds to support our present operations. These grants support additional staffing and program outcome responsibilities that are expected from these grants. Additionally, it is important to note that so much of what we do through applying and being awarded these grants also creates jobs on St. Croix.

At FHC, we continue to take Health Care services beyond our doors, where we offer free cholesterol, hypertension, diabetes, flu shots and HIV screenings. Frequently, at the various outreach activities we participate in, we have identified many individuals with chronic illnesses that due to financial hardships have been out of care. Identifying these individuals allows us to bring them into care avoiding morbidity and mortality. If these patients were left out of care their chronic diseases would continue to escalate until they show up for emergency/acute care.

The Board of Directors, Management, and Staff believe that access to health care is a basic human right. Thus, we work daily to assure that the optimal level of health care be available to all despite one’s ability to pay. We believe that primary care is the key to our community truly thriving. There is no one in our community that should go without health care due to their financial status. Thus, FHC offers a Sliding Fee Discount for services making health care accessible to all.

Patient Population by Insurance Source:

	2013		2014		2015
Uninsured	32%	} 87% underserved	31%	} 87% underserved	20%
Medicaid	46%		47%		59%
Medicare	9%		9%		8%
Private Insurance	13%		13%		13%

Overall, consistently for the past 3 years 87% of the user/patient population of Frederiksted Health Care can be characterized as the underserved. It should be noted that with the territories Medicaid Expansion, it is evident that more persons are qualifying for Medicaid. Note the increase from 46% to 59%. This includes 32% uninsured; 46% which are Medicaid recipients, and 9% which are Medicare recipients. Presently, 13% of the population that we serve has private insurance but still can be characterized, to some extent, as underserved. Many of these individuals still face a co-pay they cannot afford; hence they often then qualify for sliding fees for their co-pays. Altogether, although the recipients covered under the Medicaid, Medicare, and private insurances have certain coverage for medical services and prescription medications, these recipients too are often confronted, just like the uninsured, with the challenges of having to pay out of pocket expenses they cannot afford and that Frederiksted Health Care has subsidized.

FY 2017 Virgin Islands Government Allotment Request.

Frederiksted Health Care, Inc. is requesting a local funding allotment for FY 2017 in the amount of **\$2,382,265.00** to assist with the delivery of care to these vulnerable populations for the following expenses:

Personnel Services	\$1,536,640.00
Fringe Benefits	445,625.00
Other Services & Charges	150,000.00
Public Utilities	<u>250,000.00</u>
Total	\$2,382,265.00

Below are the FHC goals presented to the Legislature in 2015 for 2016. We have provided our status response in blue to each item. Of notable mention is item #1.

1. To provide services to 8,500 patients by 2016 by advertising and marketing services; increase encounters to 24,000 in 2016.
In 2015 FHC exceeded the goals we had targeted for 2016: FHC provided services to 8,634 patients and had 25,052 encounters in 2015. FHC aims to provide services to 10,000 patients in 2017 and 28,000 encounters.
2. To enhance and maintain program operations in accordance with established local and federal laws, regulations and guidelines.
FHC continues to maintain the above.
3. To expand patient base to patients with private insurance. Community has a misconception that FHC services are only for the indigent.
FHC continues to work on educating the public and advertising to recruit patients with insurance but thus far has maintained a 13% private insurance population.
4. To recruit and hire a 2nd full-time dentist to work on reducing the wait-list of over 1,400 dental patients.
FHC has recruited 2 full-time dentists who are expected to join FHC in August 2016. FHC is presently renovating the Northshore site to accommodate 6 dental chairs to provide oral health care at that site.
5. To pursue additional grant funds to enhance program services and operations.
As has been shared in the context of this testimony, FHC is consistently searching for and applying for grants
6. To fund-raise and market to enhance program services and operations
FHC Board of Directors and Staff are presently working on developing fund-raising initiatives to expand services to meet the needs of the community. In June, in partnership with Polly's a Tea by the Sea was hosted for the benefit of FHC. BOD is presently exploring other fundraising efforts.
7. Continue to expand services to meet the needs of the community.
As FHC continues to grow, FHC now sees itself in a situation of limited usable space in which to provide expansion of services. We are bursting at our seams. We have turned lobbies into exam rooms and conference rooms into office space. We are at a point where we have exhausted all

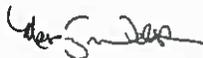
available space in our facility and will need additional space for further expansion.

In closing, Frederiksted Health Care, Inc. believes it is important to reiterate to this committee that we utilize all our grant funding in compliance with federal and local guidelines and grant funding stipulations for the maintenance, enhancement and expansion of services for the community we serve. We continue to receive clean audits which validate that we expend the funds appropriately.

We trust that based on the information shared with you today, that you will continue to support the efforts of Frederiksted Health Care, Inc. to deliver and improve access to health care on the island of St. Croix and at a minimum maintain the present allotment. As we have stated previously, FHC has sought and will continue to seek additional funding through grant applications as they become available.

We look forward to continue working with this body to identify ways for constant and uninterrupted exemplary health care services to our community. We thank you for your continued support, understanding, interest and the opportunity to provide information on our agency. Ms. Jacquelynn Rhymer George and I remain poised to answer any questions and provide any additional information you may require of us.

Thank You,



Masserae Sprauve Webster
Chief Executive Officer