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Committee on Finance

July 30, 2025

Budget Testimony FY 2026

Frederiksted Health Care, Inc.

Good afternoon Honorable Senator Novelle E. Francis Jr., Chair 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 referred to as FHC. With me today is Ms. Jacquelynn Rhymer-George, Chief Financial Officer, and Ms. Tarah Graham-Hodge, Chief Human Resources and Corporate Compliance Officer of FHC. We are here today to testify on behalf of the Board of Directors of Frederiksted Health Care, our staff, and our patients. Frederiksted Health Care is an independent 501(c)3 non-profit organization which was created in 2000 to provide primary care services on St. Croix. FHC is a community health center funded under Section 330 of the Public Health Service Act. We are happy to share that we are celebrating our 25th year of providing services to the island of St. Croix. Our shared vision for the work we do is:

A Healthy,
Vibrant, Resilient
Community

To accomplish this vision, Frederiksted Health Care provides patient-centered, nondiscriminatory, evidence-based, and affordable health care to the community of St. Croix. This health care includes primary care, obstetric, dental, psychiatric, behavioral health counseling, and enabling services at three service delivery locations across St. Croix. In 2024, Frederiksted Health Care provided services to nearly 9,000 unduplicated individuals – more than 98% of whom have income at or below 200% of poverty level. We care for the community from prenatal to the elderly, with nearly 1,000 children aged 5 and under, and just over 2,000 seniors aged 65 and over. In 2024, our patients represented one out of every four residents on St. Croix.



One in Four Residents

Many of you know that I am a social worker by education, and I feel I would be remiss if I did not put the concept of “poverty level” into context. The poverty level is determined by the U.S. Government by taking the cost of a “minimum” food diet and multiplying it by 3 to account for other necessities. Allow me to translate into dollars and cents. In previous testimony, I have shared the concern regarding the poverty rate of our patient population. For a single individual, 200% of poverty is \$31,300 annually - \$2,608 per month. Rent, utilities, food, medicine, clothing, and all other basic needs are covered on \$2,608 per month. It will come as no surprise to anyone in this room that the cost of groceries is 30% higher in the U.S. Virgin Islands than on the mainland United States. Electricity is about three times higher than the average cost on the mainland. Imagine making ends meet on \$2,608 per month with our cost of living. Even more astonishing is the fact that for the last year 71% of our patients have income at or below 100% of poverty guidelines which translates to \$15,650 per year or \$1,304 per month!

Although poverty is the number one barrier to care faced by our patients, many of our patients are also members of marginalized groups which increases their needs. We cared for 86 individuals who are being treated for HIV/AIDS and 109 individuals who are chronically homeless. FHC is known to be a safe and welcoming environment for all including these and other marginalized groups. We consider it our honor and our responsibility to provide care to the most vulnerable among us.

Frederiksted Health Care is part of a network of nearly 1,400 community health centers across the United States and Territories that provide health care services for individuals who face barriers to care. As shared in a letter sent to many of you, we are racing against a September deadline as our federal funding expires creating unprecedented strain. The recently enacted “One Big Beautiful Bill Act” is projected to cost billions of dollars in higher uncompensated care and will jeopardize coverage for many of our residents. Our CDC grant which is being used for Comprehensive High-Impact HIV Prevention Programs is a 5-year grant which provided \$500,000/year to support our HIV Prevention Program. This grant is expected to sunset on June 2026. There is no provision for this grant to be

renewed in the bill. While Frederiksted Health Care will NEVER turn patients away, the loss of these grants and the reductions in Medicaid will result in budget choices that could impact the lives of members of our community.

Next week is National Health Center Week, a time when health centers reflect and celebrate on our past, present and future in service to our communities. National Health Center Week provides another opportunity to recognize the contributions our staff makes to our community – we could not provide the care we do without our dedicated staff.

I would like to publicly thank the staff of Frederiksted Health Care today for their continued hard work!

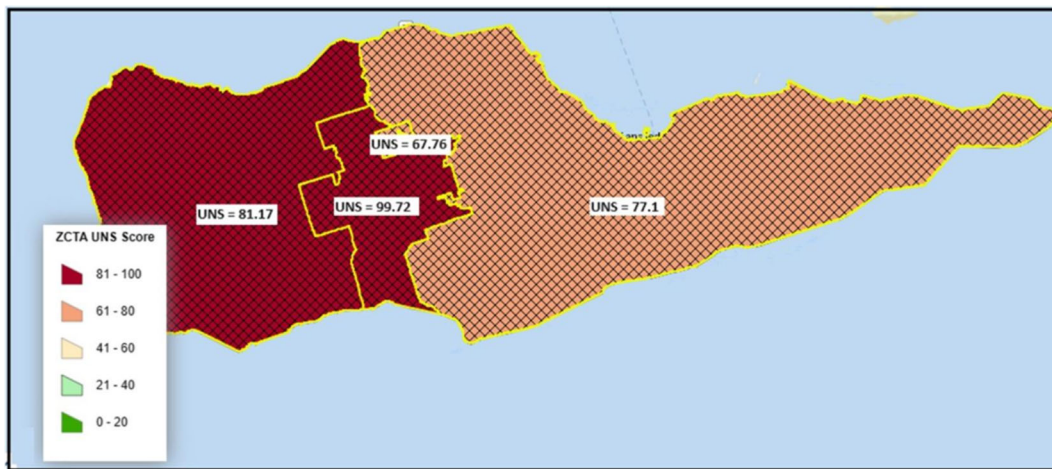


At Frederiksted Health Care we are always focused on ensuring access to care for our community. Our organization is being highlighted as a case study by the St. Croix Foundation in its efforts to showcase organizations who have used ingenuity and innovation to achieve progress in the face of broken systems using workarounds that bypass barriers. Our resilience as an organization is highlighted; as is our quick response to emerging health crises. The case study concludes that “FHC has created a robust safety net that *bypasses* systemic failures, ensuring that vulnerable populations have access to the care and support they need.”

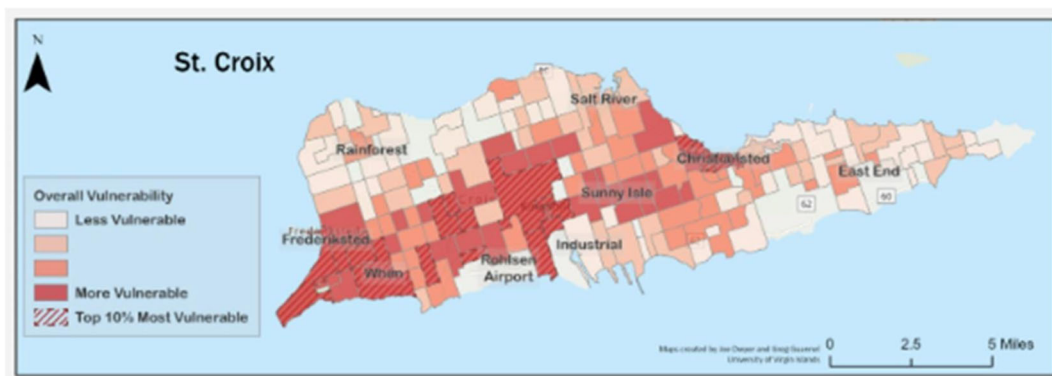
In spite of our work, our community continues to face many health disparities. The Health Resources and Services Administration, (HRSA), has developed a system for measuring unmet health needs which ranks the western half of St. Croix as having the highest levels of unmet health needs in the United States and its Territories.

Life expectancy in the U.S. Virgin Islands is five years less for males than in the United States and males in the U.S. Virgin Islands die eleven years earlier than females do. Health

disparities are linked to social vulnerabilities such as poverty, unemployment, lack of education, disabilities, minority status, language barriers and access to transportation which are significant for most of our community.



Unmet Need Score



Social Vulnerabilities

These disparities and social vulnerabilities challenge Frederiksted Health Care's ability to realize its vision. Our growth as an organization has been directly linked to overcoming these challenges. Highlights from our history include:

- 2000: Creation of Frederiksted Health Care
- 2012: Dental services added
- 2013: Prescription medication assistance services added
- 2014: North Shore location added
- 2015: Psychiatry and substance use disorder services added
- 2016: ZIKA response and homeless clinic services added
- 2017: Major dental expansion and hurricane response
- 2018: Mid Island location added
- 2019: Major dental expansion

- 2020: COVID-19 response
- 2021: Lena Schulterbrandt location added
- 2022: Mobile medical/dental van added
- 2025: Major expansion of service hours and completion of new administration/outreach building



The past year has been one of continued reinvestment by Frederiksted Health Care with several projects designed to increase access to care on St. Croix:

- Most visible to the outside community is our newly completed outreach and administration building immediately next door to the North Shore Community Health Center. This new construction will house expanded behavioral health services and will house administrative staff relocated from both the Ingeborg Nesbitt Community Health Center and the North Shore Community Health Center. This will free up space in both of those community health center buildings to support expanded clinical services and increase administrative efficiencies as those staff will now work in close proximity to each other, fostering communication and cooperation. Although federal funding was received which supported a portion of this project, the vast majority of the costs were supported by Frederiksted Health Care. We will be holding a ribbon cutting ceremony next week Thursday August 7, 2025, at 6:00 pm. We invite all of you to join us as we dedicate this building.



- Less visible was the replacement of our electronic health record system. Spurred on by the cyberattack we suffered in late 2023, Frederiksted Health Care undertook replacement of the system to address deficiencies and take advantage of features that more fully support our mission as a safety-net ambulatory care provider.
- Recruiting qualified health care professionals has always been a challenge for Frederiksted Health Care and we are leaning into new methods to ensure we have the staffing to provide much needed access to the residents of St. Croix. One of these new methods is the concept of “grow your own” where we invest in our existing staff to expand their competencies rather than relying on recruiting individuals from outside the organization to fill vacancies. Frederiksted Health Care is providing financial assistance to staff in exchange for commitment to continue working for the organization following graduation. Those efforts are paying off. We recently supported a registered nurse, who completed her education as a nurse practitioner and is now working in her new role as a Nurse Practitioner. We also have another nurse practitioner who is attending classes to complete training in psychiatry. She will practice in collaboration with our part-time psychiatrist to address the extremely high mental health needs in our community. We currently have one staff person who is attending dental hygiene school. She will return to Frederiksted Health Care following graduation as a licensed dental hygienist. Dental hygienist is one of the most difficult positions for us to fill. We are also in the process of a major initiative to provide training to our case managers. This will improve our ability to address the social determinants of health which negatively impact the health of our patients.

- Many of our patients are challenged with accessing care during the work week; in early 2025, Frederiksted Health Care significantly expanded operating hours to include hours on both Saturday and Sunday at our Ingeborg Nesbitt Community Health Center and Mid Island Community Health Center. Services are available on a scheduled and walk-in basis and provide patients with access to regular primary care and serve as an alternative to the emergency department for non-urgent needs. These hours have been well received by our patients with many expressing gratitude for this expanded availability including one individual who shared, “FHC has the pulse of the community” when discussing the expanded hours.
- We are currently expanding our behavioral health services to address the high demand for mental health and substance use disorder services in our community. We will be significantly increasing our behavioral health staffing over the next several months using a variety of staffing models
- Timely preventive dental services are key to reversing our oral health disparities on St. Croix. Dental hygiene positions have been difficult to fill. We continued our partnership with Health Partners of Western Ohio, which brings dental hygienists from their school-based program to work on St. Croix during the summer season. In 2025, we provided care to 224 individuals through this program.
- We recently closed our Lena Schulterbrandt location. The Board and Management of Frederiksted Health Care continues to recognize the need for access to care in this area of the island; which continues to have no primary care providers at all. We are actively searching for a suitable facility/property in the area to relocate the clinic. Please be assured that the name Lena Schulterbrandt Health Center will remain.

This year, Frederiksted Health Care is requesting support from the Legislature in the amount of \$3.0 million, which represents the same level as approved in FY 2025. Please be reminded that our annual allotment is not a gift. It represents the local share of the Medicaid match required for the services we provide. Additionally, it represents financial support for the uncompensated care that we provide to uninsured and underinsured patients.

GENERAL FUND	FY 2026 REQUEST
Personnel Services	\$2,023,911.00
Fringe Benefits	526,089.00
Other Service & Charges	200,000.00
Public Utilities	<u>250,000.00</u>
TOTAL	\$3,000,000.00

Frederiksted Health Care recognizes and appreciates the financial support we receive through the efforts of this body. However, it is important to mention two outstanding issues.

- In September 2024, \$1.0 million dollars was earmarked to support Frederiksted Health Care in Act 8920 Disbursement of the Epstein Settlement Fund. To date, Frederiksted Health Care has not received those funds. Any efforts to secure that funding would be most appreciated.
- We recently experienced electrical problems at our Ingeborg Nesbitt location. We currently hold a 99-year lease on that building and we are responsible for the vast majority of the maintenance and repair of that building. In our testimony last year, we reported the building was temporarily closed due to a water break. This incident necessitated the replacement of all the plumbing in the building. All of those repairs were accomplished without government funding. The electrical problems in the past several months resulted in repeated tripping of external fuses and the use of generator power, 24/7 for three full weeks. This bore a cost of \$15,000 for diesel fuel. The cost of repairing the external wiring was \$22,000. Our lease for this site specifically indicates the Government of the Virgin Islands is responsible for all electrical issues outside the building, but to date we have not received any support or funding to pay for those repairs. After a month of power interruptions and 3 consecutive weeks of no power, FHC decided to underwrite the repair costs, because:
 - a. FHC needs continuous reliable power to serve our patients,
 - b. FHC is the only medical provider in Frederiksted,
 - c. the cost of diesel fuel poses a financial burden,
 - d. the wear and tear on our back-up generator impacts reliability during emergencies

We are seeking reimbursement from the Virgin Islands Government. We trust this body will make every effort to rectify this situation, which limits our ability to continue to increase access to care for the people of St. Croix. Sadly, we are compelled to close our

testimony with tragic news of another maternal death in our community. As a significant provider of prenatal care on St. Croix, Frederiksted Health Care sees the impact of demographic changes and ongoing challenges with the health care system on a daily basis. Despite our best efforts to provide high quality prenatal services including onsite ultrasounds and the inclusion of a perinatologist on our care team, maternal morbidity and mortality appear to be increasing – we cannot accept this as a fait accompli and neither should this body. This is both a public health crisis and a failure of our healthcare system.

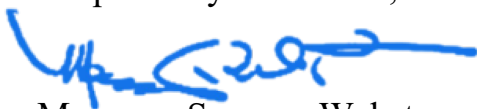
We offer some observations on the factors that are driving the increase in maternal deaths:

- Skeleton staffing; including obstetricians, pediatricians, anesthesiologists, and experienced support staff including nurses, respiratory therapists etc.
- A lack of basic supplies
- Rising maternal age and increasing co-morbidities such as obesity, hypertension, diabetes etc.
- Increasing numbers of undocumented pregnant individuals who often present for care late in pregnancy.
- Conspiracy theories and patients avoiding evidenced based management including attempting home births; not taking prescriptions; not accepting vaccines.

We must develop and implement a comprehensive strategy to address maternal/child health that includes actions across the continuum of care in the Virgin Islands, including both the health and social support systems. We must provide services for this vulnerable population and change the trajectory of our perinatal morbidity and mortality. We urge this body to require the creation of a task force to address this issue. Frederiksted Health Care stands ready to participate in any and all such efforts. Please join me in a moment of silence for the tragic loss of life and turn this family's unbearable loss into action.

We look forward to continuing to work with this body on matters related to our important mission. Ms. Rhymer-George, Ms. Graham-Hodge and I remain poised to answer any questions you may have.

Respectfully Submitted,



Masserae Sprauve Webster
Chief Executive Officer