



# Family Planning Advocates of New York State

## Joint Legislative Budget Hearing on Health and Medicaid Family Planning Advocates of New York State February 2, 2015

*Testimony of M. Tracey Brooks, President and CEO*

Family Planning Advocates of New York State (“FPA”), represents the family planning provider network in New York. Our provider members include the state’s nine Planned Parenthood affiliates, hospital-based, county-based and freestanding family planning centers, and a wide range of health, community and social service organizations that collectively represent an integral part of New York’s health care safety net for uninsured and underinsured women and men. Family planning centers provide critical primary care services such as family planning care and counseling, contraception, pregnancy testing, prenatal and postpartum care, health education, abortion, treatment and counseling for sexually transmitted infections, HIV testing and prevention counseling, as well as breast and cervical cancer screenings from funds that include the state’s family planning grant, Medicaid and private insurance. Family planning providers are located in rural, suburban and urban regions of the state and serve more than 330,000 patients yearly at 166 sites.

Decades of research and investment by state and federal governments, speak to the broad health and fiscal benefits family planning programs deliver. Access to family planning services plays a vital role in preventing unintended pregnancy and reducing transmission of sexually transmitted infections (STIs) – leading to healthier and more economically stable communities. The consequences of unintended pregnancy and sexually transmitted infections are far reaching. The ability to plan and space pregnancies has a profound impact on the health of women, their pregnancies and birth outcomes. Unintended pregnancy is strongly linked to short pregnancy intervals, which is associated with poor birth outcomes such as premature and low birth weight.<sup>1</sup> Additionally when women are unable to plan and space their pregnancies, they can miss the opportunity to address existing health issues that could adversely impact a pregnancy, or receive the support they need to achieve healthy behaviors before, during and after pregnancy such as early use of prenatal vitamins, timely initiation of parental care and reducing or suspending smoking and drinking.<sup>2</sup> STIs can have lasting and costly complications including infertility, cancer and facilitation of the sexual transmission of HIV. The CDC estimates that there are over 20 million new STI cases every year, costing the health care system \$16 billion in direct medical costs alone.<sup>3</sup> There is an undeniable return on investment for family planning services. It is estimated that in 2010, services provided at family planning centers saved \$13.6 billion nationally, or \$7.09 for every public dollar spent.<sup>4</sup>

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Simply put, when women and couples have the resources they need to prevent unintended pregnancy and STI transmission, the number of high-risk pregnancies and births are reduced, and maternal, infant and child

<sup>1</sup>Sonfield A, Hasstedt K and Gold RB, Moving Forward: Family Planning in the Era of Health Reform, New York: Guttmacher Institute, 2014, <<http://www.guttmacher.org/pubs/family-planning-and-health-reform.pdf>>, accessed Jan.15 2015.

<sup>2</sup>Ibid

<sup>3</sup>Centers for Disease Control and Prevention. Fact Sheet: Incidence, Prevalence, and Cost of Sexually Transmitted Infections in the United States. February 2013. Available at: <http://www.cdc.gov/std/stats/sti-estimates-fact-sheet-feb-2013.pdf>, accessed Jan. 15, 2015.

<sup>4</sup>Frost JJ, Zolna MR and Frohwirth L, Contraceptive Needs and Services, 2010, New York: Guttmacher Institute, 2013, <<http://www.guttmacher.org/pubs/win/contraceptive-needs-2010.pdf>>, accessed Jan. 15, 2015.

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health improves and women have the opportunity to explore and achieve their educational and economic dreams.

The myriad of health and education services provided by family planning providers in New York is integral to efforts to reduce unintended pregnancy and the transmission of STIs. Since 2002, the rate of unintended pregnancy in New York has decreased by 9.5%.<sup>5</sup> Despite this downward trend, New York remains one of three states with the highest unintended pregnancy rates in the nation. In the absence of publicly funded family planning services, the rates of unintended pregnancy, unplanned birth and abortion in New York would be 44% higher, and teen pregnancy rate would be 47%<sup>6</sup> higher.

In order to actualize the public health and economic benefits of family planning, the State must seize every opportunity to strengthen the infrastructure of this critical safety net, and ensure further growth of the programs that make access to affordable family planning services a reality for the uninsured and underinsured. The following are opportunities to bolster access to family planning services and programs through the 2015-16 budget.

### **PRIORITY 1: FUNDING FOR THE FAMILY PLANNING GRANT**

*Request: Restore funding of the Family Planning Grant to the 2012-13 level. This includes returning the family planning funding line to \$25,101,000 (an increase of \$1.4 million) and continuing the Assembly's legislative addition of \$750,000 contained within past-enacted budgets.*

The 2013-14 enacted budget contained a 5% across-the-board reduction to public health grants, including the Family Planning Grant. The Family Planning Grant pays for a range of services that are designed to offer a comprehensive approach to reducing the incidence of unintended pregnancy. In addition to direct medical care, the grant enables providers to develop programs tailored to the needs of their communities, conduct outreach to high-risk populations, and provide education to community members and counseling to patients. Many of the services are designed to improve population health, as contemplated in the State's health improvement plan, and are otherwise un-reimbursable.

Investing in family planning is a strategic approach to addressing key public health goals and producing significant cost savings, helping to preserve scarce public funding. It is estimated that the services provided at publically supported family planning centers in New York saved \$605.8 million in public funds in 2010.<sup>7</sup> Frequently a gateway into the health care delivery system, family planning providers are a critical constituent of the fragile safety net. In 2010, more than six in 10 women obtaining care at a family planning center considered the center their usual source of care.<sup>8</sup> More than 87% of family planning program patients are below 200% of the federal poverty level, with two-thirds being below 100%.<sup>9</sup>

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The reduction sustained in the 2013-14 budget resulted in a loss of health care services and programming across the state. In Western New York, a provider was forced to reduce a whole mobile health team, which served the rural parts of Erie and Niagara counties as well the inner cities of Buffalo and Niagara Falls. This mobile team provided services such as

<sup>5</sup> Kost K, Unintended Pregnancy Rates at the State Level: Estimates for 2010 and Trends Since 2002, New York: Guttmacher Institute, 2015, <<http://www.guttmacher.org/pubs/StateUP10.pdf>>

<sup>6</sup> Unpublished tabulations of data from Frost, JJ, Zolna MR and Frohwirth L, Contraceptive Needs and Services, 2010 and Kost K and Henshaw S, U.S. Teenage Pregnancies, Births and Abortions, 2008: State Trends by Age, Race and Ethnicity.

<sup>7</sup> Frost JJ, Sonfield A, Zolna MR and Finer LB, Return on investment: a fuller assessment of the benefits and cost savings of the US publicly funded family planning program, The Milbank Quarterly, 2014, <<http://onlinelibrary.wiley.com/enhanced/doi/10.1111/1468-0009.12080/>>, accessed Jan. 15, 2015.

<sup>8</sup> Frost JJ, U.S. Women's Use of Sexual and Reproductive Health Services: Trends, Sources of Care and Factors Associated with Use, 1995-2010, New York: Guttmacher Institute, 2013.

<sup>9</sup> Data from the Bureau of Maternal and Child Health. NYS Family Planning Program Overview of Client Characteristics from 2011 to 2013. Obtained November 20, 2014.

breast and cervical cancer screening, contraception counseling and STI prevention. In Central New York, providers were forced to eliminate a program that prepared inmates from New York State correctional facilities for reentry into the community. This program provided education on the prevention of pregnancy and sexually transmitted infections and the provision of contraception prior to release from the facility. These are but a few examples of how the 2013-14 reduction has presented a missed opportunity for the State to realize long-term cost savings of the Family Planning Grant program.

Some may try to argue that implementation of the Affordable Care Act reduces the need for grant programs – we strongly disagree. Lessons learned from health reform implementation in Massachusetts highlight the critical role safety net providers continue to play in ensuring access to primary and preventive health care services, and the continued need for grant funding to support the operational needs of these providers. As we see more individuals gain coverage, there will continue to be a portion that remains uninsured, who are in need of the high-quality, affordable care that family planning providers deliver. For those who have insurance coverage, there will need to be sufficient and broad access points that allow for timely entry into the health care delivery system. With the rise in high deductible plans, family planning providers are seeing a growing number of patients in need of financial support as they struggle to meet their deductible. The Family Planning Grant makes it possible for providers to deliver primary and preventive care to these individuals at an affordable cost.

As the State continues to identify ways to leverage this generous match, the State should utilize a portion of the 90/10 federal match for family planning funding to restore the \$1.4 million that was reduced in the 2013-14 enacted budget.

In 2010, family planning providers partnered with the State through the Medicaid Redesign Team effort to identify cost-savings by reinvesting \$8 million in grant funds into the Medicaid program to leverage the 90/10 federal match on family planning services. As the State continues to identify ways to leverage this generous match, the State should utilize a portion of this match to restore the \$1.4 million that was reduced in the 2013-14 enacted budget.

Continued investment in family planning through sufficient funding of the Family Planning Grant will enable these safety net providers to evolve their delivery of care to best meet the needs of those in their communities. The Family Planning Grant plays a pivotal role in the vitality of these safety net providers and is the main source of grant funding for addressing a key population health initiative – the reduction of unintended pregnancy and incidence of sexually transmitted infections – as outlined in the state’s Prevention Agenda.

*In order to achieve these important goals, we ask that the Legislature restore the funding of the Family Planning Grant to the 2012-13 level. This includes returning the family planning funding line to \$25,101,000 and continuing the Assembly’s legislative addition of \$750,000. Additionally, we request that the Senate earmark the \$550,000 in funding for women’s health contained in previous budgets to the Grant to bolster the primary and preventive health services delivered at these sites across the state.*

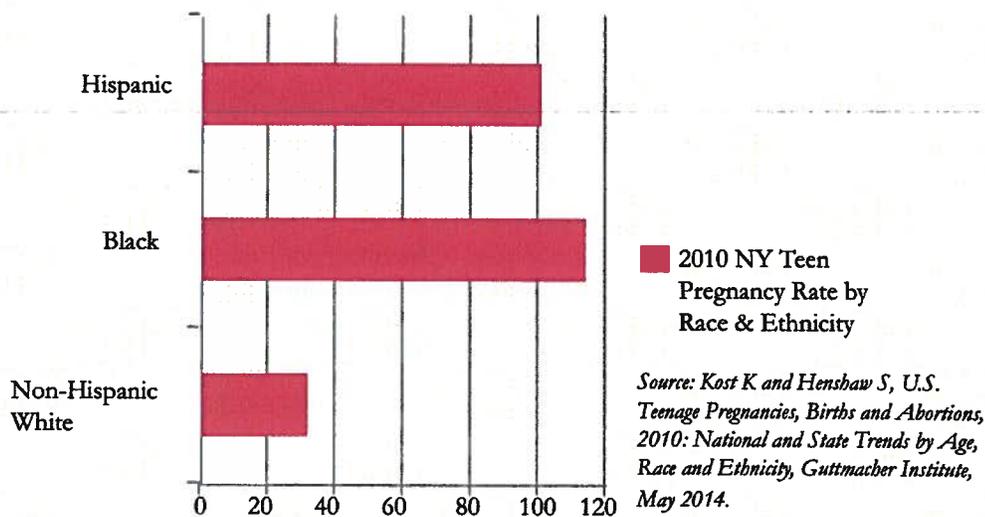
## **PRIORITY 2: FUNDING FOR THE COMPREHENSIVE ADOLESCENT PREGNANCY PREVENTION GRANT**

*Request: Consolidate the \$10.6 million funding line for the CAPPs program into the funding line for the Family Planning Grant.*

Contained within the proposed Executive Budget is the consolidation of the Comprehensive Adolescent Pregnancy Prevention program (CAPP) into a “bucket” appropriation encompassing maternal and child health initiatives. This appropriation contains numerous public health grant programs out of the Department of Health (DOH), at a reduced funding level of approximately 15%. The CAPP program is a state-wide primary and prevention initiative evoking evidence based programming to address key prevention agenda goals of reducing incidence of adolescent pregnancy and transmission of sexually transmitted infections and engaging young people in preventive health care.

New York's teen birth rate is ranked 8th in the nation, and the teen pregnancy rate is 37th.<sup>10</sup> The rates of teen births and pregnancies have been on a continual decline over the past few decades. The teen birth rate has changed by -61% since 1991 (peak year), and by -10% since 2012.<sup>11</sup> The teen pregnancy rate has declined by 46% since 1988 (peak year) and by 11% since 2010.<sup>12</sup> Despite these positive gains, stark racial and ethnic disparities persist, underscoring the critical need for evidence-based programming tailored to the needs of diverse communities across the state. Teen pregnancy and birth can have a myriad of long-term adverse impacts on the health and well being of young people. Research has long demonstrated that pregnancy at an early age can disrupt educational attainment, hindering young peoples ability to actualize their education and economic potential. The succession of related and impactful consequences this has for teen parents and their children results not only in social costs, but also economic costs. It is estimated that in 2010, New York spent \$337 million on costs related to teen childbearing.<sup>13</sup>

2010 NY Teen Pregnancy Rate by Race & Ethnicity  
(number of events per 1,000 women age 15-19)



The CAPP initiative deploys a multifaceted approach to preventing teen pregnancy by funding:<sup>14</sup>

- Programming that delivers comprehensive, age appropriate, evidence-based and medically accurate sex education, targeted to meet the diverse needs of high-risk youth. The programming is structured to promote healthy sexual behavior, including abstinence, delay the onset of sexual activity and reduce risky sexual behavior.
- Efforts that connect young people in need of reproductive health cares services with family planning providers to facilitate the prevention of unintended pregnancy and the transmission of STIs.
- Educational, social, recreational, vocational and economic opportunities for teens to support the development of skills that facilitate successful transition into a healthy young adulthood.
- Community based collaboration amongst stakeholders to reduce the incidence of teen pregnancy, transmission of STIs and address health disparities.

CAPP programs deliver comprehensive, age appropriate, evidence-based and medically accurate sex education, targeted to meet the diverse needs of high-risk youth.

FPA appreciates the benefits of restructuring the contracting process and providing the DOH with the flexibility to ensure the funding of grant programs is reflective of the public health needs of the State.

<sup>10</sup> The National Campaign to Prevent Teen Pregnancy. New York State Data. Available at: <http://thenationalcampaign.org/data/state/new-york>. Accessed Jan. 15, 2015.

<sup>11</sup> Ibid

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<sup>14</sup> New York State Department of Health. Request for Applications Comprehensive Adolescent Pregnancy Prevention. 2010. Available at: <http://www.health.ny.gov/funding/rfa/inactive/1007301230/1007301230.pdf>

*Given the goals of this funding, to prevent adolescent pregnancy and connect adolescents in need of family planning services with providers, and the goals of consolidation and enhanced DOH spending flexibility, FPA recommends that the \$10.6 million funding line for the CAPPs program, be consolidated into the funding line for the Family Planning Grant. When these funds are consolidated, and our request for restoration of \$1.4 million is included, the Family Planning Grant funding line would amount to \$35,733,700.*

### **PRIORITY 3: EARMARK CAPITAL AND VITAL ACCESS PROVIDER FUNDING FOR FAMILY PLANNING PROVIDERS**

*Request: \$20 million in capital funding and \$5 million in Vital Access Provider funding be specifically earmarked to support family planning providers.*

Health care is in a phase of rapid change—as our system strives to meet the goals of the Triple Aim, family planning providers reaffirm their commitment to providing high quality, confidential reproductive health services, while seeking to be part of the transformation of New York’s health care delivery system. An integral component of New York’s health care safety net, family planning providers deliver vital health care services to hundreds of thousands of New Yorkers every year. Great change surrounds the health care delivery system, especially for safety net providers as they continue to respond to the operational implications of the Affordable Care Act, implement electronic health records, and meet the monumental changes afoot in New York’s Medicaid program. If the State is to meet the goals of the Prevention Agenda, and bold state and federal reform initiatives such as the State Health Innovation Plan and the Delivery System Reform Incentive Payment Program (DSRIP), careful consideration and strategic support must be given to the safety net the State has long invested in. It will be challenging if not impossible for many family planning providers to access the capital funding through DSRIP. Also, the requirements to be a Patient Centered Medical Home Level 3 or meet Advance Primary Care Standards, to participate in major DSRIP projects may challenge the participation of many family planning providers in these more impactful projects. This funding will help family planning providers to creatively explore new forms of service delivery and collaboration with other providers to meet the goals of DSRIP.

If the State is to meet the goals of the Prevention Agenda, careful consideration and strategic support must be given to the safety net the State has long invested in.

*It is vital that family planning providers have the resources and support they need to engage in the transformation, while maintaining critical primary and preventive care access points in the communities they serve. To that end, FPA requests that \$20 million in capital funding and \$5 million in Vital Access Provider funding be specifically earmarked to support family planning providers as they engage in the restructuring of the health care delivery system while responding to the primary and preventive health care needs of women in their communities and the public health goals of the State.*

### **PRIORITY 4: UTILIZATION OF 2014 SURPLUS FUNDS TO INVEST IN FAMILY PLANNING PROVIDERS**

*Request: Earmark \$5 million in funding to family planning grantees for innovation in health care delivery, and \$5 million in funding for outreach and education.*

As lawmakers contemplate effective utilization of the \$5 billion excess in state funds from 2014, FPA requests your consideration of directing this one-time funding in two distinct ways to support the needs of family planning providers and initiatives of the State:

- a) **Innovation Funding:** *Funding in the amount of \$5 million would provide family planning providers with a critical opportunity to further strengthen their infrastructure as they respond to state and federal initiatives driving reform of our health care delivery*

system. This funding will provide family planning grantees needed resources to engage in strategic planning and action around DSRIP and other reform efforts that encourage adoption and optimization of health information technology, engagement of low and non-utilizers of primary and preventive care and integration of behavioral health and primary care services.

- b) **Outreach and Education Funding:** As the State seeks the distinct but related goals of engaging more New Yorkers in accessing primary and preventive care, and in reducing the incidence of unintended pregnancy, FPA urges lawmakers to consider earmarking \$5 million to support an education and outreach campaign to promote access to family planning services. The focus of this campaign will be to advance two specific goals of the State's Prevention Agenda: (1) Reduction in unintended and adolescent pregnancy, and (2) Increase utilization of preventive health care services. This funding should be allocated to recipients of the State's Family Planning Grant. These providers are an integral component of New York's safety net, and are uniquely positioned as a result of this grant to promptly respond to the preventive care needs of those in their communities.

## **PRIORITY 5: ENSURING ADEQUATE REIMBURSEMENT FOR FAMILY PLANNING SERVICES**

*Request: Require Medicaid Managed Care Plans to reimburse free-standing Article 28 safety-net providers at Ambulatory Payment Group rates for family planning services.*

The proposed Executive Budget contains language that would require providers participating in the federal 340B drug-pricing program to bill Medicaid Managed Care Plans at acquisition cost. This is a significant departure from the current process of provider reimbursement from insurers, which is dictated by a contractual arrangement. In only rare occasions has the State dictated what Medicaid Managed Care providers should reimburse providers.

The primary use of 340B reimbursed products at family planning centers are implantable devices. These devices are costly to both providers and patients, but are the most effective methods of contraception and result in a 90/10 federal match in Medicaid. Family planning grantees can only rely on their contracts with plans, Family Planning Grant funds, and philanthropic giving, to address any financial shortfalls due to servicing a predominately low-income population. Free standing family planning providers with limited bargaining power – compared to larger hospital entities – have gone through the arduous process of contracting with plans, often accepting rates for services that are not reflective of fee-for-service reimbursement nor the cost of providing such care. Moreover, these providers do not have federal protections or access to the indigent care pool - like Federally Qualified Health Centers - that helps to cover the operational and clinical costs of providing care to the uninsured and underinsured. *If the State is going to insert themselves into the contract negotiations between providers and plans, in the name of leveraging the 90/10 federal match for family planning services, Medicaid Managed Care Plans should be required to reimburse free-standing Article 28 safety-net providers at Ambulatory Payment Group rates for family planning services.*

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We thank you for your time and look forward to working with the Legislature in shaping the 2015-2016 budget.

## **TAILORED OUTREACH TO ADDRESS HEALTH DISPARITIES**

*With the support of a private foundation concerned by the health disparities in the black community in Newburgh, Planned Parenthood Mid-Hudson Valley (PPMHV) supplemented state grant outreach and education dollars to launch an outreach initiative. PPMHV hired Community Health Promoters (women and men) from the black community to engage with their neighbors and community members around the importance of cancer screenings and the preventive services available at PPMHV. In the first year of this pilot there was over a 500% increase in black women accessing care for the first time at PPMHV. The organization has been successful in maintaining about a 130% increase since.*