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Testimony of Peggy Dator

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Hearing on Health Centers and Care for Low-Income and Uninsured Pennsylvanians

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Chairman Erickson, and committee members, thank you for allowing me to testify before the Senate Committee on Public Health & Welfare regarding Health Centers for Low-income and Uninsured Pennsylvanians. I appreciate the opportunity to share with you information about free clinics in Pennsylvania and the free clinic that I represent, The Free Clinic of Doylestown. My own views on this topic were developed over the course of almost 12 years as the Executive Director of this small but mighty free clinic in central Bucks County.

According to the U.S. Census Bureau, over 45 million people are without health insurance in this country. This number shows an increase of 1.4 million since the last available figures - and the situation is not improving. The Robert Wood Johnson Foundation's *Cover The Uninsured* project estimates from the 2005 and 2006 US census that there were 1,263,772 uninsured Pennsylvanians, or 10.3% of the population. Many other individuals are underinsured - lacking sufficient resources to provide for all of their health care needs, such as dental insurance or prescription benefits.

In response to this problem, hundreds of communities across the country have found solutions by developing and supporting Free Clinics. Some of you may remember the Haight-Ashbury Free Clinic started 41 years ago in San Francisco in response to the thousands of young people on the street in the Haight-Ashbury district whose lives were affected by drug and alcohol abuse, mental and physical problems. Since then, that Clinic has grown to become one of the largest multi-service providers in Northern California. Another example is the Bradley Free Clinic established 1974 in rural Roanoke Virginia to provide basic medical care for adults who lacked access to medical care due to their inability to pay for it. Similarly, The Free Clinic of Doylestown, my organization, one of the first free clinics in Pennsylvania, was founded in 1994 by local physicians and a community hospital to meet the medical needs of low-income uninsured and underinsured adults and children residing in the central Bucks County community.

As described on the website for the National Free Clinic Association, "Free Clinics are private, non-profit, community based organizations that provide medical, dental, pharmaceutical and/or mental health services at little or no cost for low-income, uninsured and underinsured people. They accomplish this through the use of volunteer health professionals and community volunteers, along with partnerships with other

health providers. Each Free Clinic is unique, in that its development and services are based on the particular needs and resources of the local community. Care is made possible through the donation of goods and services, volunteers, and community donations. Funding is generally raised on the local level and there is little if any government funding or support.”

In October 2007, Ms. Julie Darnell, a graduate student at The University of Chicago presented the results of her national study on free clinics at The Free Clinic Association of Pennsylvania Annual Conference in State College. Her survey methodology was to mail 1,188 surveys to free clinics across the country. Her response rate was 76%, including 30 free clinics in Pennsylvania. The number of clinics range from 1 to 68 per state, with the largest concentration in California, Texas, Oklahoma, Florida, Virginia and North Carolina. Services range from medical care only, dental care only, and prescription assistance only to combinations of these services. The following are highlights of the important findings of Ms. Darnell’s study.

- 75% of free clinics have some paid staff, 66% having a paid Executive Director
- At an average clinic, 95% of MDs are board-certified
- 50% of clinics are open 3+ days/week
- 77% provide repeated care to the same patients
- The average age of all free clinics is 12 years
- Free clinics serve 1.9 million mostly uninsured patients annually.

Ms. Darnell noted that the mean operating budget of free clinics was \$287,810, with a mean for Pennsylvania clinics of \$223,868 and a median of \$96,000. An important feature of free clinics is that they are locally established and governed and, unlike government funded federal and state clinics, the top sources of funding for free clinics is individual donations, followed by civic groups, churches, foundations, and corporations. While 7% of free clinics nationally and in Pennsylvania derive more than 50% of the budget from government funding, 59% of the operating budgets nationally and 69% of operating budgets for free clinics in Pennsylvania receive no government support.

Ms. Darnell reported that 88% of Pennsylvania free clinics serve adults ages 18-64, while 6% serve persons 65 and older and 8% serve children. Nationally, most free clinics provide services to adults between 18 and 64 since this is the age group most likely to be uninsured or underinsured.

Eligibility for free clinics is typically tied to household income and the number of persons in that household. 54% of Free Clinics nationally, and 62% of Pennsylvania free clinics, serve persons from households with incomes under 200% of the federal poverty level. Others utilize lower limits and only 8% use income limits greater than 200%. (In 2008, “200% of the poverty level” is an annual gross income of \$20,800 for one person, and \$42,400 for four persons in the household.) In contrast to community health centers that provide sliding scale fees to their clients, free clinics typically charge no fees to their patients, although sometimes very small fees may be charged.

Generally free clinics focus on filling gaps in local services instead of attempting to provide comprehensive care so as to conserve their resources on unmet needs. For example, my free clinic does not provide family planning services since residents of our county have access to sliding scale fees at five (5) Planned Parenthood clinics throughout Bucks County. Also, we require our patients to enroll in health insurance such as CHIP and Medicaid, if eligible, and we have become experts at helping families to apply. When AdultBasic was first made available to Pennsylvanians, we enrolled 80 of our patients in the first several months. These were all patients with chronic illness and were the most in need of the comprehensive care that only insurance can provide. We continue to help these patients to apply for free medications from the pharmaceutical companies.

Pennsylvania free clinics care for an average of 1,128 patients annually, of which 530 are new patients. Annually, Pennsylvania clinics provide an average of 2,175 medical visits and 339 dental visits. How do they do it, with budgets averaging \$223,868? The answer is volunteers! Only 69 % of Pennsylvania free clinics have any paid staff, and of those that have paid staff, 55% have any full time paid staff and 48% have part-time paid staff.

There are 30 Pennsylvania free clinics participating in The Free Clinic Association of Pennsylvania. They range from totally volunteer clinics that operate one or two evenings per week in a church hall with budgets under \$30,000, to fully operational medical and dental clinics with paid medical and dental staff and annual budgets over \$1.5 million. The Free Clinic Association is also staffed by volunteers, usually the Executive Directors of the member free clinics. Unfortunately, we struggle to manage a state association due to the demands of time and tight budgets of our own clinics. Yet, we recognize the need for both a state and national association, both serving to provide peer support, models for operations and the opportunity to learn from others with similar needs and struggles.

My clinic, The Free Clinic of Doylestown, is a fairly typical free clinic in Pennsylvania. We were founded as a joint project of local volunteer physicians and a community hospital almost 14 years ago, and we provide free medical care to adults and children and free dental care for adults. While I am the only full time paid staff, we have 7 part-timers, ranging from 4 to 24 hours weekly. We have 11 physicians who volunteer in our clinic and over 150 who provide free care in their offices upon referral. 5 of our physicians are retired volunteer doctors practicing under the Pennsylvania Volunteer license. The rest are actively practicing doctors with busy medical practices who take time out of their busy schedules to help our patients. We also have 4 dental hygienists and 7 community dentists who volunteer in our clinic and 34 who provide dental treatment in their offices. Annually we serve about 1,000 adults and children. To date we have served over 7,300 individuals and have provided almost 30,000 patient visits in our medical program. Our dental program is in its 5<sup>th</sup> year of operation. We have served almost 600 adults and have provided over 2,300 patient treatment visits.

Our annual budget is \$463,000, over half of which is for staff salaries and benefits. We receive 55% of our funding from individuals and our annual special event with the remainder from foundation grants. We typically receive only a small amount from local and state government sources and we received a one time grant from the federal government to reconstruct space for our clinic at our current location within Doylestown Hospital.

Free Clinics, out of necessity, are expert at securing free and/or low-cost resources for our patients. Last fiscal year we estimated that we secured over \$125,000 in free medications from the pharmaceutical companies for our patients. Over \$50,000 of free medical care was provided by physicians and over \$78,000 of free dental care was provided by local dentists. In addition, about 2,700 volunteer hours were provided by nurses, bilingual interpreters, pharmacists, 26 board members and other support volunteers. Doylestown Hospital donates the physical space and support services such as IT and security for our clinic operations, and provides diagnostic testing at cost.

Another unique feature of free clinics is that free clinics tend to be highly collaborative with other organizations. Again, this is the best way to stretch our resources. Most free clinics have some arrangement with local hospitals to provide free or low-cost outpatient testing. Most work with the pharmaceutical companies to obtain free medications. Most collaborate with other community agencies to maximize access to services. The Free Clinic of Doylestown, for example, shares space with the Lower Bucks YWCA to provide medical services at a low-income apartment complex. We are now working with a local food pantry and a domestic violence shelter to provide on-site services at their settings. We are lean operations that are highly skilled at maximizing resources for the lowest possible costs for our patients.

In my experience, free clinics provide valuable, high quality healthcare services for the uninsured in Pennsylvania and nationally. Simply stated, we are motivated by a mission to care for others, not by profit. I am humbled by the doctors who tirelessly volunteer for several hours at our evening clinic, even after working 8-10 hour days in their practices. Or the dentists, hygienists, nurses and doctors who volunteer on their days off from work. And by the dedicated donors, who donate their time and their money to support our mission. We are motivated by the hard working Americans in our community who endure illnesses without any access to healthcare and who sometimes seek care too late for us to save their lives. At the moment, we are helping to access surgery for a 35 year old single mother who is a waitress, and who we have diagnosed with possible thyroid cancer. We also recently diagnosed a 40 year old manual laborer with throat cancer. He will require extensive surgery and reconstruction of his jaw and throat.

The Free Clinics in Pennsylvania appreciate any and all support provided through the efforts of our legislators to provide funding for our efforts across communities in Pennsylvania. With a steady source of funding from the Commonwealth existing free clinics could improve their ability to provide for the uninsured and new efforts to start free clinics could be supported. My clinic is fortunate to be situated in a relatively

affluent area with numerous healthcare providers but many Pennsylvania communities are not as fortunate.

Again, I thank you for the opportunity to testify. I look forward to working to ensure that all Pennsylvanians have access to healthcare.