

**Ohio House of Representatives**  
**House Finance and Appropriations Committee**  
**Human Services Subcommittee**  
**Testimony by Randy Runyon**  
**April 12, 2007**

Chairman Stewart, Ranking Member Brown and Members of the Health and Human Services Subcommittee of the House Finance and Appropriations Committee:

My name is Randy Runyon and I am the Administrator of Family Health Centers, part of the Community Action Committee of Pike County. Our organization is a multi-purpose non-profit that provides a wide variety of community services including Head Start, public transit, Passport services, emergency home repair, weatherization, job training and of course, health care. Our organization is a Federally Qualified Health Center, often known as a community health center and we operate from four sites: two in Pike County, one in Jackson County and one site in Scioto County.

In 2006, we provided primary medical, dental and behavioral health care services to over 16,000 people in nearly 60,000 patient encounters. In, 2006, 49% of our patients were on Medicaid and an additional 21% were uninsured. Approximately, 40% of our patients are children.

I am here to strongly endorse all of the Medicaid service expansions but to particularly endorse and address the expansion of the Medicaid coverage for children to 300% of poverty and beyond.

Other testimony has been provided to the Committee in the past several weeks that described the services and benefits of Federally Qualified Health Centers and I will not repeat that information except to say that FQHC's provide high-quality, affordable primary and preventive health care services to all Ohioans regardless of their insurance status or ability to pay.

My main purpose today is highlight some the obstacles that uninsured residents and children of rural Ohio face in accessing needed health care services based on some of things I have observed and stories patients have related to me.

As I mentioned before, about 40% of our patients are under the age of 21 or about 6,500 patients. Of that 6,500, about 13% or 837 are uninsured. Some of the uninsured are children are below 200% of poverty whose families do not participate in the Medicaid program for various reasons. But about 25% of the uninsured children are in families with incomes above 200% of the poverty level. The lack of health insurance has significant consequences for those children and their families.

First, health care is not very affordable for anyone without health insurance. In our health center we deliberately try to make charges affordable and we serve patients regardless of their ability to pay, but we are also mandated to develop a fee schedule for services comparable to what is charged by other providers in the community and to charge full fees for those above 200% of the poverty level.

In the first year of life, the American Pediatric Association's (APA) schedule of well-baby visits includes five to six visits. Using our fee schedule as an example, for a family assessed the full charges for the visit, the bill for six visits might total \$750. This cost only includes well visits, not any sick visits, not any outside lab tests, X-rays nor any other outside services that the baby might need. It should be noted that the family has already incurred uninsured hospital charges due to the baby's birth.

In the first six years of life, the number of recommended well visits alone for a child totals thirteen, but as we all know, that even for the healthy child there are generally a number of visits for acute care including, ear aches, rashes, sore throats, etc. As a result, parents of the uninsured child are tempted to skip visits. We recently reviewed an Electronic Health Record system at our health center and one of the features of the pediatric section was a method to schedule catch-up immunization visits. The pediatricians at our health center assured me that this would be a well-used feature.

Dental care is another area that hits hard on the uninsured. While many of us lack dental insurance, at least we have some ability to defray some the cost of our medical care. For the uninsured family with children, dental care is an expensive proposition. All of us are familiar with the guidelines recommending two dental exams and cleanings per year. The median charges for these services for a year in Ohio, not including X-rays, not including sealants, not including fluoride treatments and not including any other treatment is \$107 times 2 or \$214.

These expenditures are for healthy children. For a child with a chronic health condition like Type 1 diabetes, asthma, depression or other similar condition, the situation is much worse and the expenditures multiply. The consequences of this are clear: parents tend to not to schedule preventative care visits as a method to avoid costs. There is a saying that states something to the effect that if you think education is expensive, consider the cost of ignorance. The price of cost-avoidance in health care, particularly in children is compounded costs later on for problems missed at an early age.

A word of explanation needs to be added about how the uninsured are charged compared to those of us with insurance. Your insurance company acts as your agent to reduce your charges, even if you have co-pays or deductibles. Your insurance company agrees to pay the health care provider at a discounted rate for the service if the service provider wants to be included in their panel of providers. Most of us, for instance, are familiar with the insurance payment terms of 80% of the usual and customary charge. That is, the insurance negotiates a discount for us. This benefits the insurance company, of course, but it also benefits the patient in terms of reduced premiums and reduced charges for services included in the deductible. What is 100% of the usual and customary charge? That is the full charge for the service and that is what the uninsured are charged.

Do you need an imaging procedure that costs \$1,200? The insurance company will pay the provider 80% of that or \$960 or sometime less in a competitive market. Medicaid pays maybe half or \$500 and the uninsured patient is given a bill for \$1,200.

There are many other issues related to the problems that uninsured families face in providing care to their children, including the high cost of prescription medicines and lack of access to mental health services as well as the growing problem of underinsurance. Families who have health insurance are faced with growing deductibles, cut backs in coverage in ancillary services such as physical therapy, and lack of dental insurance. Expansion of the Medicaid program to children over 200% of poverty would greatly assist Ohio's uninsured and underinsured families.

Mr. Chairman, members of the Committee, thank you for the opportunity to present my testimony and I would be happy to answer any question you have at this time.

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