

October 14, 2025

Joint Committee on Financial Services

Testimony of Fenway Health in Support of H.1096/S.711– An Act relative to rate equity for community health centers

Dear Senate Chair Feeney, House Chair Murphy, and other honorable members of the Joint Committee on Financial Services:

Thank you for the opportunity to testify today in strong support of H.1096 and S.711– An Act relative to rate equity for community health centers. I am Sean Cahill, Director of Health Policy Research at Fenway Health. We are a federally qualified health center, or FQHC, in Boston that serves more than 30,000 unique patients. Most of our patients are privately insured.

This bill would require MassHealth to reimburse FQHCs according to the federal prospective payment system (PPS) methodology or comparable alternative payment methodology (APM), as is the case today, and would ensure that commercial payers pay no less than MassHealth.

Why is this legislation important? Stable, reliable payment is essential to health centers' financial viability. Without equitable reimbursement, health centers face chronic turnover and vacancies which in turn limits access to care for our communities. These trends are exacerbated by the relatively high cost of living in Greater Boston. This bill would protect against federal changes to FQHC Medicaid protections and would end commercial insurer underpayment that leaves health centers and our patients at a competitive disadvantage, negatively affecting care.

Massachusetts's 50 health centers provide care to one million Massachusetts residents, about one in seven Bay Staters. We provide care to anyone who walks through our doors, regardless of ability to pay. Our patients are disproportionately working poor, uninsured and underinsured. About one third of Fenway Health's patients receive sliding scale or free care. In recent years about half of Massachusetts health centers have been running operating deficits. An Act relative to rate equity for health centers would fix a structural problem of insufficient reimbursement of medical care at Massachusetts health centers. It would not cost the state government anything, but it would strengthen the fiscal health of our safety net health centers. We strongly urge you to report this bill favorably out of committee, and to push for its passage this session.

Should you have any questions, please do not hesitate to contact me at scahill@fenwayhealth.org. Thank you.

Sincerely,

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