

PENNSYLVANIA ASSOCIATION OF COMMUNITY HEALTH CENTERS

February 11, 2013

The Honorable Mike Brubaker Senate of Pennsylvania 168 Main Capitol Building, Senate Box 203036 Harrisburg, PA 17120

Dear Chairman Brubaker:

On behalf of the Pennsylvania Association of Community Health Centers (PACHC), I write to express our strong support for your legislation, Senate Bill 4, and thank you for your leadership on this issue. As you may be aware, we are the state primary care association representing and supporting the largest network of primary health care providers in the Commonwealth. Our network of over 250 health centers includes Community Health Centers FOHC, Rural Health Clinics and other like-mission providers serving more than 700,000 Pennsylvanians annually in underserved rural and urban areas. In representing a large number of non-profit organizations seeking to provide necessary primary medical, dental and behavioral health care statewide to Pennsylvania's most vulnerable citizens, we see this legislation as critical.

Ninety-two percent of the patients served by Pennsylvania's Community Health Centers FOHC have incomes at or below 200 percent of the Federal Poverty Level, we serve many without insurance, yet two of our health centers are already facing challenges to their tax exempt status. As providers of care to vulnerable Pennsylvanians, our members provide a great public service in improving health, improving access to care and controlling costs to the healthcare system, and consequently, providing a savings to taxpayers and the Commonwealth. It is inefficient and costly to have our health centers appear in different courtrooms to argue different interpretations of local taxing authorities and judges regarding this issue. Should they lose because of the ambiguity the Pennsylvania Supreme Court decision (*Mesivtah Eitz Chaim of Bobov, Inc. v. Pike County Board of Assessment Appeals*) created, the financial impact will be challenging for either organization to absorb.

We were pleased with the clarity provided by the Institutions of Purely Public Charity Act (Act 55 of 1997), and were disappointed when the Supreme Court decision recreated uncertainty and instability on this issue. We commend and thank you for taking leadership to ensure that clarity is again restored. On behalf of our members, we strongly urge the Senate Finance Committee to support Senate Bill 4 in committee and on the floor and hope that the legislation will garner bipartisan support as its predecessor bill, Senate Bill 161, did in the last session.

PACHC is poised to be of support in getting this critical legislation passed. Please feel free to contact me at iim@pachc.com or (717) 761-6443, ext. 206. Thank you.

Sincerely

Jim Willshier

Director, Policy & Partnership

Cc: The Honorable John Blake, Democratic Chairman, Senate Finance Committee