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For Immediate Release

Health First Family Care Center, Inc. Partnership Exploration with

Mascoma Community Healthcare, Inc.

WHAT ARE WE EXPLORING?

The Boards of Mascoma Community Healthcare, Inc.(MCH), of Canaan, NH, and HealthFirst Family Care Center (HealthFirst) of Franklin, NH, are exploring a partnership between their two non-profit, 501(c)(3) organizations.

WHO ARE THE PARTNERS?

HealthFirst Family Care Center, Inc. of Franklin, NH is a Federally Qualified Health Center (FQHC) providing primary healthcare to anyone in the Twin Rivers and Lakes Regions of New Hampshire. The service area includes 23 rural townships (Alexandria, Andover, Ashland, Belmont, Bridgewater, Bristol, Center Harbor, Danbury, Franklin, Gilford, Gilmanton, Groton, Hebron, Hill, Laconia, Meredith, Moultonborough, New Hampton, Northfield, Salisbury, Sanbornton, Sandwich and Tilton). The HealthFirst organization is 25 years old and currently operates two community health centers, one in Laconia and one in Franklin. They serve over 7,000 patients. The HealthFirst clinics offer primary care, behavioral health care, nutritional/diabetic care, and care management services.

Both HealthFirst clinics have been recognized several times as Level III Patient-Centered Medical Homes by the National Committee for Quality Assurance, which is the highest possible rating for community health centers. This reflects the hard work and dedication of HealthFirst staff, who truly care about their patients and improving health outcomes.

Mascoma Community Healthcare, Inc. operates one community health center in Canaan, NH. The Mascoma health center opened in June of 2017, primarily serving the five Mascoma communities of Canaan, Dorchester, Enfield, Grafton, and Orange, but serves patients from other Upper Valley communities including eastern Vermont towns. The Mascoma health center has not yet achieved FQHC status. MCH currently serves 2500 patients.

Both MCH and HealthFirst are accountable to the communities they serve and are managed by independent, volunteer Board of Directors. A minimum of 51% of the board members must be patients.

and the balance reflect members of the communities served. The Boards are responsible for setting major policies and for financial oversight of their respective organizations. HealthFirst and MCH share the same goals of providing low-cost, high-quality comprehensive care.

WHY A PARTNERSHIP?

For MCH, the partnership presents the surest and shortest path forward to achieving Federally Qualified Health Center (FQHC) status, thus insuring long term financial and operational stability. FQHC status would normally take about two years for MCH to achieve on its own, a period that would require considerably more philanthropic support than the capacity of the existing and potential donor base is able to provide. A partnership would enable MCH and HealthFirst to jointly apply for a Health Resources and Services Administration (HRSA) "New Access Point" FQHC designation which will be awarded September 1, 2019.

FQHC status will bring substantial benefits to the MCH operation:

- \$500,000 annually in federal grants for two years to support the partnership and supplement the clinic operating budget until Mascoma patient numbers reach sustainable levels (HealthFirst received \$1,225,162 in federal grant support for its 4,360 patients in 2017).
- A \$150,000 grant to facilitate the transition implementation costs include converting electronic health records, billing and collections, and other administrative and communications systems to HealthFirst standards
- Medicaid and Medicare reimbursement rates will increase by up to 150%
- Low-income MCH patients will be able to participate in the federal government's 340b prescription drug program, drastically reducing the price of maintenance medications while at the same time increasing the clinic's income.
- Malpractice insurance will be provided by the federal government (currently costs MCH \$25,000 per year).
- MCH providers can participate in federal medical and dental school loan forgiveness programs
- Specific healthcare program development funding will become readily available.

For HealthFirst, the partnership will immediately add a full-service dental practice to their list of service lines, provide an increased economy of scale both financially and operationally, and expand the service area from which to draw new patients.

The partnership, in general, will provide the following additional benefits to both organizations:

- Operational and cost efficiencies will be achieved by centralizing administrative and billing and collections operations;
- Temporary provider shortages and on-call coverage can be more easily managed between both organizations when more providers are available;

- Larger patient base to support new service lines (e.g. physical therapy, radiography);
- More grant funding opportunities.

WHAT DOESN'T CHANGE?

The Mascoma health center stays in Canaan and will continue to serve all the neighboring towns. No changes are anticipated at the HealthFirst clinics in terms of providers, staff, and patient services.

WHAT WILL BE THE IMPACT TO MASCOMA PATIENTS?

Quite positive, on all fronts. HealthFirst patient policies and procedures, charges for services, billing and collections, etc., are largely determined by FQHC requirements, and are already in harmony with those at Mascoma. The same high quality of service will continue to be delivered at all three health centers. The Mascoma clinic will see an expansion of nutrition, diabetic integrated behavioral health care and care management services much sooner than if MCH continued to operate the clinic on its own.

WHAT WILL BE THE IMPACT TO MASCOMA PROVIDERS AND STAFF? Quite positive as well. The Mascoma clinic is currently staffed at minimum levels, with most executive functions being performed by a volunteer Executive Committee of the MCH board. Wages, salaries, and benefits are already in harmony with those of HealthFirst. Job security will be enhanced by staff becoming employees of a larger, proven, and stable organization.

WHAT WILL BE THE IMPACT TO LOCAL CONTROL AT MASCOMA?

There will be a single Board of Directors governing all three health centers. Federal rules required that 51% of the board of a Federally Qualified Health Center be consumers of health center services and residents of the communities served. The Mascoma communities will be afforded proportional representation on the HealthFirst board as determined by the number of patients at each health center.

The current Board of Mascoma Community Healthcare, Inc., will remain in existence, albeit with a different mission. The new MCH board, which may undergo a name change to Friends of Mascoma Community Health Center, would support the Mascoma clinic by engaging in patient advocacy, volunteer coordination, community outreach, special event support, and fundraising for specific, one-off projects that benefit the local clinic. It would also 'advise' its representatives to the larger HealthFirst-MCH Board about local issues and opportunities.

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