

## When You Need Health Care, Call First Care!

1301 Main St. Hays, KS 67601 785.621.4990 105 W. 13<sup>th</sup> St. Hays, KS 67601 785.621.4990 1923 E. 22<sup>nd</sup> St. Hays, KS 67601 785.621.4990 www.firstcareclinic.com Fax: 785.628.8719

Proponent Testimony for SB 284
Senate Committee on Financial Institutions & Insurance
March 17, 2025
Eric Flax
Chief Executive Office, First Care Clinic, Inc.

Chair Dietrich and Members of the Committee, thank you for the opportunity to provide testimony in support of SB 284 on behalf of First Care Clinic, Inc of Hays, Kansas.

I am Eric Flax, the Chief Executive Officer of First Care Clinic. First Care Clinic is a Federally Qualified Health Center (FQHC). We serve our community and region by providing exceptional medical, behavioral health, dental and pharmacy services. From our beginning in 2007, providing primary care to a small number of patients with one provider and one nurse assistant from one exam room, First Care has continued to grow. Presently we are meeting the needs of over 9,100 patients with over 31,500 clinic and virtual visits annually. We currently employ over 90 staff members with three locations and an inhouse pharmacy. Our pharmacy is open to the public and we are filling over 2,100 prescriptions monthly.

First Care Clinic is proud to be consistently recognized by HRSA for providing the highest quality of care. For the last two years, First Care has also been recognized as a National Quality Leader in Cancer Screening, something only a few FQHC's have been able to achieve.

We receive funding and assistance from our government at the local, state and federal level. First Care Clinic also participates in the 340B drug discount program through contract pharmacies and our own inhouse pharmacy. We are fully aware that without this assistance, it would be very difficult to provide the level of care our patients deserve or afford the staff necessary to provide quality care. We are very grateful for this assistance! We diligently work to be good stewards of those resources.

As your Committee, through SB 284, is scrutinizing protections for Kansas clinics and hospitals participating in the 340B drug discount program, I cannot stress how important the 340B program savings are to our patients and our clinic. It was the main driver in our decision to build an in-house pharmacy.

At First Care, we have seen how the 340B savings directly impacts our patients care. We are able to provide low-income patients prescriptions at the discounted 340B price. By hiring a pharmacist, we now have the ability for our patients' providers to consult with our in-house pharmacist providing a continuity of care not typically common in most primary care practices. We have a Diabetic Specialist Nurse on staff to meet the needs of our patients managing their diabetes. We were able to address the area wide shortage of medical specialty services by expanding women's health services in our clinic. These are only a few examples.





The indirect impact of the 340B savings is felt in more subtle ways. The 340B savings help our clinic provide the safety net services integral to the health of all those in our community. For some of our patients, we are the only option where they can receive these services. These 340B savings allow us to provide our patients excellent care, to invest in and retain talented and caring staff, and to provide a clean, modern environment for all – our patients, their families and our staff.

Throughout our participation in the 340B savings program, we have worked to utilize the savings in our clinic as the program was intended. We have employed staff to monitor and provide oversight to our contract and in-clinic pharmacy 340B program. Our 340B program is independently audited annually to provide additional oversight and assurance. We continue to devote time and resources so that First Care Clinic is compliant and meets all HRSA requirements for the 340B drug discount program. Again, we know how important it is to be good stewards of the funds generated through the 340B program.

We are now at that point in time where the Pharmaceutical Manufacturers are regularly adding extreme limitations to our clinic's ability to access contract pharmacy 340B savings. Each limitation is another step toward the total elimination of the contract pharmacy component of the 340B program. Couple this with Pharmaceutical Manufacturers stipulating patient data submissions as a requirement for maximum 340B savings, it adds another time consuming and labor-intensive requirement above what HRSA already requires. It also does nothing to enhance patient care.

We are here to take care of people. We do the best we can with the resources available to us. To be blunt, without our 340B savings we will not be able to meet the medical, dental, behavioral health and pharmacy needs of our patients now and moving forward. Some will have to travel further for their care needs, and some will decide to go without. We will have to reduce staff to remain viable. Our community will be less than what it can and should be.

On behalf of First Care Clinic, our patients, our staff and our community, we humbly ask that you support the passing of SB 284. We thank you for your time and attention to this important issue!

Eric C. Flax Chief Executive Officer First Care Clinic, Inc.



