

CalLEN-LORDE

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ENOUGH IS ENOUGH: LEADING LGBTQ HEALTH CARE PROVIDER SAYS THE STATE IS PUTTING PATIENTS AT RISK

HUNDREDS OF MILLIONS OF DOLLARS HAVE BEEN SLASHED FROM SAFETY NET PROVIDERS

CalLEN-LORDE DEMANDS A REVERSAL OF THE MEDICAID DRUG CARVE-OUT

New York , NY – Callen-Lorde Community Health Center joins the Save NY’s Safety Net: 340B Saves Lives Coalition and health care providers across New York to demand answers after the state says in a World AIDS Day release that it will return only a fraction of the funds it slashed from the budgets of safety net providers..

The announcement was considered particularly egregious by the date of its release, World AIDS Day. The state has pledged to End the AIDS epidemic in New York by 2020. The carve-out would stall and arguably reverse progress that state has made, leaving the most vulnerable New Yorkers at risk.

Before today’s announcement, the plan was vigorously rejected by the Department of Health’s Medicaid drug carve-out 340B Advisory Group on grounds that it amounted to a devastating cut to the state’s safety net. Callen-Lorde’s Executive Director, Wendy Stark, served on that Advisory Group.

The dispute stems from drug carve-out changes enacted by the state’s Medicaid Redesign team that will go into effect April 1, 2021 and will:

- Cause the loss of hundreds of millions in revenue for community providers in under-served communities;
- Cause hospital losses of \$87 million in one year alone;
- Force the layoffs of thousands of employees from health clinics;
- Spark the closures of dozens of health facilities across the state;

- Leave patients impacted by HIV with a loss in free medicines including HIV prevention treatment;
- Devastate families who rely on services for food, housing, and healthcare;
- Hurt the state's ability to vaccinate people in low-income neighborhoods.

The state's health safety net is already reeling from COVID-related financial losses. The second COVID surge, coupled with the removal of \$250 million via the Medicaid drug carve out, will result in irreparable harm to the community health care system at a time when the state needs it most. – Community healthcare providers soon will be tasked with implementing the dissemination of the vaccine for COVID-19 to the populations most at-risk. Without critical funding provided by 340B program, safety net providers will be all but incapacitated, leaving the communities hardest hit by the pandemic without access to basic health care, and hindering the state's ability to recover.

"We are at a crossroads," said Wendy Stark, Executive Director of Callen-Lorde Community Health Center, which serves over 18,000 patients each year. "Our ability to provide care would be irreparably damaged and, likewise, the health of the state would be devastated by the impact of the carve out. The announcement by the Governor flew in the face of the task that we have been charged with as safety net providers and goes against what we have been recommending to the administration for months. It will cost jobs and ultimately, cost lives."

Under the drug carve out, Callen-Lorde stands to lose \$12 million annually, approximately 14% of its total budget.

Callen-Lorde Community Health Center is the global leader in LGBTQ healthcare with a mission to reach lesbian, gay, bisexual and transgender communities, as well as people living with HIV, in New York City and beyond. A quarter of the patients at Callen-Lorde are living with HIV and a third identify as transgender or gender non-binary. More than half of the patient population are people of color and 47 percent are under 40 years old. One-third of patients at Callen-Lorde are uninsured and about 35 percent use public insurance. Callen-Lorde's patients are people who have been systemically excluded from healthcare, housing, and economic stability.

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About Callen-Lorde Community Health Center

Callen-Lorde is the global leader in LGBTQ healthcare. Since the days of Stonewall, Callen-Lorde has been transforming lives by providing a welcoming environment for LGBTQ communities to get quality care, free of judgment and regardless of ability to pay. In addition, Callen-Lorde pioneers research, advocacy and education to drive positive change for LGBTQ communities around the globe. The first LGBTQ-centric healthcare provider, Callen-Lorde is widely recognized for its innovative HIV and transgender care. For more information about Callen-Lorde, visit www.callen-lorde.org.