



NATIONAL ASSOCIATION OF
Community Health Centers

Access is the Answer: The Continued Need for Community Health Centers

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Alliance for Health Reform Briefing

“Health Centers at the Launch of the Coverage Expansion”

May 16, 2014

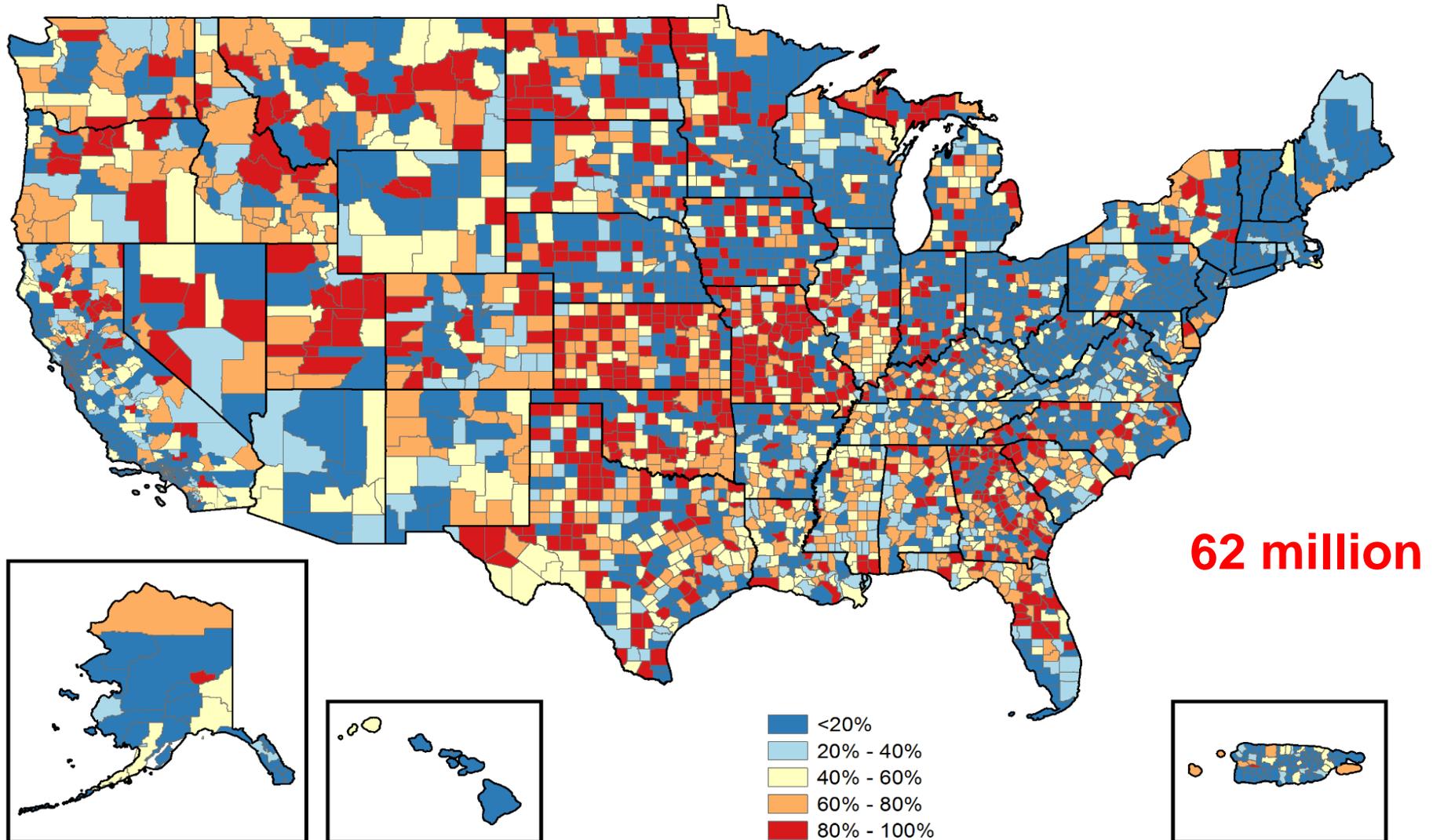
Challenges Facing Health Centers

- Increasing demand & changing payer mix
- Maintaining funding streams
- Workforce
 - Importance of programs like National Health Service Corps
- Complex patients
- Delivery system and infrastructure challenges
 - Medicaid & uninsured patients less access to specialty care
 - Acquisition and use of HIT
- Health centers are engaged in quality improvement
 - E.g., PCMH transformation, behavioral health integration

Continued Need for Health Centers

- Significant unmet health care needs
 - Rising demand = includes all insurance types
 - Communities lacking access to care due to shortage or other reasons
 - Insurance coverage does not guarantee access
 - There will always be uninsured patients
- Need accessible, comprehensive model of care

Estimated Percent of County Residents Experiencing Shortages of Primary Care Physicians, 2013

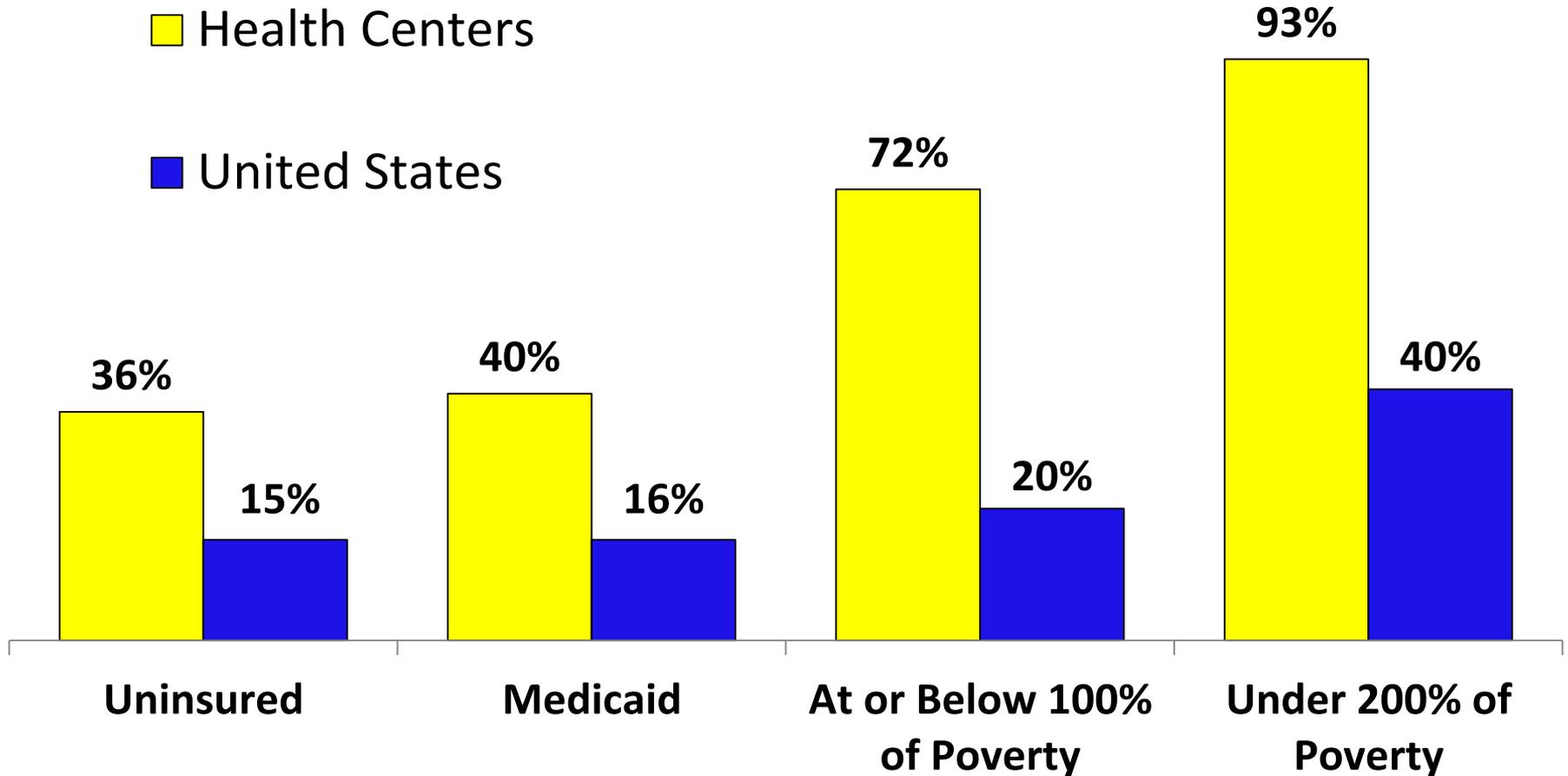


Source: Created by **The Robert Graham Center** (2014). US Census 2010; HRSA Data Warehouse 2014 HPSA and MUA/P shapefiles; AMA Masterfile 2013; UDS Mapper 2014.

FQHC/Health Center Model of Care

- Community governance
- Serve federally-designated medically underserved areas/populations
- Non-profit, must be open to all
- Broad definition of “health”
 - *primary care, dental, behavioral health, vision, pharmacy, services to facilitate care utilization, etc*
- Regular community needs assessments
- Meet other performance & accountability requirements regarding administrative, clinical, & financial operations

Health Centers Treat More Uninsured, Medicaid, and Poor Patients



Source: Health Centers: Based on Bureau of Primary Health Care, HRSA, DHHS, 2012 Uniform Data System. U.S.: Kaiser Family Foundation, State Health Facts Online, www.statehealthfacts.org. Based on Census Bureau's March 2012 and 2013 Current Population Survey (CPS: Annual Social and Economic Supplements).



Massachusetts Health Centers and Health Reform

- Experienced surge in demand
- Percent of patients without insurance dropped at first but has been steady since 2008
 - 32.7% in 2007, 25.7% in 2007, 21-20% in 2008-2012
- Yet now see more of state's uninsured population
 - 22% of all uninsured in 2006 vs 38% of all uninsured in 2009
- New patients often had unmanaged chronic conditions
- Required ongoing support to continue to care for patients and over outreach/enrollment costs

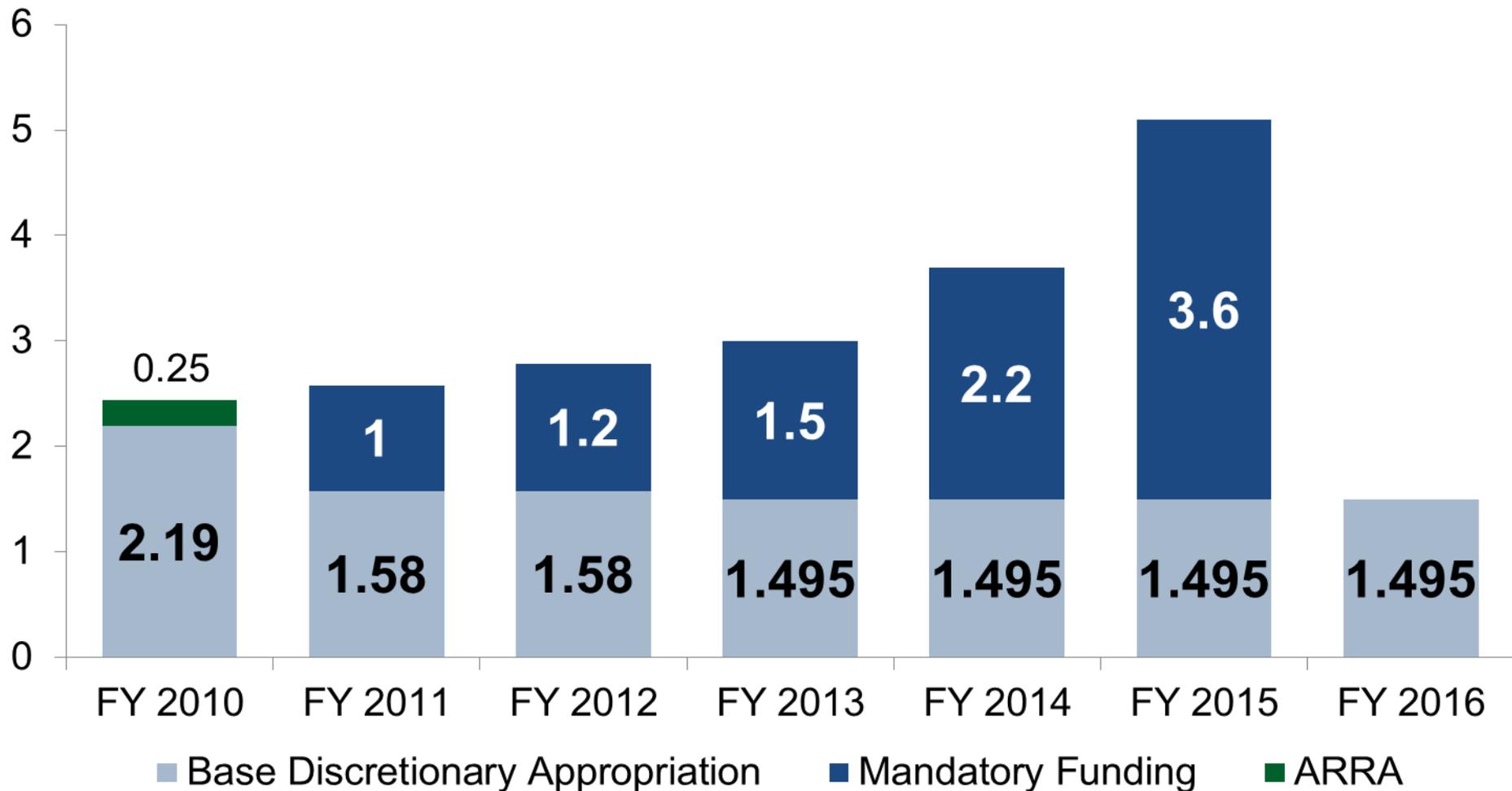


Growing and Sustaining Health Centers

- Very Low Operating Margins
- Federal Health Centers Program Funding Cliff
 - Important for reaching the uninsured and supporting a comprehensive model of care for all patients
 - Ensure health centers serve all regardless of patient risk
 - Reach new communities in need
- Gaps in Medicaid Reimbursement
 - Has not kept up with the cost of care
 - Insurance expansion does not make up for per patient losses
- Exchanges
 - Underpayment in private insurance
 - Little room for negotiating

Federal Health Center Funding Under Current Law, FY2010-FY2016

\$ in Billions



Future Issues for Health Centers

Need: Build capacity and meet remaining needs

- Maintain capacity
- Reach new communities, expand services
- Delivery system changes and needed infrastructure (eg, HIT, PCMH, care coordination, etc.)

How: Continue & strengthen sources of support

- Sustaining revenue / closing revenue gaps
 - Prevent Federal Health Center funding loss
 - Ensure fair and adequate reimbursement from payors
- Sustain workforce placement programs
 - Prevent Federal funding cuts to NHSC