



NATIONAL ASSOCIATION OF
Community Health Centers

NACHC's Fall Update

***Presentation to
Many Faces of Community Health Conference***

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Community Health Centers Today

- **Proud History** – 43 years of bringing good health to underserved communities, giving people served ownership & control of delivery system
- **Largest national network** – 18 million people served, 40% uninsured, 37% Medicaid/SCHIP, 63% people of color, 92% low-income individuals
- **Record of Achievement** – cited by IOM, OMB, and GAO for excellence in care, disparities reduction, cost-effectiveness, and community benefit
- **Bipartisan support** – Congressional majority and key Presidential candidates praise work, mission of health centers, call for continuation & growth



So What is Wrong out There?

“Between the health care we have and the care we could have lies not just a gap, but a chasm. The American health care delivery system is in need of fundamental change.”

--- Crossing the Quality Chasm: A New Health System for the 21st Century

A Report from the Institute of Medicine

The American Health Care Crisis

- **Costs:**

- U.S. health care costs per person are **250% higher** than the median for 29 other developed nations*

- **Access:**

- 46 million Americans (15%) are uninsured

- 56 million Americans have **NO** regular source of care

- **Quality:**

- Despite technology & knowledge advantages, the quality of U.S. health care is “mediocre at best”**

* *Health Spending In OECD Countries In 2004: An Update, Health Affairs 26/5, Sept.-Oct. 2007*

** *New England Journal of Medicine, 354(11), March 2006 (report on RAND Corp study, funded by Robert Wood Johnson Foundation)*



What is NACHC's Vision for the Future?

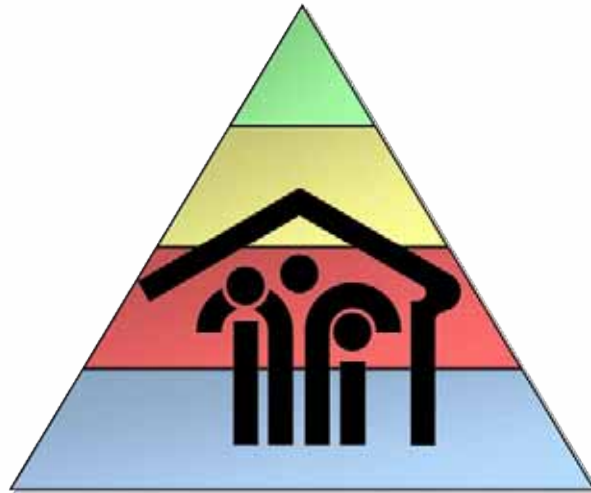
- **Grow health centers to become the health care home for 51 million medically disenfranchised Americans (51/15/15)**
- **Reform health professions training programs to promote Primary Care careers, diversity, and service in underserved areas via health centers**
- **Preserve the Medicaid guarantee of coverage for low-income, elderly & disabled Americans**



What is NACHC's Vision (cont'd)?

- **Wire every health center** for complete health information technology (HIT)
- **Lead the way** to a high-performing health system, grounded in primary care
- **Play a central role in emergency preparedness,**
at the local & national levels

What is NACHC's Plan to Achieve that Vision?



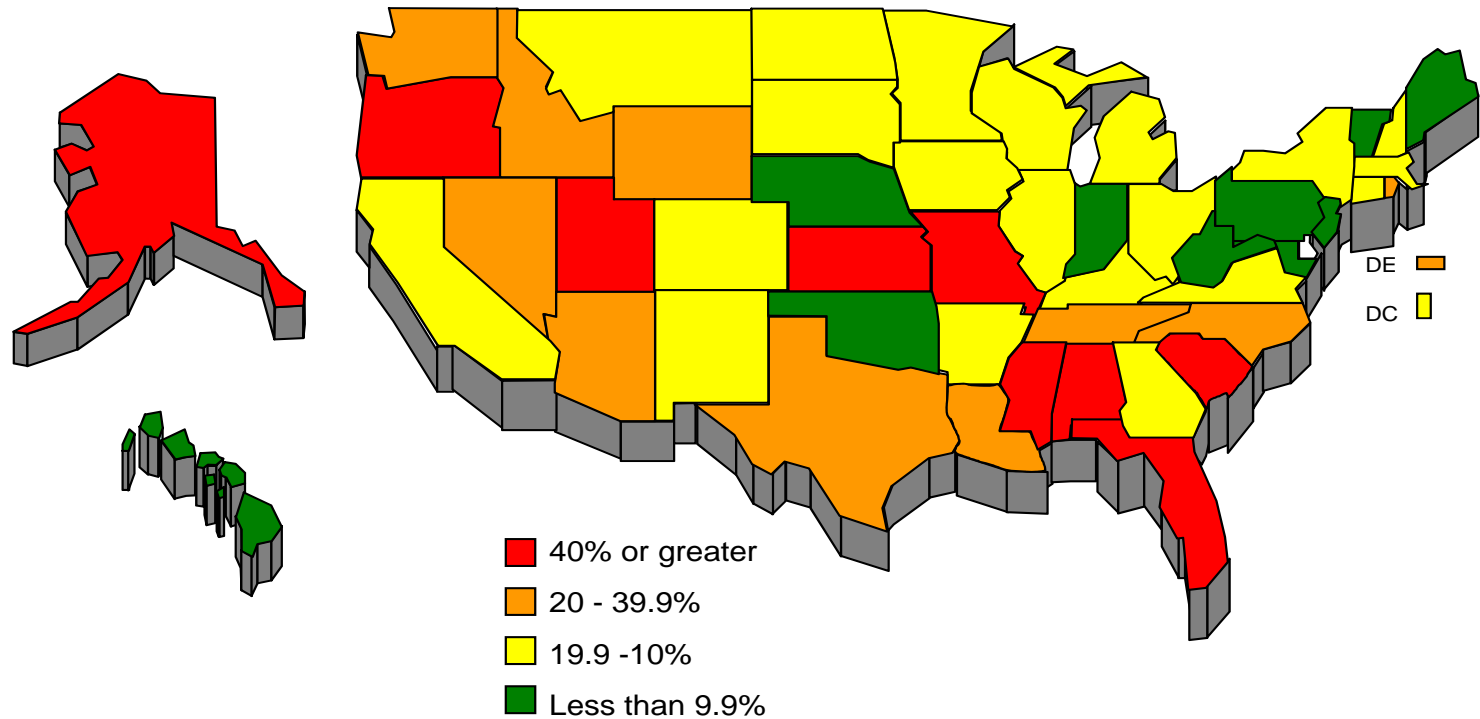
ACCESS FOR ALL AMERICA

*Expanding the Reach of Community Health Centers to
Provide Care To Those Without a Health Care Home*

Why is More Growth Needed?

56 Million People Are Medically Disenfranchised

Percent of State Population Without Access to a Primary Care Provider, 2005



National Average = 19.4%

Source: *Access Denied: A Look at America's Medically Disenfranchised*, NACHC 2007. Data from the Robert Graham Center, the Health Services and Resource Administration (HPSA, MUA/MUP data, 2005 Uniform Data System), 2006 AMA Masterfile, Census Bureau 2005 population estimates, NACHC 2006 data on non-federally funded health centers.

Why Health Centers?

- **Costs:**
 - Total patient care costs 41% lower than those served in other settings*
 - Save up to \$18 billion annually for taxpayers and society*
- **Access:**
 - Serve 18 million (and growing) people who live in communities not served by others
 - Open to all regardless of ability to pay
- **Quality:**
 - Quality is equal or superior to other providers**

* Source: *Access Granter: The Primary Care* Payoff, NACHC 2007. Data and Analysis by the Robert Graham Center

** See “Measuring Health Centers against Standard Indicators of High Quality Performance: Early Results from a Multi-Site Demonstration Project,” Shin, P., et al., The George Washington University, August, 2006.

What are the Key Elements of the NACHC Plan?



Building on the Base
Investing in Existing Health Centers

- Patient-centered growth that recognizes increased costs and patient loads
- Expanded Medical Capacity grants to bring care to more patients in underserved areas

New High-Need Communities
Bringing Access to Care to New Areas

- New health centers in communities with high need and no current access
- Planning Grants to improve communities health center proposals and implementation

Tools for Growth
Saving Costs and Improving Infrastructure

- FTCA and FEHBP coverage
- Networking and Health IT
- Loans and Loan Guarantees
- Construction Funding

New Services
Making Every Health Center a "One-Stop Shop"

- Service Expansion grants flexible enough to meet the needs of every health center
- Access to mental health, dental and pharmacy services at every center by 2015

Preserve

Strengthen

Expand



What Steps are Needed to Achieve the Plan?

- **Reauthorize the ‘Section 330’ Health Centers law *without change***
- **Increase health centers funding by at least \$248 million in FY2009, plus at least \$25 million for the NHSC**
- **Preserve Medicaid and SCHIP coverage, and improve *payments to safety net providers***
- **Reform health professions training programs, to produce clinicians for underserved communities, especially for health centers**



Other Steps Needed...

- **Revise the *Medicare FQHC payment cap*,**
- **Extend *FTCA coverage* to include volunteers & emergencies, and**
- **Increase health center options for accessing affordable capital financing, both for facilities and equipment (including HIT)**
- **Allow health center staff to qualify for *FEHBP coverage***
- **Expand affordable health insurance coverage for low-income individuals and families**

Where Do We Stand Today?

Reauthorization: Congress unanimously passed H.R.1343 which was signed into law on 10/8/08 (Pub. L.110-355): Health Care Safety Net Act

Lead Authors: Senate - Ted Kennedy (D-MA) & Orrin Hatch (R-UT)
House - Gene Green (D-TX) & Chip Pickering (R-MS)

Co-sponsors: 75 Senators , 250 Representatives

5-year reauthorization with specific growth targets

- **CHCs: \$2.065 Billion** in FY2008 to **\$3.337 Billion** in FY2012
- **NHSC: \$131.5 Million** in FY2008 to **\$185.6 Million** in FY 2012



Reauthorization: Key to Our Future

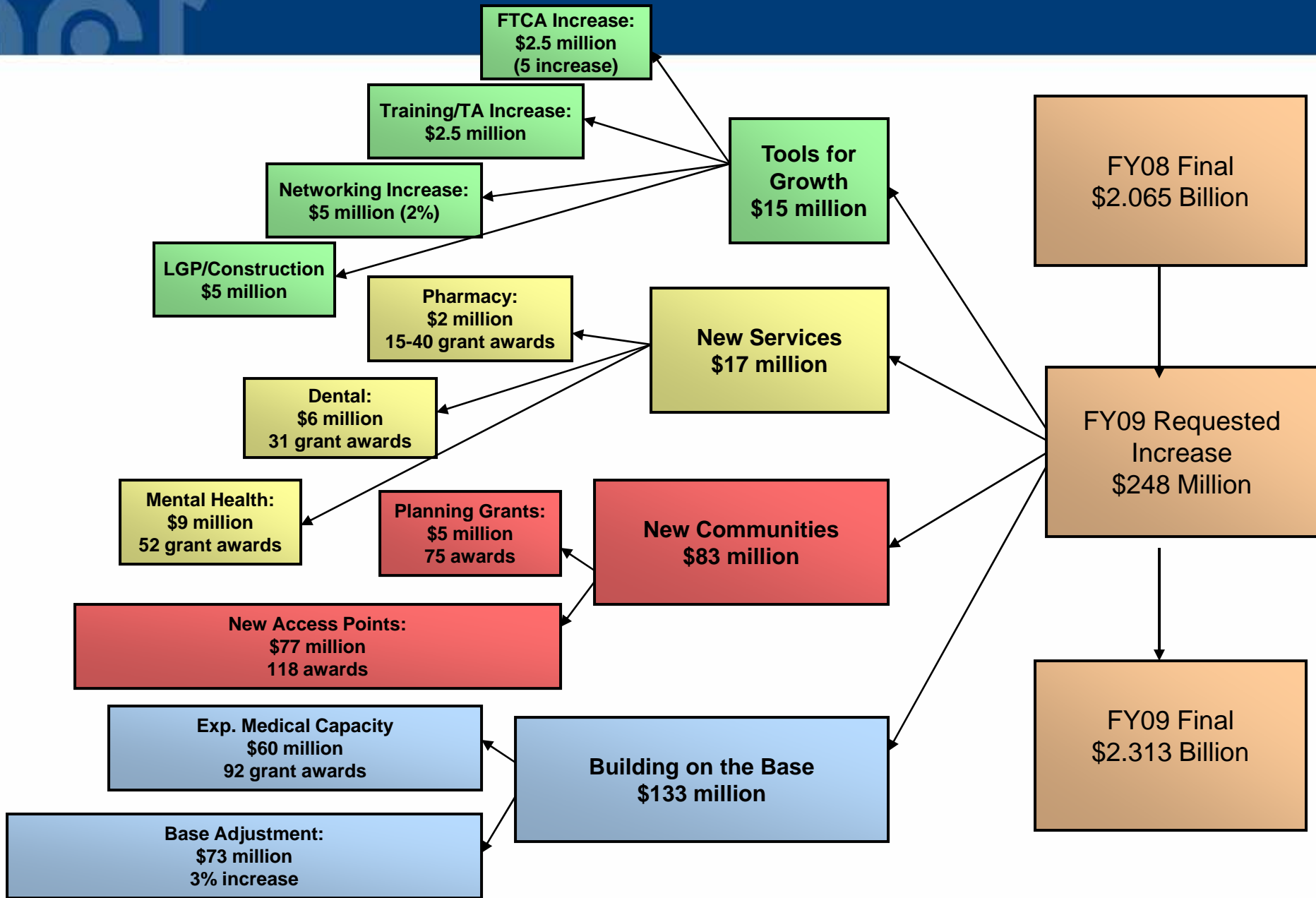
- Permanent auto-HPSA for all FQHCs
- **FTCA improvements:** 6-month study by Comptroller General of extending FTCA to volunteers, and direction to HHS on coverage in emergencies
- Extension of **Rural Health and Dental Health Workforce programs** for 5 years
- **Appropriations: House provided +\$100M, Senate +\$150M, both below NACHC's \$248M request for FY2009 – but no new \$\$ until Feb or March (C.R.)**
- **Medicare cap: \$100M included in Medicare (Pub.L.110-275); basically raises cap by \$5 and requires report by Comptroller General**



SCHIP & Medicaid: Vital to Growth Plan

- **SCHIP Reauthorization:** After failing to override Bush veto of bills that would have grown coverage & enact PPS for health centers, must wait 'til next year.
- Bill vetoed by Bush: \$35 billion increase, would have added 3.2 million children (9.8 million total)
 - Bill included SCHIP **PPS for FQHCs**
 - Adequately reimburses FQHCs for providing care to SCHIP beneficiaries
 - Also **Strengthened Outstationing** Enrollment Requirements
 - Also **preserved current Medicaid** coverage levels and FQHC benefit & payment requirements
- Interim agreement (December 2007) continued SCHIP unchanged through March, 2009 (continued coverage for 6 million children)
- **Will be one of first bills passed in 2009 (hopefully including above provisions from vetoed bill!)**
- Meanwhile, have beat back regulations designed to cut Medicaid severely (case mgmt, GME, outpatient hospital payments, etc.)

Funding: Securing the Future





Who Will STAFF Future Health Centers?

- **A.T. Still Medical & Dental Schools** – now training future CHC clinicians (100+ MDs, 50+ DDS each year)
- **National Health Service Corps** – revisions to more closely link CHCs with NHSC placements
- **Teaching health centers** – building on existing models to expand CHC-based teaching & training of future clinicians
- **Linkages with training programs** – expanding use of CHCs as training sites across country (with Northwest serving as model)



Who Will LEAD Future Health Centers?

- **Leadership development:** multi-faceted NACHC initiative to enlist leading academic centers and PCAs in programs to –
 - continue to train CHC staff & Board members in key management areas (*association certification*)
 - build skills of current CHC leaders & managers (*academic certification*)
 - fully train future CHC leaders (*academic degree*)



Getting Ready for Health Reform

Most policy experts believe that the top national policy issue in 2009 will be Health Care Reform



Central Focus Points of Health Reform

- Closing gaps in insurance coverage is the number one priority action to improve care for vulnerable populations
 - Medicaid and SCHIP must be continued and expanded
 - Other affordable insurance coverage should be promoted
 - Also needed is adequate funding of primary care capacity in low-income underserved communities
- Patient-centered primary care is a crucial feature of reform
 - Make it easy to get appointments and obtain care
 - Shared decision-making can help improve and coordinate care, and engage patients as active partners in their care
- A strong safety net will be needed to make care available to those who remain uncovered, those who live in underserved areas, and those who are hard to reach and serve

Crucial Value of Primary Care in Health Reform

- *Entry point* into health care system
- Focus on *whole individual* (not organs, systems)
- Treat *most common* conditions and *prevent* ill health
- Have *continuing relationship* with individuals in care
- *Manage and coordinate* all care for the individual (referral, diagnostics, specialty/inpatient care)
- Address individual needs in context of *family and community* (relationships/stressors, nutrition, environment, occupation, violence, epidemics, etc.)

Result: more primary care leads to better access, better health outcomes, and LOWER COSTS*

*Starfield B and Shi L., “The Medical Home, Access to Care, and Insurance: A Review of Evidence,” *Pediatrics* , May 2004; Institute of Medicine (IOM), *Coverage Matters: Insurance and Health Care*. National Academy of Sciences Press, 2001; Phillips RL, et al, “The Importance of Having Health Insurance and a Usual Source of Care.” Robert Graham Center, 2004.

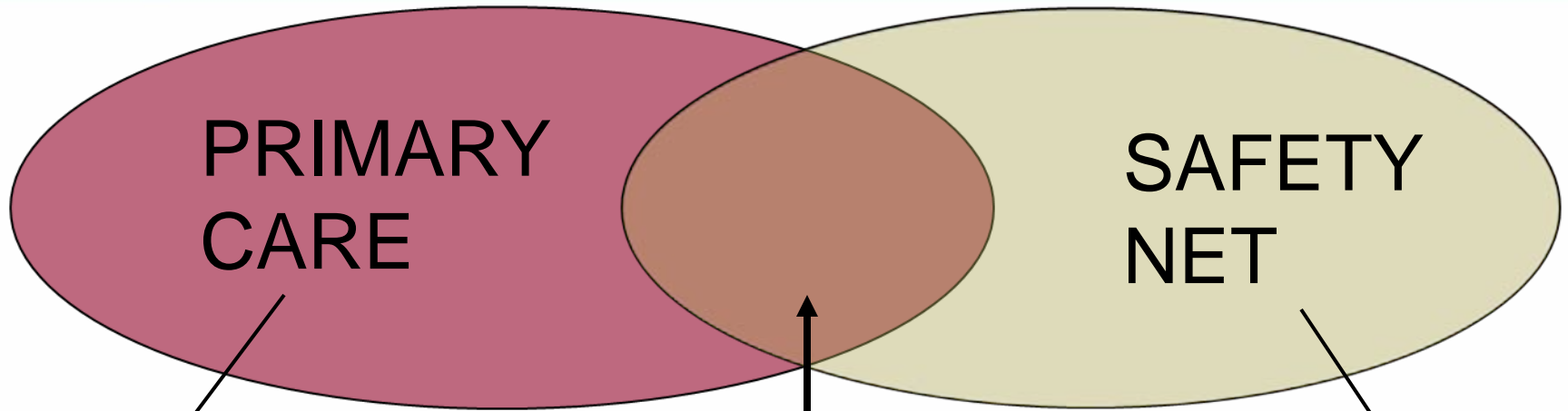


Crucial Role of Safety Net in Health Reform

- Who will locate in low-income inner-city and isolated rural areas where private practice is not economically viable?*
- Who will care for those ineligible for coverage (eg, undocumented)?
- Who will care for the hardest to reach (eg, homeless, immigrant, substance-addicted, mobile/farmworkers)?
- Who will care for those whose coverage is not adequate for the care they need (visit/service limits or exclusions)?
- Who will provide services needed by only some (eg, language access, transportation, health literacy)?

* The average practice relies on consumer out-of-pocket payments for at least 25% of its revenues, which makes private practice non-viable in most low-income and rural/frontier low-volume communities.

Health Centers – Turning Coverage into Better Health Care Access



PRIMARY
CARE

SAFETY
NET

Critical Value:

- First contact
- Care management/coordination
- Continuity of care
- Reduced ER use, hospital admissions, specialty referrals

Health Centers: Family doctors and health care homes for America's poor, minority, uninsured and disenfranchised

Critical Value:

- Location in underserved areas
- Open to all, even if uninsured/ineligible
- Focus on neediest
- Services related to unmet needs



How Can CHCs Hope to Influence Reform?

- **Focus** – never lose sight of founding mission & purpose
- **Commitment** – ensure that patients get the best possible care, even as we improve the care-delivery process and measure outcomes
- **Advocacy** – get involved, speak out for those in need who don't have voice today



Why Should You be an Advocate?

- You can **make a difference**
- People can **change laws** (think: Child labor, public education, clean air or water, etc.)
- It helps **find real solutions** (but only when people with ‘front-line’ knowledge & experience are involved)
- It’s **easy** (especially when many join together)
- It **helps people** (group vs individual intervention)
- It advances your work and builds public trust
- It’s a **democratic tradition** (at heart of system, helps people feel connected and avoid alienation)



What Can YOU Do to Help?

- **Sign up** as a Health Center Advocate (go to www.nachc.com for details)
 - *Receive regular updates from NACHC and be notified when action is needed*
- **Get 5 colleagues/friends to do the same**
- **Invite** your Members of Congress and State legislators to visit your health center
 - *Tell them that health centers are part of the solution, and ask them to support our efforts to do even more!*
- **Join** NACHC and Your State & Regional PCAs



Where Can You Get More Information?

- Visit our improved, expanded web site...
 - for more information on all issues,
 - for the latest on federal & state policy developments,
 - for the schedule of webcasts and trainings on key health center management topics,
 - to sign up as an advocate and send a message to your Members of Congress

Address is: www.nachc.com

Thank You!

**Any
Questions?**

