

2009

FEDERAL LEGISLATIVE AGENDA



NATIONAL ASSOCIATION OF
Community Health Centers



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March 2009

Dear Health Center Colleagues, Partners and Policymakers—

It is my privilege to share with you the **National Association of Community Health Centers Federal Legislative Agenda** for 2009. As this document shows, America's Health Centers are ready to lead the way in national health reform, bringing high-quality, affordable, accessible primary and preventive care to millions in need.

Every day, Health Centers are making a difference in the delivery of care across America. Today, America's Health Centers provide care to more than 18 million Americans in more than 7,000 communities nationwide. Our costs of care rank among the lowest, and we keep patients out of costly emergency rooms, saving billions for taxpayers and society—up to \$18 billion last year alone.

For more than forty years, we have demonstrated that improving access to high-quality primary and preventive health care has improved outcomes, narrowed disparities, and generated significant savings to the nation.

With the policy improvements outlined in this document, Health Centers stand ready to lead the way to an unrivaled health care system that is effective, of the highest quality and available to all.

Sincerely,

Chair, Board of Directors

AMERICA'S HEALTH CENTERS and HEALTH CARE REFORM

Reform is About Coverage AND Care. We agree with the vast majority of Americans that health reform must improve the availability of affordable and adequate insurance coverage. Yet expanding insurance alone will not guarantee every person access to high-quality, appropriate, and cost-effective health care services. In Massachusetts, despite what is now nearly universal coverage, the number of low-income adults who could not find a source of primary health care doubled – leading to increased pressure on emergency rooms and safety net providers.

The Primary Care Imperative: Extensive evidence shows that when primary care is strengthened, cost savings are increased, health outcomes are improved, and health care disparities are reduced. A recent report found that *if all Americans made appropriate use of primary health care, the health care system would save \$67 billion annually.* Health Centers have demonstrated a model for the delivery of primary care that works in any community, and that is ready to grow to meet future needs.

A Plan for America's Health Care Future: With an eye toward the future, Health Centers stand ready to contribute to the success of health reform. We have developed a framework for change – the ACCESS for All America (AAA) initiative. This plan will assure that every American has a regular source of primary health care by preserving, strengthening and expanding Health Centers to reach all underserved individuals, with Health Centers serving as the model of comprehensive primary care delivery.

OUR AGENDA FOR HEALTH CARE REFORM

Health Centers stand ready to turn the promise of expanded insurance coverage into meaningful health care access for all Americans. In order to truly meet the need for affordable, accessible, high-quality health care across the country, it is imperative for policymakers to take the following actions:

1. **Ensure Universal Availability of Affordable Coverage for Quality Health Care**, with strengthened Medicaid and SCHIP programs for all low-income families and individuals.
2. **Invest in Primary Care in Underserved Communities** by continuing to significantly increase the investment in Health Centers in accordance with the ACCESS for All America initiative, to bring Health Centers to all underserved communities within the next 15 years.
3. **Bolster the Primary Care Workforce** by increasing support for clinical training and placement programs (especially the National Health Service Corps) designed to meet three key goals: strengthening primary care, enhancing diversity, and promoting culturally proficient providers.
4. **Strengthen Existing Payment Systems for Primary and Preventive Care** by improving insurance reimbursement for primary care. This includes reforming the current Medicare payment system for Health Centers and ensuring payment methods system-wide that reflect the value of primary care and the health care home model.
5. **Improve Access to Low-cost Capital Financing** by increasing the tools available to make much-needed capital investments in both existing and new Health Centers. Building on the historic investment in Health Center infrastructure in the recent Recovery Act, long-term policy changes are needed to provide the same access to low-cost capital currently available to other non-profit providers.



EXPANDING ACCESS TO CARE THROUGH THE HEALTH CENTERS PROGRAM

Last year, Congress reauthorized the Health Centers program for five years, **unanimously passing the Health Care Safety Net Act of 2008 into law**. The reauthorization law reaffirmed support for the four key components of the Health Center model of care: patient-majority governance; openness to all regardless of ability to pay; access to comprehensive primary and preventive care services; and targeting of resources to communities with pressing health care needs. The reauthorization also set in law **specific funding targets** calling for **more than 60% growth** in the Health Centers program by 2012.

A Program that Delivers. The Health Centers program is a more than forty-year success story, one that has made a dramatic difference in the health of millions by ensuring that local communities and health center patients decide how best to respond to their diverse health care needs. The program is widely recognized for its success in **expanding access, improving quality and controlling costs**. With strong bipartisan support, Congress has steadily increased funding for Health Centers, stabilizing existing centers and expanding care to millions in need.

Expanding Access to All Medically Underserved. Health Centers have charted a multi-year **ACCESS for All America** plan for growth that will enable centers to target resources and expand care to millions more who currently have no access. A targeted and balanced approach to expansion is needed, incorporating new sites, expanded capacity, additional services and regular base grant adjustments to meet increased demand and costs. With these goals in the forefront, Health Centers will focus on securing the resources necessary to meet the comprehensive health care needs of **30 million patients by 2015**.

OUR POSITION

Ensure the Vitality of the Health Centers Program by meeting authorized funding targets for the program and by recognizing the essential role Health Centers play in ensuring health care access for all Americans, especially low-income, uninsured, publicly-insured and medically underserved individuals.

We urge Congress to:

- ◆ **Invest in the Growth of Health Centers.** Health Centers urge Health Centers Program funding of **\$2.602 billion in FY2010, bringing total funding to the authorized level**, and use those funds to stabilize and support existing centers, expand access to new communities, and bring high-quality medical, dental, and behavioral health care to nearly two million new patients in need. **House Members can cosign the sign-on letter led by Rep. Frank Pallone, and Senators can cosign the Stabenow/Bond Letter.** Health Centers ask that all Members also add a similar request to their official programmatic request list to the Committee Chairman.
- ◆ **Keep ACCESS to Care Front and Center.** Health Centers urge Congress to recognize that while expanding insurance coverage is essential, in order to significantly improve our health care system and the health of our citizens, access to care must grow along with coverage. In addition to having adequate insurance, all Americans must have a health care home where they can access care.

*The National Association of Community Health Centers is a nonpartisan health care organization dedicated to ensuring access to high-quality primary health care for the nation's medically underserved. Through our **ACCESS for All America Initiative**, we are committed to making health insurance coverage and a regular source of primary health care a top priority in health reform legislation, federal policy and budget decisions.*



BUILDING A STRONG HEALTH CENTER WORKFORCE FOR THE 21ST CENTURY

Recent studies indicate an alarming shortage of primary health care providers in the United States, with Health Centers and the communities they serve facing major recruitment challenges. Since 1997, the number of U.S. medical graduates entering a career in primary care has fallen by 50 percent. These shortages threaten access to care, and may well increase costs and undermine quality. As Health Centers continue to grow and health reform efforts get underway in Congress, policymakers must address the **several workforce development principles** necessary to ensure meaningful access to care for all.

Incentives to Practice in Underserved Communities. Workforce policies should prioritize and give incentives to clinicians who choose to practice in communities with shortages of health care providers. Because of geography, demographics, socioeconomic status and other barriers, millions of Americans currently live in these underserved areas.

A Renewed Focus on Primary Care. Even as policymakers are examining how to expand insurance coverage to all Americans, the number of clinicians entering careers in primary care is on the decline. A strong primary care system must be the foundation of any successful health reform effort, and Congress should strengthen programs for primary health care training in community-based settings.

Diversity and Cultural Proficiency. It is vital that the nation's health care workforce reflect the diverse makeup of the population it serves. This means recruiting and developing clinicians from underserved communities, and emphasizing cultural competency training so that health care delivery is in tune with the needs of the diverse communities being served.

OUR POSITION

Ensure a Strong Health Center Workforce by creating more incentives for a diverse array of clinical students to choose careers in primary health care and then serve in underserved areas. Jointly recognizing these priorities is critical to ensuring that health care reform is truly successful.

We urge Congress to:

- ◆ **Increase NHSC Funding.** Health Centers urge an increase in funding for **FY2010** to **\$235 million**, in line with the recent authorization, to place thousands of additional NHSC clinicians in high-need communities and bring access to millions more individuals in need. Currently, more than 4,000 NHSC clinicians provide health care services to nearly 5 million Americans. About half of all NHSC providers are at Health Center sites.
- ◆ **Revitalize and Expand the Health Professions Programs.** Health Centers urge support for **the Health Professions and Primary Care Reinvestment Act**, sponsored by Rep. Diana DeGette, which would reauthorize the Title VII Health Professions Programs and strengthen the linkages between these programs and Health Centers. Health Centers urge total FY2010 funding of **\$550 million** for Title VII and VIII Health Professions programs, including at least **\$38.5 million** for Area Health Education Centers (AHECs).

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STRENGTHENING PRIMARY CARE PAYMENTS

Today, Health Centers are the provider of care for 1 of every 8 Medicaid recipients, 1 of every 9 enrollees in the Children's Health Insurance Program (CHIP), and more than 1 million Medicare beneficiaries. These public programs depend on Health Centers to deliver quality care to their beneficiaries, and Health Centers have shown savings of more than 30 percent for their publicly insured patients. In recognition, Congress created the Federally-Qualified Health Centers (FQHC) payment systems so health centers would not have to subsidize inadequate public program payments with federal grants.

Bipartisan majorities in Congress have widely recognized the importance of the FQHC payment structure, and have called for aligning Medicare and CHIP payments with the successful Medicaid Prospective Payment System (PPS). Most recently, the CHIP reauthorization brought payments in line with FQHC payments under Medicaid. As Congress looks toward a broader health reform effort, it is critical that this alignment take place among all sources of health care payment.

Barriers to Expanding Care to Medicare Patients. Medicare beneficiaries constitute one of the fastest growing populations at Health Centers. However, due to an outdated payment structure, **over three quarters of all Health Centers suffer significant losses when they serve underserved Medicare beneficiaries** (approximately \$50 million per year) – money that could be used to serve thousands more patients.

Fortifying the Health Center Role in Private Insurance Coverage. As Congress looks toward a major expansion of health insurance coverage, it is imperative that any new insurance plan, whether public or federally-subsidized, take into account the unique payment needs of health centers. Studies have shown that current private insurance payments for Health Centers are well below those received from public programs.

OUR POSITION

Strengthen the Health Center Payment Systems in order to ensure that all beneficiaries **continue to have access to vital primary and preventive health care services** delivered by Health Centers.

We urge Congress to:

- ◆ **Update the Medicare FQHC Payment System.** Congress should enact bipartisan legislation to improve the FQHC Medicare payment mechanism and update the Medicare FQHC benefit package to include all Medicare covered ambulatory care services, including incentives for Health IT adoption. Members can cosponsor the **MATCH (Medicare Access to Community Health Centers) Act**, introduced by Senators Jeff Bingaman and Olympia Snowe and Rep. John Lewis.
- ◆ **Strengthen Community Health Center Payments in Health Insurance Reform.** Within the broader context of health insurance reform, Congress should ensure that any new insurance product subsidized by the federal government recognizes the unique payment needs of Health Centers. Insurance expansions through the private market should be held to the same payment standards for health centers as public programs, enabling Health Centers to serve millions of additional individuals.

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For more information contact NACHC's Division of Federal and State Affairs | www.nachc.com