

COMMUNITY HEALTH CENTER-RELATED AMENDMENTS

SENATE FINANCE COMMITTEE MARKUP, AMERICA'S HEALTHY FUTURE ACT OF 2009

On September 21st, the Senate Finance Committee begins consideration of its version of health care reform legislation. Several critical amendments will be debated during this period to enhance the availability, affordability and effectiveness of the health reform legislation, specifically by expanding access to care in Federally Qualified Health Centers (FQHCs). FQHCs currently serve more than 20 million underserved patients in more than 7,000 communities nationwide.

NACHC strongly supports the three amendments listed below, and urges Senators to support them.

Menendez Amendment #C3 on Appropriate Payment for Health Centers

- This amendment would ensure that FQHCs **would not lose revenue when treating newly insured patients** gaining coverage through the new health insurance exchanges.
- This would be accomplished by extending the PPS payment rate (currently used by the Medicaid program to determine payments for health centers' services) to private insurance plans participating in the Exchange.
- The amendment ensures that discretionary grant funding needed to support other vital purposes (operation and expansion of health center services, care for those who remain uninsured, health-improving services that are not reimbursed, etc.) will not have to be siphoned off to cover inadequate payment rates from federally-subsidized plans.

Bingaman Amendment #D6 on Adequate Medicare Reimbursement for Health Centers

- This amendment would establish a **new prospective payment system (PPS) for Medicare services** furnished by FQHCs, similar to the successful PPS reimbursement system for health centers under Medicaid.
- In doing so, the new PPS would replace the existing cap on Medicare payments to health centers, which has been in place since the early 1990s. More than 75% of health centers lose money serving Medicare patients due to the cap.
- The amendment would be paid for by eliminating mandatory subsidies given to employers to purchase private insurance coverage for workers otherwise eligible for Medicaid coverage. The cost of these subsidies is higher than the savings to Medicaid.

Stabenow Amendment #C5 on Full Participation for Health Centers

- This amendment would ensure that **safety-net providers, including health centers, are included in** insurance plans participating in the new health insurance exchanges.
- This would be accomplished by requiring that plans operating through the exchanges include providers eligible for 340B drug discounts (including all FQHCs) in their provider networks.
- This amendment would ensure that as uninsured patients gain coverage, the plans covering them will not exclude those low-income communities and individuals most in need of access to care.

"Health reform should include policies that bolster community health centers...and FQHCs as part of the larger effort to improve patient access to critical primary care services".

- Senate Finance Committee Chairman Max Baucus, "Call to Action" White Paper, November 2008.