



# **ACCESS FOR ALL AMERICA**

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

**PRESERVE**

**STRENGTHEN**

**EXPAND**

## **Our ACCESS Vision**

**To reduce the ranks of America's medically disenfranchised by preserving, strengthening and then expanding health centers from a stable base to reach a total of 30 million patients by the year 2015.**

**FEBRUARY 2008**



National Association of  
Community Health Centers, Inc.®

## HEALTH CENTERS IN AMERICA: PAST, PRESENT AND FUTURE

### *A Legacy of Success*

Since its inception over forty years ago, Community Health Centers have grown from a few demonstration projects into the backbone of our nation's primary health care safety net. Health Centers began their legacy of care in 1965 under the Office of Economic Opportunity (OEO). At Columbia Point in Boston and in Mound Bayou, Mississippi, the first Health Centers opened their doors with a mission of delivering primary care that was of, by, and for the communities they served.

Today, Health Centers serve 17 million patients in over 6,300 communities nationwide. Study after study shows that Health Centers provide high-quality and cost-effective care, that they reduce racial and ethnic health disparities, and that they generate large cost savings to the health care system as a whole. The federal Office of Management and Budget has declared that the program "is effective at extending high-quality health care to underserved populations" and has rated it one of the top ten government programs.

That success has been reflected in the support for Health Centers among leaders of both political parties – in the White House, in Congress and in statehouses and city halls across America. In 2001, President Bush launched an initiative (now nearly complete) to bring new or expanded Health Centers to 1,200 more communities and 6.1 million more patients. Recently, the President called for a second initiative with the goal of placing a Health Center in every poor county in America. A wide bipartisan coalition in Congress has supported those goals and provided funding increases to expand the program while supporting the infrastructure of existing centers.

### *The Challenge Today*

Despite these historic gains, the problem of access to primary and preventive care remains a pervasive one across the United States. Racial and ethnic disparities in access and quality of care continue unabated. Nearly half of those without a "health care home" do have some form of insurance – but the lack of ready access to care forces these individuals to turn to hospital emergency rooms for basic primary care needs, driving up costs and overburdening already crowded facilities. Most importantly, there are roughly 56 million medically disenfranchised individuals in the United States - those without access to a primary care physician or a regular source of health care.

America's Community Health Centers have a proven ability to address each of these problems, but the program must continue to grow to meet the need. Investment in Community Health Centers has yielded impressive results – expanding care to more than five million additional patients in the last five years. The strategy for growth revolves around the common mission of Health Centers – to serve those in need.

In order to meet the current need in unserved communities across the country, Health Centers must continue to grow, with the ultimate goal of a nationwide network of care serving all the medically disenfranchised – those without a health care home today. As the Health Center model of primary care delivery is strengthened and expanded to every underserved community, Health Centers will build a primary care infrastructure that will lead to long-term cost savings and, more importantly, to a healthier nation.

Health Centers will lead the way toward a system of care focused on quality and performance – continuing to develop measurements, reporting systems, guidelines and best practices that bring innovation and efficiency to the primary care system. By integrating health information technology (HIT) into operations, Health Centers will connect more effectively with the entire health care system - reducing medical errors, demonstrating results, and saving time and money that can be spent on reaching more patients.

As the number of Health Centers increases, insurance coverage must be preserved and expanded, so that “serving all in need” remains an achievable goal. Critical to progress is preserving the guarantee of coverage through Medicaid for low-income, elderly, and disabled Americans, and maintaining a fair payment system for Health Centers through all insurance programs.

Health Center growth will also require reform and expansion of programs that train, recruit, and retain the health professionals necessary to carry out this mission. With a focus on unserved communities, Health Centers will form a nationwide network of health care homes, so that every American has a regular source of health care. The challenges that lie ahead are the same challenges that Health Centers have faced since the program’s inception: not enough money, not enough space, not enough doctors. Yet as ever, Health Centers remain driven by a limitless commitment and desire to serve their communities.

### ***Primary Care: The Foundation of Successful Health Reform***

As policymakers examine broad-based strategies for reforming the health care system, one element remains consistent across all platforms and proposals: the need to invest in accessible, affordable, high-quality primary care for all as a down payment on a more effective and efficient health care system.

This “primary care imperative” holds most true for those vulnerable populations who rely more heavily on the nation’s health care safety net. A targeted expansion of primary care services to those areas and populations currently without access to care will create disproportionate savings to the system as a whole – in the form of chronic diseases prevented or effectively managed, acute care averted, and emergency room use reduced – and is among the most effective strategies for improving the overall health of all populations.

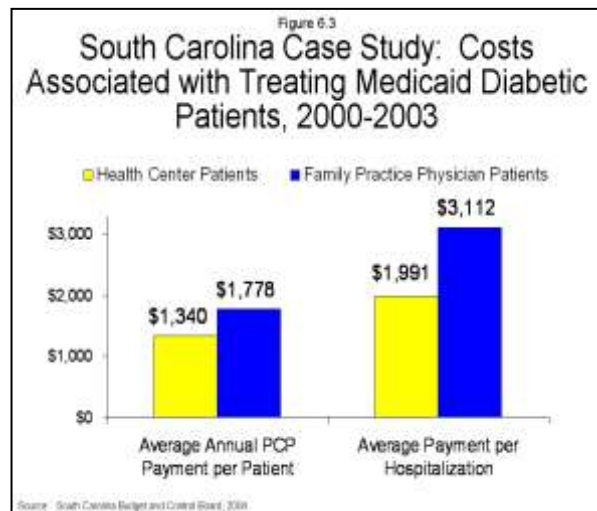
This document proposes a series of strategies – internal and external to NACHC and the broader Health Center movement – to address these prerequisites for growth and reform through public policy interventions, political and advocacy strategies, and strategic partnerships and communications.

## DELIVERING QUALITY

### THE HEALTH CENTER MODEL OF PRIMARY CARE

Health Centers provide high-quality, effective, and affordable primary care services that are typically as good or better (according to several different measures) than those available in other primary care settings. The fastest way to expand access to care is to lower costs while maintaining and improving quality. Health Centers have been national leaders in the transition to a high-quality, performance-based health care system. Several recent examples include:

- **Leading the Way in Quality of Care.** A recent study by the United Health Foundation found that Health Centers compare favorably with national measures of clinical quality and patient satisfaction, and that they showed a strong ability to raise performance levels consistently over time. The study concluded that, while Health Centers are driven by the mission to serve low-income and medically underserved populations, that in fact the Health Center model is a promising one for all primary care delivery.<sup>1</sup>
- **Better Results, Lower Costs.** Health Centers' efforts have improved health outcomes and lowered the costs of treating patients with chronic illnesses. In a major study in South Carolina, Health Center Medicaid patients with diabetes cost \$400 less per patient than diabetic Medicaid patients treated by other providers<sup>2</sup>. These savings were driven by lower emergency room and hospital visits, as well as lower costs for specialists, lab work, and other services. Health Centers generated savings despite having higher office visits per patient and more patients with multiple conditions.
- **Saving Money Through Reduced Hospital Admissions.** Patients in underserved areas served by Health Centers had 5.8 fewer preventable hospitalizations per 1,000 people over 3 years than those in areas not served by a Health Center. A recent NACHC analysis found that if avoidable visits to emergency rooms were redirected to Health Centers, over \$18 billion in annual health care costs could be saved nationally<sup>3</sup>.



In order to reach more patients and more communities, Health Centers must continue to demonstrate high performance and improved health outcomes in their patients. Only with the kind of local input and constant innovation inherent to the Health Center model of care can the goal of access for all in need be realized.

<sup>1</sup> Shin P, Markus A, and Rosenbaum S. *Measuring Health Centers against Standard Indicators of High Quality Performance: Early Results from a Multi-Site Demonstration Project. Interim Report.* Prepared for the United Health Foundation, August 2006.

[www.gwumc.edu/sphhs/healthpolicy/chsrp/downloads/United\\_Health\\_Foundation\\_report\\_082106.pdf](http://www.gwumc.edu/sphhs/healthpolicy/chsrp/downloads/United_Health_Foundation_report_082106.pdf)

<sup>2</sup> South Carolina Budget and Control Board, 2004.

<sup>3</sup> Source: NACHC, *2006 Access to Community Health Databook.* Available online at [www.nachc.com/research/ssbysdat.asp](http://www.nachc.com/research/ssbysdat.asp)



## CREATING BENCHMARKS FOR SUCCESS:

### A MULTI-PART PATHWAY FOR GROWTH

A reasonable long-term growth plan must have intermittent benchmarks and targets, both as policy goals and to measure progress towards a common vision. The first goal for Health Center growth would be expansion to serve 20 million patients by 2010.

The second multi-year benchmark for patient growth will be an expansion to reach nearly 15 million additional patients by the year 2015. By consistently escalating the rate of growth for 8 years, Health Centers can become health care home for nearly twice the patients currently served. By 2015, 30 million patients can have access to high-quality primary care in a Health Center. **The foundation for this growth will be Health Center grant funding levels that recognize both increased costs and increased patient loads.**

### 20 MILLION BY 2010, 30 MILLION BY 2015:

Year	% Increase	CHC Appropriation	Total Patients
FY2008	N/A	\$2,065,000,000	17.4 million
FY2009	12.0%	\$2,313,000,000	18.6 million
FY2010	12.5%	\$2,602,000,000	19.9 million
FY2011	13.0%	\$2,940,000,000	21.4 million
FY2012	13.5%	\$3,337,000,000	23 million
FY2013	14.0%	\$3,804,000,000	25 million
FY2014	14.5%	\$4,356,000,000	27.2 million
FY2015	15.0%	\$5,009,000,000	29.7 million

By 2015, Health Centers will:

- Serve as the foundation for a **high-quality, performance based health care system, grounded in primary care;**
- Provide access to **mental health, dental, and pharmacy** services in every Health Center; and
- Implement **networking and health information technology (HIT)** in order to save costs and improve health outcomes.

Beyond 2015, growth in the Health Centers program must continue at a rapid pace in order to bring a health care home to all medically disenfranchised people in the United States. With continued growth at fifteen percent annually, Health Centers will serve **44 million patients by 2020**, and **all medically disenfranchised patients by 2026**.



## IMPLEMENTING GROWTH:

This expansion will be achieved through four distinct and complementary uses of new funding:



- **Building on the Base:** In order to expand the reach of Health Centers, the first step must be to ensure that existing centers are given the tools and opportunities they need to serve all patients in need within their communities. Future growth must be grounded in recognition of both the increased cost burden nearly all Health Centers face due to rising health care costs and increasing numbers of patients without health insurance. Through a regular annual grant adjustment tied to efficient performance and case loads, Health Centers will be financed to address this need. With continued funding for medical capacity expansions, existing Health Centers will have access to funding to meet more of the need within their service area.
- **New High-Need Communities:** The growth strategy also targets communities with high levels of need (in terms of poverty and health indicators) but with little or no current access to care. Through planning grants designed to lay the foundation for successful organizations, Health Centers can identify the target communities and populations, and outline strategies for serving those in need. Through grants for creating new Health Centers, existing Health Centers and new grantee organizations can expand into these communities.
- **Service Expansions:** Health Centers have proven to be a successful model not just for the provision of primary medical care, but also for integrating the delivery of mental health, dental, and pharmacy services into a broader primary health care system. Expanding the capability of all Health Centers to provide these new services, as well as additional services such as vision screenings, will allow Health Centers to more completely fulfill their place as a “health care home” in America’s underserved communities.
- **Tools for Growth:** The most effective way to expand the reach of Health Centers to all patients in need is to ensure that every dollar invested in Health Centers is used in the smartest, most cost-effective manner. Whether through Federal Tort Claims Act coverage expansions, investments in technical assistance through State and Regional Primary Care Associations (PCAs), the development and operation of cost-effective Health Center Controlled Networks (HCCNs), or adoption and maintenance of Health Information Technology (HIT), constant improvements in Health Centers’ ability to deliver high-quality care efficiently are a key component of growth.

## **A PRIMARY CARE ARMY**

### **WORKFORCE TRAINING, RECRUITMENT, AND RETENTION TO MEET THE NEED**

Recent studies indicate an alarming shortage of primary care providers in the United States, with Health Centers showing particularly high vacancy rates and difficulties in recruiting full-time health professionals. As the reach and capacity of Health Centers continues to grow, there must be a parallel strategy to address the root causes of this health professional shortage, and to create incentives for clinical graduates to choose primary care and service in underserved areas. These solutions must blend public policy interventions with a cultural shift toward these goals.

Several steps must be taken to ensure a robust primary care workforce that can accompany Health Center growth:

- ***Reauthorization and Expansion of the National Health Service Corps (NHSC)***: A principal tool for Health Centers to recruit and place health professionals, the NHSC provides scholarships and loan repayments to medical graduates serving in underserved communities. The NHSC should grow along with the size of the Health Centers program. Additionally, the percentage of NHSC placements in Health Centers must continue to rise from its current level (53.6%) and more explicit linkages or preferential status for Health Centers must be pursued.
- ***Retooling Title VII and Title VIII Health Professions Training Programs***: Health Centers have benefited to varying degrees from the group of training, recruitment, and retention programs for health professionals encompassed by Titles VII and VIII of the Public Health Service Act. Expansion of these programs should be pursued to the extent that they show clear linkages with Health Centers and a focus on three policy goals: revitalizing training to produce the needed primary care workforce, promoting service in underserved communities, and promoting a racially diverse workforce.
- ***From Patient to Provider: “Grow Our Own”***: A growing trend in Health Centers nationally is the recruitment and retention of health professionals who grew up in the communities served by those very same centers. As the reach of Health Centers expands into new communities, so must pipeline programs – including Health Center-focused medical and dental training – designed to steer youth into the health professions and to encourage them to return to their communities to provide health care continuity. Community Health -focused medical and dental training institutions are already underway through dedicated partnership with A.T. Still University in Arizona – providing a model for collaboration with new and existing institutions nationwide. In addition, health centers will engage with universities and academic centers to substantially expand community health-focused leadership development training, both to hone the management skills of current leaders and to train the next generation of health center leaders.

## **BUILDING THE HEALTH CARE HOME**

### **CAPITAL DEVELOPMENT STRATEGIES**

Health Centers take a multitude of physical forms – from freestanding, state-of-the-art facilities to storefront locations and mobile vans that canvass the community to find those patients in need of care. A principal obstacle to the expansion of Health Centers is the continuing challenge of capital development – building new facilities, renovating and expanding existing facilities, and ensuring that all Health Centers are wired with cutting-edge health information technology (HIT).

Several policy developments should be pursued in order to ensure that Health Centers can grow and update their facilities to accompany the growth in patients:

- ***Reinstatement of Construction Authority:*** Since 1996, Health Centers have lacked the statutory authority to use federal expansion dollars for the construction or renovation of facilities. Reinstating this authority is critical to bringing Health Center facilities into new communities, and to expanding their reach in the communities they currently serve.
- ***Loans and Loan Guarantees:*** First implemented in 1997, the HRSA Loan Guarantee Program (LGP) has been an important link to capital financing for Health Centers. Congress should increase the available funding for the LGP and raise the credit subsidy rate available to the highest authorized levels. In addition, new loan guarantee authority and direct loan programs for Health Center facilities should be explored.
- ***A New Paradigm in Health Center Capital Financing:*** To fulfill the *ACCESS for All America* plan's goals, a new paradigm of capital financing is needed today. Three simple steps – a federal credit enhancement source that can be used in conjunction with tax-exempt bonds; a tax credit allocation specifically for health centers; and a single national issuer to provide streamlined access to the tax exempt bond and tax credit markets – will allow more than half of all health centers to finance their capital projects immediately, at a cost that is more than offset by the overall health care savings that will come from a rapid expansion of health centers throughout the country.
- ***Health Information Technology (HIT):*** A recent survey found that fewer than one in ten Health Centers currently uses HIT and Electronic Health Records (EHR), though more than 60% plan to implement a full EHR in the near future. Availability of capital resources was overwhelmingly named as the biggest obstacle to adoption. Dedicated funding streams for HIT adoption should be pursued, and a regular methodology for covering HIT maintenance under third party payment systems should be incorporated. Widespread use of HIT will allow Health Centers to better coordinate care, improve outcomes and reduce medical errors, and save money at an individual and systemic level.

## **EXPANDING ACCESS AND COVERAGE:** **THE ROLE OF INSURANCE IN HEALTH CENTER GROWTH**

While Health Centers are by law open to all, regardless of insurance status or ability to pay, public and private health insurance coverage plays a crucial role in the sustainability of individual Health Centers, and coverage guarantees, expansions and improved reimbursement will be essential to future growth. Numerous studies have shown that having both a regular source of care (e.g. in a Health Center) *and* insurance coverage is the most effective and efficient way to improve health outcomes.

As Health Centers expand to meet the need that exists in unserved and underserved communities across the country, we must promote improvements and expansions to insurance coverage in those communities and nationwide:

- ***Preserve the Medicaid Guarantee of Coverage:*** As the largest source of coverage for Health Center patients and the largest revenue source for the vast majority of Health Centers, Medicaid coverage is the foundation of the access to care that Health Centers are able to provide. Health Centers' Medicaid reimbursement enables the most effective use of grant dollars - Medicaid reimburses Health Centers on a per visit basis that ensures grant revenues can be dedicated to care for the uninsured. In order for Health Centers to grow, the Medicaid guarantee of coverage for low-income, elderly and disabled Americans must be preserved, as must the FQHC payment system.
- ***Medicare: Lift the Cap and Lead on Quality:*** Health Centers serve over 1 million patients with Medicare. Yet Health Center payments through Medicare are subject to a 15-year-old payment cap that adversely affects over three-quarters of all Health Centers. Medicare should lift this cap and institute a reimbursement system for Health Centers that mirrors the Medicaid Prospective Payment System. Additionally, Health Centers will continue to play a leading role in the development and measurement of quality and performance standards.
- ***Promoting Coverage Expansions:*** Health Centers will continue to advocate for effective public policies at any level of government that expands insurance coverage. While our mission, and the law, is clear about serving all in need regardless of their insurance status, increased coverage will mean faster growth and better health outcomes for our patients.
- ***Federal Employee Health Benefits Program (FEHBP):*** Health Centers will continue to promote and push for adoption of legislation that would recognize employees at Health Centers as federal employees for the purposes of health insurance coverage. Similar to the expansion of medical liability coverage for Health Center employees under the Federal Tort Claims Act fifteen years ago, extending FEHBP coverage to Health Center employees would allow individual Health Centers to lower overhead costs and devote more resources to growing their patient base.