

*Health Center Funding Cliff
Talking Points
October 5, 2017*



What's Happening Right Now?

- Currently, both the Senate and House are working to renew CHIP for 5 years.
- While we are happy to see Congress' bipartisan commitment to children's health care coverage, coverage without access does not work.
- This is why we cannot fund CHIP without also funding our nation's community health centers.
- The CHIME Act – with version in the House (HR 3770) and Senate (S.1899) - aims to fund community health centers and primary care workforce priorities including National Health Service corps and the teaching health center program.
- Health centers are calling for 5 years of full funding, just like CHIP, so that we can ensure coverage and access stability in the health care system.

Health Center Funding Cliff

- Health centers went over the funding cliff on September 30.
- Come January, health centers in California will face a 70 percent cut in funding.
- The 90 day clock is ticking now and until congress takes action to fix the cliff, the community health center program is on life support with limited funds.
- If Congress fails to reauthorize funding by January 2018, California community health centers will lose over \$300 million dollars. A cut this massive will impact every health center and every community in California.
- A loss this devastating will have immediate consequences, including staff layoffs, scaling back services, and reducing hours of operation.
- Right now, the uncertainty of funding is forcing health centers to act very conservatively.
 - California has a shortage of primary care providers and the uncertainty in continued funding makes it all the more challenging to recruit. It also means it's harder to get lines of credit or leases.
- Health centers contribute to the economy by directly employing over 33K people and indirectly contributing to nearly 60K jobs. Losing \$300 million will not only mean a loss in services and access, but also lost in good-paying jobs.

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Additional background

Health Center Workforce Funding Cliff

- Another vital asset to community health centers is the workforce. Two programs that health centers rely on to ensure a stable workforce are the National Health Service Corps (NHSC) and the Teaching Health Center (THC) Program.
- Funding for both programs expired September 30, 2017.
 - NHSC: In exchange for their service in low-income communities, NHSC providers receive scholarships or assistance with loan repayment. Currently there are 770 NHSC scholars in California.
 - THC: Teaching Health Centers are accredited community-based primary care training programs committed to preparing health professionals to serve the health needs of the community. In California we are fortunate to have 6 of the nearly 60 THCs funded across the country, with over 100 residents in training at health centers throughout California.
- The risk of not solving the health workforce funding cliff would mean zero new residents in Teaching Health Center Programs this fall, and there will be zero new National Health Service Corps recipients receiving scholarships and loan repayment assistance making it more challenging to recruit and retain providers.

HRSA Claims re Health Center Funding

- The Health Resources and Services Administration has said they have enough to get through January and could possibly scrap together funding for the early part of 2018, February / March of 2018.
- While we are fortunate that HRSA is committed to keeping our lights on today, this does not mean that Congress can wait to take action until January.

CHIP Facts

- CA has enough money to get through December.
- Children's lives should not be used as political pawns.