



# STRENGTHENING THE SAFETY NET:

## *Community Health Centers on the Front Lines of American Health Care*

*The American health care system is changing rapidly. Despite the divisive rhetoric that so often accompanies our health care debate, most policymakers, health care leaders, clinicians, and patients share common goals: a health care system that delivers more value for less money, expands access to those who currently go without, and is undergoing continuous quality improvement, resulting in better outcomes for patients, communities, and the nation.*

Policy strategies to overcome daunting challenges and achieve these goals differ widely and are the subject of fierce debate. Yet one solution remains a constant in virtually all proposals to improve our health care system: expanded access to meaningful primary and preventive care. For more than 50 years, America's Community Health Centers have provided that care in some of the hardest-to-reach communities in the country.

Today, health centers are on the front lines of some of our largest health challenges as a nation—from providing access to care for veterans to combating the opioid epidemic. This report examines why the health center model is so successful, tells stories of innovation from health centers around the country, and lays out the policies necessary to maintain and build on that success.

## ACCESS TO CARE: *The Foundation of a High-Value Health System*

For decades, the national health care debate has focused on the question of insurance coverage: how many people are covered, how robust are the benefits, and which populations should be prioritized. While these are crucial questions, equally important is the issue of access to care—**making sure that every patient who needs it, regardless of coverage, has a reliable, accessible, affordable, and comprehensive place to get their care.** A 2015 analysis by the Robert Graham Center found that one in five Americans do not have a usual source of care.<sup>i</sup> America's Community Health Centers are the key to filling that gap.

For any population that faces barriers to access, health centers have stepped in. More than half (55%) of health centers are located in rural communities, serving 13 million patients, and in many cases, are the only provider for hundreds of miles. As the Veterans Administration has faced challenges in access to care, health centers have become part of the solution, today serving over 300,000 veterans in every state and territory.<sup>ii</sup> For low-income patients covered by Medicaid, health centers are a critical source of care—serving more than one in six Medicaid beneficiaries for less than two percent of the national Medicaid budget.<sup>iii</sup>

In recent years, with bipartisan support from policymakers, health centers have widened their reach to serve more patients with better care. Indeed, since 2002, health centers have more than doubled the number of delivery sites and patients served, and **today they deliver care to over 25 million patients through nearly 10,000 delivery sites in every US state and territory.** Health centers are also providing a broader set of services to their patients. For example, since 2010, visits for behavioral health services grew by 56%, outpacing growth in medical visits and total visits overall.<sup>iv</sup>



### STORIES FROM THE FRONT LINES:

#### *La Clinica del Valle Family Health (Medford, OR)*

*La Clinica del Valle serves over 25,000 patients throughout Jackson County, Oregon. In the last several years, La Clinica has expanded behavioral health services, added movement and nutrition classes and a physical therapist, and turned traditional clinical groups into cohesive, patient-focused teams at its 17 health centers in southern Oregon.*

*Of all this growth, our dental service expansion may be the most striking. Five years ago, we built a 34-chair dental clinic in a sprawling structure in Medford, OR. Passersby may have wondered how a clinic that big would ever be filled. Today, the clinic is working at capacity, drawing from a large community of low-income residents who have needed access to quality, low-cost dental care for years. In fact, La Clinica is serving 49 percent more dental patients than it did in 2013. This dental expansion is the latest success story for an organization that has grown exponentially over 28 years by consistently listening to community need.*

*Health centers  
serve over  
25 MILLION  
patients  
including:*

1

*in 13 people in the US*

*in 6 people covered by Medicaid*

*in 5 uninsured people*

*in 3 people in poverty*

## DELIVERING VALUE: *Achieving Cost Savings*

Health centers deliver tremendous value to the health care system, driving innovation while producing savings to state, local, and federal budgets—all while improving health outcomes. Part of the value of health centers lies in their ability to innovate and constantly adapt to meet community needs.

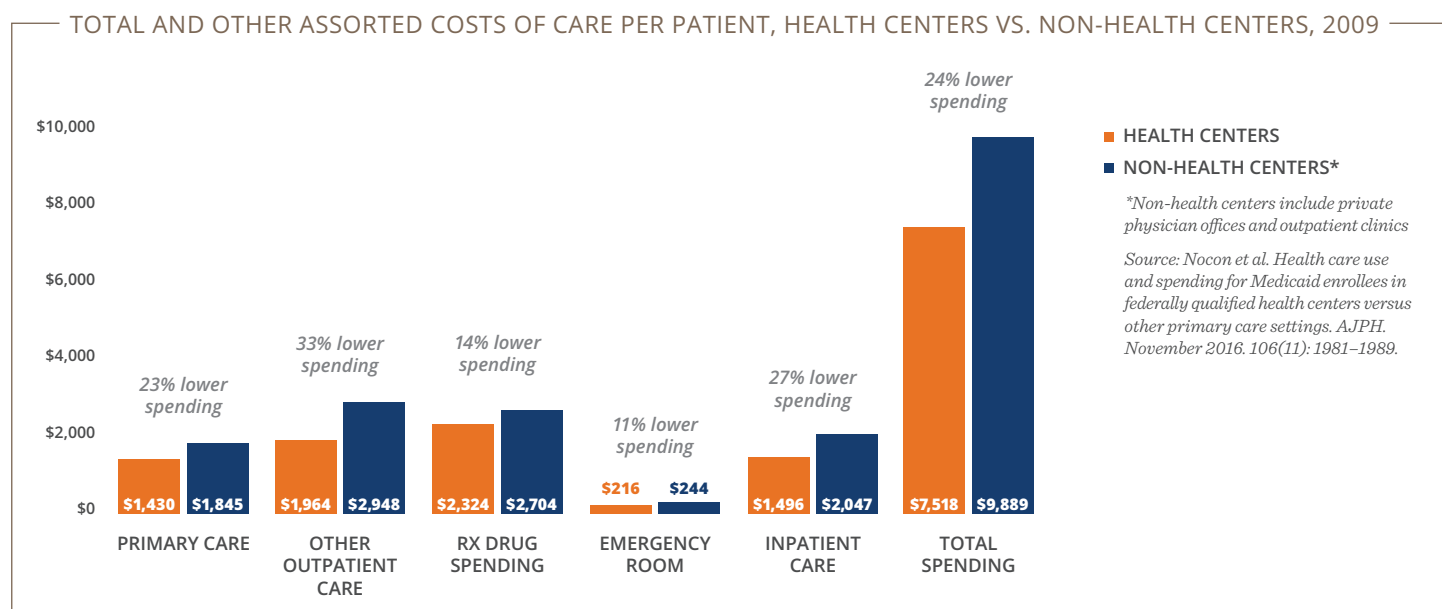
Health centers serve large numbers of both Medicaid and Medicare beneficiaries with multiple complex medical conditions, yet still deliver significant savings for both

programs. Compared to other providers, **health centers save \$2,371 (24%) per Medicaid patient (see figure) and up to \$1,210 (30%) per Medicare patient.**<sup>v</sup> And they don't sacrifice quality of care to achieve these savings.<sup>vi</sup>

Health centers offer their comprehensive model of care at a lower cost to patients than other providers.<sup>vii</sup> Further, studies have found health center patients have lower hospital admissions and use of the

emergency department, and are less likely to use other costly hospital related services, compared to patients at other providers.<sup>viii</sup>

In addition health centers are skilled at coordinating care across different health providers and effectively managing chronic conditions, generating more than **\$24 billion in savings to the entire health care system in the process.**<sup>ix</sup>



### STORIES FROM THE FRONT LINES: *Sea Mar Community Health Centers (Seattle, WA)*

*Sea Mar Community Health Centers delivers care to patients throughout 12 counties in Northwest Washington. Sea Mar serves primarily working class patients who rely on their bodies for income, working jobs in industries like construction, farming, janitorial services, and food preparation. When their bodies break down, they can't pay rent and their families go hungry. As a result, Sea Mar's most common referral was for Physical Therapy or Musculoskeletal (MSK) care, but many patients were struggling to make it to these additional appointments outside of the health center. Sea Mar recognized an opportunity, noting that 90% of MSK management is*

*non-surgical, and sent one of its family physicians to a one-year Sports Medicine Fellowship in order to build a program at Sea Mar. The results were phenomenal. We now have a Primary Care/Sports Medicine Clinic, with 600 patients seen for MSK conditions to date—that's 600 fewer referrals. The no-show rate at the new clinic is 20-30% lower than that for primary care, underscoring just how important access to these services is to our patients. Overall, the new clinic gives us an opportunity to strengthen our role as the medical home for our patients, while reducing MRI referrals and saving the health care system tens of thousands of dollars.*



## COMMUNITY ANCHORS: *Patient-Centered, Consumer-Driven Care*

Every Community Health Center is a locally-based, locally-owned, and locally-governed small business. Health centers are economic anchors of communities small and large, serving as active participants not only in the health care delivery system, but in the local economy as well. In 2014, **health centers generated more than \$45.6 billion in total economic activity**, a 46% increase in only five years.\* Health centers employ nearly 190,000 people,<sup>xi</sup> often providing career advancement opportunities to the very patients they serve.

The unique health center model ensures every center is responsive to the particular needs of the community and patients it serves. Health centers are the very definition of patient-centered health care, with **51% or more of every health center's governing board made up of patients the health center serves**. This consumer-driven approach, combined with the fact that every health center is open to all, regardless of insurance status or ability to pay, is critical to the ongoing success of the health center model.

### STORIES FROM THE FRONT LINES: *Adelante Healthcare (Phoenix, AZ)*

*Adelante Healthcare serves the needs of Maricopa County, Arizona, a region encompassing over 9,000 square miles, including densely populated metropolitan Phoenix as well as vast rural areas. Today we provide care to patients at nine delivery sites throughout the county. For Adelante, sustainable health care is the guiding principle behind everything we do. Recently, this compelled us to look inward and think critically about not only how we can better serve our patients, but how we can better serve our employees and play an active role as a leader in our community. For us, this began by reaching out to other business leaders in our community and becoming involved in local coalitions such as the Greater Phoenix Chamber of Commerce. This helped establish us as not only a vital part of our community's primary care system, but also a strong local business that creates jobs and generates economic activity for the community. We were inspired by new ideas and learned industry best practices to take back to our health center. Our new LEED-certified delivery sites and staff recognition efforts such as our "Catch a Star" program help our staff feel valued and our patients feel respected by communicating that we strive for excellence as both an employer of choice and a provider of choice in our community.*

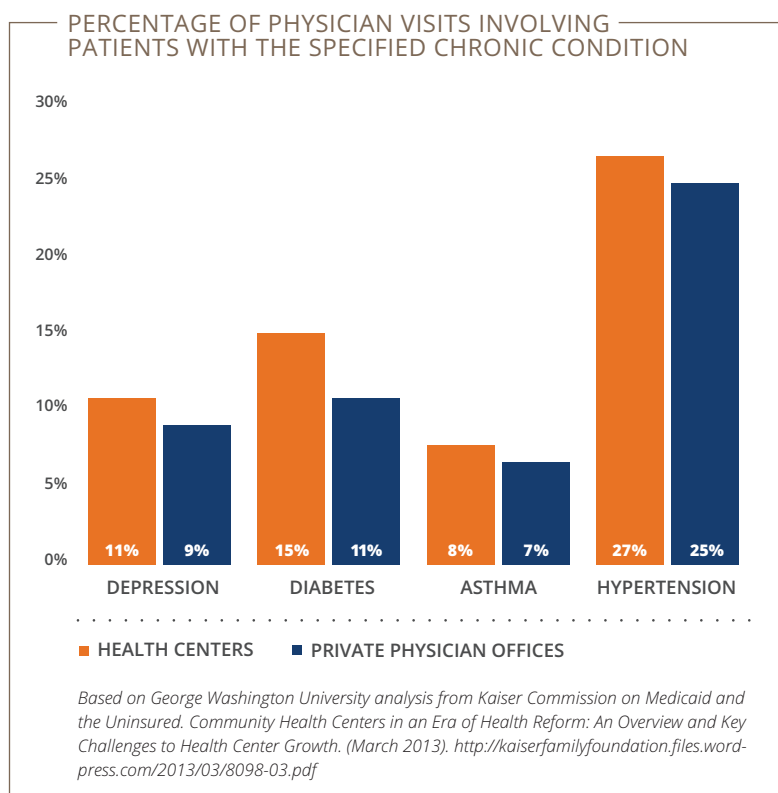




## READY TO RESPOND: *Rising to Meet Emerging Challenges*

When challenges and crises confront the health care system, policymakers at the local, state, and national levels have turned to Community Health Centers as effective, trusted partners in developing a system-wide response. The last number of years have seen health centers working to solve some of the most vexing challenges facing the health care system: providing continuity of access for veterans seeking care, leading the charge to address the opioid epidemic through expansion of Medication Assisted Treatment (MAT), and coordinating a local response to the public health challenges posed by contaminated drinking water in Flint, Michigan or the Zika outbreak in Puerto Rico, Florida, Texas, and elsewhere.

Yet not every challenge health centers face is an acute emergency. **Health centers are leaders in the ongoing fight to manage and minimize the effects of chronic disease.** In fact, health centers are more likely than other primary care providers to treat patients with chronic illnesses including diabetes, asthma, hypertension, and depression (see figure).<sup>xii</sup> Many health centers incorporate nutrition counseling, cooking demonstrations, exercise opportunities, and medication counseling into their regular course of care in order to help patients prevent or manage chronic disease.



### STORIES FROM THE FRONT LINES: *Cumberland Family Medical Centers (Burkesville, KY)*



*Propelled by a tremendous need that yet remains across many areas of rural Kentucky, Cumberland Family Medical Centers (CFMC) has grown from two primary care clinics in 2007 to 62 sites across*

*20 counties in 2017, offering primary care, pediatrics, behavioral health, oral health, and OB/GYN services. We have also established school-based health centers (SBHCs) in 7 school districts, a 40-foot mobile medical unit that delivers care wherever it is needed, and a new urgent treatment clinic is scheduled to open later this year. Most recently, CFMC was awarded one of only 75 Health Center Program New Access Point (NAP) awards in December 2016. Our goal in applying for this grant funding was to open a new site in LaRue County, Kentucky, a rural area with a population of almost 15,000 but only one local physician, no local hospital, and no public*

*transportation. As we embarked on this journey, we quickly formed solid partnerships with the local and regional health departments, local elected officials, and the public school system in LaRue County. As a result, our new site will open well before the operational target date and will be complemented by a new SBHC within each of the five rural schools operated by the LaRue County Board of Education. In addition to meeting a great primary care need, the SBHCs will allow for immediate access to immunizations, well-child checkups, and acute care visits on-site, providing an environment that is conducive to healthier children and staff, decreased absenteeism, and increased academic seat time. And as part of our CFMC network of health centers, LaRue County residents will now have access to affordable, accessible, high quality health care from six locations within the county.*

## HIGH QUALITY CARE FOR THE WHOLE PATIENT: *A Unique Model of Care*

Health centers deliver comprehensive primary and preventive care services, and are leaders in providing integrated care, bringing together medical, oral health, mental health, substance abuse treatment, and other critical services under one roof. In fact, 82% of health centers offer behavioral health, 76% offer oral health, and 40% offer pharmacy services.<sup>xiii</sup>

Recognizing that health and healthy behaviors are influenced by more than just genetics and clinical care, **health centers provide non-clinical services that help remove geographic, linguistic, cultural, and socioeconomic barriers to care**, such as transportation, interpretation, case management, and health education, among others. Health centers also reduce health disparities. Notably, health center patients have lower rates of low birth weight despite serving more low-income families.<sup>xiv</sup>

The health center model of care is designed to maintain a foundation of access to high quality care for all patients, while continuing to evolve with the ever-changing health care system. Currently, **68% of health centers have achieved recognition as Patient Centered Medical Homes, a standard shown to be related to better clinical performance**. Many health centers are also participating in integrated care networks, such as Accountable Care Organizations, designed to lower costs without compromising quality.

### STORIES FROM THE FRONT LINES: *Clinica Sierra Vista (Bakersfield, CA)*

*Clinica Sierra Vista is one of the largest comprehensive migrant and community health center systems in California, serving a diverse range of geographies, including very isolated rural areas. Our providers identified a variety of challenges to delivery of mental health and substance abuse care, including overly restrictive need criteria and an admissions process that required patients to travel long, sometimes unrealistic, distances. With overwhelming support from our providers and community stakeholders, we decided to address these issues by implementing Project Care, a California Mental Health Services Act treatment program. As part of Project Care, patients fill out a self-administered universal screening tool for depression, anxiety, and substance use disorders, which is then reviewed by a primary care provider in order to make treatment or referral decisions. Project Care operates at four of our sites and has had a tremendous impact on our behavioral health integration efforts. Regular huddles, hallway conversations, formal cross training, and integrated Electronic Health Records all became more routine elements*

*of our workflow. Project Care makes it possible for us to deliver behavioral health care to more of our patients onsite: less than 2% of our patients need to be referred to other providers for subsequent care, cutting way down on arduous and unnecessary travel for our patients. Additionally, nearly 75% of patients have experienced significant improvement in their symptoms and scored better on the screening tool after treatment. All in all, Project Care has helped us become an even more integrated and nimble provider of behavioral health services, furthering our mission to deliver the highest quality care possible to our patients.*





## SUSTAINING THE GAINS WE'VE MADE: *The Future of Health Center Funding*

Through bipartisan administrations and Congresses, policymakers have repeatedly made strategic investments in health center growth and ongoing operations, and since 2002 have more than doubled the number of patients we serve. **Especially in times of change and transition, sustaining and boosting health center funding provides continuity and payoff for patients, communities, and taxpayers.**

However, this year, all of that progress and indeed the health center system of care itself is fundamentally at risk. In 2015, alongside many other programs, Congress extended mandatory funding for health centers for two years. Without Congressional action to stabilize and extend this crucial funding, Health Centers face a funding cliff this fall when the bipartisan extension of the Health Centers Fund expires.

According to the federal government's own estimates, the effects of this funding cliff would be dramatic, and immediate. Approximately 2,800 health center locations would be forced to close their doors. More than 50,000 current clinicians and other staff would be out of work. And most importantly, some 9 million patients would lose access to care.<sup>xv</sup>

Health Centers' funding is not the only item facing expiration this fall. Two critical workforce programs, the National Health Service Corps (NHSC) and the Teaching Health Centers Graduate Medical Education (THCGME) program, will see all funding disappear if

Congress does not act to renew it by September 30, 2017. These programs are vital to addressing health centers' current workforce challenges—95% have at least one clinical vacancy and 2 million more patients could be served if those vacancies were filled.<sup>xvi</sup>

### POLICY PRIORITIES

America's Health Centers request that Congress take swift action to avert the "primary care funding cliff," thereby stabilizing and extending funding for the Health Centers Program, the National Health Service Corps and Teaching Health Centers GME on a long-term basis. Taken together, these programs form the critical infrastructure of primary care delivery in rural and underserved communities across the country.

Beyond extension of current funding levels, Congress should consider making targeted new investments in all three programs to expand access and further broaden the services health centers provide, while addressing the clinical shortages health centers face through improved recruitment, retention, and training.

## ACCESS TO CARE AT RISK: *Medicaid Policy Challenges*

Health centers and Medicaid work together to provide coverage and access for some of the most vulnerable Americans, a relationship that benefits patients, health centers, states, and the federal government. Nearly half of all patients at health centers are covered by Medicaid. Health centers are a highly cost effective use of Medicaid funds, providing care to 16% of all Medicaid beneficiaries while Medicaid payments to health centers make up only 1.7% of total Medicaid spending. Medicaid payments represent 44% of health centers' total revenue, making it their largest revenue source.<sup>xvii</sup>

Health centers' success in serving Medicaid beneficiaries and delivering value to the program is rooted in their unique payment system and benefit package. The Federally Qualified Health Center Prospective Payment System (FQHC PPS) is a bundle of clearly defined comprehensive services that is reimbursed in a predictable, sustainable way, all while delivering cost savings to taxpayers.

**Adequate Medicaid payments are essential to health centers' viability and ability to innovate.** Health centers' Medicaid payment structure ensures that health center grant revenues can be dedicated

primarily to caring for the uninsured—as intended by Congress—rather than subsidizing care for Medicaid patients.

### POLICY PRIORITIES

A strong Medicaid program is critical for both health centers and their patients. Any change to the Medicaid system should ensure both coverage and continuity of access to care for health center patients, and continue to incentivize the integrated, comprehensive, and high-quality primary and preventive care services that health centers provide.

To maximize access to care within Medicaid and drive additional cost savings to taxpayers, America's Health Centers request that Congress preserve the FQHC PPS Payment Methodology within a strong Medicaid program. Policymakers must also take into account the statutory regulations placed on FQHCs and the unique needs of our patients when contemplating changes to the Medicaid program.

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