

# Federal Health Care Issues

*Revised April 17, 2017*



## OVERVIEW

The national healthcare debate is threatening the incredible health care advances in California. Health centers are actively engaged in the national debates on high priority issues and will continue to defend the gains our patients, health centers and state have made.

### Affordable Care Act

The Affordable Care Act (ACA) works and cannot be repealed without a viable replacement that ensures coverage, affordability, and access to care for all.

Under the ACA, the uninsured rate in California fell from 17.2% in 2013 to a historic low of 8.6% in 2015. For community clinics, the rate of uninsured patients dropped from 35% in 2012 to 24% in 2015.

The Medicaid numbers are even more astounding - 3.7 million Californians enrolled in Medi-Cal under the ACA expansion, representing more than a quarter of the 13.6 million Californians now covered under Medi-Cal.

Community health centers saw a 63% increase in the number of Medi-Cal insured patients from 2013-2015. Today, community health centers provide care to 25% of all people enrolled in Medicaid.

### American Health Care Act

The American Health Care Act (AHCA), and subsequent iterations of it, propose fundamental changes to the ACA that will have a detrimental impact on low-income people. The most negative changes include:

Eliminating Medicaid as an entitlement program by converting it to a per capita cap or block grant formula. Reducing Federal Medicaid Assistance Program (FMAP) from 95% to 50% for people in Medicaid Expansion.

Medicaid eligibility redetermination every six months. Shortening retroactive coverage from three months to the month of application. Requiring citizenship or lawful presence documentation to be provided at time of enrollment, eliminating the ACA's 'reasonable opportunity' period.

Repealing the employer and individual mandates, and the essential health benefits in Medicaid.

Severely weakens individual market protections that made health care coverage affordable, including guaranteed issue and premium variation protections.

### Health Center Funding Cliff

Community health centers are supported in part by federal grants that fund basic operations and help keep doors open for all. Current funding expires on Sept. 30, 2017. If Congress fails to renew the funding, health centers in California will lose \$160 million.

### Workforce

Because of a persistent national shortage of clinicians, particularly in rural and underserved areas, most health centers currently struggle to recruit and retain the clinical workforce necessary to meet patient needs.

Current funding expires on Sept. 30, 2017. If Congress fails to act, the National Health Service Corps and Teaching Health Centers programs will cease to exist.

### Immigrants

Presidential executive orders, signed and leaked, have had a direct and detrimental impact on immigrants in California. Community health centers continue to support and advocate for legislation that protects immigrants and furthers community health centers' mission of providing high-quality care to all Californians.

### Planned Parenthood

Any policies that eliminate or diminish Planned Parenthood's role in our state's comprehensive network of care would put untenable stress on remaining health centers. We do not have the capacity for such an increase and patients have a right to choose where they receive their health care services.

### FOR MORE INFORMATION

Beth Malinowski  
(916) 503-9112/Beth@healthplusadvocates.org

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## Medicaid

Ask Congress to maintain a strong Medicaid entitlement program that preserves comprehensive care and benefits to patients. A strong Medicaid program includes FQHC services to all, regardless of ability to pay, paid for with the fair reimbursement of PPS.

## American Health Care Act

Ask Congress to oppose the American Health Care Act. The Affordable Care Act works in California and should not be repealed without a viable replacement that ensures coverage, affordability, and access to care for all Californians. Community health centers oppose the AHCA, as it is not a viable ACA replacement and will have catastrophic impacts on the health of California's most vulnerable communities.

## Health Center Funding

Ask Congress to act well before September 30th to extend the Health Center Fund for at least five years so that community health centers are able to maintain services and staff. Congress renewed the fund on a bipartisan basis in 2015.

## Workforce

Ask Congress to fully fund the National Health Service Corps by renewing funding at levels necessary (at least \$300 million) to provide scholarships and loan repayment to thousands more clinicians.

Invest in Teaching Health Centers by providing necessary funding (at least \$141 million) to preserve current programs and put the THC model on a path to long-term sustainability and growth. This includes ensuring a sufficient per-resident amount so that the true costs of residency training are fully addressed.

## Immigrants

President Trump's recent executive orders have increased fear of deportation, which is causing patients to cancel their medical appointments and dis-enroll from programs for which they are legally eligible, putting their health and the health of their community at risk. Absenteeism from staff who come from mixed status families has dramatically increased as people fear raids and check-points. We must continue to protect and support immigrants.

## Planned Parenthood

Planned Parenthood currently operates 115 health centers in California and serves nearly 850,000 patients through 1.5 million encounters annually. Any policies that eliminate or diminish Planned Parenthood's role in our state's comprehensive network of care would put untenable stress on remaining health centers.