

Op-Ed

The Community Health Center Fund: What's At Risk?

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TUCKED INTO THE AFFORDABLE CARE ACT (ACA) WAS A SPECIAL 5-year funding authorization to expand the reach of the community health centers program. This special funding authority expired in 2015. As part of the funding extension for the Children's Health Insurance Program (CHIP) that year, Congress also extended the Community Health Center Fund for an additional 2 years, through September 30, 2017. Once again, the Community Health Center Fund is traveling with CHIP, and as with CHIP, without action on Congress's part, the future of an immensely popular program that enjoys bipartisan support is at risk.

Even for those who have worked for a very long time at the local, state, or national level to build the community health centers program, today's health center statistics come as a shock. Beginning in 1965, a handful of health centers, launched as a demonstration program by the Office of Economic Opportunity, opened their doors in the nation's most medically underserved and deeply impoverished urban and rural communities. Fifty years later, 1,367 health centers operating in over 10,400 sites provide care to nearly 26 million patients: 1 out of every 12 US residents, 1 in 6 Medicaid/CHIP beneficiaries, and 1 in 10 children under age 18.¹

Health centers today are a basic component of the nation's health care system.² But their mission has never wavered. Indeed, it remains as it was when Jack Geiger and Count Gibson, pioneers in health care and human rights, launched 2 of the earliest clinics in Boston, Massachusetts and Mound Bayou, Mississippi: to provide comprehensive, high-quality primary health care in urban and rural communities classified as medically underserved by virtue of extensive poverty, elevated health risks, and a shortage of primary health care; and to make health care an entry point into a far more wide-ranging effort to improve the community health. Modern health centers are recognized for the quality and

cost-effectiveness of their care, but they do much more. Their services range from care for expectant mothers, babies, and children to substance abuse treatment for communities ravaged by the opioid epidemic, and home and community-based care for the frail elderly. Health centers are home to high school GED classes and child care services, and with community college partners, they are entry points into health professions training and employment development programs. Across the country, health centers are core members of community health improvement coalitions, working on initiatives such as sanitation and affordable housing. They are part of the first public health responders when massive public health disasters such as Hurricanes Harvey, Irma, and Katrina hit.

Two federal policy reforms explain health centers' extraordinary growth over 5 decades. The first is ongoing investment in the grant funding on which the entire health centers program rests. Recognizing the value of health centers, successive presidents and congresses have made increasing grant funding a priority. Grants are used to start new health centers. Once established, health centers use grants to care for the uninsured and underinsured, expand their locations and hours of operation, hire new staff, retrain current staff to meet emerging needs, add services such as substance abuse or dental care, and improve the quality of their care. On average, federal health center grants account for 19% of health center operating revenue. In states that have opted not to adopt the ACA's Medicaid expansion, where the number of uninsured remains far higher, grants account for as much as 44% of all health center operations. Health center grant funding now stands at \$5.1 billion, of which 70% comes from the Community Health Center Fund, and the rest, from annual appropriations.

The second policy reform is the Medicaid expansions that literally transformed the program into the largest source of health insurance for low-income and medically vulnerable populations. This transformation began with women and children and culminated with the ACA adult Medicaid expansion. The eligibility gains for women and children helped propel health center growth, given the enormous role they play in maternal and child health. By reducing the proportion of uninsured patients, Medicaid expansions allowed health centers to improve care while also generating greater insurance revenue; this, in turn, has enabled health centers to focus their grants on uninsured patients, uncovered services, and service capacity expansion.

Because of where they are located and who they serve (70% of health center patients have below-poverty income and more than 9 in 10 have incomes at or below twice the poverty level), health centers have become critical to Medicaid's ability to transform coverage into access. And Medicaid has fueled health center growth. Between 2010 and 2016, the number of health centers increased by nearly 22%, while the total number of patients served grew by one-third.³ Furthermore, this growth goes beyond insured patients; insurance revenue has freed up grant funds to serve the uninsured. The 6.1 million uninsured health center patients in 2016 represented nearly 1 in 5 uninsured people nationally and 1 in 4 health center patients that year.

Much is at stake if Congress fails to act to extend the Community Health Center Fund. Without an extension, health center grants will drop by \$3.6 billion annually.⁴ These funds make it possible to sustain health centers in the poorest communities, over half of which are rural. Grants enable health centers to grow their care, expand into new locations, hire staff, and add hours. The Trump administration's own estimates put an exclamation mark on the urgency of continuing the fund. In response to a request from Congress, the administration estimated that the downstream effects of funding losses this steep would be the closure of 2,800 service sites (over 1 in 4 sites), 51,000 staff layoffs (about 1 in 4 health center staff), and a 9 million-person reduction in patient care capacity—more than 1 in 3 patients.⁵ Because grant dependency tends to be particularly high in states that have failed to adopt the ACA adult Medicaid expansion, it is in those states that the poor will feel the heaviest effects of lost grant funding.

In a world of political polarization, one of health centers' true achievements has been the embrace of the program by policymakers along all points of the political spectrum. Like CHIP, health centers are a small program, but one with an outsize influence on health care in America. Even in this time of high political drama, when the future direction of US health policy is, frankly, anyone's guess, lawmakers speak glowingly of health centers. Now all they need to do is act.

References

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