NATIONAL ASSOCIATION OF
Community Health Centers

America's Voice for Community Health Care

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The NACHC Mission

To promote the provision of high quality, comprehensive and affordable health care that is coordinated, culturally and linguistically competent, and community directed for all medically underserved people.

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NACHC's Fall Update

Presentation to

Community Health Care Association of New York State

National Association of Community Health Centers

October 27, 2008

Community Health Centers Today

- ***Proud History*** **– 43 years of bringing good health to underserved communities, giving the people served ownership & control of delivery system**
- ***Largest national network*** **– 18 million people served, 40% uninsured, 37% Medicaid/SCHIP, 63% people of color, 92% low-income individuals**
- ***Record of Achievement*** **– cited by IOM, OMB, and GAO for excellence in care, disparities reduction, cost-effectiveness, and community benefit**
- ***Bipartisan support*** **– Congressional majority and Presidential candidates praise work, mission of health centers, call for continuation & growth**

So What is Wrong out There?

"Between the health care we have and the care we could have lies not just a gap, but a chasm. The American health care delivery system is in need of fundamental change."

--- *Crossing the Quality Chasm: A New Health System for the 21st Century*

A Report from the Institute of Medicine

The American Health Care Crisis

- **Costs:**
  - **U.S. health care costs per person are 250% higher than the median for 29 other developed nations***
- **Access:**
  - **46 million Americans (15%) are uninsured and 56 million Americans have NO regular source of care**
  - **Becoming "insured" is not the only answer to access – patients need a "health care home"**
- **Quality:**
  - **Despite technology & knowledge advantages, the quality of U.S. health care is "mediocre at best"****

** Health Spending In OECD Countries In 2004: An Update, Health Affairs 26/5, Sept.-Oct. 2007*

*** New England Journal of Medicine, 354(11), March 2006 (report on RAND Corp study, funded by Robert Wood Johnson Foundation)*

What is NACHC's Vision for the Future?

- ***Grow health centers*** **to become the health care home for 56 million medically disenfranchised Americans (56/15/15)**
- ***Reform health professions training programs*** **to promote Primary Care careers, diversity, and service in underserved areas via health centers**
- ***Preserve the Medicaid guarantee of coverage*** **for low-income, elderly & disabled Americans**

What is NACHC's Vision (cont'd)?

- ***Wire every health center*** **for complete health information technology (HIT)**
- ***Lead the way*** **to a high-performing health system, grounded in primary care**
- ***Play a central role in emergency preparedness*****, at the local & national levels**

What is NACHC's Plan to Achieve that Vision?

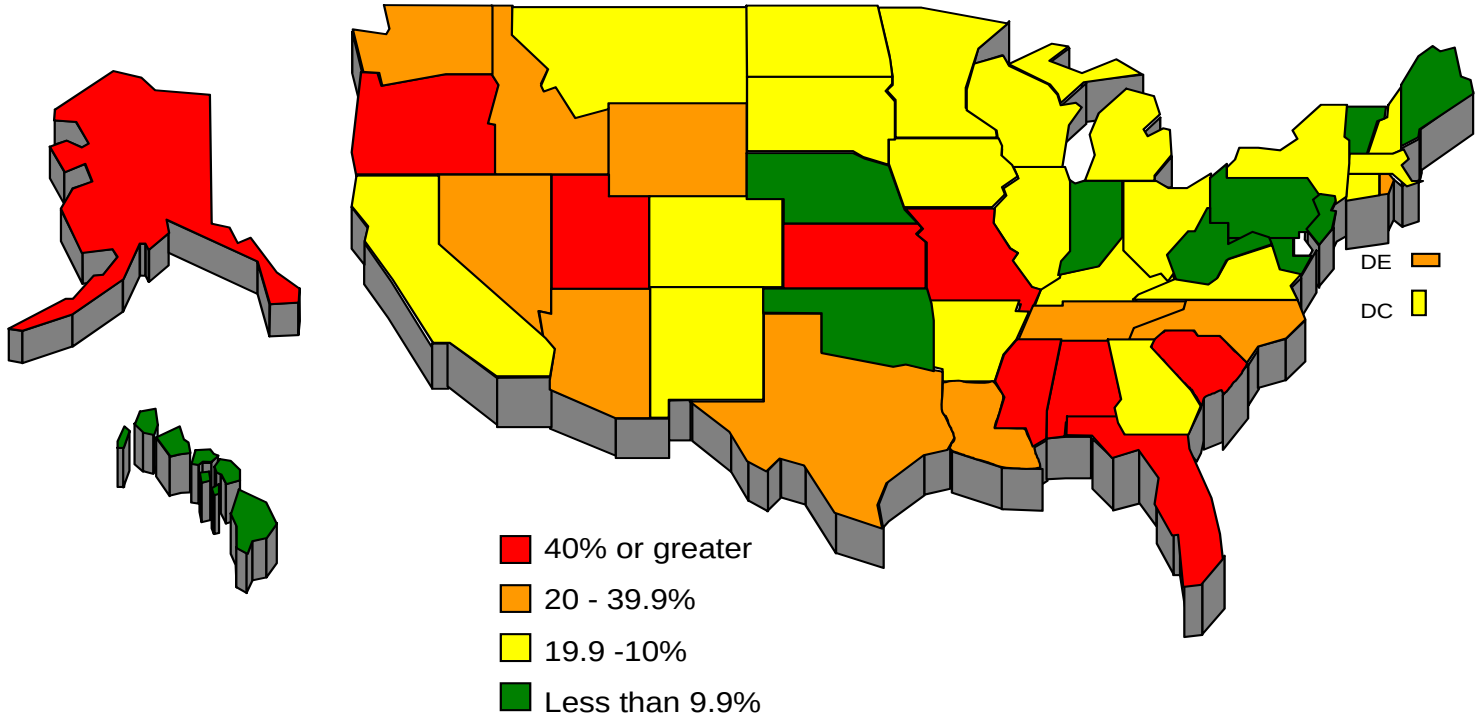
ACCESS FOR ALL AMERICA

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

Why is More Growth Needed?

56 Million People Are Medically Disenfranchised

Percent of State Population Without Access to a Primary Care Provider, 2005



National Average = 19.4%

Source: *Access Denied: A Look at America's Medically Disenfranchised*, NACHC 2007. Data from the Robert Graham Center, the Health Services and Resource Administration (HPSA, MUA/MUP data, 2005 Uniform Data System), 2006 AMA Masterfile, Census Bureau 2005 population estimates, NACHC 2006 data on non-federally funded health centers.

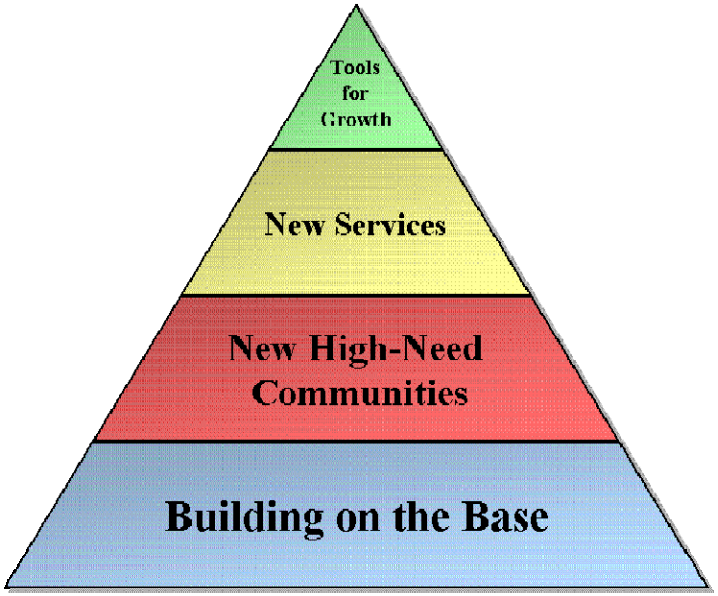
Why Health Centers?

- **Costs:**
  - **Total patient care costs 41% lower in CHC's than those served in other settings***
  - **Save up to $18 billion annually for taxpayers and society***
- **Access:**
  - **Serve 18 million (and growing) people who live in communities not served by others**
  - **Open to all *regardless* of ability to pay**
- **Quality:**
  - **Quality is *equal or superior* to other providers****

* Source: *Access Granted: The Primary Care Payoff,* NACHC 2007. Data and Analysis by the Robert Graham Center

** See "Measuring Health Centers against Standard Indicators of High Quality Performance: Early Results from a Multi-Site Demonstration Project," Shin, P., et al., The George Washington University, August, 2006.

What are the Key Elements of the NACHC Plan?



Building on the Base

Investing in Existing Health Centers

- Patient-centered growth that recognizes increased costs and patient loads
- Expanded Medical Capacity grants to bring care to more patients in underserved areas

New High-Need Communities

Bringing Access to Care to New Areas

- New health centers in communities with high need and no current access
- Planning Grants to improve communities health center proposals and implementation

Tools for Growth

Saving Costs and Improving Infrastructure

- FTCA and FEHB? coverage
- Networking and Health IT
- Loans and Loan Guarantees Construction Funding

New Services

Making Every Health Center a "One-Stop Shop"

- Service Expansion grants flexible enough to meet the needs of every health center
- Access to mental health, dental and pharmacy services at every center by 2015

Preserve ***Strengthen*** ***Expand***

What Steps are Needed to Achieve the Plan?

- **<u>Reauthorize</u> the 'Section 330' Health Centers law *without change* – Unanimous bipartisan approval!**
- **<u>Increase</u> health centers funding by at least *$248 million in FY2009*, plus *at least $25 million* for the NHSC**
- **<u>Preserve</u> Medicaid and SCHIP coverage, and improve *payments to safety net providers***
- **<u>Reform</u> health professions training programs, to produce clinicians for underserved communities, especially for health centers**
- **<u>Develop state specific plans</u> – NY has developed an effective, collaborative plan!**

Other Steps Needed…

- **<u>Revise</u> the *Medicare FQHC payment cap***
- **<u>Extend</u> *FTCA coverage* to include volunteers & emergencies**
- **<u>Increase</u> health center options for accessing affordable capital financing, both for facilities and equipment (including HIT)**
- **<u>Allow</u> health center staff to qualify for *FEHBP coverage***
- **<u>Expand</u> affordable health insurance coverage for low-income individuals and families**

Where Do We Stand Today?

- ***Reauthorization:*** **Congress unanimously passed H.R. 1343 and the President signed – 5-year extension for CHCs, NHSC with increasing $$ levels**
- ***FTCA expansions*** **– New CHC law includes 6-month feasibility study of coverage for volunteers**
- ***Appropriations:*** **House provided +$100M, Senate +$150M, both below NACHC's $248M request for FY2009 – but no new $$ until Feb or March (C.R.)**
- ***Medicare cap:*** **$100M Patch included in Medicare bill**
- ***SCHIP Reauthorization:*** **After failing to override Bush veto of bills that would have grown coverage & enact PPS for health centers, must wait 'til next year**

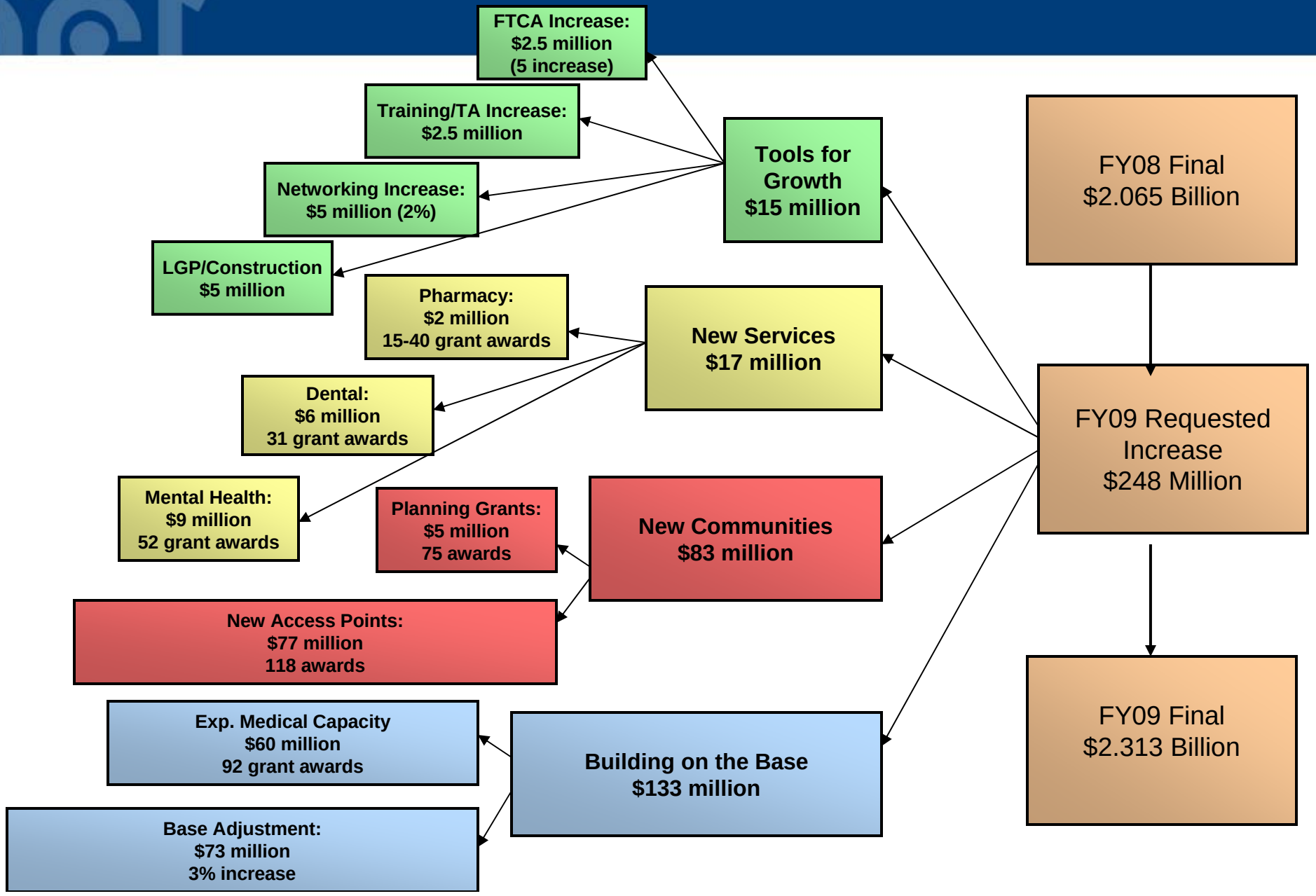
Health Care Safety Net Act (HR 1343)

Lead Authors: **Senate -** Ted Kennedy (D-MA) & Orrin Hatch (R-UT)
House - Gene Green (D-TX) & Chip Pickering (R-MS)
Co-sponsors: 75 Senators , 250 Representatives

Kudos to DE, DC, HI, ME, MT, RI, SD, UT & VT – all got 100% on both bills!!

- **5-year reauthorization** with **specific growth targets**
  - **CHCs: $2.065 Billion** in FY2008 to **$3.337 Billion** in FY2012
  - **NHSC: $131.5 Million** in FY2008 to **$185.6 Million** in FY 2012
- **Permanent auto-HPSA** for all FQHCs
- **FTCA improvements:** 6-month study of extending FTCA to volunteers, and direction to HHS on coverage in emergencies
- Extension of **Rural Health and Dental Health Workforce programs** for 5 years

Funding: Securing the Future



SCHIP & Medicaid: Vital to Growth Plan

- **Bill vetoed by Bush: $35 billion increase, would have added 3.2 million children (9.8 million total)**
  - Bill included SCHIP **PPS for FQHCs**
    - Adequately reimburses FQHCs for providing care to SCHIP beneficiaries
  - Also **Strengthened Outstationing** Enrollment Requirements
  - Also **preserved current Medicaid** coverage levels and FQHC benefit & payment requirements
- **Interim agreement (December 2007) continued SCHIP unchanged through March, 2009 (continued coverage for 6 million children)**
- **Will be one of first bills passed in 2009 (hopefully including above provisions from vetoed bill!)**
- **Meanwhile, have beat back regulations designed to cut Medicaid severely (case mgmt, GME, outpatient hospital payments, etc)**

Who Will STAFF Future Health Centers?

- ***A.T. Still Medical & Dental Schools*** **– now training future CHC clinicians (100+ MDs, 50+ DDS each year)**
- ***National Health Service Corps*** **– revisions to more closely link CHCs with NHSC placements**
- ***Teaching health centers*** **– building on existing models to expand CHC-based teaching & training of future clinicians**
- ***Linkages with training programs*** **– expanding use of CHCs as training sites across country (with Northwest serving as model)**

Who Will LEAD Future Health Centers?

- ***Leadership development:*** **multi-faceted NACHC initiative to enlist leading academic centers and PCAs in programs to –**
  - **continue to train CHC staff & Board members in key management areas (*association certification)***
  - **build skills of current CHC leaders & managers (*academic certification)***
  - **fully train future CHC leaders *(academic degree)***

Getting Ready for Health Reform

Most policy experts believe that the top national policy issue in 2009 will be Health Care Reform

Central Focus Points of Health Reform

- **Closing gaps in insurance coverage is the number one priority action to improve care for vulnerable populations**
  - Medicaid and SCHIP must be continued and expanded
  - Other affordable insurance coverage should be promoted
  - Also needed is adequate funding of primary care capacity in low-income underserved communities
- **A strong safety net will be needed to make care available to those who remain uncovered, those who live in underserved areas, and those who are hard to reach and serve**

Crucial Value of Primary Care in Health Reform

PATIENT-CENTERED PRIMARY CARE IS A CRUCIAL FEATURE OF REFORM

- ***Entry point*** **into health care system with easy to get appointments**
- **Focus on *whole individual* (not organs, systems) in context of *family* and *community* (relationships, environment, occupation)**
- **Treat *most common* conditions and *prevent* ill health**
- **Have *continuing relationship* with individuals in care and share decision-making**
- ***Manage and coordinate*** **all care for the individual (referral, diagnostics, specialty/inpatient care)**

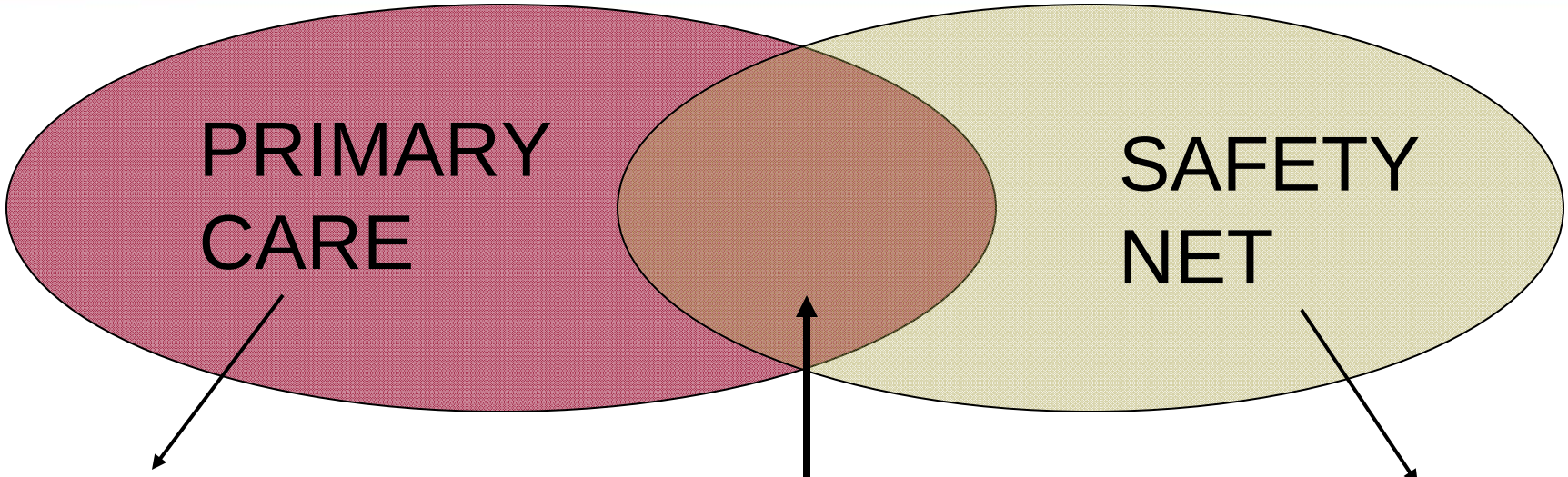
Result: more primary care leads to better access, better health outcomes, and LOWER COSTS

Crucial Role of Safety Net in Health Reform

- **Who will locate in low-income inner-city and isolated rural areas where private practice is not economically viable?***
- **Who will care for those ineligible for coverage (eg, undocumented)?**
- **Who will care for the hardest to reach (eg, homeless, immigrant, substance-addicted, mobile/farmworkers)?**
- **Who will care for those whose coverage is not adequate for the care they need (visit/service limits or exclusions)?**
- **Who will provide services needed by only some (eg, language access, transportation, health literacy)?**

* The average practice relies on consumer out-of-pocket payments for at least 25% of its revenues, which makes private practice non-viable in most low-income and rural/frontier low-volume communities.

Health Centers – Turning Coverage into Better Health Care Access



Critical Value:
- First contact
- Care management/ coordination
- Continuity of care
- Reduced ER use, hospital admissions, specialty referrals

Health Centers: Family doctors and health care homes for America's poor, minority, uninsured and disenfranchised

Critical Value:
- Location in underserved areas
- Open to all, even if uninsured/ineligible
- Focus on neediest
- Services related to unmet needs

How Can CHCs Hope to Influence Reform?

- ***Focus*** **– never lose sight of founding mission & purpose**
- ***Commitment*** **– ensure that patients get the best possible care, even as we improve the care-delivery process and measure outcomes**
- ***Advocacy*** **– get involved, speak out for those in need who don't have voice today**

What Am I Doing Here?

So, how do I fit?

Where do I belong?

Why did I leave

??

Did I Come Here…

To leave the  **?**

or…

To follow my dream?

The Mission and Goals of the T/TA Department

HELP HEALTH CENTERS PREPARE FOR GROWTH AND THE DEMANDS THAT COME WITH GROWTH!

BY PROVIDING TRAINING AND TECHNICAL ASSISTANCE THAT WILL ASSIST COMMUNITY HEALTH CENTERS TO:

- **Prepare for growth…**
- **Be financially sound…**
- **Deliver quality care…**
- **Deliver quality services…**
- **THAT WILL MAKE A DIFFERENCE**

Challenges

In the next two years, the critical challenges will be:

- **How to assist health centers to weather the financial storms**
- **How to respond to a potential greater need for training and assistance with flat or diminished funding**

Some of the Answers

Target additional training to meet the most immediate needs:

- Managing cash flow, managing debt, obtaining and retaining lines of credit
- Benefits management (retirement, health care)
- Maintaining a strong workforce in difficult times
- Increased collaboration for efficiency on a continuum from shared administration to merger
- Alternative financial resources
- Using the Safe Harbor protection to increase support from other organizations

More Answers

Expand the methods of presentation:

- **Greater use of webinar presentations and issue briefs**
- **Regional approaches**
- **Working to ensure decreased duplication and increased collaboration with R/SPCA's**

Where Can You Get More Information?

- **Visit our improved, expanded web site…**
  - ***for more information on all issues,***
  - ***for the latest on federal & state policy developments,***
  - ***for the schedule of webcasts and trainings on key health center management topics,***
  - ***to sign up as an advocate and send a message to your Members of Congress***

Address is: www.nachc.com

Thank You!

Any Questions?