The Affordable Care Act: Impact on Community Health Centers

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What are Community Health Centers?

Community Health Centers (CHCs)
-- Are non-profit or public clinics
-- Located in Medically Underserved Areas
-- Offer medical, dental, behavioral health and “enabling services”
-- Offer sliding fee scale for uninsured
-- Serve large numbers of Medicaid
What are Community Health Centers?

Community Health Centers

-- Began in 1960’s – War on Poverty

-- Federally regulated, supported

-- Currently 1,300 organizations
  -- 9,000 sites
  -- 22 million patients

What are Community Health Centers?

Minnesota’s CHCs

-- 17 organizations

-- Over 70 delivery sites

-- serving 183,000 patients
Who uses Community Health Centers?

Minnesota’s CHC Patients

**By Income Level**
- 71% are below 100% of FPG
- 96% are below 20% of FPG

**By Insurance Status**
- 42% Medicaid
- 37% Uninsured
- 13% Commercial insurance
- 8% Medicare

Who uses Community Health Centers?

Minnesota’s CHC Patients

**By Race/Ethnicity**
- 33% White
- 28% African American
- 23% Latino
- 7% Asian
- 5% Native American
- 4% Other
Impact of ACA – Coverage Opportunities

For the 8 million uninsured using CHCs nationwide

-- New opportunity for coverage - Medicaid expansions

-- New opportunity for coverage - Plans offered under Exchanges

Impact of ACA – Coverage Opportunities

By the end of 2013, CHCs nationwide

-- Trained and deployed 11,000 Outreach & Enrollment workers

-- Assisted 2.1 million people with applications for coverage
Impact of ACA – Coverage Opportunities

Minnesota’s CHC Experience

As of July 1, 2014, Minnesota’s CHCs

-- Trained and deployed 144 Outreach & Enrollment workers

-- Successfully enrolled almost 14,000 patients into new coverage

During the first 5 months of ACA implementation, the number of uninsured in Minnesota dropped by 40%.

-- During this same time period, most Minnesota CHCs saw no decrease in the numbers of uninsured and, in some cases, increases in the numbers of uninsured.
## Impact of ACA – Funding for CHCs

**ACA Community Health Center Trust Fund**

-- $11 billion over a 5-year period
  -- $9.5 billion for
    -- Ongoing CHC operations
    -- New CHC sites in underserved areas
    -- Expansion of services, including oral health, behavioral health, pharmacy, enabling services
  -- $1.5 billion for construction/renovation

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**Impact of ACA – Funding for CHCs**

-- Trust Fund supported tremendous growth in CHC locations/services nationwide and in Minnesota

-- Trust Fund *expires* end of federal FY2015

-- Up to 70% of CHC operational funding at stake nationwide

-- $14.5 million at stake in Minnesota
Impact of ACA – Innovation at CHCs

-- Affordable Care Act promotes Accountable Care Organization (ACO) models as a means of achieving Medicare and Medicaid program cost savings and quality improvement.

-- CHCs are organizing around the country and in Minnesota to take advantage of opportunities to demonstrate quality and cost-effectiveness through ACO care delivery models.

Impact of ACA – Innovation at CHCs

Minnesota

Two Medicaid Shared Savings Demonstrations:

-- Federally Qualified Health Center Urban Health Network ("FUHN") consisting of 10 CHCs in Minneapolis-St. Paul

-- Hennepin Health, consisting of one CHC, large urban public hospital system, and county social services
Impact of ACA – Innovation at CHCs

Minnesota

Statewide network of 15 CHCs submitted an application last month to CMS to participate in the 2015 Medicare Shared Savings Program.

Impact of ACA on CHCs

What’s Next?

-- Need to track patient data trends: Will the ACA result in significant decreases in the uninsured at Community Health Centers?

-- Congress must address the CHC funding “fiscal cliff” or risk collapse of the safety net.
Impact of ACA on CHCs

What Can State Lawmakers Do?

-- Obtain the fiscal impact on your state if Congress does not act to fix the “fiscal cliff”:

http://www.nachc.com/state-healthcare-data-list.cfm

-- Weigh in with your own Congressional delegations on the need to address the funding issue this year