


State Support of Community Health Centers

Allow level playing field for Community-Based Health Care Program

Background

In 2013, Pennsylvania adopted the Community-Based Health Care Act to establish a grant program within the Department of Health for safety-net providers to expand or create new sites. Over the years, this program has been used by many providers to support improvements in access to care. Unfortunately, the legislation imposed a statutory cap on Community Health Centers , also known as Federally Qualified Health Centers (FQHCs), to be eligible for no more than 25% of the grant funding.

We strongly believe that the playing field for organizations eligible for the funding should be level and that the state has a fiduciary responsibility to fund the best applications and not allocate funding based on an arbitrary and unnecessary cap. The best applications should be funded, regardless of provider type.

In Pennsylvania, 800,000 vulnerable individuals count on Community Health Centers for access to affordable, quality medical, dental and behavioral health care as well as other services to support health and wellness and avoid costly emergency and hospital care. Pennsylvania's investment in these critical providers is nominal as there is no direct state funding, but the return on investment is substantial.

Facts

- In a recent George Washington University study, Community Health Centers were found to reduce costs to the health system by \$1,263 per individual per year, which extrapolates to a savings of nearly \$1 billion in Pennsylvania.
- Pennsylvania provides NO direct state funding to Community Health Centers – unlike 30 other states that support health centers.
- The indirect state funding provided to health centers is through the Department of Health's competitive Community-Based Health Care grant program and removing the cap would optimize the state's investment in this program.
- Community Health Centers face a federal grant reduction of up to 70 percent in the coming Federal Fiscal Year 2018-19 budget. Should this occur, health centers will be forced to make draconian employment and operational decisions and there is no mechanism for state support to offset the consequences of reduced federal funding.

We urge swift passage of House Bill 644 without amendment to allow a level playing field for Community Health Centers to apply for grant funding. In future state budgets, we ask for consideration of state financial support to aid the efforts of health centers to provide care to vulnerable Pennsylvanians.

Pennsylvania Association of Community Health Centers (PACHC) is a statewide membership services organization representing Community Health Centers, the largest primary care network in Pennsylvania.

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