

Health Center Funding



30
MILLION
PATIENTS

Consistent, bipartisan support for federal funding has enabled Community Health Centers to become the largest primary care network in the country, providing care to over 30 million patients, or 1 in 11 individuals. These locally controlled organizations provide comprehensive primary care and integrated behavioral health, dental, pharmacy, substance uses disorder treatment, and ancillary care services for patients in urban, suburban, rural, and frontier communities nationwide.



During the most difficult days of the pandemic, **health center professionals rose to the unprecedented challenge** and provided essential health care to patients in communities across America. Reflecting the needs of their patients, health centers educated, vaccinated, and treated millions of patients.

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Many health centers also address **social determinants of health** by tackling inequities of food insecurity, transportation, and translation services for their patients. **They reach individuals with the greatest difficulty accessing or affording health care services**, including those with chronic diseases at risk for costly health complications. They guarantee access to high-quality, affordable care, improve health outcomes, and narrow health disparities.



Health centers have a proven track record as efficient providers that **save the healthcare system \$24 billion yearly, reducing unnecessary inpatient hospitalizations and emergency room use** by focusing on primary and preventative care. Health centers are also significant contributors to their communities economically. A recent study by Matrix Global Advisors found that health centers supported more than half a million jobs, over \$37 billion in labor income, and nearly \$85 billion in economic output.



Bipartisan support in Congress through the multi-year Community Health Center Fund and annual discretionary funding has positioned health centers to respond to the needs of their communities. **The Community Health Center Fund accounts for nearly 70 percent of health center funding and expires at the end of Fiscal Year 2023.**



This expiration comes when Community Health Centers are experiencing financial strain due to the upcoming unwinding of the Public Health Emergency and the expiration of pandemic relief funding. **Furthermore, inflation and soaring workforce costs have made retaining and recruiting the next generation of health professionals more difficult.** A recent survey of health center leaders found two-thirds of health centers surveyed expect that without increased federal support in the future, staff recruitment and retention efforts will need to be scaled back. Additionally, half of respondents said patients may lose access to some clinical services, which could lead to more costly care at emergency departments.



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Community Health Centers understand today’s challenging budget environment and focus on the federal debt. However, federal health center funding is too vital to the over 30 million patients and their communities nationwide to expire. If additional funding is available, health centers would be able to address three primary goals:

1

Retain the current health workforce and recruit the next generation of committed health center staff.

- A recent estimate by Matrix Global Advisors illustrates that health center funding has eroded by \$2.1 billion because of inflation and patient growth. Compounding this challenge is that health centers have received level federal base funding for five years.

2

Expand into new communities. A recent analysis by Health Landscape (a division of the American Academy of Family Physicians) found that 100 million individuals in the country have limited or no access to primary care, especially in rural and mid-sized communities. Health centers could expand into new communities and close the gap of Americans with limited or no access to primary care. The last expansion of health centers was in 2019 when over 500 applicants pursued \$50 million of New Access Point funding.

- If available, a commitment of \$500 million over five years would enable up to 750 new health centers to reach approximately 4 million new patients.

3

Expand access to behavioral health and dental services. Health centers help lower the cost of medical care by providing primary and preventive services that reduce the need for costlier medical care, such as preventable emergency room visits and inpatient hospital care. Central to this approach is an emphasis on treating the entire person through integrated care that includes providing behavioral and oral health services and addressing underlying determinants of health.

- An infusion of \$500 million over five years, paired with a new requirement for all health centers to offer mental health and substance use disorder services, would put health centers in a position to deepen the services to patients and meet roughly half the need for the health center patient population by expanding behavioral health and dental services. This would mean that nearly 6 million health center patients would have better access to behavioral health care, and 5 million patients would have improved oral care.

How You Can Help

- **Multi-Year Base Funding:** Support bipartisan efforts to extend Community Health Center and primary care workforce funding.
- **Annual Funding:** Support continued robust funding in discretionary funding for Community Health Centers through the FY2024 Labor-HHS Appropriations bill by signing the annual appropriations letter from Sens. Debbie Stabenow (D-MI) and Roger Wicker (R-MS), and Reps. Gus Bilirakis (R-FL) and Diana DeGette (D-CO).