

NACHC Policy & Issues Forum 2023

Overview of California's Top Priorities



General Community Health Center Background

- In California there are more than 1,300 community health centers providing care to 7.8 million people – that's 1 in 5 Californians.
- Community health centers provide the full spectrum of care, from primary care to dental to behavioral health care and a variety of enabling and wraparound services.
- For decades, community health centers have provided care to everyone, regardless of their ability to pay, their immigration status, or their individual circumstances.
- In many rural communities throughout California, community health centers serve as the only source of medical and wellness care for middle- and working-class families in the region.
- **INSERT INFORMATION REGARDING YOUR CHC OR RAC**

Health Center Viability and Funding

- CHCs need additional support to address rising inflation and workforce challenges and to expand the services available to existing health center patients.
- Health centers are the front-line providers of services in public health emergencies. For example, when fires devastated California communities over the last few years, health centers moved mobile clinics to affected areas to provide care.
- Health Centers have also been crucial in the fight against COVID-19, providing testing, treatment, and vaccinations to millions of patients. CHCs now face the unwinding of pandemic policies, including Medicaid redeterminations and the expiration of COVID-19 relief.
- Without an extension of mandatory funding by October 1, health centers will be forced to cut staff, hours, and services, impeding access to care for California's most vulnerable residents.

Workforce

- California is experiencing a serious workforce shortage, particularly in community health centers. The shortage is not limited to providers – our health centers are struggling to recruit and retain ancillary and administrative staff as well.
- In 2022, the average 12-month turnover reported by CHCs was 31.4% which jumped from 9.5% in 2020 and 19.4% in 2021.
- Health centers reported high vacancy rates and prolonged periods of time to fill staff vacancies for key positions. Recruiting a physician, dentist, and nurse practitioner was the most challenging.

- Clinics reported needing an average of 26.6 weeks to fill a physician vacancy and 18 weeks to fill a dentist and nurse practitioner vacancy.
- California is facing pending, statewide legislation to mandate a \$25 minimum wage for the health care industry. The legislation, [SB 525](#), not only requires a \$25 minimum wage but also would require CHCs to have any exempt employee be paid double the minimum wage. This would be a base salary of \$104,000 per year.
- Our CHCs would like to pay a competitive and increased wage; however, any wage increase must be sustainable and equitable.
- CHCs need state and federal support to make statutory and regulatory changes allowing a health center to adjust its PPS rate to meet any potential state-mandate minimum wage.
- Federally, the Teaching Health Center Graduate Medical Education (THCGME) program provides grants to CHCs that supervise the training of new physicians. CA is home to thirteen HRSA THCGME grants that fund primary care and psychiatry training programs. Funding for the THCGME Program expires September 2023.
- The National Health Service Corps (NHSC) is a vital recruitment and retention tool for CHCs. Today, the NHSC receives \$310 million in mandatory funding, but that funding will also expire at the end of FY 2023.

340B

- CHCs invest 340B savings into activities that advance their goal of ensuring affordable access to critical health services for medically underserved patients.
- CHCs have reinvested a portion of their 340B savings into creating a robust workforce that can support the diverse needs of their patients in a culturally and linguistically appropriate manner.
- We ask for your help in protecting the 340B Drug Discount Program by supporting legislation that helps grantees, like CHCs, continue to access these important savings.

OUR ASKS: Reauthorize mandatory health center grant funding; extend the National Health Service Corps funding and Teaching Health Center GME funding with annual increases in all programs; and protect the 340B drug discount program so health centers can continue to provide excellent care for anyone that walks in our doors.