

Community Clinics and Health Centers under the Patient Protection and Affordable Care Act

Background

On March 23, 2010, President Barack Obama signed into law a comprehensive health care reform bill, the Patient Protection and Affordable Care Act (PPACA; Public Law 111-148). The following week, the President signed the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), which amended various health care and revenue provisions in PPACA.

PPACA implements many changes to the private health insurance market, establishes a mandate for most U.S. residents to acquire health insurance, and provides for the establishment by 2014 of health insurance exchanges through which individuals and families can purchase coverage. For those individuals and families earning under 400 percent of the federal poverty level (FPL), the federal government will provide subsidies to lower the cost of purchasing insurance. PPACA also expands the eligibility for Medicaid to all low income Americans making under 133% FPL.

In many cases, PPACA mandates appropriations for new or existing grant programs, or requires the Secretary of Health and Human Services (HHS) to transfer funds from the Medicare Part A and Part B trust funds. In other cases, funding for activities authorized in PPACA are subject to congressional appropriations, otherwise known as discretionary spending. What follows is a list of programs of interest to community clinics and health centers (CCHCs) and whether or not those programs are at risk to the congressional appropriations process. Although those programs that are directly appropriated are less at risk than those that must be appropriated by Congress, any large pot of funding that is unspent can be viewed as a target by Congress. For example, in September 2010, Senator Mike Johanns (R-NE) offered an amendment that would get rid of the onerous 1099 business reporting requirement and pay for it by gutting the Prevention and Public Health Fund. Although the Prevention Fund is directly appropriated, it was still the subject of attack.

This information was pulled, in large part, from two documents prepared by the Congressional Research Service (www.crs.gov), which researches and writes reports for Members of Congress and their staff. The first, "Appropriations and Fund Transfers in the Patient Protection and Affordable Care Act (PPACA) by C. Stephen Redhead summarizes those provisions that mandate appropriations; and the second, "Discretionary Funding in the Patient Protection and Affordable Care Act (PPACA)" by C. Stephen Redhead, Kristen J. Colello, et al., summarizes those subject to congressional appropriation.

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PPACA Section	Program Summary	Eligibility	Authorization/Appropriation/Transfer	At Risk?
Community Health Centers and National Health Service Corps				
10503(b)	<p>Funding for Community Health Centers. Establishes a Community Health Center Fund (CHCF) and appropriates a total of \$9.5 billion for community health center operations. Permanently authorizes the health center program (Public Health Service Act Section 330).</p>	<p>Community, migrant, public housing, and homeless health centers under Section 330.</p>	<p>Transfers from the CHCF to HRSA in the following amounts: FY2011 - \$1.0 billion FY2012 - \$1.2 billion FY2013 - \$1.5 billion FY2014 - \$2.2 billion FY2015 - \$3.6 billion</p>	<p>No.* Existing discretionary health center funding could be cut. FY10 appropriation is \$2.19 billion. **Also, spending levels for CHCs must be at or above FY2008 levels in order to trust fund to be activated.</p>
10503(b)	<p>Funding for National Health Service Corps. Permanently authorizes NHSC. Appropriates \$1.5 billion for NHSC operations, scholarships, and loan repayments.</p>	<p>Scholarships for students accepted to or enrolled in training program for medicine, dentistry, nurse practitioner, nurse midwife, or physician assistant who agree to service in NHSC-approved site; or loan repayments for primary care, dental, and mental health providers who agree to at least two years of service in NHSC-approved site.</p>	<p>Transfers from CHCF to HRSA in the following amounts: FY2011 - \$290 million FY2012 - \$295 million FY2013 - \$300 million FY2014 - \$305 million FY2015 - \$310 million</p>	<p>No.* *Existing discretionary NHSC funding could be cut. FY10 appropriation is \$142 million. **Also, spending levels for NHSC must be at or above FY2008 levels in order to trust fund to be activated.</p>

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10503(c)	Health center capital funding. Provides funding for health center construction and renovation.	Community, migrant, public housing, and homeless health centers under Section 330.	Appropriates \$1.5 billion for FY2011 through FY2015.	No.
410(a)	School-based health centers construction. Requires a grant program for the establishment of SBHCs. Funds may be used for facility construction, expansion, and equipment.	School-based health centers	Appropriates \$50 million for each of FY2010 through FY2013. Total amount \$200 million.	No.
410(b)	SBHCs operation. The legislation also authorizes a new Title III grant program for the operation of SBHCs. Funds may be used toward the management and operation of health center programs	SBHCs that match 20% of the grant amount with non-federal funds. Preference may be given to SBHCs serving children and adolescents who have limited access to health care.	<i>Such sums as necessary</i> for FY2010 through FY2014.	Yes.
5208	Nurse-managed health clinics. The legislation authorizes grants under Title III for the development and operation of nurse-managed health clinics, which are defined as nurse-practice arrangements that provide primary care or wellness services to underserved or vulnerable populations. They can be associated with a school, college, or university's department of nursing, or with an FQHC or other independent nonprofit health or social services agency.	NMHCs must provide care regardless of income or insurance status and in which nurses provide the majority of the services. At least one advanced practice nurse must hold an executive management position in the NMHC.	\$50 million for FY2010, and <i>such sums as necessary</i> for FY2011 through FY2014.	Yes.

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Health Care Workforce Provisions				
5507(a)	<p>Health workforce demonstration programs 1) Award grants to states, Indian tribes, higher education institutions, and local workforce investment boards to provide low-income with opportunity to get education/training in health care jobs in high demand. 2) Provide states with grants to develop core training and certification programs for personal and home care aides.</p>		Appropriates \$85 million for each of FY2010 through FY2014 (total amount \$425 million)	No.
5301	<p>Pediatric specialist loan repayment program. Requires HHS Secretary to implement loan repayment program that pays up to \$35,000 a year (max of three years) to eligible individuals in exchange for working in a pediatric medical specialty, in pediatric surgery, <i>or in child and adolescent mental and behavioral health care in a medically underserved area.</i></p>	Practicing or in-training pediatric specialists and surgeons, and child/adolescent mental health specialists, who agree to work at least two years full-time in a HPSA.	\$30 million each year from FY2010 to FY2014 for loan repayments to pediatric specialists/surgeons. \$20 million each year from FY2010 to FY2013 for loan repayments to mental health professionals.	Yes.
5508(a)	<p>Teaching health centers development grants. Authorizes three-year grants of up to \$500,000 to community-based, out-patient care centers that establish or expand primary care</p>	FQHCs, RHCs, Indian health centers, and entities receiving Title X (family planning) funds.	\$25 million for FY2010 \$50 million for FY2011 and FY2012 <i>such sums as necessary</i> for subsequent fiscal years.	Yes.

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	residency training programs.			
5508(c)	<p>Teaching health centers. Payments for direct/indirect graduate medical education costs to qualified teaching health centers for the expansion or establishment of medical residency training programs.</p>	TBD	Appropriates <i>such sums as necessary</i> , not to exceed \$230 million through FY2015.	No.
10501(l)	<p>Rural physician training grants. Requires HHS Secretary to award grants for recruiting medical students likely to practice in underserved rural communities and for rural-focused training.</p>	<i>Medical schools</i> ; priority given to entities that train students to practice in rural communities, that have established partnerships with <i>rural community health centers</i> , or who submit plan for tracking where graduates practice.	\$4 million for FY2010 through FY2013.	Yes.
5304	<p>Alternative dental health care provider demonstration program. Authorizes HHS Secretary to award 15 5-year grants of not less than \$4 million to train or employ alternative dental health providers (community dental health coordinators, dental health aides) to increase oral health care services in rural and other underserved communities.</p>	Institutions of higher education; public-private entities; FQHCs; facilities operated by IHS or by Indian tribes/organizations; state or county public health clinics; public hospitals or health systems; or accredited dental education programs.	<i>Such sums as are necessary.</i>	Yes.

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5312	<p>Authorization of appropriations for Title VIII programs: Sec. 811 (grants for support of advanced education nurses); Sec. 821 (nursing workforce diversity); Sec. 831 (nurse education, practice and quality grants); and new Sec. 831A (nurse retention grants).</p>		<p>Authorizes \$338 million for FY2010, and <i>such sums as are necessary</i> for FY2011 – FY2016.</p>	<p>Yes. Also at risk are current appropriations of \$120 million for FY2010.</p>
5316	<p>Family nurse practitioner demonstration program. HHS Secretary to award three-year demonstration grants, not exceed \$600,000 a year, for programs to train nurse practitioners in FQHCs and Nurse Managed Health Clinics</p>	<p>FQHCS, NMHCs.</p>	<p><i>Such sums as are necessary</i> for FY2011 – Fy2014.</p>	<p>Yes.</p>
5313	<p>Community health worker (CHW) program. Requires CDC to award grants to promote healthy behaviors and outcomes for populations in medically underserved communities through training and supervision of CHWs.</p>	<p>States, health departments, free clinics, hospitals, FQHCs; preference for populations with high uninsurance, chronic illness, or infant mortality.</p>	<p><i>Such sums as are necessary</i> for FY2010 through FY2014.</p>	<p>Yes.</p>

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5403(a)	<p>Area Health Education Centers (AHECs). Requires HHS Secretary to award grants (with matching) of at least \$250,000 to 1) plan, develop, and operate AHECs; and 2) to maintain and improve the effectiveness of existing AHEC programs.</p>	Medical and nursing schools.	\$125 million for each of FY2010 through FY2014.	<p>Yes. Also at risk are current appropriations (\$33 million in FY2010).</p>
Provisions Related to Patient-Centered Medical Home				
2705	<p>Global payment system demonstration program. Up to five states can create a global, capitated, bundled payment system for a large safety-net hospital system to evaluate changes in health care spending and outcomes, including continuing care hospitals.</p>	Large safety net hospital systems or networks.	<i>Such sums as are necessary.</i>	Yes.
2706	<p>Pediatric accountable care organization demonstration program. A five-year Medicaid pediatric demonstration (January 1, 2012 through December 31, 2016) with incentive payments based on quality and shared savings.</p>	Eligible pediatric providers must meet certain performance guidelines established by the HHS Secretary to be recognized as an ACO, and must achieve a specified minimum level of savings in Medicaid expenditures in order to receive incentive payment.	<i>Such sums as are necessary.</i>	Yes.
3021	<p>Center for Medicare and Medicaid Innovation (CMI). The purpose of the CMI is to test innovative payment and service delivery models under</p>		Appropriates \$5 million for FY2010 for the selection, testing, and service delivery models. Appropriates \$10 billion for FY2011 through FY2019, plus \$10 billion for	No.



California Primary
Care Association

Health Care Access for All

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	Medicare, Medicaid and CHIP. Successful models can be expanded nationally.		each subsequent 10-FY period, to continue activities.	
3502/ 3511	Community health team grants to support medical homes. Community health teams to support the development of medical homes for persons with chronic conditions by increasing access to comprehensive, community-based, coordinated care.	States or state-designated entities; Indian tribes or organizations.	<i>Such sums as are necessary.</i>	Yes.
3503/ 3511	Medication therapy management (MTM) grants. Grants for MTM services provided by licensed pharmacists as part of a collaborative approach to the treatment of chronic diseases.	Entities that provide a setting appropriate for MTM services and that submit a plan for achieving long-term financial sustainability.	<i>Such sums as are necessary.</i>	Yes.
10333	Community-based collaborative care network program (CCN). Authorizes the Secretary to award grants to eligible entities that support CCNs. Grant funds must be used to: - Assist low-income individuals to enroll in health coverage programs, obtain a primary care provider and access health services; - Provide case management and	Community-based CCNs are comprised of a hospital and an FQHC (where available) to provide comprehensive coordinated and integrated health care services for low-income populations.	<i>Such sums as are necessary</i> for each of FY2011 through FY2015.	Yes.

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	care management; - Perform health outreach using neighborhood health workers; - Provide transportation; - Expand capacity through telehealth, after hours services or urgent care; - and Provide direct patient care services.			
4002	Prevention and Public Health Fund. Appropriates amounts to the fund in perpetuity. Transfers funds from fund to HHS for prevention, wellness, and public health activities, including research and screenings.		Appropriates the following amounts: FY2010 - \$500 million FY2011 - \$750 million FY2012 - \$1 billion FY2013 - \$1.25 billion FY2014 - \$1.5 billion FY2015 and beyond - \$2 billion each year	No. Activities can be determined by House/Senate appropriators.
Health Insurance Reforms				
1101	High-risk pools for individuals with preexisting conditions. Requires HHS Secretary to establish a temporary high-risk pool program to provide health insurance for individuals. The program terminates on January 1, 2014.	Individuals who have been uninsured for at least six months and have a pre-existing condition.	Appropriates \$5 billion, regardless of fiscal year, to pay claims that are in excess of premiums.	No.
1311	State health insurance exchanges. Requires HHS Secretary to award grants to states to plan and implement exchanges. Each state must have an exchange by January 1,		Appropriates amounts necessary for the states for each fiscal year.	No.

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	2014. Exchanges will have to be self-sustaining by January 1, 2015.			
10203	Children's Health Insurance Program annual appropriations, outreach and enrollment grants. Appropriates funding through FY2014 and FY2015		Appropriates \$19.147 billion for FY 2014, and \$21.061 billion for FY2015 for the CHIP program. Appropriates an additional \$40 million for outreach and enrollment grants.	No.