Community Health Centers

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Pioneer Room
State Capital

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Community HealthCare Association of the Dakotas
About CHAD

- The Community HealthCare Association of the Dakotas (CHAD) is a 501(c)3 membership organization serving as the Primary Care Association (PCA) for North and South Dakota.

- The role of a PCA is to provide support to our Community Health Center (CHC) members in the areas of training, technical assistance and advocacy, as well as assist the CHCs in maintaining compliance with their program requirements, operating grants, and growth planning.
Our Mission

It is our mission to enhance access to quality primary care through services to our members.

We strive to serve the needs of our members and to support their mission to provide quality health care to the people of North and South Dakota.
What is a Federally Qualified Health Center (FQHC)?

- According to the Centers for Medicare and Medicaid Services (CMS), FQHCs are “safety net” providers such as community health centers, public housing centers, outpatient health programs funded by the Indian Health Service, and programs serving migrants and the homeless.

- The **main purpose** of the FQHC Program is to enhance the **provision of primary care services** in underserved urban and rural communities.

- Community health centers (CHCs) are non-profit community-driven clinics providing high quality primary and preventive care **to all individuals**, with or without insurance and regardless of their ability to pay.
What is an FQHC? (cont’d)

- FQHCs must fall under one of the following categories to qualify for enhanced reimbursement from Medicare and Medicaid, as well as other benefits.

  - Meets requirements of the Health Center Program and **receives a grant** under section 330 of the Public Health Service Act.

  - Meets requirements of the Health Center Program **but does not receive a grant** under section 330 of the Public Health Service Act.

  - Qualifies as an outpatient health program or facility operated by a **tribe or tribal organization**.
FQHC vs. CHC

- FQHC designation comes from CMS and is a payment mechanism
- CHC designation comes from Health Resources and Services Administration (HRSA)
- For the purpose of this conversation, we will use them interchangeably
Types of Health Centers

- **Grant-Supported Federally Qualified Health Centers** are public and private non-profit health care organizations that meet certain criteria under the Medicare and Medicaid Programs (respectively, Sections 1861(aa)(4) and 1905(l)(2)(B) of the Social Security Act and receive funds under the Health Center Program (Section 330 of the Public Health Service Act).

  - **Community Health Centers** serve a variety of underserved populations and areas (Section 330)
  - **Migrant Health Centers** serve migrant and seasonal agricultural workers (Section 330g)
  - **Healthcare for the Homeless Programs** reach out to homeless individuals and families and provide primary care and substance abuse services (Section 330h)
  - **Public Housing Primary Care Programs** serve residents of public housing and are located in or adjacent to the communities they serve (Section 330i)
Types of Health Centers (cont’d)

- **Non-grant-supported Health Centers** are health centers that have been identified by HRSA and certified by the Centers for Medicare and Medicaid Services as meeting the definition of “health center” under Section 330 of the PHS Act, although they do not receive grant funding under Section 330. They are referred to as “Look-Alikes.”

- **Outpatient health programs/facilities operated by tribal organizations** (under the Indian Self-Determination Act, P.L. 96-638) or urban Indian organizations (under the Indian Health Care Improvement Act, P.L. 94-437).
Health Center Program Fundamentals

- Private not-for-profit or public entities that serve a **high-need community or population**
  - Medically Underserved Area (MUA) or a Medically Underserved Population (MUP)

- **Provide comprehensive primary health care** services as well as supportive services (education, translation and transportation, etc.) that promote access to health care

- **Governed by a community board** composed of a majority (51% or more) of health center patients who represent the population served

- **Provide services available to all** with fees adjusted based on ability to pay (Sliding Fee Discount Program)

- **Collaborate** with safety net providers and others (e.g., State and local health departments) in the area

- Held to strict **accountability and performance measures** for clinical, financial and administrative operations by HRSA (19 Key Program Requirements)
Sliding Fee Discount Program

- Applicability to all individuals and families with annual incomes at or below 200 percent of the Federal Poverty Guidelines (FPG).

- Full discount for individuals and families with annual incomes at or below 100 percent of the FPG, or allowance for a nominal charge only, consistent with health center policy.

- Adjustment of fees (partial discount) based on family size and income for individuals and families with incomes above 100 and at or below 200 percent of the FPG.

- No discounts for individuals and families with annual incomes above 200 percent of the FPG.
19 Key Health Center Program Requirements

**Need**
- Needs Assessment

**Governance**
- Board Authority
- Board Composition
- Conflict of Interest Policy

**Services**
- Required and Additional Services
- Staffing Requirements
- Accessible Hours of Operation/Location
- After Hours Coverage
19 Key Health Center Program Requirements

Services (cont’d)
- Hospital Admitting Privileges and Continuum of Care
- Sliding Fee Discount
- Quality Improvement/Assurance Plan

Management and Finance
- Key Management Staff
- Contractual/Affiliation Agreements
- Collaborative Relationships
- Financial Management and Control Policies
- Billing and Collections
- Budget
- Program Data Reporting Systems
- Scope of Project
UDS Reporting

- Every year, CHCs are required to complete a core set of information called the **Uniform Data System** (UDS).

- This **data** includes patient demographics, services provided, staffing, clinical indicators, utilization rates, costs, and revenues.

- The data is used to **ensure compliance** with regulatory requirements, **report achievements** of the community health center program, **monitor performance** of the program, and to **identify** areas of technical assistance needs.
Benefits to the Health Center

- Section 330 **grant funds** to offset the costs of uncompensated care and other key enabling services (*Health Center Program grantees receive these grant funds. Look-alikes are eligible to compete for them.*)

- **Medical malpractice coverage** under Federal Tort Claims Act (FTCA) (*Look-alikes are not eligible for this benefit.*)

- **Prospective Payment System (PPS)** reimbursement for services to Medicaid patients

- **Cost-based reimbursement** for services to Medicare patients

- Drug Pricing Discounts for pharmaceutical products under the **340B Program**

- Access to **Vaccines for Children Program** for uninsured children
Benefits to the Health Center (cont’d)

- **Federal loan guarantees** for capital improvements (*Look-alikes are not eligible for this benefit.*)

- **Automatic Health Professional Shortage Area (HPSA) Designation**

- The **National Health Service Corps (NHSC)** can help health centers, look-alikes, and free clinics recruit and retain qualified providers

- **National network of similar organizations** committed to improving the health of the Nation’s underserved communities and vulnerable populations

- Eligibility for various **other federal grants** and programs
Section 330 Public Health Service Act Health Center Program

- Defines the Federal Health Center Program as the **funding opportunity** for organizations to provide care to underserved populations.

  - **New Access Points Grants** provide funding to support **new service delivery sites** that will provide comprehensive primary health care and access to oral and mental health services. Applicants can be existing grantees or new organizations that do not currently receive section 330 grant funds.

  - **Expanded Medical Capacity Grants** provide funding to **expand access to primary health services** in the health center's current service area (e.g. by adding new medical providers or medical services or expanding hours of operation). Only existing grantees are eligible to apply.
Section 330 Public Health Service Act Health Center Program (cont’d)

- **Service Expansion Grants** provide funding to **add new or expand existing** mental health/substance abuse, oral health, pharmacy, and enabling **services** for special populations at existing health centers. Only existing grantees are eligible to apply.

- **Service Area Competition Grants** provide **ongoing competing continuation funding for service areas** currently served by health center grantees. Both currently funded section 330 grantees whose project periods have expired and new organizations proposing to serve the same areas or populations being served by existing section 330 grantees may apply.
Benefits to the Community

- A health home for underserved people, improving public health, reducing the burden on hospital emergency rooms, and providing needed services such as free immunizations for uninsured children

- A voice (through the consumer majority Board of Directors) in the operation of that health home

- Broader health insurance coverage as the health center assists uninsured patients enroll in Medicaid, CHIP, and other assistance programs

- Less costly care for Medicare patients, whose Medicare deductible costs are waived for FQHC-provided services
Services Provided by CHCs

- All Services Provided to All Ages
  - Primary Health Care
  - Dental Care
  - Behavioral Health
  - Pharmacy
  - Basic Lab
  - Emergency Care
  - Radiological Services
  - Transportation
  - Case Management
  - After Hours Care
  - Hospital/Specialty Care

Note: This is not a complete list of services. All services required on site or through established written arrangements/referrals.
North Dakota FQHCs
North Dakota Community Health Center Snapshot

31,608 Patients Visits
23,680 Dental Visits
9,878 Dental Patients

Patients by Age Group
- Age 20-44: 34%
- Age 5-19: 22%
- Age 45-64: 25%
- Age 65+: 11%
- < Age 5: 8%

Patients by Race
- White: 75%
- American Indian: 10%
- Black: 8%
- All Other Race & Unreported: 7%

10,105 Uninsured Patients Received Care

Source: 2013 North Dakota UDS Reports
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<th>FQHC / Look-Alike</th>
<th>Rural Health Clinic</th>
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| Must be either a not-for-profit or public facility. | May be either a for-profit or not-for-profit. Can be public or private. | Health Center Program grant funding | FQHC – Yes  
Look-Alike – Eligible to compete  
RHC – No |
| Governed by a Board of Directors of which at least 51% must be patients of the community health center. | Not required to have a Board of Directors. | Medical Malpractice Coverage - FTCA | FQHC – Yes  
Look-Alike – No  
RHC – No |
| Must provide care for all ages. | May be limited to a specific type of primary care practice. (Pediatrics, OB/Gyn) | Prospective Payment System (PPS) - Medicaid patients | FQHC – Yes  
Look-Alike – Yes  
RHC – Yes |
| Must provide primary health care; maternity and prenatal care; preventive care for infants, children, and adults; some emergency care; and pharmaceutical services. | No minimum service requirements. Must provide outpatient primary care services and basic lab service. | Cost-based reimbursement - Medicare | FQHC – Yes  
Look-Alike – Yes  
RHC – Yes |
| Required to provide emergency care on a 24-hour basis. | RHCs have no requirement for after-hour emergency care. | Drug Pricing Discounts - 340B Program | FQHC – Yes  
Look-Alike – Yes  
RHC – No  
However a covered CAH can register their outpatient clinic in the program. |
| Required to serve all residents of their service area with charges on a sliding fee scale based upon ability to pay. | Not required to provide services to low-income patients or to provide sliding fee reductions. If employing a NHSC provider, those services need to be provided on a sliding fee scale. | Vaccines for Children Program | FQHC – Yes  
Look-Alike – Yes  
RHC – Yes |
| Required to have an ongoing quality assurance program that identifies and takes actions necessary to correct problems. | No specific requirements for quality assurance plans. It is a requirement for RHCs to conduct an annual program evaluation to include volume and type and review both current and closed charts. | Federal loan guarantees | FQHC – Yes  
Look-Alike – No  
RHC – No |
| Must be located in a rural or urban area which is underserved or lacking health professionals. (MUAs and HPSAs). | May retain status regardless of the designation of their service area. RHCs must be located in a non-urban rural area with current health care shortage designations. | HPFA Designation | FQHC – Yes  
Look-Alike – Yes  
RHC – Yes |
| Required to be open at least 32 hours per week and provide emergency coverage after normal business hours. | No minimum hours or emergency coverage requirements. | NHSC | FQHC – Yes  
Look-Alike – Yes  
RHC – As long as the requirements are met |
| Required to submit an annual independent audit as well as regular financial reports. | Must submit an annual audit but have no specific financial reporting requirements. | Grants / Other Programs  
New Access Point  
Expanded Medical Capacity  
Service Expansion  
Service Area Competition | FQHC – Yes  
Look-Alike – Eligible to apply  
RHC – Eligible to apply |

Comparison of FQHC LAL RHC

See handout for greater detail.
Questions?

Thank you!

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