

JOINT ECONOMIC COMMITTEE DEMOCRATS

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U.S. Senator Martin Heinrich • Ranking Member

Graham-Cassidy: Pushing Community Health Centers Off a Financial Cliff

With 70 percent of grant funding for community health centers (CHCs) set to expire at the end of the month, Republicans continue their attempts to repeal the Affordable Care Act (ACA) with the catastrophic Graham-Cassidy proposal, threatening the health care of millions of Americans. The consequences of ignoring this funding cliff will be even more profound in light of the bill's severe cuts to Medicaid, which makes up 46 percent of CHC revenues. By eliminating the ACA's expansion of Medicaid and capping the traditional Medicaid program, Graham-Cassidy will jeopardize access to care for millions of Americans.

Every year, with support from the Department of Health and Human Services' Health Resources and Services Administration, CHCs provide comprehensive and cost-effective primary health care to nearly 26 million patients—including over 330,000 veterans—in the nation's most underserved communities, both urban and rural.³ Centers deliver over \$24 billion in annual savings to America's health care system, including \$2,371 per Medicaid patient served in savings to the health care system, by providing primary and preventative care.⁴

Community health centers are also economic engines in local communities: in 2014 alone, they generated over \$45 billion in total economic activity and directly supported nearly 190,000 jobs.⁵ Funding for CHCs has garnished strong bipartisan support in the past, and failing to fund the program now will disrupt crucial care for new mothers, children, rural and underserved patients, and seniors.

Congress must fully fund CHCs to ensure continued access to affordable primary and preventative care. Republicans should cease their latest attempt to repeal the ACA, Graham-Cassidy, and instead work with Democrats to support effective programs like CHCs and stabilize the individual market. Congressional inaction will only force CHCs to close their doors, leaving millions of Americans without access to affordable services and many health care providers without jobs.

¹ http://www.nachc.org/wp-content/uploads/2017/09/SafetyNetExtendersNationalLetter FINAL 9.5.17.pdf

 $^{^2\}frac{\text{http://www.kff.org/other/state-indicator/distribution-of-revenue-by-source-for-community-health-centers/?currentTimeframe=0\&sortModel=\%7B\%22colId\%22:\%22Location\%22,\%22sort\%22:\%22asc\%22\%7D$

³ https://bphc.hrsa.gov/about/healthcenterweek.html; and https://bphc.hrsa.gov/about/healthcenterweek/socialvets.jpg

⁴http://www.nachc.org/wp-content/uploads/2017/09/SafetyNetExtendersNationalLetter_FINAL_9.5.17.pdf; and http://www.nachc.org/wp-content/uploads/2017/03/Strengthening-the-Safety-Net_NACHC_2017.pdf; ⁵ Ibid.

Community Health Centers State-by-State

State	Total Patients Served	Number of Full Time Employees	Percent of Patients Served by Rural Organizations	Percent of CHC Patients Uninsured	Percent of CHC Patients on Medicaid	Estimated Annual Savings (Millions of \$)	FY 2016 CHC Funds Awarded (Millions of \$)
Alabama	331,260	1693	83%	46%	29%	\$514	\$55.6
Alaska	110,494	1753	89%	32%	26%	\$171	\$48.7
Arizona	500,940	4452	69%	17%	47%	\$777	\$63.6
Arkansas	186,191	1407	72%	22%	36%	\$289	\$34.6
California	4,065,289	33360	49%	22%	63%	\$6,305	\$494.2
Colorado	553,807	4798	48%	22%	57%	\$859	\$72.8
Connecticut	350,055	3192	67%	16%	63%	\$543	\$45.7
Delaware	45,487	374	19%	29%	42%	\$71	\$10.2
District of Columbia	170,638	1810	21%	19%	55%	\$265	\$20.3
Florida	1,313,406	8920	36%	34%	43%	\$2,037	\$170.2
Georgia	405,030	2355	56%	42%	26%	\$628	\$83.7
Hawaii	150,251	1698	49%	14%	57%	\$233	\$23.2
Idaho	166,336	1307	74%	36%	24%	\$258	\$33.2
Illinois	1,229,655	7592	52%	20%	61%	\$1,907	\$144.8
Indiana	444,450	3232	20%	22%	53%	\$689	\$58.6
Iowa	184,520	1348	42%	25%	45%	\$286	\$28.0
Kansas	191,689	1162	71%	42%	30%	\$297	\$34.5
Kentucky	378,258	2364	74%	15%	49%	\$587	\$54.8
Louisiana	344,364	2300	66%	33%	42%	\$534	\$74.7
Maine	187,269	1589	65%	16%	24%	\$290	\$32.9
Maryland	303,352	2747	42%	19%	50%	\$470	\$40.8
Massachusetts	723,923	8509	20%	16%	49%	\$1,123	\$95.4
Michigan	638,735	4901	60%	16%	55%	\$991	\$97.3
Minnesota	173,571	1482	19%	29%	47%	\$269	\$29.1
Mississippi	288,047	1749	67%	33%	33%	\$447	\$49.9
Missouri	500,713	3748	54%	27%	44%	\$777	\$83.1
Montana	104,033	835	92%	39%	19%	\$161	\$29.7
Nebraska	76,504	662	40%	47%	30%	\$119	\$16.7
Nevada	83,917	648	N/A	30%	42%	\$130	\$15.3
New Hampshire	86,383	802	91%	15%	34%	\$134	\$18.5
New Jersey	491,912	2986	11%	26%	59%	\$763	\$62.6
New Mexico	301,209	2888	62%	26%	42%	\$467	\$55.9
New York	1,907,971	15176	40%	17%	55%	\$2,959	\$194.5
North Carolina	471,725	3337	67%	42%	26%	\$732	\$92.0
North Dakota	36,016	283	61%	29%	30%	\$56	\$7.4
Ohio	623,026	3831	64%	16%	57%	\$966	\$108.0
Oklahoma	184,687	1315	50%	33%	36%	\$286	\$43.6
Oregon	369,933	4139	56%	19%	60%	\$574	\$67.3
Pennsylvania	742,749	4501	56%	18%	49%	\$1,152	\$67.4
Rhode Island	152,822	1221	47%	12%	57%	\$237	\$21.0
South Carolina	364,466	2834	74%	29%	36%	\$565	\$60.1
South Dakota	64,271	460	81%	31%	24%	\$100	\$12.1
Tennessee	369,445	2359	59%	35%	34%	\$573	\$62.4
Texas	1,214,971	9519	50%	42%	29%	\$1,884	\$179.9
Utah	143,712	917	34%	53%	18%	\$223	\$29.5
Vermont	155,624	1128	89%	7%	32%	\$241	\$22.6
Virginia	286,168	2121	56%	33%	25%	\$444	\$64.8
Washington	971,099	8364	80%	19%	59%	\$1,506	\$96.0
West Virginia	399,213	2766	97%	9%	36%	\$619	\$52.8
Wisconsin	301,900	2266	65%	17%	62%	\$468	\$35.5
Wyoming	18,392	196	97%	35%	16%	\$29	\$6.0

Sources: JEC Democratic Staff analysis of data from National Association of Community Health Centers and Ku L, et al. *Using Primary Care to Bend the Cost Curve:*Estimating the Impact of a Health Center Expansion on Health Care Costs. Policy Research Brief No. 14. September 2009. And, Heisler, Elayne J. The Community Health Center Fund: In Brief (CRS Report No. R43911, 2017).

Note: Annual savings are based on 2015 cost savings estimates data found in Ku L, et. al.