



Wisconsin Primary Health Care Association



Overview of the Health Center Program and Opportunities for Expansion

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FQHC Background



Medicare and Medicaid statutes define a provider type: “Federally Qualified Health Center” (FQHC)

– *Respectively, Social Security Act §1861(aa)(4) and §1905(l)(2)(B)*

- Entity that receives a grant under section 330 of the Public Health Service Act – Health Center Program
- Entity that is determined by HHS to meet requirements to receive funding without actually receiving a grant (*i.e.*, FQHC “Look-Alike” entity – PINs 2009-06 and 2009-07)
- Entities that are outpatient health programs or facilities operated by a tribe or tribal organization under the Indian Self-Determination Act or by an Indian organization receiving funds under Title V of the Indian Health Care Improvement Act.



Health Center Program: Background



- Federal support for health centers began in 1965 under President Johnson's War on Poverty.
- The Health Center Program (authorized under section 330 of the Public Health Service (PHS) Act) includes:
 - Community Health Center Program – section 330(e)
 - Migrant Health Center Program – section 330(g)
 - Health Care for the Homeless Program – section 330(h)
 - Public Housing Primary Care Program – section 330(i)
- FY 2010 appropriation of \$2.190 billion.
- HRSA provides Federal grant funding to over 1,100 health center grantees in every State, the District of Columbia, Puerto Rico, the Virgin Islands, and the Pacific Basin that deliver primary and preventive care through almost 8,000 comprehensive service sites.



Health Center Program: Fundamental Principles



- Private non-profit or public agency that must serve a **high need community or population**, i.e. medically underserved areas (MUA) or medically underserved populations (MUP);
- **Governed by a community board** of which a majority (at least 51%) are health center patients who represent the population served;
- Provide **comprehensive primary care** services as well as enabling/supportive services such as education, translation and transportation that promote access to health care;
- Services are **available to all** with fees adjusted based upon ability to pay;
- Establish linkages and **collaborative arrangements** with other community providers to maximize resources and efficiencies in service delivery systems;
- Meet other **performance and accountability requirements** regarding administrative, clinical, and financial operations.



Additional Requirements for FQHC Look-Alikes



- Must meet the statutory, regulatory and program requirements for grantees supported under section 330.
- Must not be owned, controlled or operated by another entity.
- Must be operational and providing primary care services at the time of application.



Health Center Program: Benefits



- Access to Federal grant funds to support the costs of uncompensated care
- Eligible for –
 - Enhanced reimbursement under Prospective Payment System (PPS) or other state-approved alternative payment methodology for services provided under Medicaid
 - Cost-based reimbursement for services provided under Medicare
- Participation in the 340B (discounted) Drug Pricing Program
- Health Professional Shortage Area Designation and participation in National Health Service Corps
- Federal Tort Claims Act (FTCA) malpractice coverage (*Health Center Program grantees only*)
- Federal Loan Guarantee Program (*Health Center Program grantees only*)



Program Administration



- Health Center Program:
 - Discretionary grant program administered by HRSA.
 - Competitive application reviews with announced deadlines.
 - Project periods up to 5 years.
- FQHC Look-Alike Program:
 - Operated under an intra-agency agreement between HRSA and Centers for Medicare and Medicaid Services (CMS).
 - HRSA is responsible for assuring compliance with requirements under section 330 and making recommendations to CMS for designation.
 - CMS has final authority to designate FQHC Look-Alikes.
 - Non-competitive process - applications reviewed on a rolling basis in the order received (no set deadline).



Application Review Process



- Health Center Program funding opportunities are announced on:
 - HRSA web site:
<http://www.hrsa.gov/grants/default.htm>
 - Grants.gov: <http://grants.gov/>
- FQHC Look-Alike Program:
 - application guidance is available at:
<http://bphc.hrsa.gov/policy/pin0906/>
 - Applications are submitted directly the HRSA/BPHC



The Affordable Care Act



- The Affordable Care Act provides \$11 billion in funding over the next 5 years for the operation, expansion, and construction of health centers throughout the Nation.
- \$9.5 billion is targeted to:
 - Create new health center sites in medically underserved areas.
 - Expand preventive and primary health care services, including oral health, behavioral health, pharmacy, and/or enabling services, at existing health center sites.
- \$1.5 billion will support major construction and renovation projects at community health centers nationwide.
- This increased funding will nearly double the number of patients accessing primary health care services in health centers.



Types of Funding Opportunities



New Access Points:

- HRSA anticipates that \$250 million may be available to support approximately 350 grant awards in FY 2011.
- Applications Due:
 - Grants.gov: November 17, 2010, 8 PM EST
 - EHB: December 15, 2010, 5 PM EST
- Open to all eligible organizations - 1 application per organization
- Maximum annual grant request = \$650,000
 - \$150,000 may be used in Year 1 for one-time costs



Types of Funding Opportunities



New Access Points:

- Must propose to establish at least one new service delivery site to provide comprehensive primary care services:
 - New Starts: Organization that does not currently receive any funding under section 330 may expand existing sites or establish new sites
 - Satellites: Organization that currently receives funding under any of the section 330 programs proposing to establish a new delivery site(s).
- Must propose to serve a federally designated MUA/MUP if requesting Community Health Center funding (*new starts only*)
- Must be operational within 120 days of grant award
- 2-year project period for New Starts



Types of Funding Opportunities



Planning Grants:

- Open to all eligible organizations (current Health Center Program grantees are not eligible)
- One award per organization
- Maximum annual grant request = \$80,000
- One year project period
- Funds cannot be used for:
 - The provision of patient care services or supplies that are ordinarily reimbursable (e.g., physical exams, therapy sessions, pharmaceuticals).
 - Primary care site development or service expansions (e.g., extended clinic hours).
 - Capital equipment used for reimbursable patient care and services (e.g., radiology equipment, ambulances).