

APRIL 2026

# FUNDAMENTALS OF COMMUNITY HEALTH CENTERS

An overview of Federally Qualified-  
Community Health Centers:  
Past, Present, & Future

Prepared by:  
Wisconsin Primary Health Care Association

Based On:  
The Fundamentals of Community Health Centers  
from the National Health Policy Forum

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# INTRODUCTION

The Wisconsin Primary Health Care Association (WPHCA) is the member association for the 18 Community Health Centers, 16 Federally Qualified Health Centers and 2 Look-A-Likes, in Wisconsin.

Community Health Centers throughout the state provide quality primary, oral health, and behavioral health care and substance use disorder services to nearly 300,000 Wisconsinites each year. WPHCA accomplishes its mission through a wide range of activities and services to partners, including information and public education, government relations and legislative engagement and advocacy, and training and technical support.

WPHCA is proud to represent Community Health Centers and highlight their value and efforts to improve the health of their communities. WPHCA created this introduction to Community Health Centers because we understand that not everyone knows what Community Health Centers are or the role they play in increasing access to comprehensive, quality primary health care services for all residents of our state.

# COMMUNITY HEALTH CENTER PROGRAM HISTORY

Community Health Centers originated thanks to the determination of community health and civil rights activists who fought to improve their communities by addressing poverty and a need for health care.

One of these activists, Dr. Jack Geiger, was inspired by a community-based health care model while studying in South Africa. He saw how it was able to address the health needs of the Zulu population during apartheid and knew that this system could make improvements to health care access and delivery for the poorest citizens in the rural South, the urban North, Appalachia, and the Native American Reservations.

Dr. Geiger and his colleagues submitted a proposal to the Office of Economic Opportunity for a pilot project under President Johnson's *War on Poverty*. This proposal to develop a comprehensive approach to community health in the U.S. led to the creation of the first Community Health Centers in Boston, Massachusetts and Mound Bayou, Mississippi in 1965.

The community residents and providers that founded Community Health Centers in the U.S. believed that everyone should have access to quality health care no matter who they are, where they live, or their ability to pay. By combining the resources of local communities with federal funds, Community Health Centers were able to address many drivers of health such as unemployment, poverty, housing, nutrition, and environmental health issues. The Community Health Center movement continues to bring doctors and health care services into nearly 1,500 rural and urban medically underserved areas operating over 17,000 sites all across the country and the movement continues to grow.<sup>1</sup>

**COMMUNITY  
HEALTH  
CENTERS  
STARTED AS  
A PILOT  
PROJECT  
UNDER THE  
WAR ON  
POVERTY**

1. [National Association of Community Health Centers \(NACHC\), "What is a Community Health Center," 2026.](#)

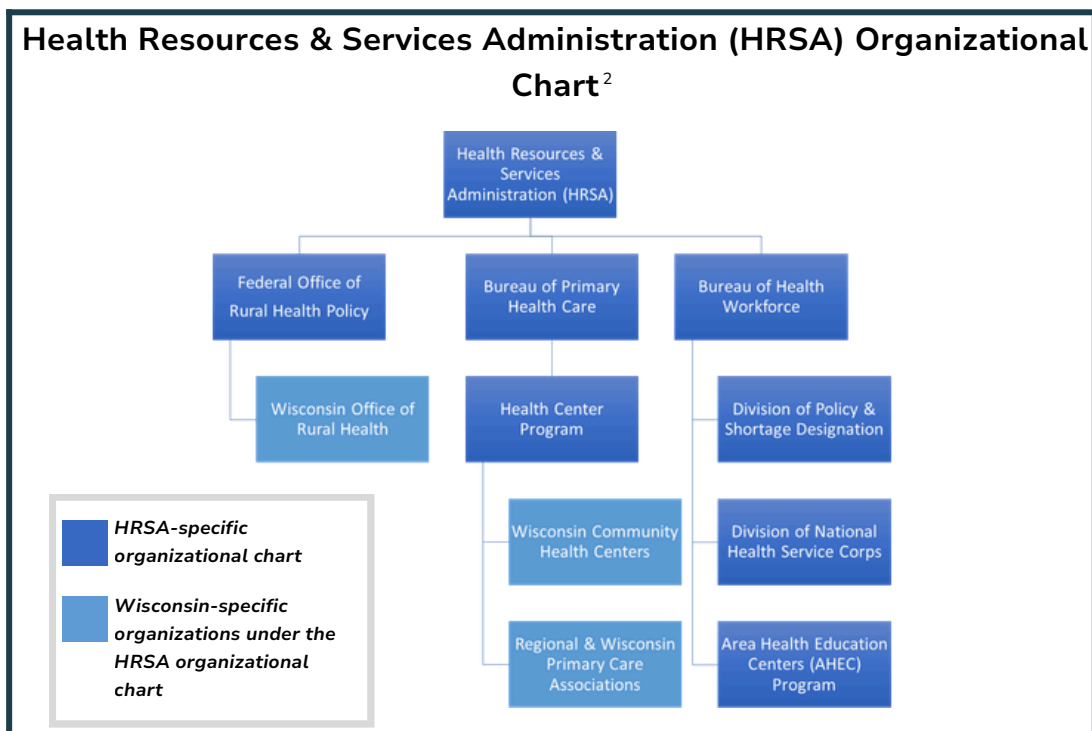
# COMMUNITY HEALTH CENTER ADMINISTRATIVE HISTORY

**THE COMMUNITY HEALTH CENTER MISSION HAS ENDURED OVER THE YEARS: PROVIDE ACCESS TO HIGH QUALITY, COST-EFFECTIVE HEALTH CARE SERVICES TO EVERYONE, REGARDLESS OF INSURANCE STATUS OR ABILITY TO PAY.**

The Community Health Center program that originated in the Office of Economic Opportunity moved to the Department of Health, Education, and Welfare, which was later renamed the Department of Health and Human Services (DHHS) where Community Health Centers are managed today. Within the DHHS, the U.S. Department of Health Resources and Services Administration (HRSA) and the Bureau of Primary Health Care (BPHC) administer the health center program.<sup>2</sup>

Although the administration of the program has changed throughout the years, the bipartisan support for Community Health Centers and the many services they provide to their communities has remained constant.

The Community Health Center mission has endured over the years: provide access to high quality, cost-effective health care services to everyone, regardless of insurance status or ability to pay.



<sup>2</sup> Health Resources Services Administration (HRSA). Organization. "Health Resources and Services Administration." 2021.

# WHAT ARE COMMUNITY HEALTH CENTERS?

WPHCA defines a Community Health Center as a public entity or non-profit corporation that delivers primary medical, dental, and mental health services in medically underserved areas.

Community Health Centers are defined by the requirements of the federal grants that they receive. In order to maintain clarity, unless otherwise noted, this document will refer to “Community Health Centers,” commonly known as “Health Centers,” or referred to as “CHCs” as organizations that receive federal grants under section 330 of the Public Health Service Act and that are Federally Qualified Health Centers (FQHCs). The term FQHC is defined in the Medicare and Medicaid statutes and is used by CMS to indicate that an organization is approved to be reimbursed as an FQHC. HRSA also provides special designations to some entities such as FQHC Look-Alikes (LAL), homeless, migrant and seasonal farm worker, and public housing Health Centers. In Wisconsin, Community Health Centers that focus on HRSA-designated special populations such as patients experiencing homelessness and migrant seasonal agricultural workers are considered dually designated Community Health Centers.<sup>3</sup>

Term	Definition <sup>3</sup>
Health Center Program Grantee	Health Center Program grantees are organizations that receive grants as authorized under section 330 of the Public Health Service Act. They are also sometimes referred to as “federally-funded health centers” or “HRSA-funded health centers.”
Federally Qualified Health Center (FQHC)	The term FQHC is defined in the Medicare and Medicaid statutes. It is used by CMS to indicate that an organization is approved to be reimbursed under Medicare and Medicaid using specific methodologies for FQHCs.
Community Health Center (CHC)	CHC is commonly used to refer to the subset of Health Center Program grantees that receive funding to target a general underserved community or population. However, "CHC" not defined in the section 330 statute.
FQHC Look Alike (LAL)	FQHC Look-Alikes are health centers that have been certified by the Centers for Medicare and Medicaid Services (CMS), based on recommendations provided by HRSA/BPHC, as meeting all Health Center Program requirements, but do not receive section 330 funding.
Health Center	Health Center is a non-specific term that does not specifically indicate whether an entity is a Health Center Program grantee, an FQHC Look-Alike, or an FQHC.

<sup>3</sup> [Health Center Program Terminology Tip Sheet, 2018.](#)

# Community Health Center Program Requirements

## 01

### 330 Grant Fund Requirements

1. Offer services to everyone, regardless of ability to pay;
2. Serve a federally designated Medically Underserved Areas (MUA) or Medically Underserved Population (MUP);
3. Represent the communities served through its patient majority board of directors; and
4. Use a sliding fee scale based on the patient's income and family size.<sup>4</sup>

## 02

### Medically Underserved Area or Medically Underserved Population Requirement

These designations require an Index of Medical Underservice (IMU) score of 62 or below out of 100. An IMU score is determined by four weighted data variables:

- The ratio of primary medical care physicians per 1,000 population;
- Infant mortality rate;
- Percentage of the population with incomes below poverty; and,
- Percentage of the population age 65 or older.<sup>5</sup>

Critics of the IMU argue it does not address low insurance rates, does not account for the number of providers who are actually willing to serve the uninsured, does not include non-physician providers in calculations, and relies too heavily on infant mortality rate. However, if communities feel that they deserve this designation without the proper IMU score, a Governor's designation can be secured by applying for an exception and demonstrating unmet need. Once a Community Health Center receives MUA status, they are able to continue operating in the area even as the status may change.

4. HRSA. "Health Center Compliance Manual." 2025.

5. HRSA. "Health Workforce Shortage Areas." 2026.

# 03

## Community Health Center-Related Programs

Community Health Centers leverage a variety of other related programs. All Community Health Centers and Look-Alikes gain access to:

- Federally Qualified Health Center Prospective Payment System reimbursement for services to Medicare and Medicaid beneficiaries;
- 340B Drug Pricing Program discounts for pharmaceutical products;
- Free vaccines for uninsured and underinsured children through the Vaccines for Children Program; and,
- Assistance in the recruitment and retention of primary care providers through the National Health Service Corps.

Community Health Centers that receive federal grant funding may also gain access to medical malpractice coverage under the Federal Tort Claims Act (FTCA), and some Community Health Centers receive federal loan guarantees for capital improvements.<sup>4</sup>

4. HRSA. "Health Center Compliance Manual." 2025.

# WHAT IS AN FQHC LOOK-ALIKE?

Public or private non-profit health care organizations can apply to become a Federally Qualified Health Center (FQHC) Look-Alike (LAL) at any time. FQHC LALs have to meet the same requirements as traditional FQHCs and are eligible for many of the same benefits. The review process takes about four months.

Look-Alikes are not eligible for:

- Federal Tort Claims Act (FTCA) medical malpractice coverage;
- Federal loan guarantees for capital improvements; and
- LALs don't receive federal grant funds, but they are eligible to apply for full FQHC status and are well-positioned to be successful.<sup>6</sup>

## Section 330 FQHC vs FQHC LAL Support<sup>7</sup>

	FQHC	LAL
Competitive Application Process	✓	
Receive direct funding from the federal government	✓	
Located in medically underserved areas	✓	✓
Provide services regardless of patients' ability to pay	✓	✓
At least 51 percent of governing board members are patients	✓	✓
Provide a detailed scope of primary health care and enabling services	✓	✓
Enhanced Medicaid/Medicare Reimbursement	✓	✓
Access to National Health Services Corps /J-1 Visa Waiver programs	✓	✓
FTCA Coverage	✓	
340B Drug Pricing Program	✓	✓
Federal Loan Guarantee Program	✓	
Comply with BPHC Uniform Data System (UDS) and Performance Review Protocols	✓	

6. HRSA. "Health Center Program Look-Alikes." 2024.

7. Illinois Primary Health Care Association (IPHCA). "Starting an FQHC." 2026.

# HEALTH PROFESSIONAL SHORTAGE AREA (HPSA)

HPSAs are designated areas by HRSA as having shortages of primary care, dental care, or mental health providers. Community Health Centers are considered Automatic Facility HPSAs.

Another designation based on federal standards are HPSAs. HPSAs are designated areas by HRSA as having shortages of primary care, dental care, or mental health providers. There are a few different types of HPSA designations:

- **Geographic HPSA:** A shortage of providers for an entire group of people within a defined geographic area.
- **Population HPSA:** A shortage of providers for a specific group of people within a defined geographic area (e.g., low-income, migrant farm workers).
- **Facility HPSA:** Includes Correctional Facility, State/County Mental Hospital, Automatic Facility HPSA, and others.

Community Health Centers are considered Automatic Facility HPSA as HRSA automatically designates HPSAs based on statute through regulation.<sup>8</sup>

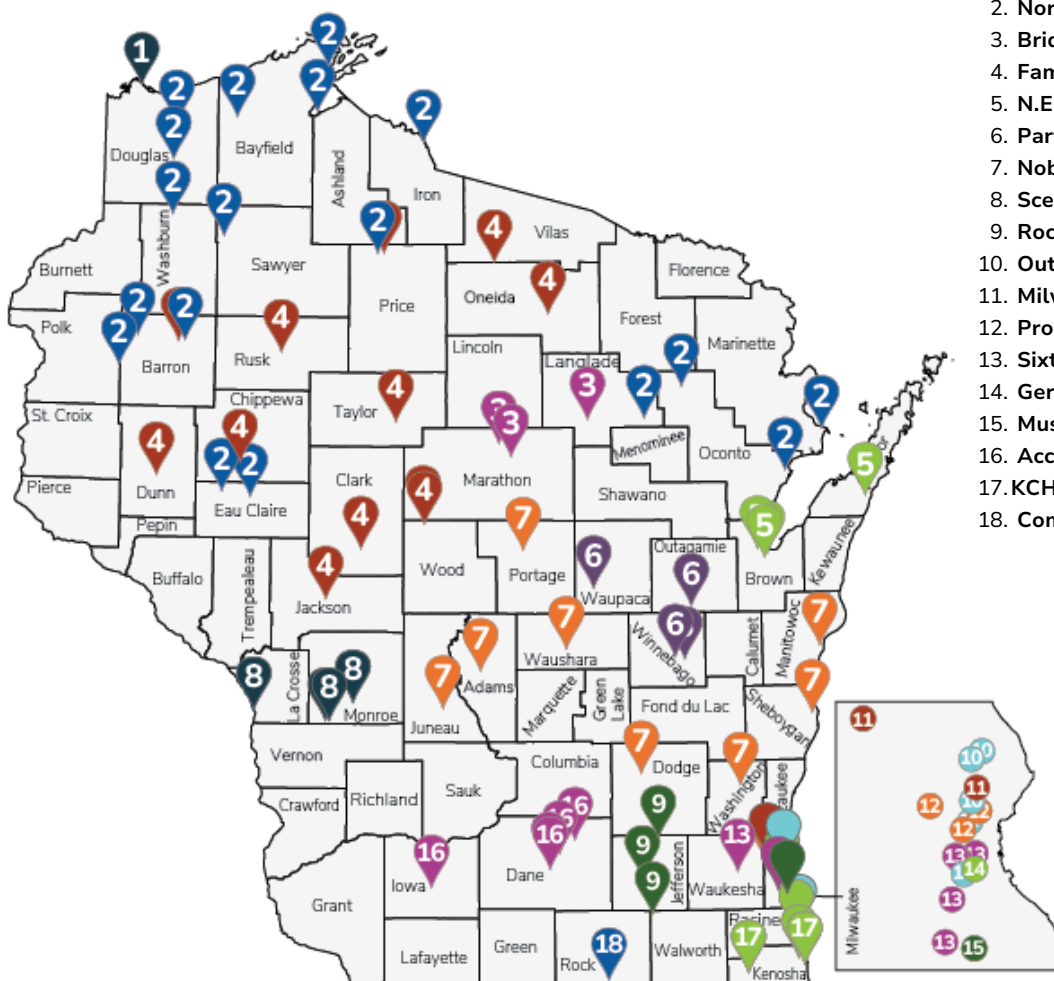
8. [HRSA. "What is a Shortage Designation?" 2023.](#)

# COMMUNITY HEALTH CENTERS IN WISCONSIN

The first Community Health Center in Wisconsin was founded in Milwaukee in 1969.

Sixteenth Street Community Health Center was Wisconsin's first designated Federally-Qualified Community Health Center. A network of clinics in rural northeastern Wisconsin also began in the 1970s; at the same time, activists were working in the state's urban areas, fighting for health care equity in minority populated areas. After serving patients for years as free clinics in their communities, many of Wisconsin's current Community Health Centers achieved FQHC status.

There are currently 18 Community Health Centers located in Wisconsin. These 18 Community Health Centers provide care through over 200 service delivery sites to nearly 300,000 patients annually.<sup>9</sup>



1. Lake Superior Community Health Center
2. NorthLakes Community Clinic
3. Bridge Community Health Clinic
4. Family Health Center of Marshfield
5. N.E.W. Community Clinic
6. Partnership Community Health Center
7. Noble Community Clinics
8. Scenic Bluffs Community Health Centers
9. Rock River Community Clinic
10. Outreach Community Health Centers
11. Milwaukee Health Services, Inc.
12. Progressive Community Health Centers
13. Sixteenth Street Community Health Centers
14. Gerald L. Ignace Indian Health Center
15. Muslim Community & Health Center
16. Access Community Health Centers
17. KCHC | Pillar Health
18. Community Health Systems

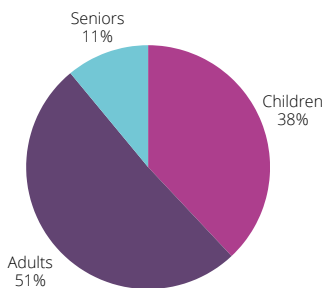
9. Uniform Data Systems (UDS). 2024.

# Who Do Community Health Centers Serve?

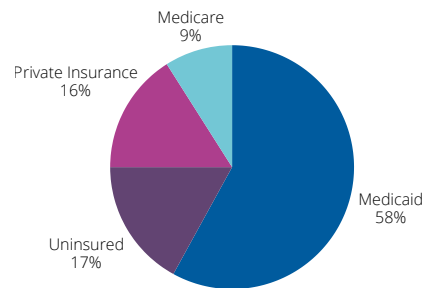
Community Health Centers are committed to serving vulnerable populations; however, who is deemed vulnerable and who faces the largest barriers to accessing care can vary from community to community. Community Health Centers determine the scope of services and population focus areas based on understanding the unique needs and health care access gaps in their local communities. Wisconsin Community Health Centers provided care to over 298,000 patients in 2024. Each year, Community Health Center grantees report on their performance using the measures defined in the Uniform Data System (UDS).<sup>9</sup> The UDS is a standardized federal reporting system that provides consistent information about Community Health Centers. Below is the demographic snapshot of those patients.

## Community Health Centers by the Numbers <sup>8</sup>

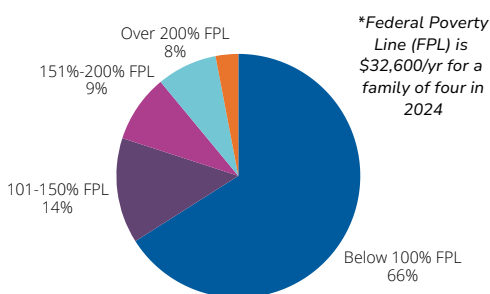
Total Patients by Age (2024).



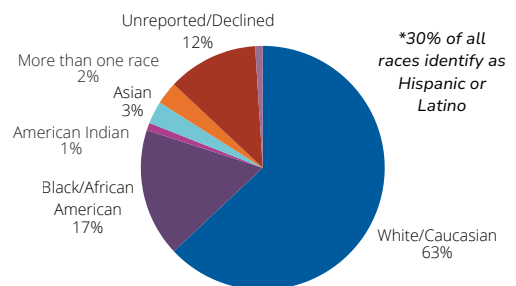
Patient Demographic by Insurance (2024).



Patient Demographic by Income\* (2024).



Patient Demographic by Race\* (2024).



HRSA has identified unique special populations who are disproportionately impacted by unequal access to healthcare. These special populations include school-based patients, patients experiencing homelessness, veterans, and migrant seasonal agricultural workers. In 2024, Wisconsin Community Health Centers served:<sup>9</sup>

- 8,257 school-based patients
- 3,974 patients experiencing homelessness
- 3,504 veterans
- 1,537 seasonal agricultural workers

9. Uniform Data Systems (UDS). 2024.

# SERVICES PROVIDED

As Wisconsin Community Health Centers continue to expand the number of patients they serve, they also continue to expand the services that they provide. Community Health Centers provide comprehensive primary and preventive health care that includes a wide variety of services. Community Health Centers provided over 1.1 million office visits in 2021.<sup>9</sup>

Below are examples of services provided by Community Health Centers, though each Community Health Center will provide services that best meet the unique needs of their communities. Services may be provided in person or via telehealth, depending on the visit type and patient needs.

<h3>Primary Care</h3> <ul style="list-style-type: none"> <li>• Family Medicine Services &amp; Pediatrics</li> <li>• Obstetrics/Gynecology</li> <li>• Internal Medicine</li> <li>• At-Home Visits</li> <li>• Diagnostic Laboratory &amp; Radiology Services</li> <li>• Check-ups, Immunizations, Prenatal &amp; Perinatal Services</li> </ul>	<h3>Preventative Care</h3> <ul style="list-style-type: none"> <li>• Cancer Screenings</li> <li>• Communicable Disease Screenings</li> </ul>	<h3>Enabling Services</h3> <ul style="list-style-type: none"> <li>• Care &amp; Case management</li> <li>• Translation &amp; interpretation</li> <li>• Transportation</li> <li>• Enrollment Assistance</li> <li>• Health Education</li> <li>• Connection to Community Supportive Services &amp; Assistance Programs</li> </ul>
<h3>Dental</h3> <ul style="list-style-type: none"> <li>• Cleaning</li> <li>• Sealants</li> <li>• Oral surgery</li> <li>• Seal-a-Smile School Programs</li> <li>• Restorative Care (including Fillings, Crowns, &amp; Dentures)</li> </ul>	<h3>Pharmacy</h3> <ul style="list-style-type: none"> <li>• Clinical Pharmacy Programs</li> <li>• Diabetes Management</li> <li>• Collaborations for Medication Therapy Management (MTM)</li> <li>• Prescription Filling</li> </ul>	<h3>Health Promotion</h3> <ul style="list-style-type: none"> <li>• Annual Preventative Visit</li> <li>• Wellness Physicals</li> <li>• Sports Physicals</li> </ul>
<h3>Chronic Disease Management</h3> <ul style="list-style-type: none"> <li>• Diabetes</li> <li>• Hypertension</li> <li>• Coronary Artery Disease</li> <li>• Chronic Obstructive Pulmonary Disease (COPD)</li> </ul>	<h3>Mental Health &amp; Substance Use Disorder Recovery</h3> <ul style="list-style-type: none"> <li>• Counseling Services</li> <li>• Medication-Assisted Treatment (Suboxone and Vivitrol)</li> <li>• Short-Term Residential Treatment</li> <li>• Community Based After-Care Services</li> </ul>	<h3>Non-Traditional Services</h3> <ul style="list-style-type: none"> <li>• Chiropractic</li> <li>• Acupuncture</li> <li>• Prescription for Wellness</li> <li>• Child Care</li> <li>• Community gardens and beehives</li> <li>• Yoga</li> <li>• Back to School Events</li> <li>• Community Building</li> <li>• Cultural Events</li> </ul>

9. Uniform Data Systems (UDS). 2024.

# SERVICES PROVIDED, CONTINUED

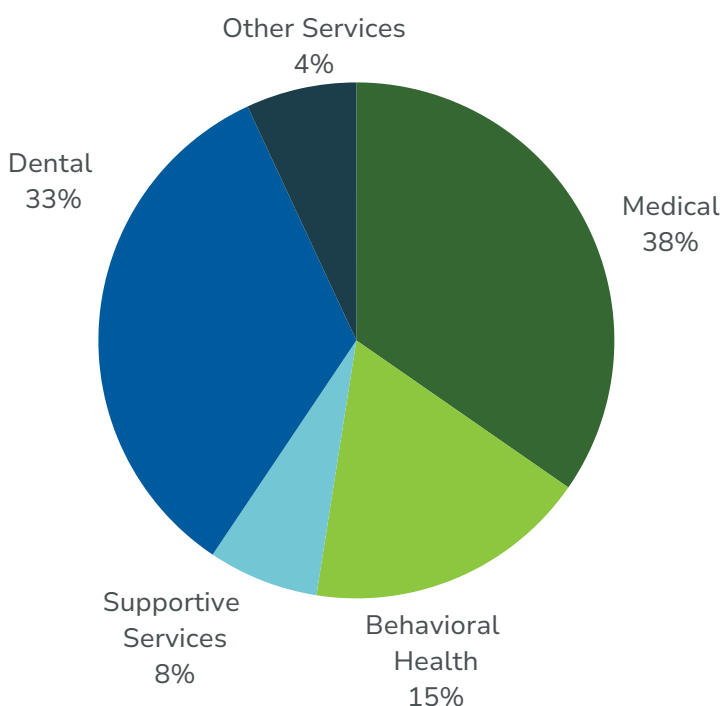
## Integration of Care

- Patients can access multiple services (Dental, Behavioral Health, Medical) during a visit to the Community Health Center
- Patients are screened and assessed to understand how the Health Center can best meet that patient's needs across multiple service lines
- Patient care may be provided by a cross-functional team
- Established, consistent care teams
- Medical & dental integration- care teams may consists of multiple specialties or cross-functional team visits

## Referrals and Specialty

- In cases where Community Health Centers do not offer services on-site or where demand exceeds capacity, they are able to refer patients to other providers, and the Community Health Center may support the cost of primary care referral services
- Specialty Access for Uninsured Program (SAUP) is a program that connects patients between the Emergency Room and Community Health Centers in Milwaukee

Patient Visits by Service Type (2024).<sup>9</sup>



**IF A PATIENT IS NOT INSURED OR UNDERINSURED AND EARNS AN INCOME BELOW 200% OF THE FEDERAL POVERTY LINE, THEY WILL BE PROVIDED WITH A SLIDING FEE DISCOUNT**

9. Uniform Data Systems (UDS). 2024.

# COMMUNITY HEALTH CENTER WORKFORCE

Workforce is a key component to Community Health Centers' success in expanding access to high-quality, cost-effective care. Care teams include a wide variety of staff roles such as medical, behavioral health, oral health, substance use disorder recovery, and other clinical staff. Staff work in an interdisciplinary setting to facilitate access to care and improve health outcomes for their patients. Community Health Centers across the nation now employ over 325,000 staff, the majority of whom deliver direct patient care. The number of Community Health Center clinical care staff has approximately doubled since 2005. Wisconsin Community Health Centers employ over 3,200 full time employees across the state.<sup>9</sup>



## Workforce and Staffing Needs

Nearly all Community Health Centers struggle with gaps in their clinical staff. Nationwide, 95% of Community Health Centers have at least 1 clinical vacancy. With one retirement or departure to another location, a whole community can lose access to care.<sup>10</sup>



## Recruitment & Retention

Community Health Centers continue to innovate in the face of recruitment and retention challenges. They participate in federal initiatives designed to place clinicians in underserved areas, such as the National Health Service Corps (NHSC), Nurse Corps, and Teaching Health Centers programs. These programs are important in maintaining an adequate workforce ready to serve our nation's most vulnerable patients.

- Community Health Centers report challenges with recruiting candidates who have proficient language skills and/or cultural competency.
- It can be challenging to recruit and retain staff to work in medically underserved or health professional shortage areas, particularly for Community Health Centers in rural settings.

Wisconsin Community Health Centers have been recognized as an important training ground for providers in the primary care field, as well as a source of employment for new providers and staff. Federal programs such as the NHSC and Wisconsin's own state based loan repayment program have helped attract providers to Community Health Centers in our state.

9. Uniform Data Systems (UDS). 2024.

10. WPHCA. "Community Health Center Workforce." 2022.



## J-1 Visa Waiver Program

- A J-1 visa waiver eliminates the two-year home residency requirement and allows a physician to stay in the U.S. to practice in a federally designated primary care or mental health HPSA if recommended by an interested federal government agency.
- The Wisconsin Division of Public Health (DPH) is the designated state agency that can submit J-1 recommendations to the U.S. Department of State (USDOS). DPH accepts applications for J-1 recommendations from health facilities, or their attorneys, after an offer of employment has been made to the foreign physician.
- Starting October 1 each year, Wisconsin begins accepting J-1 waiver applications from employers. Applications are reviewed and decisions made on a first-come basis until all 30 slots are filled.<sup>11</sup>
- The USDOS reviews state recommendations and submits its recommendation to the U.S. Citizenship and Immigration Services, which makes the final J-1 visa waiver decision.<sup>12</sup>



## Scholarships & Loan Repayment for Providers

- The National Health Service Corps (NHSC) Program provides scholarships and loan repayment to health care providers who commit to providing care in the communities who need them most. All service sites are within HPSAs.
- In Wisconsin doctors have the opportunity to participate in NHSC. The majority are loan repayors (earning up to \$50,000 towards student loans in exchange for a two-year commitment at a NHSC-approved site) and others are NHSC scholars (providers who are committed to primary care and who received a NHSC scholarship that pays tuition, fees, other educational costs and provides a living stipend in return for a commitment to work at least two years at a NHSC approved site in a medically underserved community, which is different than a Medically Underserved Area, or MUA).
- All 17 FQHCs in Wisconsin are NHSC-approved sites, and the majority employ some type of provider through the NHSC program.
- Nationwide, there are over 63,000 total NHSC providers working in Community Health Centers.<sup>13</sup>

11. Wisconsin Department of Health Services (DHS), "J-1 Visa Waiver." 2026.

12. U.S. Department of State, "Waiver of the Exchange Visitor Two-Year Home-Country Physical Presence Requirement." 2026.


13. HRSA, National Health Service Corps, "About Us." 2025.



## Community Training & Development Programs

- In response to the shortage of physicians in urban areas of Wisconsin, the University of Wisconsin School of Medicine and Public Health (SMPH) developed the Training in Urban Medicine and Public Health (TRIUMPH) program to train third and fourth year medical students in urban clinical settings.<sup>14</sup>
- The Wisconsin Academy for Rural Medicine (WARM) is a four-year program with the goal to “recruit students with rural backgrounds and career goals, develop a rural medical education track, and eventually expand rural residency training opportunities in the state.”<sup>14</sup>
- Northeastern Wisconsin (NEW) Psychiatry Residency Program is geared toward instilling the knowledge base and ability needed to care for the mental health needs of rural areas and beyond.<sup>15</sup>

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MARGINALIZED  
COMMUNITIES.**



14. [University of Wisconsin. "MD Program." 2026.](#)

15. [Medical College of Wisconsin. "Northeastern Wisconsin Residency Program." 2026.](#)

# THE COMMUNITY HEALTH CENTER DIFFERENCE

Community Health Center patients are predominantly low income, uninsured, or insured through Medicaid, and members of historically marginalized communities. They also experience high rates of complex and chronic conditions. Research consistently demonstrates that Community Health Centers effectively manage the care of their patient population and deliver needed savings to the health care system.

Nationally, Community Health Centers are currently serving more people than ever with patient numbers reaching over 50 million people – that's 1 in 7 Americans, according to the National Association of Community Health Centers (NACHC).<sup>16</sup>

The growth in Community Health Center patients and integrated services signal a rising demand for affordable and comprehensive preventive and primary care services, especially among Veterans and rural residents. Community Health Centers are also addressing public health crises in local communities, such as the opioid use epidemic, natural disasters, and untreated chronic diseases – all at a cost savings to the American taxpayer.

Community Health Centers are small businesses that create jobs and generate income for local communities. Community Health Centers create over \$261 billion in total economic activity and generate over \$30 billion in annual tax revenues nationwide. As the number of patients grows, so do the economies of their local communities.<sup>16</sup>

**COMMUNITY HEALTH CENTERS SAVE OVER  
\$91 BILLION TO THE HEALTH CARE SYSTEM  
ANNUALLY<sup>16</sup>**

16. Capital Link. "Beyond Care: The Reach of the National Health Center Program." 2026.

# PROVIDING QUALITY CARE

America's Community Health Centers are embracing policies and systems solutions that together can help move the health care delivery infrastructure towards one that emphasizes access to high-quality primary care for all Americans, especially for the underserved. This includes innovative care models that are focused on team-based approaches and greater use of technology to bridge gaps in care. Quality is integrated into the Community Health Center model, from a requirement to have a quality plan to many Community Health Centers having a dedicated Quality Improvement (QI) staff.

## Patient-Centered Medical Homes (PCMH)

PCMH is a team-based health care delivery model led by a health care provider to provide comprehensive and continuous medical care to patients with a goal to obtain maximal health outcomes. Traditional health care models often revolve around what works best for a provider and the care team. PCMH is a model that puts the focus back on the patient and builds their relationship with the care team. The Community Health Center model is well aligned with PCMH to improve health outcomes and increase patient and staff satisfaction.

Thirteen Wisconsin Community Health Centers have achieved PCMH recognition through the National Committee for Quality Assurance, Joint Commission, and AAAHC.<sup>17</sup>

## Culture of Excellence

The Culture of Excellence is an effort of the Performance Excellence Committee (PEC) of the WPHCA board to support Health Centers in collective improvement efforts and encouraging organizational models where leadership, managers, front-line staff, and providers are all engaged, communicative and committed to advancing the success of their Health Center and Community. Each Health Center participates in the Culture of Excellence by engaging with resources and tools, and sharing lessons, best practices and data transparently with each other. Health Center's uniqueness is respected by supporting their strategic priorities, characteristics and challenges.

Building off of a long history of transparent data sharing among Health Centers in the state, the Culture of Excellence kicked off in 2017 with individualized monitoring and outreach to Health Centers around five priority measures and the development of toolkits and training/technical assistance to support improvement in processes and performance. Learning and resources were shared between Health Centers to encourage spread of promising practices.

As the effort has evolved, the Culture of Excellence is now focused on capturing and spreading the stories of promising practices from Health Centers and sharing them broadly. The goal is to help elevate Health Centers to the top of their game, understanding that each Health Center has different patient populations and barriers to overcome, but that the north star is creating a "Culture of Excellence" statewide.<sup>18</sup>

17. HRSA. "HRSA Accreditation and Patient-Centered Medical Home Recognition Initiative." 2025.

18. WPHCA. "Culture of Excellence." 2026

# HOW ARE COMMUNITY HEALTH CENTERS FINANCED?

Community Health Centers rely on multiple streams of funding including federal grants, foundation or private grants, state and local grants, and their largest revenue stream is patient payment. While all Community Health Centers depend on multiple and diverse funding and policies, three key and common federal resources are how Community Health Centers are financed. These include Federal Health Center appropriations, Medicaid, and savings from the 340B Drug Discount Pricing Program.<sup>19</sup>

## 01

### Federal Health Center Appropriations

Federal grants for the Community Health Center Program grantees are the second largest revenue source. Grants provide the foundation on which Community Health Centers can open their doors to medically underserved communities, allowing these health care homes to expand the range of services regardless of patient insurance status, enabling them to care for seven million uninsured patients. Congress supports Community Health Centers in two ways:

1. Discretionary appropriations, which Congress must allocate each year; and
2. Mandatory funding of the Community Health Center Fund, which is currently a multiple-year commitment that must be renewed periodically. This source accounts for approximately 70 percent of federal grants and its stability allows health centers to innovate to best serve their patients' unique health needs.<sup>19</sup>

<sup>19</sup> NACHC. "Health Center Funding," 2026.

## 02

### Medicaid | Wisconsin BadgerCare

One-fifth of all people in the U.S. who rely on Medicaid for insurance coverage get their care at Community Health Centers, where they comprise half the patient population. Patients rely on Medicaid for vaccinations, wellness visits, behavioral health, maternal health care, and dental services, among many other services that help prevent disease and maintain wellness. The longstanding partnership between Medicaid and Community Health Centers allows them to improve outcomes as well as accrue savings, as they save around \$2,400 per Medicaid patient compared to other providers. In Wisconsin, 55% of Community Health Center patients are enrolled in BadgerCare, Wisconsin's Medicaid program.<sup>9</sup>

## 03

### Savings from 340B

The 340B Drug Pricing Program enables Community Health Centers to offer prescription medications at significantly reduced costs for Community Health Center patients, 90% of whom live at or below 200% of the Federal Poverty Level and may lack insurance coverage. The 340B program is crucial because it ensures critical medications are available for patients with complex chronic conditions such as diabetes, asthma, high cholesterol, and hypertension. This is especially important because Community Health Centers have higher rates of patients with chronic conditions and their patients are also more likely to report being in fair or poor health compared to the national average.

9. Uniform Data Systems (UDS). 2024.

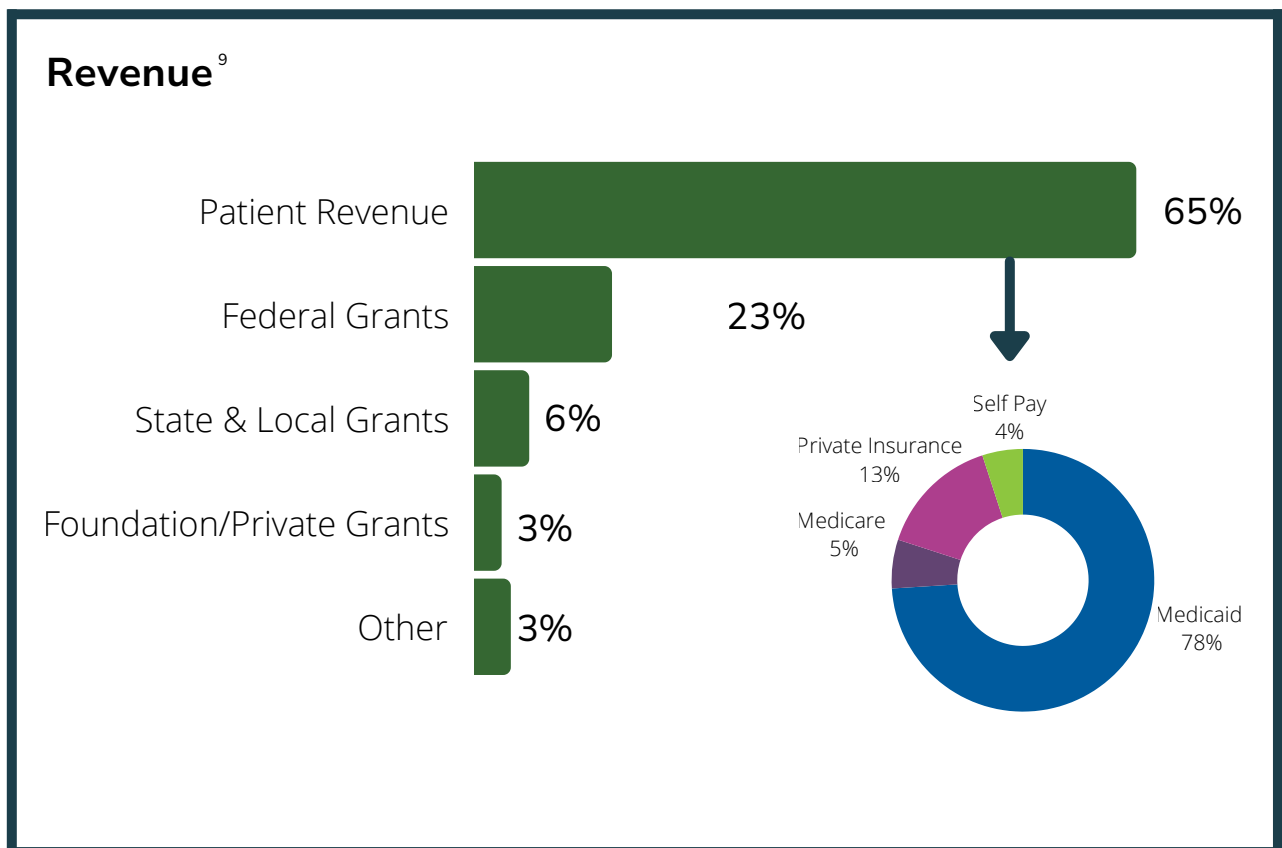
# State Funding

Since 1999, Community Health Centers in Wisconsin have received state grant funding from the Wisconsin Department of Health Services - Division of Public Health to address local and state health priorities. This includes over \$5.3 million in state general purpose revenue funding. In 2025, Community Health Centers advocated for and received an annual \$1 million increase to the Community Health Center State Grant, which is shared across the 16 Federally Qualified Community Health Centers. Community Health Centers are currently using these funds to make significant impacts in every community they serve. Some initiatives include:

- Increasing access to oral health care, particularly for vulnerable populations
- Continuously reinvesting in innovative quality improvement activities that improve quality of care and care outcomes
- Significantly broadening access to substance use disorder (SUD) treatment and co-located mental health services
- Improving access to preventive care and chronic disease management, reducing overall cost
- Building partnerships that directly impact the health of entire communities

# Private Funding

Private or foundation grant funding is often sought to help close budget gaps, but the funding is not predictable. Foundation grants and private donations make up about 3% of the overall revenue of Community Health Centers in Wisconsin.<sup>9</sup>



9. Uniform Data Systems (UDS). 2024.

# EXPANSIONS

The value of Community Health Centers has been recognized with bipartisan support. Under President George W. Bush, the Health Center Expansion Initiative added 1,200 Community Health Centers nationally and doubled the patients served over 5 years. During this period, the Health Center Program was reauthorized twice by Congress, leading to continued and increased investment.

Under President Obama, the American Recovery and Reinvestment Act of 2009 created \$2 billion in federal investments nationally and Wisconsin received \$15,817,799. These funds were used to meet growing demand for services by creating new access points, improving facilities, creating Health Center Controlled Networks (HCCNs), and to support health information technology (HIT) incentives. The most significant investments came in 2010 through the establishment of a new Health Center Fund, providing \$11 billion in dedicated funding to support both operational and capital costs to supplement Community Health Centers' 2010 discretionary funding levels. The Health Center Fund was spread out over five years, and also called for targeted investments in workforce capacity through the NHSC. The Patient Protection and Affordable Care Act (ACA) in 2010 also called for new Community Health Centers, expansions, capital funding, and service line expansions.

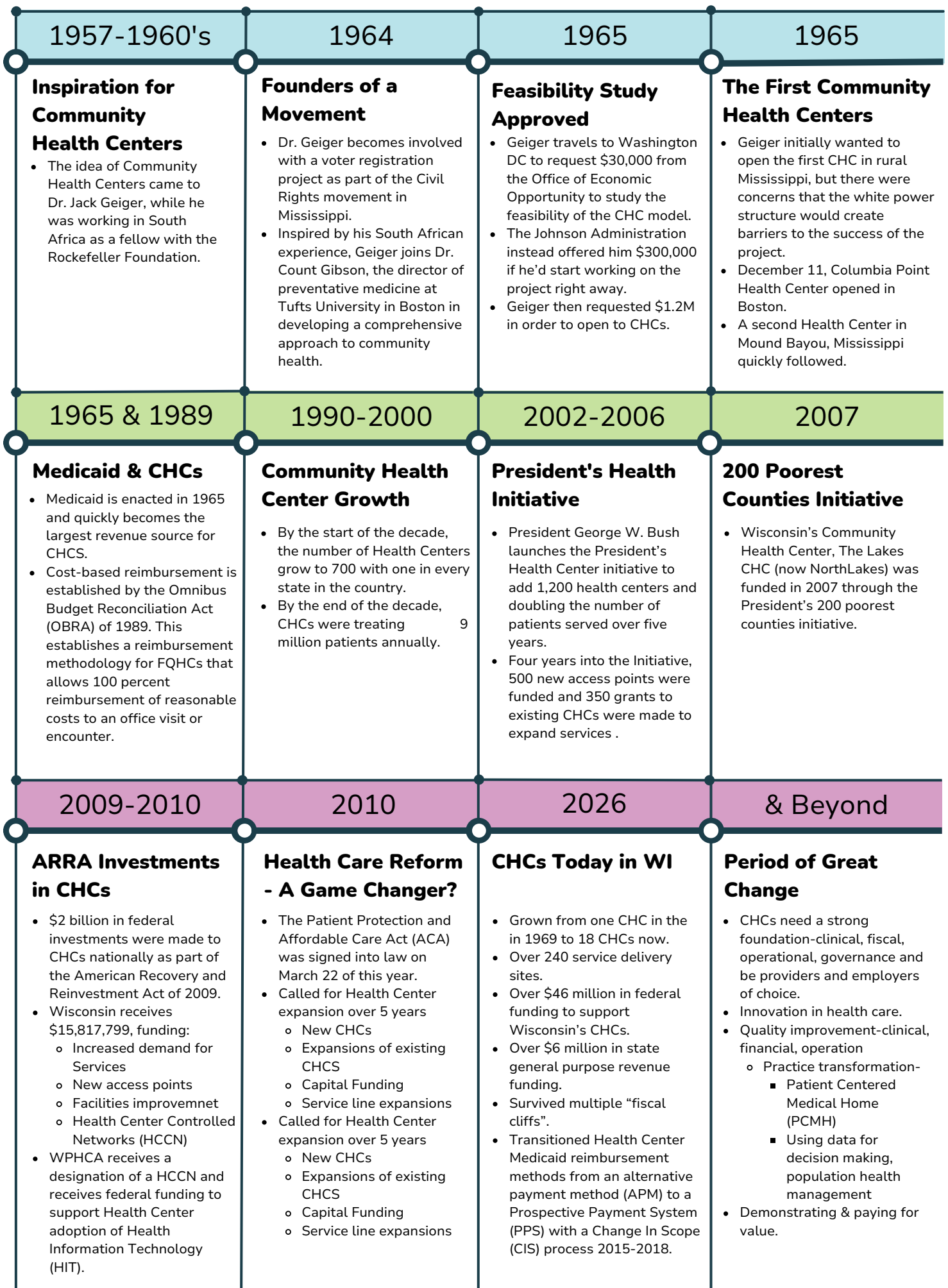
More recently, Community Health Centers have been called upon to address mental health, behavioral health, and opioid and substance use treatment needs. WPHCA has assisted with building new Community Health Center capacity by:

- Supporting Community Health Centers in navigating the regulatory requirements for these new services;
- Facilitating training on subjects ranging from behavioral health and primary care integration, screening, brief intervention, and referral to treatment (SBIRT), and medication assisted treatment (MAT); and,
- Developing telehealth policies and procedures.

These expansions and additional funding have allowed Community Health Centers to expand their sites from 73 in 2008 to over 200 in 2024. There has also been an increase in patients and visits to Community Health Centers.<sup>20</sup>

20. CHC Chronicles. "Health Centers Then & Now." 2026.

# TIMELINE<sup>20</sup>



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## The Wisconsin Primary Health Care Association



The mission of the Wisconsin Primary Health Care Association is to improve health through the work of Community Health Centers and their partners.

We envision a future where all individuals and communities in Wisconsin achieve their highest potential.

Our vision as an organization is that WPHCA is a wildly welcoming and inclusive organization that models growth and learning in a multiracial, multicultural workforce. We are a catalyst for change in Wisconsin as we address and repair past and present harms in health care.

To achieve this vision, we will adopt anti-racist strategies, working at the intersections of structural racism and the social determinants of health, and will support our partners in doing the same.

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