

Congress on the Un and Under Insured/National Congress on
Health Reform
September 22-24, 2008
Washington, DC

**Considering the Alternative of Forming
a Federally Qualified Health Center**

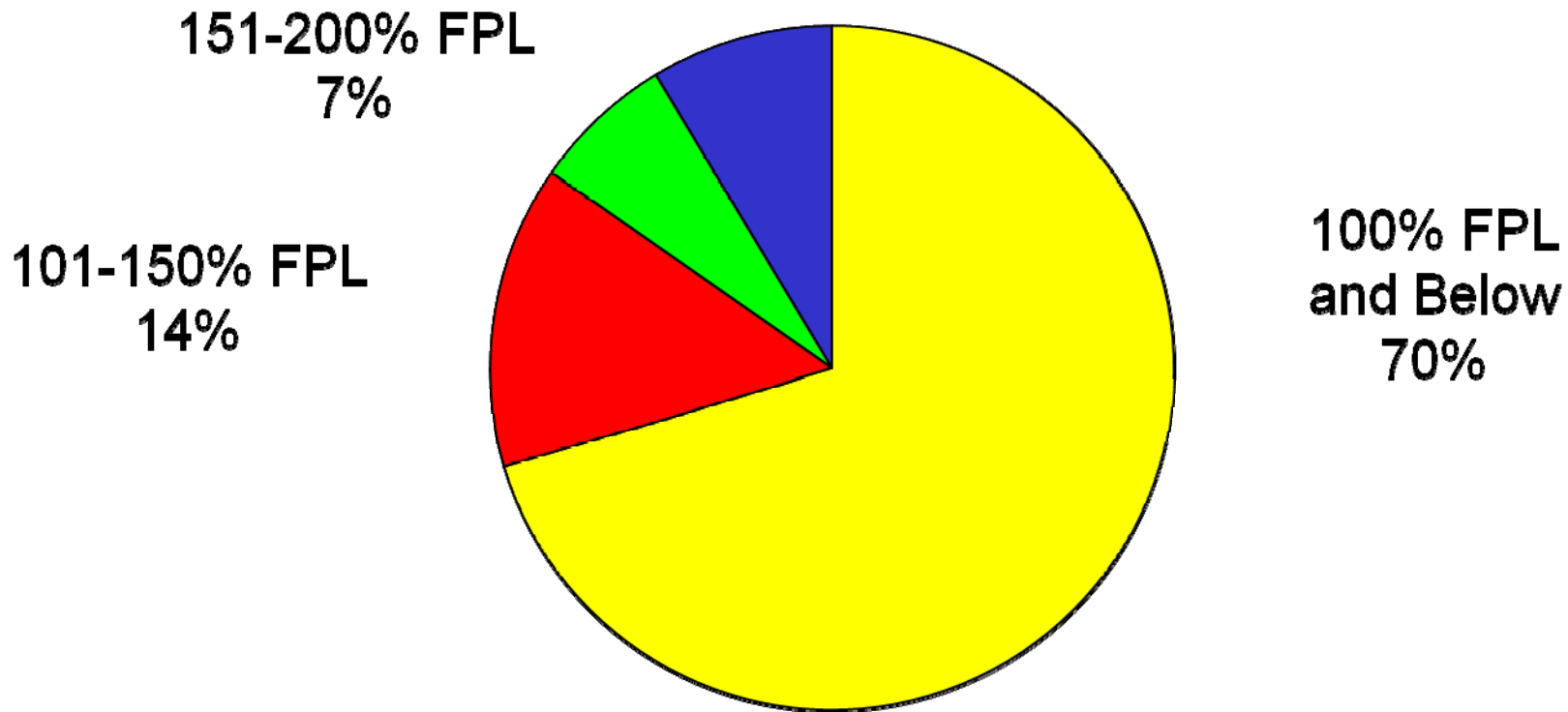
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Executive Branch Liaison**

National Association of Community Health Centers

- What are Health Centers
 - Grantees under Section 330 of the Public Health Service Act (PHSA): 42 USC 254b
 - CHC, MHC, HCH
 - “Look -alikes”
 - Administered by HRSA
 - To qualify:
 - Provide comprehensive primary and preventive health care and enabling services
 - MUA/MUP Designation
 - Non-profit or public entity
 - Serve all regardless of ability to pay and apply sliding fee schedule of discounts
 - Majority of Board of Directors must be users of the health center

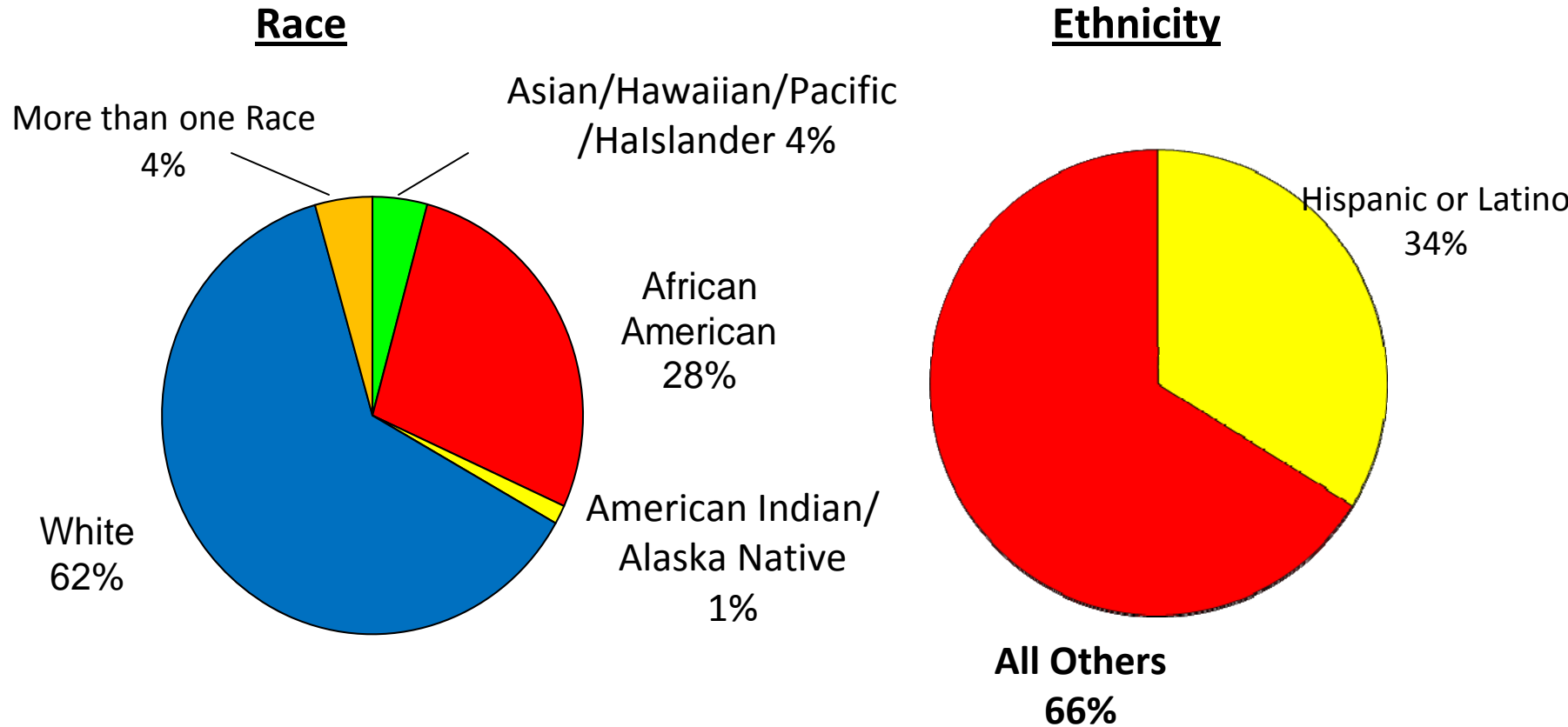
- Patients of the Health Center
 - 1200 health center grantees and 6600 delivery sites
 - Medical and health care home for 18 million people nationwide

Figure 1
Health Center Patients By
Income Level, 2007
Over 200% FPL
9%



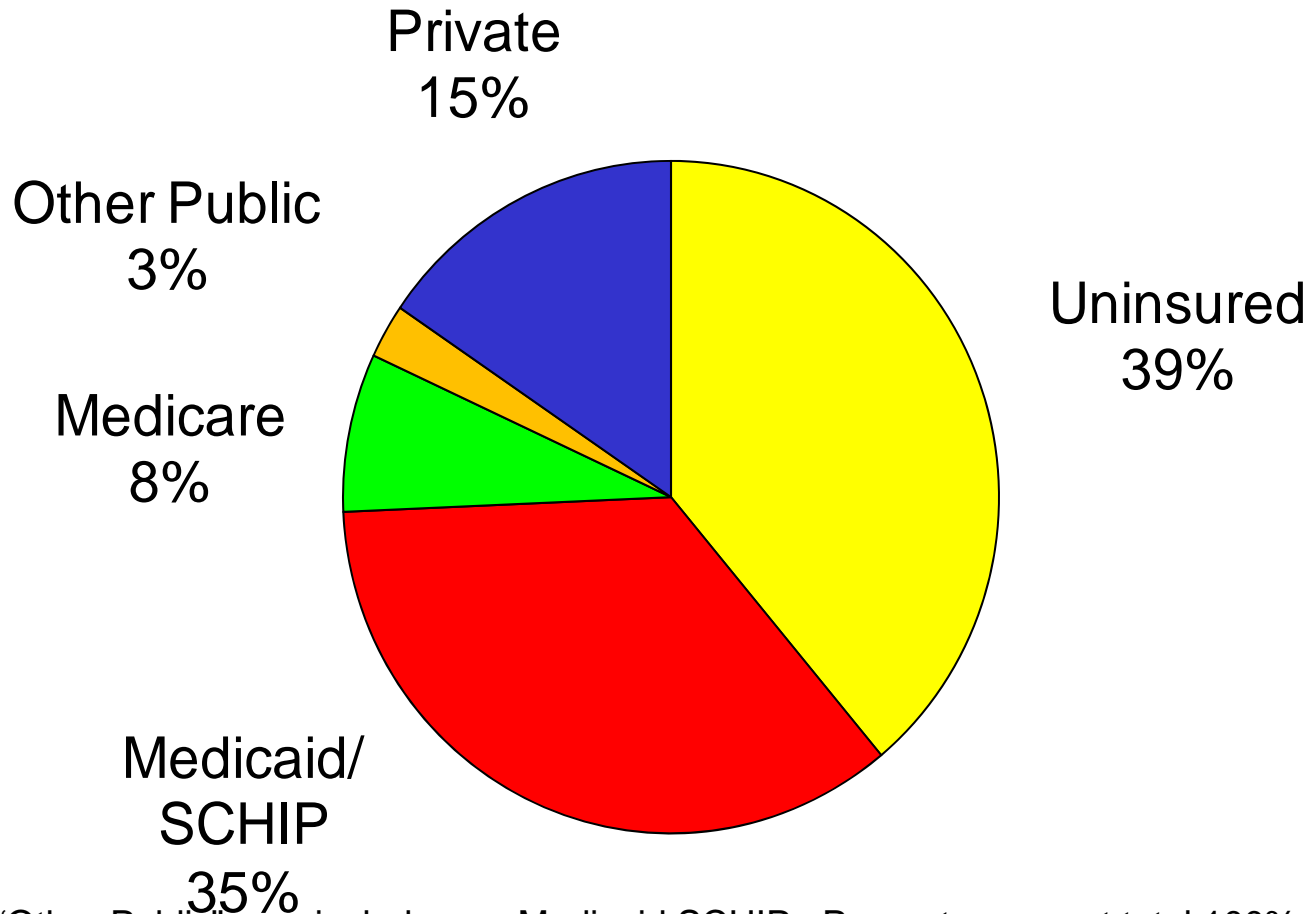
Source: Bureau of Primary Health Care, HRSA, DHHS, 2007 Uniform Data System

Figure 2
Health Center Patients By
Race/Ethnicity, 2007



Source: Bureau of Primary Health Care, HRSA, DHHS, 2007 Uniform Data System

Figure 3
Health Center Patients
By Insurance Status, 2007



Note: "Other Public" may include non-Medicaid SCHIP. Percents may not total 100% due to rounding.
Source: Bureau of Primary Health Care, HRSA, DHHS, 2007 Uniform Data System

- Other Programs and Benefits that Support Health Centers

- Medicaid – FQHCs

- Mandatory service: RHC services and any other ambulatory service in state plan
 - Prospective payment or alternative payment methodology
 - Managed care wrap-around
 - FQHC Look-alikes
 - 42 USC 1396d (a)(2)(C), 1396a(a)(10)(A), 1396d(1)(2), 1396a(bb)

- Medicare – FQHCs
 - Reasonable cost reimbursement but with a “cap”
 - RHC services plus DSMT, MNT, and preventive primary care services per Section 330 of PHSA.
 - Managed care wrap-around under Medicare Advantage
 - No deductible
 - 42 USC 1395x (aa)(3) and (4), 13951(a)(3)

- Section 340B Drug Rebate Program:
 - Health centers and FQHCs are “covered entities”
 - Condition for Medicaid participation by drug manufacturers
 - “duplicate discount” issue in Medicaid
 - 42 USC 256b

- FTCA Coverage
 - Deeming process
 - Covers health centers, their employees and certain contractors
 - Issues regarding treatment of non-health center patients
 - 42 USC 233 (g)-(n)

- Federal Anti-kickback Safe Harbors
 - For waiving cost-sharing for patients with income below 200% FPL
 - For certain health centers (not look-alikes)
 - 42 USC 1320a-7b(b)(3)(D) and (H)
 - National Health Services Corps (NHSC)
42 USC 254d

- Where to find out more:
 - www.nachc.com
 - “So You Want to Start A Health Center: A Practical Guide for Starting a Community Health Center (Oct, 2002)
 - National Association of Community Health Centers
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