

The Community Health Center Fund: In Brief

Elayne J. Heisler
Specialist in Health Services

April 24, 2015

Congressional Research Service

7-5700

www.crs.gov

R43911

Contents

Background.....	1
CHCF as a Percentage of Health Center Funding	2
CHCF Grants Awarded	2

Figures

Figure 1. The CHCF and Health Center Funding	2
--	---

Tables

Table 1. CHCF-Supported Grant Programs	3
Table 2. CHCF Funds Awarded, by State and Territory.....	4

Contacts

Author Contact Information.....	6
Acknowledgments	6

Background

The Health Center Program, which is administered by the Health Resources and Services Administration within the Department of Health and Human Services, awards grants to outpatient health care facilities that provide care to medically underserved populations.¹ The program's annual funding has more than doubled between FY2002 and FY2015, increasing from \$1.3 billion to \$4.9 billion. This funding increase—a result of both increases in annual discretionary appropriations and supplemental funding²—has resulted in more health centers, more patients seen and more services available to these patients.³ The program's funding increase is due, in part, to the Community Health Center Fund (CHCF),⁴ a mandatory multibillion dollar fund established in the Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended). This fund is available between FY2011 and FY2017. It was intended to increase health center appropriations above the level the program received in FY2008;⁵ however, the CHCF has partially supplanted annual appropriations since it began. The CHCF also supports the National Health Service Corps, a scholarship and loan repayment program that places providers in underserved areas including at health centers. Since FY2012, the CHCF has been that program's sole funding source.⁶

CHCF funds have been used for a range of health center activities including funding new health centers, increasing services provided at existing health centers, and implementing care coordination initiatives.⁷ The CHCF represents more than 70% of the Health Center Program's FY2015 funding. Funding for the CHCF was recently extended in the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA, P.L. 114-10), which provided \$3.6 billion to support health center operations in each of FY2016 and FY2017 (a total of \$7.2 billion). This report provides information on the CHCF. Specifically, it includes information on the types of grants awarded, total funds disbursed, and the amount of CHCF funds that centers in each state and territory received.

¹ For more information on health centers, see CRS Report R43937, *Federal Health Centers: An Overview*.

² Annual discretionary appropriations during this time period and the American Recovery and Reinvestment Act (P.L. 111-5) provided supplemental funding in FY2009 and FY2010. See Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*, and CRS Report R40181, *Selected Health Funding in the American Recovery and Reinvestment Act of 2009*.

³ Peter Shin et al., *Community Health Centers: A 2012 Profile and Spotlight on Implications of State Medicaid Expansion Decisions*, The Kaiser Commission on Medicaid and the Uninsured, Issue Brief, Washington, DC, September 2014.

⁴ Section 10503 of the Patient Protection and Affordable Care Act (ACA) established the CHCF. Though the fund is named for community health centers (the most common type of health center), its funds are available for use by all four types of health centers: (1) community health centers, (2) health centers for the homeless, (3) migrant health centers, and (4) health centers for residents of public housing.

⁵ The FY2008 appropriation was \$2.1 billion; see Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*.

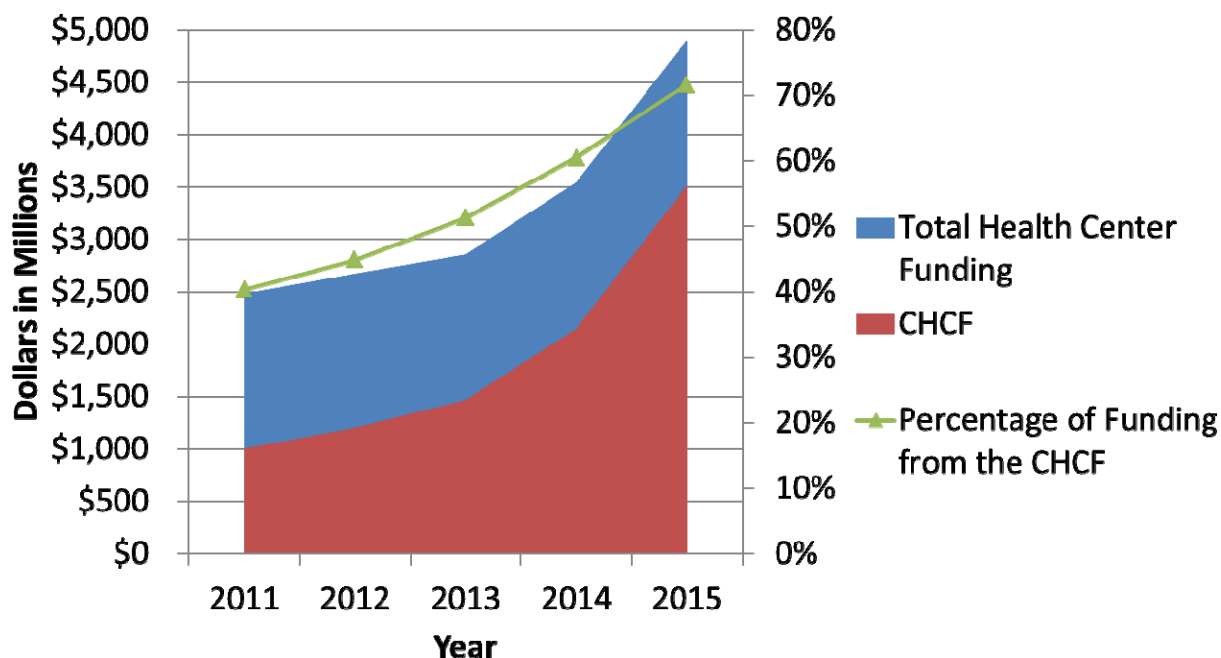
⁶ CRS Report R43920, *National Health Service Corps: Changes in Funding and Impact on Recruitment*.

⁷ See **Table 1**.

CHCF as a Percentage of Health Center Funding

The CHCF as a total percentage of federal funding for health centers has increased from 40% to 72% from FY2011 through FY2015 (see **Figure 1**).

Figure 1. The CHCF and Health Center Funding



Source: CRS analysis of HRSA's Congressional Budget Justifications.

CHCF Grants Awarded

ACA's language creating the CHCF specified rather broad purposes—that the fund be used to “provide for expanded and sustained national investment in community health centers.”⁸ CHCF funds have been used to support operating grants at existing health centers and to support a number of specific grant programs (see **Table 1**).⁹

⁸ ACA Section 10503(a).

⁹ The ACA also provided, for use between FY2011 and FY2015, \$1 billion dollars to be used for health center construction and renovation. Grant awards from this program were made in FY2011 and FY2012 and supported 398 projects at 190 centers; see CRS Report R42433, *Federal Health Centers*.

Table 1. CHCF-Supported Grant Programs

Name	Description	Funds Awarded
New Access Points	Grants to support new health center sites.	\$28.8 million (FY2011); \$128.6 million (FY2012); \$19 million (FY2013); \$150 million (FY2014); \$100 million (FY2015, expected)
Expanded Services	Grants for hiring new staff to extend hours and expand care that a health center provides.	\$295 million (FY2014)
Health Center Outreach and Enrollment Assistance	Grants to hire staff for in-person enrollment and eligibility assistance to uninsured individuals.	\$150 million (FY2013); \$58 million (FY2014)
Behavioral Health Integration	Grants to expand behavioral health services by increasing the number of providers and services offered.	\$54.6 million (FY2014); \$51.3 million (FY2015)
Patient-Centered Medical Homes (PCMH)	Grants to assist facilities with meeting the requirements to be certified as a PCMH.	\$32 million (FY2011); \$44 million (FY2012)
Quality Improvement/ Base Adjustment	Adjustments to health center base funding for ongoing operations and quality improvement activities.	\$48 million (FY2013)
PCMH Facility Improvement	Grants for PCMH construction and facility renovations.	\$35.7 million (FY2014)
Health Center Controlled Network- Health Information Technology (HIT)	Grants to expand the use of advanced HIT.	\$21 million (FY2013)
State and Regional Primary Care Association	Cooperative agreements with state and regional organizations to provide health center training and technical assistance.	\$5.2 million (FY2011); \$6.4 million (FY2013)
HIV Service Integration	Grants to support HIV services with primary care service integration.	\$5 million (FY2012); \$6.2 million (FY2014)
Planning and Development	Grants to support organizations to plan and become health centers.	\$10 million (FY2011)
Beacon Community Supplemental Funding	Grants to support health center HIT adoption so as to improve health outcomes, improve care quality, and achieve cost efficiencies.	\$8.4 million (FY2011)
Training and Technical Assistance	Cooperative agreements to provide technical assistance to organizations that support health centers.	\$2.8 million (FY2011)

Sources: CRS analysis of data from the HRSA data warehouse; CRS communication with HRSA's Office of Legislation, January 5, 2015; and HRSA and HHS press releases obtained by searching <http://www.hrsa.gov> and <http://www.hhs.gov/news/>.

CHCF funds were awarded from FY2011 through FY2015 to facilities and organizations in each of the 50 states, the District of Columbia, and the territories (see **Table 2**).

Table 2. CHCF Funds Awarded, by State and Territory

(Dollars in Thousands)

State	FY2011	FY2012	FY2013	FY2014	FY2015 ^a	Total
Alaska	\$15,176	\$16,651	\$21,855	\$31,370	\$1,042	\$86,094
Alabama	\$19,803	\$23,584	\$29,280	\$39,000	\$1,680	\$113,347
Arkansas	\$11,603	\$13,637	\$16,951	\$23,823		\$66,014
American Samoa	\$1,089	\$901	\$1,146	\$1,899		\$5,035
Arizona	\$18,945	\$20,195	\$24,729	\$37,004	\$2,100	\$102,972
California	\$120,920	\$140,404	\$178,975	\$275,331	\$12,176	\$727,806
Colorado	\$25,431	\$29,531	\$37,523	\$45,921	\$3,057	\$141,464
Connecticut	\$12,973	\$15,168	\$18,923	\$22,080		\$69,144
District of Columbia	\$4,644	\$5,147	\$5,731	\$8,542	\$128	\$24,192
Delaware	\$3,290	\$4,372	\$6,164	\$6,280		\$20,106
Florida	\$48,926	\$59,567	\$73,248	\$117,934	\$4,873	\$304,549
Federated States of Micronesia	\$423	\$438	\$476	\$1,123		\$2,459
Georgia	\$21,263	\$26,182	\$37,181	\$47,576	\$1,901	\$134,102
Guam	\$501	\$519	\$683	\$1,059		\$2,762
Hawaii	\$6,879	\$6,795	\$8,606	\$13,448	\$1,048	\$36,777
Iowa	\$8,507	\$9,537	\$12,555	\$16,899	\$378	\$47,875
Idaho	\$9,026	\$10,223	\$13,255	\$18,743	\$889	\$52,137
Illinois	\$41,748	\$50,684	\$64,450	\$88,207	\$1,365	\$246,454
Indiana	\$12,420	\$13,695	\$17,216	\$28,441	\$1,707	\$73,479
Kansas	\$7,397	\$9,633	\$13,030	\$18,278	\$1,167	\$49,504
Kentucky	\$13,683	\$17,800	\$21,803	\$31,162	\$406	\$84,854
Louisiana	\$17,792	\$19,316	\$24,680	\$43,095	\$2,742	\$107,625
Massachusetts	\$24,757	\$26,155	\$32,222	\$54,646	\$2,577	\$140,358
Maryland	\$13,633	\$13,585	\$16,069	\$27,776	\$1,701	\$72,765
Maine	\$8,751	\$9,965	\$11,100	\$17,724	\$1,744	\$49,283
Marshall Islands	\$295	\$306	\$338	\$704		\$1,643
Michigan	\$23,757	\$27,282	\$33,868	\$55,030	\$3,745	\$143,681
Minnesota	\$8,829	\$10,938	\$13,775	\$18,646	\$547	\$52,736
Missouri	\$20,092	\$22,840	\$28,811	\$45,233	\$794	\$117,770
Northern Mariana Islands		\$608	\$732	\$738		\$2,078
Mississippi	\$18,919	\$19,150	\$23,681	\$34,055	\$149	\$95,953
Montana	\$8,669	\$10,250	\$13,772	\$18,292	\$64	\$51,046
North Carolina	\$26,443	\$31,974	\$42,027	\$57,132	\$948	\$158,522

State	FY2011	FY2012	FY2013	FY2014	FY2015 ^a	Total
North Dakota	\$1,902	\$1,818	\$2,447	\$4,211	\$580	\$10,959
Nebraska	\$3,830	\$4,891	\$6,211	\$9,385	\$59	\$24,376
New Hampshire	\$4,280	\$4,927	\$7,334	\$10,909	\$557	\$28,006
New Jersey	\$18,029	\$18,509	\$25,263	\$37,524	\$1,253	\$100,578
New Mexico	\$17,132	\$19,064	\$25,423	\$32,981	\$877	\$95,476
Nevada	\$3,963	\$3,802	\$7,030	\$6,265	\$562	\$21,622
New York	\$54,430	\$69,550	\$84,280	\$114,257	\$5,420	\$327,937
Ohio	\$27,229	\$32,877	\$37,969	\$60,811	\$2,820	\$161,706
Oklahoma	\$12,270	\$15,626	\$19,901	\$22,992	\$1,507	\$72,296
Oregon	\$18,770	\$23,679	\$29,405	\$41,563	\$1,515	\$114,932
Palau	\$358	\$371	\$292	\$577		\$1,597
Pennsylvania	\$27,426	\$31,807	\$40,399	\$55,918	\$2,230	\$157,779
Puerto Rico	\$19,894	\$24,701	\$30,063	\$38,782	\$265	\$113,706
Rhode Island	\$7,259	\$6,713	\$7,671	\$11,673	\$1,043	\$34,360
South Carolina	\$20,082	\$23,988	\$31,938	\$37,320	\$113	\$113,441
South Dakota	\$4,150	\$4,523	\$5,597	\$8,434		\$22,705
Tennessee	\$17,968	\$21,473	\$26,127	\$36,560	\$3,515	\$105,643
Texas	\$60,559	\$68,428	\$86,323	\$121,729	\$5,110	\$342,149
Utah	\$6,805	\$6,834	\$10,814	\$16,712	\$1,250	\$42,414
Virginia	\$19,176	\$22,143	\$27,601	\$38,361	\$2,295	\$109,576
Virgin Islands	\$673	\$789	\$959	\$1,339		\$3,761
Vermont	\$3,791	\$4,126	\$5,439	\$10,222	\$59	\$23,636
Washington	\$27,932	\$30,811	\$40,902	\$57,496	\$4,004	\$161,145
Wisconsin	\$8,326	\$11,069	\$13,051	\$18,617	\$1,247	\$52,311
West Virginia	\$13,499	\$15,001	\$20,198	\$29,218	\$640	\$78,556
Wyoming	\$1,730	\$1,921	\$2,386	\$3,999	\$475	\$10,512
Total ^b	\$978,047	\$1,136,477	\$1,439,875	\$2,075,045	\$86,321,866	\$5,716,765
CHCF Allocation	\$1,000,000	\$1,200,000	\$1,465,000 ^c	\$2,145,000 ^c	\$3,509,000 ^c	\$9,319,000

Source: CRS communication with HRSA's Office of Legislation, January 5, 2015.

Notes: Blank cells indicate that no funds were received by that state or territory in that year.

- Data available as of January 5, 2015. Blank cells indicate that no funds were awarded to health centers in that state as of January 5, 2015. This report will be updated throughout FY2015 to reflect additional grants awarded to facilities in each state.
- Total indicates amount of grants awarded; it is lower than the amount appropriated to the CHCF as some funds are used by HRSA to administer these grant programs.
- The FY2013, FY2014, and FY2015 amounts were reduced by the sequester required under the Budget Control Act (P.L. 112-25). For more information, see CRS Report R43937, *Federal Health Centers: An Overview*.

Author Contact Information

Elayne J. Heisler
Specialist in Health Services
eheisler@crs.loc.gov, 7-4453

Acknowledgments

LaTiesha Cooper, Research Assistant, prepared the tables and figures included in this report.