

# Two-Year Extension of the Community Health Center Fund

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The Affordable Care Act (ACA, P.L. 111-148, as amended), enacted in 2010, appropriated billions of dollars of mandatory funds to support two programs that focus on expanding access to primary care services for populations that are typically underserved: the Health Centers program and the National Health Service Corps (NHSC).

The Health Centers and NHSC programs are cornerstones of the federal government's efforts to expand access to primary care. The Health Centers program helps support more than 1,400 community-based health centers operating more than 10,400 delivery sites across the country. Health centers provide care to medically underserved populations regardless of their ability to pay. They provide care for more than 24 million people annually, or about 1 in 13 Americans. The NHSC program awards scholarships and loan repayment to certain health professionals who agree to practice in shortage areas, often at health centers. The NHSC estimates that the program's clinicians provide care to 11 million people.

## Community Health Center Fund

The ACA established the Community Health Center Fund (CHCF) to help support the Health Centers and NHSC programs, and gave it a total of \$11 billion in annual appropriations over the five-year period of FY2011-FY2015. Appropriations for the CHCF were subsequently extended for two years (i.e., for FY2016 and FY2017) by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA; P.L. 114-10). MACRA provided a total of \$7.2 billion for health centers and \$580 million for the NHSC over that two-year period.

CHCF funding was initially intended to supplement the annual discretionary funds that the two programs receive through the regular appropriations process. However, CHCF funds have replaced a significant portion of the Health Center program's annual discretionary appropriations, which Congress and the President have reduced since FY2010 (see **Table 1**). In FY2017, CHCF funding represented 71.7% of the Health Center program's appropriated funding. In the case of the NHSC program, Congress and the

President eliminated its annual discretionary appropriation entirely in FY2012; since that time, the program has relied solely on CHCF funding (see **Table 1**).

**Table 1. Health Centers and NHSC Funding**  
(Millions of Dollars, by Fiscal Year)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Health Centers</b>										
Discretionary	2,141	1,481	1,472	1,492	1,397	1,392	1,390	1,387	TBD <sup>a</sup>	TBD
CHCF	NA	1,000	1,200	1,465	2,145	3,510	3,600	3,516	3,800 <sup>b</sup>	4,000 <sup>b</sup>
% CHCF	0%	40.3%	44.9%	49.5%	60.5%	71.6%	72.1%	71.7%	TBD	TBD
<b>NHSC</b>										
Discretionary	141	25	0	0	0	0	0	0	TBD <sup>c</sup>	TBD <sup>c</sup>
CHCF	NA	290	295	285	283	287	310	289	310 <sup>b</sup>	310 <sup>b</sup>
% CHCF	0%	92.1%	100%	100%	100%	100%	100%	100%	TBD	TBD

**Source:** Prepared by CRS based on HHS budget documents.

**Notes:** NA=not available. TBD=to be determined. FY2013 reflects sequestrations of discretionary and CHCF funds; FY2014, FY2015, and FY2017 reflect sequestration of the CHCF. Does not include discretionary funding appropriated for Federal Torts Claims Act for Health Centers, which is approximately \$100 million annually.

- Final discretionary funding for FY2018 is not available, but health center funding under the continuing resolutions have been at the FY2017 funding level, less a 0.6791% rescission.
- Enacted in P.L. 115-123 (the Bipartisan Budget Act of 2018, BBA 2018).
- Final discretionary funding for FY2018 has not been enacted, but funding under the continuing resolutions since the beginning of FY2018 has not included any discretionary funds for the NHSC.

## Two-Year Extension of CHCF Funding

P.L. 115-123 (Bipartisan Budget Act of 2018, BBA 2018), which, among other things, provided further continuing appropriations through March 23, 2018, also included a two-year extension of the CHCF. Specifically, it provided a total of \$7.8 billion for FY2018-FY2019 for health centers and included a number of programmatic changes to health center grants. It also appropriated \$25 million to support health center participation in the Precision Medicine Initiative’s “All of Us” Research Program, and \$60 million for health centers affected by Hurricanes Harvey, Irma, and Maria. The two-year extension represents an increase in the CHCF amounts for health centers. BBA2018 also provided level funding for the NHSC (\$620 million for the two-year period; see **Table 1**). Under the terms of BBA2018, funds will not be sequestered for FY2018 and FY2019; CHCF funding had been reduced under the sequester in some prior years. This will increase the funding available for health centers and the NHSC for FY2018 and FY2019.

Prior to BBA 2018, two quarters of CHCF funding had been included in P.L. 115-96, enacted on December 22, 2018, but that funding was at a lower level than the amount provided for FY2017. The expiration of the CHCF funding at the end of FY2017 had been referred to as a “funding cliff.” Even after partial funding was enacted in December, advocates, among others, continued to raise concern about the funding levels for health centers and whether they were sufficient to permit health centers to continue to provide services at prior levels. The BBA 2018 funding extension should resolve many of these funding concerns.

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