

The Health Center Payoff

The Health Centers Program is a proven solution for a nation searching for better returns in health care delivery. Health centers offer high-quality care and effectively manage patients' health care needs while reducing the use of costly emergency departments and hospitals.

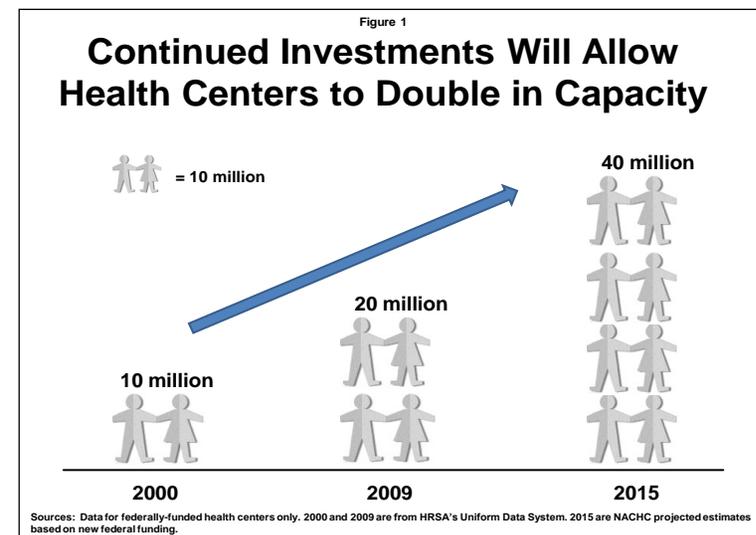
With a continued investment through 2015, health centers will:

- *Double* the number of patients served, **reaching 40 million**.
- *Nearly triple* the savings they bring to the entire health care system, attaining **\$63 billion in savings annually**.
- *Accumulate two and half times* the amount of economic growth, **yielding \$54 billion in economic gains for low-income communities**.

Community Health Centers: The Local Prescription for Better Quality and Lower Costs

The nation's Community Health Centers¹ deliver a unique approach to health care that propels system-wide cost savings, improves patient health, and generates significant local economic returns. Today, **health centers operate in more than 8,000 locations and serve 23 million patients** – making up a substantial share of the nation's primary care infrastructure. They provide **one-quarter of all primary care visits for the nation's low-income population**,² and generate **\$24 billion in annual savings**.³

Health centers stand ready to carry on their bipartisan expansion effort, which began over 10 years ago and continues today. Health centers are actively working to implement their plans to reach more underserved communities, further improve their high-quality care, and lead efforts to transform the entire delivery system to be more efficient. Health centers are more than just places for patients to access medical care. They tailor their comprehensive services to remove persistent barriers to care and meet their communities' unique cultural and health needs. Health centers offer a proven solution for a nation searching for better returns in the health care delivery system.



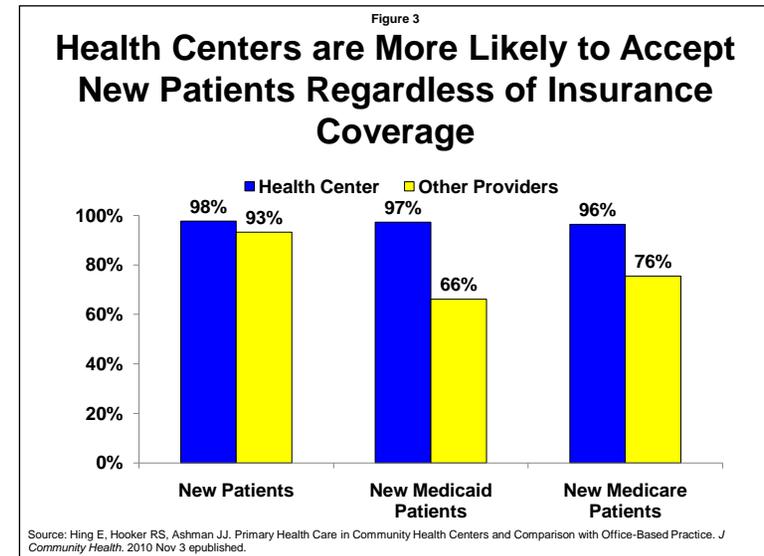
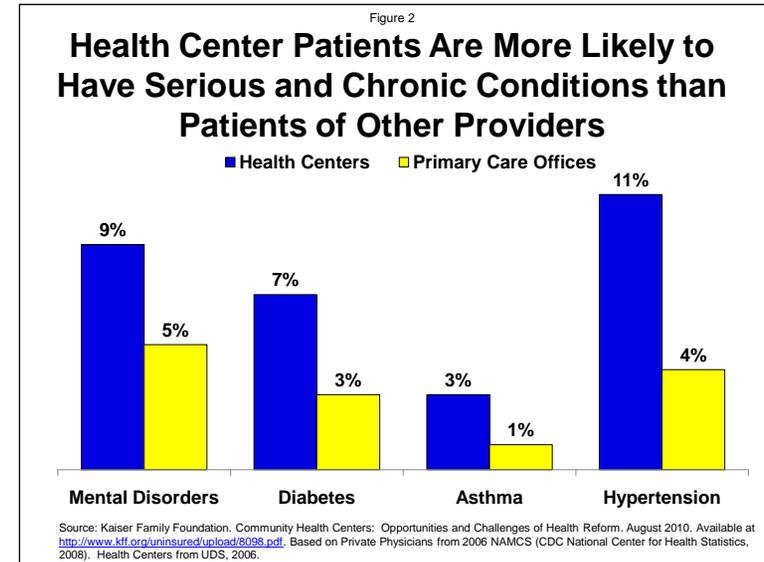
A Booster Shot in Growth

Previous research concluded that 60 million Americans lack a source of primary care because of provider shortages, even though many of these individuals actually have insurance.⁴ Congressional investments, including the Bipartisan Health Center Initiative and most recently the Affordable Care Act (ACA), have become stepping stones to **double health center capacity to serve 40 million by 2015** (see Figure 1).

As health centers continue to expand into underserved areas, evidence shows they will serve ever-larger numbers of patients with complex health problems and at higher risk for poor health outcomes than the general public. Yet, health center patients actually report better access to care than those served by other providers.⁵

Compared to other primary care providers, health centers are more likely to:

- Accept new patients (see Figure 3);
- Offer more evening and weekend hours;⁶
- Offer dental, behavioral health, and pharmacy services;
- Provide access to a usual source of care for Medicaid and uninsured patients;⁷
- Provide translation and linguistic services to overcome language barriers;^{8,9} and
- Serve more chronically ill, uninsured, publicly insured, and minority patients.¹⁰



Average Cost Per Patient Per Day

1. Hospital Inpatient.....	\$41.36
2. Hospital Outpatient.....	\$7.59
3. Emergency Room.....	\$3.64
4. All Physician Settings.....	\$2.64
5. Health Center.....	\$1.67

Source: 1-4: Agency for Healthcare Research and Quality. Medical Expenditure Survey Summary Tables, 2008. Available at <http://meps.ahrq.gov>. 5: Bureau of Primary Health Care, Health Resources and Services Administration, DHHS. 2009 Uniform Data System

Affordable Medicine

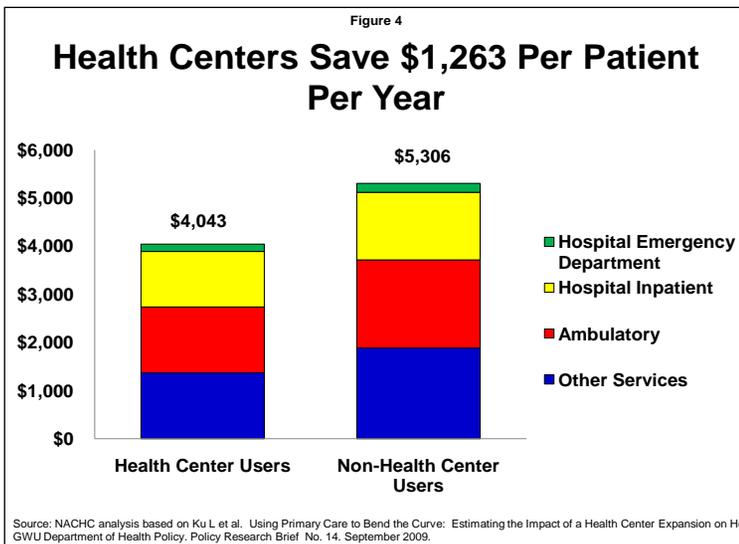
Although health centers provide services not typically furnished in other care settings, their costs are still lower. Their costs run at least a dollar less per patient per day compared to all physician settings (\$1.67 vs. \$2.64), and far below the cost of a hospital stay.

Despite their lower costs of care, health centers generate significant returns on investment. Their proficient provision of preventive and primary care services reduces unnecessary, avoidable, and wasteful use of health resources. Research also shows that they reduce the rate of preventable hospitalizations, inpatient days, and Emergency Department (ED) use. For example:

- Greater health center capacity lowers ED utilization among low-income populations.¹¹
- Medicaid beneficiaries who rely on health centers for usual care are 19% less likely to use the ED and 11% less likely to be hospitalized for ambulatory care sensitive (ACS) conditions compared to beneficiaries relying on other providers.¹²
- Counties with a health center have 25% fewer ED visits for ACS conditions than counties without a health center.¹³

As a result of their timely and appropriate care, **health centers save \$1,263 per person per year**, lowering costs across the delivery system—from ambulatory care settings to the emergency department to hospital stays (see Figure 4).¹⁴

Health centers already save \$24 billion annually. As they expand to reach new, unserved communities, **health centers will save an additional \$122 billion in total health care costs between 2010 and 2015** (see Figure 5).¹⁵ This includes **\$55 billion for Medicaid over the five-year period**. Of that, the federal government would save \$32 billion while states benefit from the rest.



A Prescription for Quality Improvement

Health center patients receive more screening and health promotion services than patients of other providers (Figure 6), despite serving traditionally underserved and at-risk patient populations.

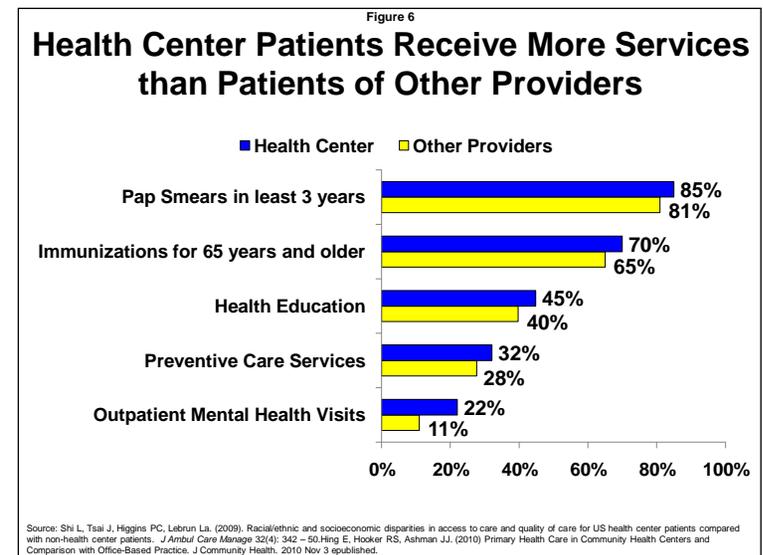
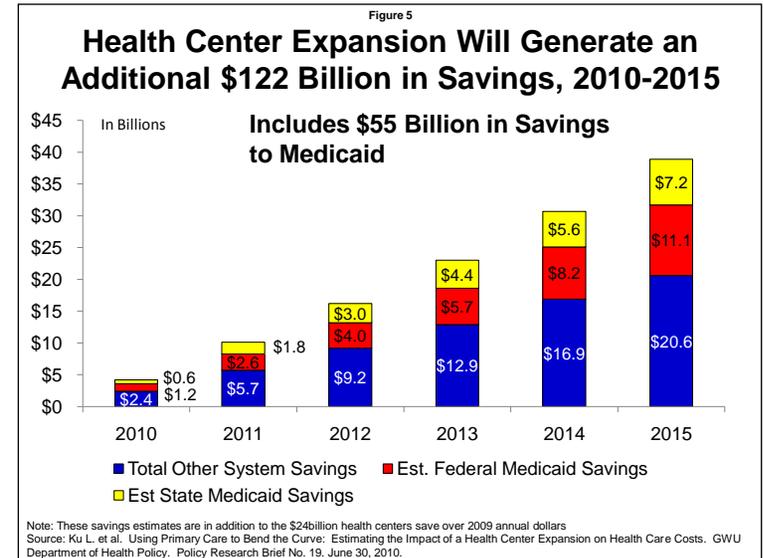
They also meet or exceed national practice standards for chronic condition treatment. In fact, the Institute of Medicine (IOM) and the U.S. Government Accountability Office (GAO) have recognized health centers as models for screening, diagnosing, and managing chronic conditions such as diabetes, cardiovascular disease, asthma, depression, cancer, and HIV.¹⁶ Health centers significantly reduce the expected lifetime incidence of diabetes complications, including blindness, kidney failure, and certain forms of heart disease.¹⁷ This yields sizeable savings in health expenditures. Their chronic care management activities have significantly improved clinical processes of care in just one to two years and clinical outcomes in two to four years.¹⁸ For example, they have dramatically lowered cholesterol levels¹⁹ and increased blood pressure control among their patients.²⁰

These cost-effective outcomes are achieved through health centers' ability to successfully:

- Coordinate care,
- Rapidly incorporate and disseminate evidence-based practices,²¹
- Motivate patients to become more actively involved in changing health behaviors and receiving necessary care,²² and
- Utilize multiple health professionals with varied skills.

Such team-based settings involve physicians, nurse practitioners, physician assistants, nurses, social workers, case managers, behavioral health specialists,

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dental providers, health educators, outreach workers, and others. Research shows that team-based care improves patient outcomes²³ and reduces health disparities.²⁴

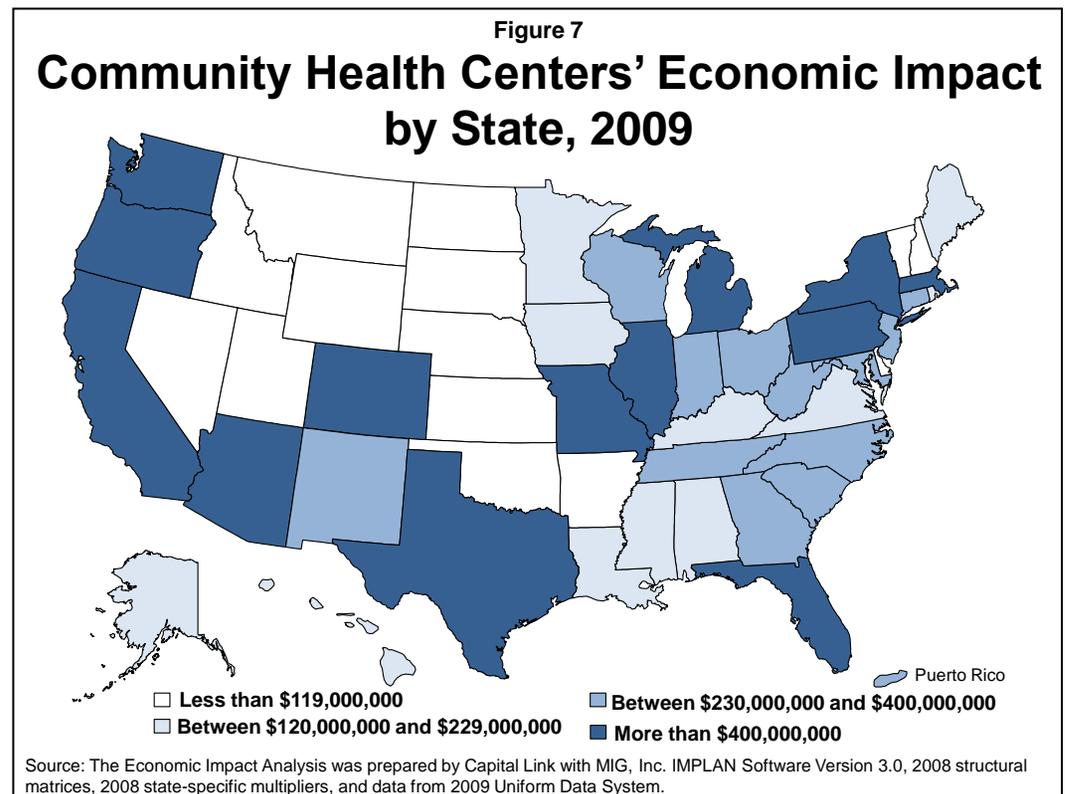
An Economic Catalyst

Community Health Centers address the health and well-being of entire communities, not just their patients. Investing in health centers produces an economic “ripple effect,” creating jobs and fueling additional economic activity through the purchase of goods and services from local businesses. In 2009 alone, a federal investment of \$2.2 billion generated **\$20 billion in total economic benefits to resource-poor rural and urban communities**. They **also produced 189,158 jobs** in the nation’s most economically challenged areas. With a continued federal investment in health centers through 2015, communities served by health centers will benefit from **\$53.9 billion in economic activity and 284,323 new jobs**.²⁵

A Laboratory of Innovation

The source of health centers’ success lies in their local ownership and direction under a patient majority board that is accountable and responsive to community health needs. Research shows that consumer participation on governing boards ensures higher quality care, lower costs of services, and better results.²⁶ Their **community-directed non-profit model of care**, along with other unique characteristics, make health centers more than just places to access care, but rather true industry leaders in improving health and producing cost savings.

- Health centers are **located in high-need areas** demonstrated to have high poverty, higher than average infant mortality and very few physician practices.



- They are required to **provide care to all residents** regardless of insurance status. They provide free or reduced-cost care based on the ability to pay.
- Health centers provide a **comprehensive array of services tailored to their communities' needs** and generally not found in other primary care settings. Health centers provide dental, behavioral health care, and pharmacy services. They also provide services – such as transportation, translation, case management, and health education – that facilitate access to care and make health care more culturally and linguistically appropriate while eliminating financial, geographic, and language barriers, enhancing patient–provider interactions, increasing patient knowledge and understanding of treatments, and improving patient safety.
- They proactively conduct **regular and rigorous community-wide needs assessments**. Outside their walls, they frequently provide free health promotion and education services.

Health centers by nature, then, exemplify the basic tenets of a **patient-centered medical home**. They serve as a place and a relationship in which patients can receive preventive and primary care, make sense of their conditions, integrate their care, and be coached on changing their behaviors to improve their overall health.²⁷ When patients have an established medical home, they are more likely to improve their health status by managing their conditions and preventing new conditions.²⁸

And health centers continue to go beyond the basic definition of a medical home. Their broad population health focus, scope of services, and team-based care classify health centers more appropriately as “health care homes.”

Just What the Doctor Ordered

Each and every health center in America today was founded by its local community to meet unique local health problems. Because of their success in delivering high-quality, cost-effective care, the Health Centers Program was rated one of the most effective federal programs by the Office of Management and Budget (OMB).²⁹

As always, health centers stand ready to devise and deliver common sense, high-quality, cost-effective solutions to help meet the needs of the millions of people who lack access to primary and preventive health care in communities all across our great nation. The expansion of health centers will magnify their contributions to improved access and community health, all while generating significant local, state, and national economic returns.

Percent of Population At or Below Poverty Served by Community Health Centers

State	Percent of Population at or Below Poverty Served by Health Centers, 2009	State	Percent of Population at or Below Poverty Served by Health Centers, 2009	State	Percent of Population at or Below Poverty Served by Health Centers, 2009
Alabama	19%	Kentucky	12%	Ohio	8%
Alaska	18%	Louisiana	11%	Oklahoma	7%
Arizona	11%	Maine	21%	Oregon	26%
Arkansas	11%	Maryland	9%	Pennsylvania	16%
California	24%	Massachusetts	28%	Rhode Island	24%
Colorado	37%	Michigan	14%	South Carolina	19%
Connecticut	41%	Minnesota	9%	South Dakota	17%
Delaware	13%	Mississippi	24%	Tennessee	15%
District of Columbia	38%	Missouri	17%	Texas	1%
Florida	16%	Montana	28%	Utah	16%
Georgia	8%	Nebraska	13%	Vermont	13%
Hawaii	29%	New Hampshire	19%	Virginia	8%
Idaho	22%	New Jersey	21%	Washington	44%
Illinois	28%	New Mexico	25%	West Virginia	33%
Indiana	8%	New York	16%	Wisconsin	15%
Iowa	18%	North Carolina	12%	Wyoming	15%
Kansas	15%	North Dakota	2%	United States	18%

Source: Bureau of Primary Health Care, HRSA, DHHS, 2009 Uniform Data System (UDS). State population data come from Kaiser Family Foundation, State Health Facts Online. www.statehealthfacts.kff.org. Estimates based on the Census Bureau's March 2009 and 2010 Current Population Survey (CPS: Annual Social and Economic Supplements).

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- ¹ Includes Community, Migrant, Homeless and Public Housing Health Centers.
- ² NACHC analysis of Bureau of Primary Health Care, HRSA, DHHS, 2009 Uniform Data System (UDS) and AHRQ Medical Expenditures Panel Survey, 2008 Tables of Expenditures by Health Care Services. Low-income is defined by 200% of Federal Poverty Level.
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- ⁴ NACHC, the Robert Graham Center, and Capital Link. *Access Granted: The Primary Care Payoff*. August 2007. www.nachc.com/accessreports.cfm.
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