

BY DAN HAWKINS

New Year, New Challenges: The Health Centers' 2016 Policy Agenda and Outlook

Last year was an epic one — a year in which we beat all the odds and proved the prognosticators wrong in getting our primary care cliff fix addressed for at least the next two years. Few in our nation's capital thought that we would achieve that seminal victory — but we in the health center army knew and believed otherwise. Although there were literally dozens, if not hundreds, of groups and causes that clamored to be included in ANY must-pass legislation, only our health centers and the CHIP program were included with the Medicare “doc fix” in H.R 2, which passed last April by a House vote of 392-37 and a Senate vote of 92-8. With the President's approval of that legislation, we received a two-year extension of our mandatory funding for health centers, as well as for the National Health Service Corps (NHSC) and Teaching Health Center (THC) programs. This clearly was a HUGE victory for health center advocates.

So what does this year have in store for us? We can already see that it's going to be a busy, messy one on Capitol Hill, with lots of “message” activity from both parties and likely very little of lasting substance. Ironically, Congress's very productive 2015 means that it will likely have a less productive 2016. The decks have now been cleared of

several thorny topics that might have jumbled this year's calendar. Several other complex and controversial issues — like abortion and immigration, the Iran deal and trade policy — appear doomed to fade as the presidential primaries and elections take center stage.

So we expect that most Capitol Hill folks will be setting their sights on 2017 for big changes. One piece of good news here — with the big budget agreement reached last fall, we don't expect to face a possible government-wide shut-down or a sequestration cut in funding at any time this year.

Regardless of what's going on at any point, we must be prepared to advance our policy goals in the following areas:

Primary Care Funding Cliff

Our biggest push will be to overcome — and perhaps even eliminate — the primary care funding cliff. This will entail continued mandatory funding for our Health Center Program, the National Health Service Corps, and the Teaching Health Centers program. At the moment, we are working on options for a longer-term fix so we don't have to do this every year or two. Although we do not face this cliff until next year, we are already hard at work to get it done as soon as possible.

FY 2017 Appropriations

Our goal this year is to once again convince Congress to keep the Health Center Program whole at \$5.1 billion for FY2017, and to do what we can to increase funding for the NHSC and THC programs.

House and Senate floor leaders from both parties have pledged to return to “regular order” [i.e., follow traditional rules and timelines] for the FY17 appropriations process. This means that the 12 appropriations bills that collectively fund the federal government would be considered individually rather than wrapped up in an all-encompassing omnibus bill.

House Speaker Paul Ryan (R-WI) has outlined an ambitious plan under which the House would begin considering appropriations legislation this year by early- to mid-March, the earliest floor consideration in recent memory. For us, this means securing as many signatures as possible on our House and Senate “Dear Colleague” letters much earlier than in the past.*

Also, while most agree on the merits of a return to “regular order” and the need for a comparatively swift appropriations process, the

* The Senate letter was signed by 62 Members and the House letter was signed by 307 Members.

exigencies of the election campaign and the compressed legislative calendar (111 days for the House and 149 for the Senate) may thwart that goal.

Medicaid

As co-chair of the Partnership for Medicaid, NACHC was very involved in publicizing the history and importance of the Medicaid program during its 50th anniversary last year, even as we celebrated the same anniversary for the Health Center Program. Administered jointly by the federal government and states, Medicaid has become an integral part of the nation's health system, filling huge gaps in health coverage for 70 million impoverished, aged, disabled and low-income Americans.

With President Obama in the White House for a little less than a year, there is very little possibility of Hill action on Medicaid this year. BUT Presidential candidates such as Senator Ted Cruz, as well as other lawmakers, are focusing increasingly on Medicaid "reform" and possibly Block Granting the program.

Also, Members on both sides of Congress are ramping up activity on Medicaid in anticipation of a changed environment in 2017. This would be bad news for the poor who rely on the Medicaid program AND for our health centers that serve them, so we are prepared to fight it if it ever comes up.

And if we want to win the battle to protect the integrity of Medicaid and adequate payment for health centers, we MUST make the value argument to decision-makers.

As recently reported, the Health Resources and Services Administration (HRSA) has produced the latest evidence of our value to Medicaid — 24 PERCENT LOWER TOTAL COSTS FOR PATIENTS WHO USE HEALTH CENTERS. This is the result of a 14-state review of Medicaid claims data, once again proving that community health centers provide GREAT VALUE!

Workforce

Thanks to those who responded to our recent workforce survey and needs assessment — we got a 40% response rate, enough to validate the results. And the results are sobering — more than 70% of those surveyed identified one or more physician vacancies, with open slots equaling one-fifth of current staffing levels. Our priority for the year will be to ensure the maintenance and expansion of the NHSC and the Teaching Health Center programs, as well as Nurse Practitioner residency training and similar programs.

340B Drug Pricing Program

Congressional scrutiny of this program continues, and we anticipate some form of action on it over the coming year. We have worked constructively with Hill offices on this, which was much appreciated and positions us to avoid any really harmful changes. However, the recent 340B "Guidance" issued in draft by HRSA last summer calls for significant changes, the biggest of which are limiting "patients" to only those served by community health

centers (not referrals or hospital discharges), and requiring annual audits of each contract pharmacy. We commented on the Guidance last October and it is notable that many of the 800+ comments were submitted by health centers.

Behavioral Health

Congress continues to work on a variety of legislative proposals to address issues related to mental and behavioral health and substance abuse, including the epidemic of opioid addiction that has garnered major national attention.

Both political parties see these as important priorities; though they don't always agree on how to best address them. Much of Congress's attention has been focused on two pieces of legislation: H.R. 2646 in the House, sponsored by Rep. Tim Murphy (R-PA); and S. 1945 in the Senate, sponsored by Senators Chris Murphy (D-CT) and Bill Cassidy (R-LA).

The House bill is a more partisan version than its Senate counterpart, but with one FQHC-specific provision — adding FTCA coverage for volunteer clinicians.

In addition to broader mental and behavioral healthcare reform, Congress has also focused on bills to address substance abuse, including the growing opioid addiction crisis in certain parts of the country. We are working with all congressional Committee staff to bring focus to primary care-behavioral health integration issues. ♦

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