



September 9, 2025

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Democratic Leader
United States House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles D. Schumer
Democratic Leader
United States Senate
Washington, DC 20510

The Honorable Brett Guthrie
Chairman
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Bill Cassidy, M.D.
Chairman
United States Senate
Senate Committee on Health, Education,
Labor and Pensions
Washington, DC 20510

The Honorable Bernie Sanders
Ranking Member
United States Senate
Committee on Health, Education,
Labor and Pensions
Washington, DC 20510

Dear Speaker Johnson, Leader Jeffries, Majority Leader Thune, Democratic Leader Schumer, Chairman Guthrie, Ranking Member Pallone, Chairman Cassidy, and Ranking Member Sanders:

On behalf of the 1,512 Community Health Centers (CHCs) nationwide, I am writing to express our **deep gratitude** for your longstanding and continued support of health centers and primary care – especially at a time when CHCs are facing limited resources and rising costs. As you work to continue government funding before the end of the fiscal year, we respectfully urge you to extend and increase funding for CHCs and primary care workforce programs.

For 60 years, CHCs have provided high-quality, affordable, comprehensive care – including primary, preventive, dental, behavioral health, pharmacy, vision, and other essential health services to nearly 34 million patients annually at over 17,000 locations across rural and non-rural communities. This includes over 10 million rural residents (at least 1 in 5), more than 20 million (at least 1 in 3) in poverty, and more than 6 million (at least 1 in 5) uninsured people. **CHCs serve at least 1 in 10 Americans and up to 1 in 7¹** yet account for only 1% of total U.S. healthcare spending, saving Medicaid and Medicare billions annually by reducing costly emergency, inpatient, and specialty care.² Research shows that every dollar invested in primary care yields a **13-to-1 return in overall health system savings**.³ The Congressional Budget Office (CBO) has recognized the financial impact

¹ [The Hidden Patient Base - Weitzman Institute](#)

² Volerman A, Carlson B, Wan W, Murugesan M, Asfour N, Bolton J, Chin MH, Sripipatana A, Nocon RS. Utilization, quality, and spending for pediatric Medicaid enrollees with primary care in health centers vs non-health centers. BMC Pediatr. 2024 Feb 8;24(1):100. doi: 10.1186/s12887-024-04547-y. PMID: 38331758; PMCID: PMC10851548. <https://pubmed.ncbi.nlm.nih.gov/38331758/>

³ <https://www.oregon.gov/oha/HPA/dsi-pepch/Documents/PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf>

of CHCs.⁴ In particular, the CBO echoed past academic research demonstrating **CHCs save Medicaid and Medicare** in the long term:

“Evidence suggests that such care leads to more cost-effective care and ultimately to lower federal spending for the Medicaid and Medicare populations they serve; the use of health care provided by CHCs generally is associated with lower spending in emergency departments, in inpatient hospital settings, and for other outpatient services.”

The contributions of CHCs have also been recognized by the Department of Health and Human Services in the recent congressional budget justification⁵ for the Administration for a Healthy America. The report stated the following:

“Health centers are at the forefront of efforts to Make America Healthy Again through increasing access to chronic disease prevention and management (e.g. hypertension, diabetes), nutrition counseling and patient health education services, cancer screenings, and comprehensive primary health care services, including preventive services, mental health, and wellness activities. In 2023, 66 percent of adult health center patients with diagnosed hypertension had blood pressure under adequate control (less than 140/90), and 71 percent of adult health center patients with type 1 or 2 diabetes had their most recent hemoglobin A1c (HbA1c) under control (less than or equal to 9 percent). Health centers were able to better control hypertension and diabetes for their patients compared to the NCQA/HEDIS 2022 Medicaid HMO averages.”

Despite their proven value, CHCs face mounting challenges: rising inflation, primary care workforce shortages, reduced 340B savings, and increased uncompensated care costs each year. Current Section 330 funding covers only a fraction of per-patient costs, leaving a **\$5 billion annual gap from uncompensated care** that threatens financial sustainability and access to care for all CHC patients⁶. Nearly half of CHCs operate with fewer than 90 days of cash on hand, and one in four report 4% negative operating margins.

This funding shortfall also limits the ability to close service gaps. The Health Resources and Services Administration (HRSA) reports that **millions of CHC patients cannot access needed services due to a lack of resources**⁷:

| Service category (2024) | # CHC patients who need this service | # CHC patients unable to get this service | % of CHC patients with unmet need |
|-------------------------|--------------------------------------|---|-----------------------------------|
| Mental Health | 11.2 million | 8.1 million | 72% |
| Substance Use Disorder | 5.8 million | 5.4 million | 94% |
| Oral Health | 20.0 million | 13.1 million | 66% |

An additional **\$6 billion annually would enable CHCs to expand services** and meet these needs using existing infrastructure and proven care models.

Furthermore, **100 million Americans lack reliable access to primary care** due to a shortage of providers in their community, according to a recent NACHC study.⁸ A pending New Access Point (NAP) competition from HRSA

⁴ Congressional Budget Office cost estimate of the Bipartisan Primary Care and Health Workforce Act (S. 2840), February 6, 2024 - <https://www.cbo.gov/system/files/2024-02/s2840.pdf>

⁵ <https://www.hhs.gov/sites/default/files/fy-2026-aha-cj.pdf>

⁶ CHC per capita costs are \$1,570, but the 330 grant provides approximately \$870 per uninsured patient, leading to a gap of \$700 per patient in uncompensated care costs.

⁷ Adapted from HRSA estimates using 2024 UDS data.

⁸ NACHC. [Closing the Primary Care Gap](#). 2023.

confirmed that CHCs are willing to meet this need with additional investment. The agency has received over 600 applications, but an **additional \$400 million would be needed to fund all the pending NAP applications.**

Strengthening the primary care workforce is essential to closing gaps in care. While only 20% of GME trainees enter primary care, 60% of Teaching Health Center GME graduates practice primary care in underserved communities.⁹ Extending and increasing funding for the Teaching Health Center GME program and the National Health Service Corps will ensure the next generation of clinicians can serve where they are most needed.

Lastly, based on the CBO numbers, **NACHC estimates Medicaid changes resulting from the recent reconciliation law will lead to \$7.3 billion annually in future uncompensated care costs over the next decade.** This is due to an estimated 2 million existing CHC patients losing coverage, another 2 million newly uninsured patients seeking care at CHCs, and compliance costs associated with new eligibility requirements.

The Make America Healthy Again agenda presents an opportunity to transform the way healthcare is delivered by shifting investment toward primary and preventive services that reduce the chronic disease burden and keep people healthy. CHCs have demonstrated their ability to meet this task and are well-positioned to expand their reach and impact but require additional investment to overcome financial challenges. **NACHC estimates the present funding need for CHCs to deliver comprehensive primary and preventive care for their patients is approximately \$20.65 billion annually in CHC and primary care workforce funding.** This reflects the current gaps in uncompensated care, behavioral and oral health services, and workforce and access point funding needs. We recognize that reaching this level of investment will require a phased approach and strong partnership between CHCs, Congress, and other parts of the health system, and we look forward to working with you to reach these objectives.

In the immediate term, we respectfully request:

- **At least \$5.8 billion annually for CHCs for two years**
- **\$950 million annually for the National Health Service Corps (NHSC)**
- **\$2.1 billion over five years for the Teaching Health Center Graduate Medical Education (THCGME) program**

Investment in these programs, all set to expire without Congressional action, would stabilize CHCs, expand access to underserved communities, strengthen the workforce, and continue lowering health care costs through primary and preventive care that keeps Americans healthy.

Thank you for your consideration and your steadfast support and partnership to support health centers as a cornerstone of a healthy America.

Sincerely,



Kyu, Rhee, M.D., MPP
President and Chief Executive Officer

⁹ [Reason 2: The number of trainees who enter and stay on the professional pathway to primary care is too low, and too few have community-based training. | Milbank Memorial Fund and Teaching Health Center Graduate Medical Education Program](#)