



**Testimony of Daniel R. Hawkins, Jr.**  
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Before the Senate Health, Education, Labor, and Pensions Committee  
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Mr. Chairman and Members of the Committee, my name is Dan Hawkins and I am Senior Vice President for Policy and Programs for the National Association of Community Health Centers. On behalf of America's Health Centers and the more than 18 million patients they serve, I want to express my gratitude for the opportunity to speak to you today about the importance of the Community Health Centers program to ensuring that all Americans have access to high quality, affordable health care. NACHC and health centers appreciate the unwavering support of this Committee over many years, dating back to the original authorizing legislation introduced by Chairman Kennedy and approved by this Committee in 1975. The ongoing, bipartisan support from this Committee, including through last year's historic reauthorization law, has allowed health centers to carry out their important mission, and we look forward to continuing to work with you both in health reform and in the years to come.

Mr. Chairman, I have personally seen the power of health centers to lift the health and the lives of individuals and families in our most underserved communities. As a VISTA volunteer assigned to south Texas in the 1960s, the residents of our town asked me to work on improving access to health care and clean water in our community. We decided to apply for funds through a relatively new, innovative program – the Migrant Health program. I stayed on and served as executive director of the health center from 1971 to 1977. That health center is still in operation today, and has expanded to serve over 40,000 patients annually. The community empowerment and patient-directed care model thrives today in every health center in America, and I am honored to be here to share this success story and how health centers' 40-plus year track record makes them uniquely positioned to be important participants in a reformed health care system.

## **History and Overview of the Health Centers Program**

Conceived in 1965 as a bold new experiment in the delivery of preventive and primary health care services to our nation's most vulnerable populations, health centers are an enduring model of primary care delivery for the country. The Health Centers program began in rural Mississippi and inner-city Boston in the mid-1960s to serve rural, migrant, and urban individuals who had little access to health care and no voice in the delivery of health services to their communities. In the 1980s and 1990s, the Health Care for the Homeless and Public Housing health centers were created. In 1996, the Community, Migrant, Public Housing and Health Care for the Homeless programs were consolidated into a single statutory authority within Section 330 of the Public Health Service Act.

Congress established the program as a unique public-private partnership, and has continued to provide direct funding to community organizations for the development and operation of health systems that address pressing local health needs and meet national performance standards. This federal commitment has had a lasting and profound effect on health centers and the communities and patients they serve in every corner of the country. Now, as in 1965, health centers are designed to empower communities to create locally-tailored solutions that improve access to care and the health of the patients they serve.

Federal law requires that every health center be governed by a community board with a patient majority, which means care is truly patient-centered and patient-driven. Health centers are required to be located in a federally designated Medically Underserved Area (MUA), and must provide a package of comprehensive primary care services to anyone who comes in the door, regardless of ability to pay. In last year's reauthorization, this Committee strongly endorsed the preservation of these core requirements.

Because of these characteristics, the insurance status of health center patients differs dramatically from other primary care providers. As a result, the role of public dollars is substantial. Federal grant dollars, which make up roughly twenty-two percent of health centers' operating revenues

on average, go toward covering the costs of serving uninsured patients and delivering care effectively to our medically underserved patients. Just over 40% of health centers' revenues are from reimbursement through federal insurance programs, principally Medicare and Medicaid. The balance of revenues come from State and community partnerships, privately insured individuals, and low-income uninsured patient's sliding-fee payments.

Health centers have also been pioneers in improving health care quality, particularly in the area of chronic disease management. The majority of health centers now participate in the Health Resources and Services Administration's (HRSA) Health Disparities Collaboratives. The Collaboratives are delivery system improvement initiatives specifically designed for health centers, focused on improving the performance of clinical staff and strengthened care-giving through the development of extensive patient registries that improve clinicians' ability to monitor the health of patients both individually and as a group, and on effectively educating patients on the self-management of their conditions such as cancer, diabetes, asthma, and cardiovascular disease. Health centers participating in the Collaboratives almost unanimously report that health outcomes for their patients have dramatically improved. Published studies have documented these outcomes, including one study on the Diabetes Collaboratives where evidence showed that over a lifetime, the incidence of blindness, kidney failure, and coronary artery disease was reduced.

Health centers not only improve health and save lives, they also cost significantly less money, saving the health system overall. In Yvonne Davis' home state of South Carolina, a study showed that diabetic patients enrolled in the state employees' health plan treated in non-CHC settings were 4 times more costly than those in the same plan who were treated in a community health center. The health center patients also had lower rates of ER use and hospitalization.<sup>i</sup> In fact, literally dozens of studies done over the past 25 years, right up to this past year, have concluded that health center patients are significantly less likely to use hospital emergency rooms or to be hospitalized for ambulatory care-sensitive (that is, avoidable) conditions, and are therefore less expensive to treat than patients treated elsewhere.<sup>ii</sup> A recent national study done in collaboration with the Robert Graham Center found that people who use health centers as their usual source of care have 41% lower total health care expenditures than people who get most of

their care elsewhere.<sup>iii</sup> As a result, health centers saved the health care system \$18 billion last year alone.

## **Health Centers' Role In Ensuring ACCESS to Care**

As Congress turns its attention to shaping universal health reform legislation, health centers are eager to be full and active participants in a new and improved health care system. We look forward to sharing our decades of experience caring for millions of Americans in a high quality, cost-effective way. Above all, we know that community health centers will be integral to ensuring that the increased health coverage we all support translates into universal health care *access* for all Americans.

What do we mean by “access”? Well, first, access means a physical **place to go** to receive high quality health care services. However, to be truly accessible, that care should be culturally competent, affordable, nearby, and without barriers to care. We believe that access must be front and center in health reform discussions in order to maximize the value of our investments in expanded coverage.

Health centers have identified several key principles for health reform that we believe will help to guarantee universal *access*. First, health reform should strive to achieve universal coverage that is both available and affordable to everyone, especially low income individuals and families. Second, coverage must be comprehensive, including medical, dental, and mental health services, and it should emphasize prevention and primary care. Finally, reform must also strive to guarantee that everyone has access to a medical or health care home where they can receive high quality, cost-effective care for their health needs. Expanding health centers is a key step toward making these principles a reality, especially for our most vulnerable populations, most of whom live in medically underserved areas.

For this reason, we believe that health centers will have an increased and even more important role in a post-health reform environment. Indeed, the Massachusetts experience has born this out: as the percentage of insured residents in the state increased, the number of health center patients

increased as well. Yet, at the same time, health centers in that state have also increased the percentage of the state's remaining uninsured who they serve.

### **Proposals for Expanding the Health Centers Program**

Thanks in large part to the work of this committee, last year Congress reauthorized the Community Health Centers Program, passing the Health Care Safety Net Act of 2008. This legislation preserved all of the essential elements of the Health Centers program and reaffirmed Congress' support for our successful model. The Health Care Safety Net Act also included significantly increased authorizations of appropriations. If the authorization levels approved in the reauthorization are appropriated, health centers will be on target to meet our goal, contained in our Access for All America plan, of serving 30 million patients by 2015.

However, community health centers know better than anyone that the need right now is greater still. Indeed, a report recently released by the our Association, entitled "Primary Care Access, An Essential Building Block of Health Reform" found that there are currently 60 million medically disenfranchised Americans – people who lack access to a regular source of medical care.

Given Congress' intention to dramatically improve and reform our health care system, and the essential role that health centers will play in providing many of the newly insured with access to care, some have proposed to grow the health centers program more rapidly. S. 486- the Access for All America Act introduced by Senator Bernie Sanders and co-sponsored by five members of this committee is one such proposal. NACHC has endorsed this legislation and the strong message that it sends: that growing the Health Centers grant program in conjunction with health reform is the most effective way to guarantee that access grows along with coverage.

What will happen if we increase coverage and do not address access? One of my health center colleagues came up with this illustration. Giving everyone an insurance card without increasing access would be like giving everyone in town a free bus pass but not adding any new buses. That's a lot of people standing on the side of the road. When it comes to people's health, the

issue is far more serious and the costs are much higher, both in moral and fiscal terms. We must ensure that health care access is a part of health reform.

### **The Role of the National Health Service Corps**

When defining access, I mentioned having a health care home where people can go to receive high quality health care services. However, patients can't receive these health care services without a health professional to provide them. The National Health Service Corps (NHSC), also administered by HRSA, plays an essential role in ensuring that health centers have the health care providers they need to care for their patients.

Back in South Texas as a health center director, our community benefitted from the services of one of the first NHSC participants, who was placed there in 1972. I can't express what it meant to our center and our patients to have the services of that additional physician. Today, health centers across the country know what an invaluable tool the NHSC is to recruiting and retaining a primary care workforce in underserved areas. Without it, the impact of the nationwide problem of a diminishing primary care workforce and the maldistribution of providers would be devastating to health centers. The Corps is a vital tool as health centers work to maintain the workforce they need to keep their patients healthy.

Indeed, between the years 2000 and 2007, health centers successfully increased their physician staff by 72%, their Nurse Practitioner/Physician Assistant staff by 80%, and their dentist staff by 116%, well ahead of their overall 68% growth in patients during that period. This was accomplished with support, assistance, and encouragement from HRSA, NACHC, and the State and Regional Primary Care Associations. However, to reach their goal of serving 30 million patients, health centers will need an additional 16,000 primary care providers; to reach 60 million people, they will need over 50,000 more primary care providers. Addressing these deficits will involve more than a continuation of current workforce policy.

As we look toward comprehensive health reform and continued growth of the Health Centers program, expansion of the Corps is critical to ensuring we have a primary care workforce capable of meeting the needs of the 21<sup>st</sup> century. This committee recognized that health centers

and the NHSC go hand in hand when they included a reauthorization and significant expansion of the Corps in the Health Care Safety Net Act. The American Recovery and Reinvestment Act also included a landmark amount of funding for the Corps: \$300 million, essentially doubling the program over the next two years. We must sustain this investment and grow it further in the years to come. S. 486 would accomplish that goal, growing the program from its current 4,000 clinical field strength to over 21,000 clinicians by 2015.

## Conclusion

In conclusion, in order to make health care reform a true success, we must ensure that access to care is front and center. Providing every American with access to comprehensive, affordable care is a key to achieving a healthier nation. Community health centers' 40- plus year track record of success demonstrates that we are well equipped to play a pivotal role in providing this health care access and doing so in a way that will ultimately save the health care system money. As you consider the myriad challenges facing our health care system, America's health centers offer a real, proven solution to many of these complex questions. We thank this committee for your years of stalwart, bipartisan support and we look forward to continuing to work with you as partners in improving the health of all Americans.

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<sup>i</sup> Proser M. "Deserving the Spotlight: Health Centers Provide High-Quality and Cost-Effective Care." October-December 2005 *Journal of Ambulatory Care Management* 28(4):321-330

<sup>ii</sup> Rust G., et al. "Presence of a Community Health Center and Uninsured Emergency Department Visit Rates in Rural Counties." *Journal of Rural Health*, Winter 2009 25(1):8-16; Dobson D, et al. "The Economic and Clinical Impact of Community Health Centers in Washington State: Analyses of the Contributions to Public Health and Economic Implications and Benefits for the State and Counties." Dec 2008 *Community Health Network of Washington and Washington Association of Community and Migrant Health Centers*; McRae T. and Stampfley R. "An Evaluation of the Cost Effectiveness of Federally Qualified Health Centers (FQHCs) Operating in Michigan." October 2006 Institute for Health Care Studies at Michigan State University. [www.mPCA.net](http://www.mPCA.net). Falik M, Needleman J, Herbert R, et al. "Comparative Effectiveness of Health Centers as Regular Source of Care." January - March 2006 *Journal of Ambulatory Care Management* 29(1):24-35; Proser M. "Deserving the Spotlight: Health Centers Provide High-Quality and Cost-Effective Care." October-December 2005 *Journal of Ambulatory Care Management* 28(4):321-330; Politzer RM, et al. "The Future Role of Health Centers in Improving National Health." 2003 *Journal of Public Health Policy* 24(3/4):296-306; see also, e.g., Politzer RM, et al. "Inequality in America: The Contribution of Health Centers in Reducing and Eliminating Disparities in Access to Care." 2001 *Medical Care Research and Review* 58(2):234-248; Falik M, et al. "Ambulatory Care Sensitive Hospitalizations and Emergency Visits: Experiences of Medicaid Patients Using Federally Qualified Health Centers." 2001 *Medical Care* 39(6):551-56;

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<sup>iii</sup> NACHC and the Robert Graham Center. *Access Granted: The Primary Care Payoff*. August 2007.

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