NATIONAL ASSOCIATION OF Community Health Centers

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Orrin Hatch, Chairman
Ron Wyden, Ranking Member
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden,

The National Association of Community Health Centers (NACHC) appreciates the opportunity to respond to the Senate Committee on Finance's request for feedback on how to improve Medicare, Medicaid and human services program responses to the opioid epidemic. NACHC is the national membership organization for federally qualified health centers (also known as FQHCs or "health centers"). Health centers play a critical role in the health care system, serving as the health home for over 27 million people, the majority of whom live under the Federal Poverty Level. With over 10,000 sites nationwide, health centers provide affordable, high quality comprehensive primary care to medically underserved individuals, regardless of their insurance status or ability to pay. For more information on health centers, please see Attachment A.

Substance use disorder (SUD), including opioid addiction, is a top public health concern in the United States, and health centers have firsthand knowledge of the consequences. Health centers have long been on the front lines of this work and many have decades of experience working in communities that have struggled with addiction long before the recent crisis. Data from the Uniform Data Set (UDS) shows that in 2016, nearly 1,200 health center providers delivered substance use disorder services to over 140,000 patients through more than 1 million clinic visits. Last year the Health Resources and Services Administration (HRSA) awarded grants to 1,178 health centers to increase access to SUD and mental health services. This is in addition to the 271 health centers that were awarded funding in 2016 to improve and expand the delivery of substance abuse services, with a specific focus on Medication-Assisted Treatment (MAT) for opioid use disorders in underserved areas.

Health centers stand ready to serve their patients who are struggling with substance use disorder but there is a clear need for additional support and policy changes to enable them to do so more effectively. We appreciate the Committee's consideration of the following policy issues as it prepares a response to the opioid epidemic.

Support a Robust Medicaid Program

Medicaid is the largest payer of behavioral health services and a critical source of health insurance coverage for health center patients. Nationally, 49% of health center patients are covered by Medicaid, and Medicaid payments represent 43% of health centers' total revenue, making it their largest revenue source. Congress should maintain patient access to a strong Medicaid program and remove policy barriers that prevent health centers from delivering fully integrated care:

- **Medicaid should reimburse for same-day medical and behavioral health visits**. Allowing same-day billing is the foundation for health centers' SUD capacity and care integration. Health centers in states

that allow same-day billing for two different service types are much more likely to employ SUD specialty staff compared to health centers with restrictions on same-day billing.

- **Expand the list of billable behavioral health providers.** Legislative proposals to add Marriage and Family Therapists, Licensed Addiction Counselors, and Mental Health Counselors to the list of Medicare and Medicaid-covered providers could help health centers expand access to care. At least one related legislative proposal - S. 1879, Seniors Mental Health Access Improvement Act of 2017 - has been introduced in the Senate and referred to your committee.

Improve reimbursement of telehealth services

As the need for SUD treatment grows, health centers are also finding new ways to deliver care in places where treatment options are in short supply, utilizing technology to enhance care through telehealth and telepsychiatry. While particularly important in rural areas where providers are scarce, telehealth also offers tremendous benefits to patients and providers in urban areas, especially as particular specialists are in short supply. Policymakers can maximize the benefits of telehealth technology, and help partnering health centers utilize existing resources more efficiently, by allowing health centers to be reimbursed as both originating sites (where the patient is) and distant sites (where the provider is) under Medicare and Medicaid. To that end, NACHC recommends the Committee consider and pass S. 1016, CONNECT for Health Act of 2017.

Maintain Health Center Access to the 340B Drug Discount Program

With appropriate utilization of the 340B program, health centers ensure patients are able to buy their medications at affordable prices, including those associated with Medication Assisted Treatment (MAT) for opioid use disorder. They are also able to reinvest the savings they would otherwise have spent on purchasing expensive drugs into improving quality of care, including extending hours, hiring additional staff, and expanding services.

In addition to these initial recommendations, NACHC is currently conducting an environmental scan of all of the work that health centers are doing in this space, to identify both challenges and opportunities, as well as best practices. We would welcome the opportunity to share the results of this scan, including additional policy recommendations, with the Committee when they are ready in May.

We appreciate the Committee's attention to this important issue and the opportunity to provide input in this process.

Sincerely,

Daniel R. Hawkins, Jr.
Senior Vice President
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National Association of Community Health Centers

Attachment A:

OVERVIEW OF FEDERALLY QUALIFIED HEALTH CENTERS

For over 50 years, health centers have provided access to quality and affordable primary and preventive healthcare services to millions of uninsured and medically underserved people nationwide, regardless of their ability to pay. At present there are over 1,400 health centers with more than 10,000 sites. Together, they serve ***over 27 million patients***, including one of every ten children and more than one in six Medicaid beneficiaries.

Health centers provide care to all individuals, regardless of their ability to pay. All health centers provide a full range of primary and preventive services, as well as services that enable patients to access health care appropriately (e.g., translation, health education, transportation). A growing number of Health Centers also provide dental, behavioral health, pharmacy, and other important supplemental services.

To be approved by the Federal government as a Health Center, an organization must meet requirements outlined in Section 330 of the Public Health Service Act. These requirements include, but are not limited to:

- Serve a federally-designated medically underserved area or a medically underserved population. Some Health Centers serve an entire community, while other target specific populations, such as persons experiencing homelessness or migrant farmworkers.
- Offer services to all persons, regardless of the person's ability to pay.
- Charge no more than a nominal fee to patients whose incomes are at or below the Federal Poverty Level (FPL).
- Charge persons whose incomes are between 101% and 200% FPL based on a sliding fee scale.
- Be governed by a board of directors, of whom a majority of members must be patients of the health center.

Most Section 330 health centers receive Federal grants from the Bureau of Primary Health Care (BPHC) within HRSA. BPHC's grants are intended to provide funds to assist health centers in covering the otherwise uncompensated costs of providing care to uninsured and underinsured indigent patients, as well as to maintain the health center's infrastructure. Patients who are not indigent or who have insurance, whether public or private, are expected to pay for the services rendered. In 2016, on average, the insurance status of Health Center patients is as follows:

- 49% are Medicaid recipients
- 23% are uninsured
- 17% are privately insured
- 9% are Medicare recipients

No two health centers are identical, but they all share one common purpose: to provide primary health care services that are coordinated, culturally and linguistically competent, and community-directed, to uninsured and medically underserved people.