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The Community Health Center Fund: In Brief

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Background

The Health Center Program, which is administered by the Health Resources and Services Administration within the Department of Health and Human Services, awards grants to outpatient health care facilities that provide care to medically underserved populations.¹ The program's annual funding has more than tripled between FY2002 and FY2016, increasing from \$1.3 billion to \$5.1 billion. This funding increase—a result of both increases in annual discretionary appropriations and supplemental funding²—has resulted in more health centers, more patients seen, and more services available to these patients.³ The program's funding increase is due, in part, to the Community Health Center Fund (CHCF),⁴ a mandatory multibillion-dollar fund established in the Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended). This fund is available between FY2011 and FY2017. It was intended to increase health center appropriations above the level the program received in FY2008;⁵ however, the CHCF has partially supplanted annual appropriations since it began. The CHCF also supports the National Health Service Corps, a scholarship and loan repayment program that places providers in underserved areas including at health centers. Since FY2012, the CHCF has been that program's sole funding source.⁶

CHCF funds have been used for a range of health center activities including funding new health centers, increasing services provided at existing health centers, and implementing care coordination initiatives.⁷ CHCF funds have also been used to fund health centers in need of immediate funding such as those in Flint, MI, which had immediate health service needs due to the discovery of lead in its water supply, and those in Puerto Rico and other territories, which had additional health service needs related to the Zika virus.⁸

The CHCF represents more than 70% of the Health Center Program's FY2016 funding. Funding for the CHCF was extended in the Medicare Access and CHIP Reauthorization Act of 2015

¹ For more information on health centers, see CRS Report R43937, *Federal Health Centers: An Overview*.

² Annual discretionary appropriations during this time period and the American Recovery and Reinvestment Act (P.L. 111-5) provided supplemental funding in FY2009 and FY2010. See Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*, and CRS Report R40181, *Selected Health Funding in the American Recovery and Reinvestment Act of 2009*.

³ Peter Shin et al., *Community Health Centers: A 2012 Profile and Spotlight on Implications of State Medicaid Expansion Decisions*, The Kaiser Commission on Medicaid and the Uninsured, Issue Brief, Washington, DC, September 2014.

⁴ Section 10503 of the Patient Protection and Affordable Care Act (ACA) established the CHCF. Though the fund is named for community health centers (the most common type of health center), its funds are available for use by all four types of health centers: (1) community health centers, (2) health centers for the homeless, (3) migrant health centers, and (4) health centers for residents of public housing.

⁵ The FY2008 appropriation was \$2.1 billion; see Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*.

⁶ CRS Report R43920, *National Health Service Corps: Changes in Funding and Impact on Recruitment*.

⁷ See **Table 1**.

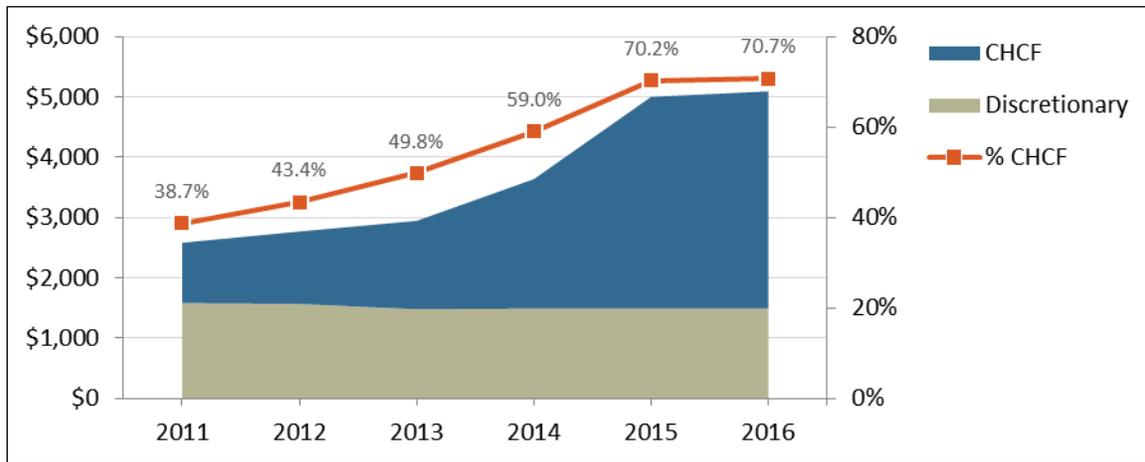
⁸ U.S. Department of Health and Human Services, Health Resources and Services Administration, press releases, "HHS Awards \$500,000 in Funding to Flint Health Centers," <https://www.hhs.gov/about/news/2016/02/18/hhs-awards-500000-funding-flint-health-centers.html>; "HHS Awards \$ 5 Million to Puerto Rico Health Centers to Fight the Spread of Zika Virus," April 26, 2016, <https://www.hhs.gov/about/news/2016/04/26/hhs-awards-5-million-to-puerto-rico-health-centers.html>; and "HHS Awards More than \$742,000 to Health Centers in American Samoa and the Virgin Islands to Fight Zika," June 23, 2016, <https://www.hhs.gov/about/news/2016/06/23/hhs-awards-more-742000-health-centers-american-samoa-and-virgin-islands-fight-zika.html>.

(MACRA, P.L. 114-10), which provided \$3.6 billion to support health center operations in each of FY2016 and FY2017 (a total of \$7.2 billion). This report provides information on the CHCF. Specifically, it includes information on the types of grants awarded, total funds disbursed, and the amount of CHCF funds that centers in each state and territory received. This report does not include FY2017 data because full-year appropriations have not been made as of this report’s publication date. This report will be updated to reflect FY2017 appropriations.

CHCF as a Percentage of Health Center Funding

The CHCF as a total percentage of federal funding for health centers has increased from 40% to 72% from FY2011 through F2016 (see **Figure 1**).

Figure 1. The CHCF and Health Center Funding
(Dollars in Millions)



Source: CRS analysis of HRSA’s Congressional Budget Justifications; P.L. 114-10 and P.L. 114-113.

CHCF Grants Awarded

ACA’s language creating the CHCF specified rather broad purposes—that the fund be used to “provide for expanded and sustained national investment in community health centers.”⁹ CHCF funds have been used to support operating grants at existing health centers and to support a number of specific initiatives that seek to expand services and to improve the care provided by health centers (see **Table 1**).¹⁰

⁹ ACA Section 10503(a).

¹⁰ The ACA also provided, for use between FY2011 and FY2015, \$1 billion dollars to be used for health center construction and renovation. Grant awards from this program were made in FY2011 and FY2012 and supported 398 projects at 190 centers; see CRS Report R42433, *Federal Health Centers*.

Table 1. CHCF-Supported Grant Programs

Name	Description	Funds Awarded
New Access Points	Grants to support new health center sites.	\$28.8 million (FY2011); \$128.6 million (FY2012); \$19 million (FY2013); \$150 million (FY2014); \$270 million (FY2015)
Expanded Services	Grants for hiring new staff to extend hours and expand care that a health center provides.	\$295 million (FY2014); \$6.4 million (FY2015); \$7 million (FY2016); \$156 million (FY2016 for oral health)
Health Center Outreach and Enrollment Assistance	Grants to hire staff for in-person enrollment and eligibility assistance to uninsured individuals.	\$150 million (FY2013); \$58 million (FY2014)
Behavioral Health Integration	Grants to expand behavioral health services by increasing the number of providers and services offered.	\$54.6 million (FY2014); \$51.3 million (FY2015)
Patient-Centered Medical Homes (PCMH)	Grants to assist facilities with meeting the requirements (including facility-related requirements) to be certified as a PCMH.	\$32 million (FY2011); \$44 million (FY2012); \$35.7 million (FY2014); \$8.6 million (FY2016)
Quality Improvement/ Base Adjustment	Adjustments to health center base funding for ongoing operations and quality improvement activities.	\$48 million (FY2013); \$63 million (FY2015); \$100 million (FY2016)
Facility Improvement	Grants for construction and renovations to increase the number of patients served.	\$260 million (FY2016)
Health Center Controlled Network-Health Information Technology (HIT)	Grants to expand the use of advanced HIT.	\$21 million (FY2013); \$123 million (FY2016)
State and Regional Primary Care Association	Cooperative agreements with state and regional organizations to provide health center training and technical assistance.	\$5.2 million (FY2011); \$6.4 million (FY2013)
HIV Service Integration	Grants to support HIV services with primary care service integration.	\$5 million (FY2012); \$6.2 million (FY2014)
Planning and Development	Grants to support organizations to plan and become health centers.	\$10 million (FY2011)
Beacon Community Supplemental Funding	Grants to support health center HIT adoption so as to improve health outcomes, improve care quality, and achieve cost efficiencies.	\$8.4 million (FY2011)
Training and Technical Assistance	Cooperative agreements to provide technical assistance to organizations that support health centers.	\$2.8 million (FY2011)
Opioid and Heroin Treatment	Grants to expand substance abuse services at health centers.	\$94 million (FY2016)

Sources: CRS analysis of data from the HRSA data warehouse; CRS communication with HRSA's Office of Legislation, January 5, 2015, and December 30, 2016; and HRSA and HHS press releases obtained by searching <http://www.hrsa.gov> and <http://www.hhs.gov/news/>. FY2016 funds were also used to fund health centers in Flint, MI, and the territories for Zika virus related health services.

CHCF funds were awarded from FY2011 through FY2016 to facilities and organizations in each of the 50 states, the District of Columbia, and the territories (see **Table 2**).

Table 2. CHCF Funds Awarded, by State and Territory
(Dollars in Thousands)

State	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total ^a
Alaska	\$15,176	\$17,176	\$21,855	\$31,370	\$45,789	\$48,670	\$180,037
Alabama	\$19,803	\$23,584	\$29,280	\$39,000	\$58,662	\$55,617	\$225,946
Arkansas	\$11,634	\$13,671	\$16,951	\$23,823	\$37,286	\$34,559	\$137,923
American Samoa	\$1,089	\$901	\$1,146	\$1,899	\$1,348	\$2,360	\$8,743
Arizona	\$19,016	\$20,195	\$24,729	\$37,004	\$52,156	\$63,647	\$216,747
California	\$120,943	\$140,459	\$178,975	\$275,331	\$445,460	\$494,221	\$1,655,389
Colorado	\$25,431	\$29,535	\$37,523	\$45,921	\$62,087	\$72,845	\$273,342
Connecticut	\$12,973	\$15,168	\$18,923	\$22,080	\$35,906	\$45,680	\$150,730
District of Columbia	\$5,211	\$5,852	\$6,465	\$9,744	\$18,315	\$20,258	\$65,845
Delaware	\$3,290	\$4,372	\$6,164	\$6,280	\$7,459	\$10,225	\$37,790
Florida	\$48,992	\$59,567	\$73,398	\$117,934	\$165,216	\$170,243	\$635,350
Federated States of Micronesia	\$423	\$438	\$476	\$1,123	\$1,836	\$2,136	\$6,431
Georgia	\$21,338	\$26,182	\$37,181	\$47,576	\$73,665	\$83,684	\$289,625
Guam	\$501	\$519	\$683	\$1,059	\$1,460	\$1,361	\$5,583
Hawaii	\$6,880	\$6,795	\$8,606	\$13,448	\$21,135	\$23,212	\$80,077
Iowa	\$8,507	\$9,537	\$12,555	\$16,899	\$27,913	\$28,002	\$103,413
Idaho	\$9,029	\$10,223	\$13,255	\$18,743	\$32,664	\$33,182	\$117,097
Illinois	\$41,748	\$50,739	\$64,450	\$88,207	\$132,420	\$144,843	\$522,408
Indiana	\$12,420	\$13,746	\$17,216	\$28,441	\$48,338	\$58,643	\$178,804
Kansas	\$7,414	\$9,633	\$13,030	\$18,278	\$28,237	\$34,513	\$111,105
Kentucky	\$13,705	\$17,800	\$21,803	\$31,162	\$49,267	\$54,770	\$188,508
Louisiana	\$17,792	\$19,320	\$24,680	\$43,095	\$66,806	\$74,742	\$246,434
Massachusetts	\$24,757	\$26,155	\$32,222	\$54,646	\$81,352	\$95,352	\$314,485
Maryland	\$13,066	\$12,880	\$15,336	\$26,574	\$34,035	\$40,760	\$142,651
Maine	\$8,751	\$9,965	\$11,100	\$17,724	\$30,805	\$32,886	\$111,231
Marshall Islands	\$295	\$306	\$338	\$704	\$785	\$808	\$3,236
Michigan	\$23,770	\$27,289	\$33,868	\$55,030	\$89,391	\$97,298	\$326,646
Minnesota	\$8,829	\$10,938	\$13,775	\$18,646	\$28,149	\$29,128	\$109,466
Missouri	\$20,096	\$22,840	\$28,811	\$45,233	\$68,839	\$83,065	\$268,884
Mississippi	\$18,939	\$19,205	\$23,681	\$34,055	\$49,672	\$49,916	\$195,467
Montana	\$8,669	\$10,250	\$13,772	\$18,292	\$27,698	\$29,685	\$108,365
North Carolina	\$26,443	\$31,974	\$42,027	\$57,132	\$95,453	\$91,974	\$345,002
North Dakota	\$1,989	\$1,818	\$2,447	\$4,211	\$7,262	\$7,445	\$25,172
Nebraska	\$3,830	\$4,891	\$6,211	\$9,385	\$12,291	\$16,670	\$53,278

State	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total ^a
New Hampshire	\$4,280	\$4,927	\$7,340	\$10,909	\$16,817	\$18,452	\$62,724
New Jersey	\$18,036	\$18,534	\$25,263	\$37,524	\$53,364	\$62,578	\$215,299
New Mexico	\$17,132	\$19,064	\$25,423	\$32,981	\$43,138	\$55,949	\$193,687
Nevada	\$3,963	\$3,802	\$7,030	\$6,265	\$11,065	\$15,349	\$47,474
New York	\$54,434	\$69,550	\$84,597	\$114,257	\$177,512	\$194,513	\$694,862
Northern Mariana Islands		\$608	\$732	\$738	\$906	\$1,041	\$4,025
Ohio	\$27,236	\$32,877	\$37,969	\$60,811	\$100,662	\$108,040	\$367,595
Oklahoma	\$12,270	\$15,626	\$19,901	\$22,992	\$39,075	\$43,577	\$153,441
Oregon	\$18,770	\$23,679	\$29,405	\$41,563	\$62,124	\$67,299	\$242,840
Palau	\$358	\$31,807	\$40,399	\$55,918	\$86,292	\$89,813	\$331,654
Pennsylvania	\$27,426	\$24,701	\$30,063	\$38,782	\$56,486	\$67,430	\$237,358
Puerto Rico	\$19,894	\$371	\$292	\$577	\$811	\$780	\$3,189
Rhode Island	\$7,259	\$6,713	\$7,671	\$11,673	\$20,470	\$20,970	\$74,757
South Carolina	\$20,082	\$23,988	\$31,938	\$37,320	\$49,574	\$60,102	\$223,004
South Dakota	\$4,150	\$4,523	\$5,597	\$8,434	\$12,625	\$12,131	\$47,461
Tennessee	\$17,968	\$21,473	\$26,400	\$36,560	\$59,695	\$62,397	\$224,493
Texas	\$60,674	\$68,428	\$86,323	\$121,729	\$184,926	\$179,902	\$701,982
Utah	\$6,805	\$6,834	\$10,814	\$16,712	\$25,117	\$29,516	\$95,798
Virginia	\$19,223	\$22,149	\$27,601	\$38,361	\$56,120	\$64,809	\$228,263
Virgin Islands	\$673	\$789	\$959	\$1,339	\$2,368	\$2,351	\$8,480
Vermont	\$3,791	\$4,126	\$5,439	\$10,222	\$12,865	\$22,564	\$59,006
Washington	\$27,932	\$30,811	\$40,902	\$57,496	\$94,593	\$95,990	\$347,724
Wisconsin	\$8,327	\$11,069	\$13,051	\$18,617	\$32,303	\$35,536	\$118,904
West Virginia	\$13,499	\$15,001	\$20,198	\$29,218	\$46,687	\$52,842	\$177,445
Wyoming	\$1,730	\$1,921	\$2,386	\$3,999	\$6,319	\$6,038	\$22,394
Total ^a	\$978,659	\$1,137,296	\$1,440,620	\$2,075,045	\$3,191,077	\$3,502,371	\$12,325,067
CHCF Allocation ^b	\$1,000,000	\$1,200,000	\$1,465,000 ^c	\$2,145,000 ^c	\$3,509,000 ^c	\$3,600,000	\$12,919,000

Source: CRS analysis of HRSA’s Datawarehouse (at <http://www.hrsa.gov/data-statistics/index.html>) and of data obtained from HRSA, personal communication, December 28, 2016.

Notes: Blank cells indicate that no funds were received by that state or territory in that year.

- a. Total indicates the cumulative amount a state has received from the CHCF since the fund began in FY2011.
- b. Total indicates amount of grants awarded; it is lower than the amount appropriated to the CHCF as some funds are used by HRSA to administer these grant programs.
- c. The FY2013, FY2014, and FY2015 amounts were reduced by the sequester required under the Budget Control Act (P.L. 112-25). For more information, see CRS Report R43937, *Federal Health Centers: An Overview*.

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