



Illinois Primary Health Care Association

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## **SUMMARY OF HEALTH REFORM BILLS' PROVISIONS AFFECTING HEALTH CENTERS**

### **Community Health Centers**

- Authorizes and appropriates \$9.5 billion in new funding for the Community Health Centers program out of a new Community Health Centers Fund (FFY 2011-2015).
- Amounts above are in addition to discretionary funding for CHCs (which was \$2.065 billion for the base year of FY 2008).
- Separately authorizes and appropriates \$1.5 billion over five years for health center construction and renovation.
- Permanently reauthorizes the Health Centers program at significantly increased funding levels.

### **National Health Service Corps**

- Authorizes and appropriates \$1.5 billion in new funding for the NHSC (FFY 2011-2015).
- Amounts above are in addition to discretionary funding for NHSC (which was \$123 million in the base year of FY 2008).
- Allows for teaching to count as clinical practice for up to 50% of obligated service.

### **Payment to Health Centers by Various Payers**

- FQHCs would be reimbursed through a Prospective Payment System (similar to that for FQHCs under Medicaid) by private insurance plans participating in the new exchanges.
- FQHCs' Medicare reimbursement would be updated to a new funding mechanism based on costs and the current, outdated cap would be eliminated.
- FQHC preventive services are updated to include an expanded list of preventives services covered under Medicare.

### **Medicaid Improvements and Expansions**

- Expands Medicaid to 133% FPL (\$29,300 for family of 4) in 2014; starting in 2011 states have the option to cover childless adults.
- Provides a 100% federal match for states from 2014-16 for coverage of newly-eligible individuals, decreasing to 95% in 2017, 94% in 2018, 93% in 2019, and 90% thereafter.
- Provides additional federal assistance to states that have already expanded Medicaid eligibility above federal minimums through 2019.
- States would be required to maintain eligibility levels for Medicaid until 2019

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### **Children's Health Insurance Program**

- Maintains current CHIP eligibility and benefits levels with cost-sharing under current law until 2019; after 2014, CHIP-eligible children who are not able enroll in CHIP due to enrollment caps would be eligible for tax credits in state Exchanges.

### **Private Coverage for Other Low-Income Americans**

- Requires all U.S. citizens and legal residents to purchase health insurance through the individual market, a small group market, a public program or employer; or through the large group market. Exemptions would include religious objectors and undocumented residents.
- Provides premium and cost-sharing credits for individuals and families between 100-400% FPL starting in 2014.
- Creates state-based American Health Benefit Exchanges and Small Business Health Options Program (SHOP) Exchanges administered by a government or non-profit entity with start-up funding available to states starting in 2010.
- Requires all plans providing basic coverage through the Exchanges to contract with 'essential community providers,' such as eligible 340B entities.

### **Teaching Health Centers**

- Authorizes a new program for development of Teaching Health Centers, defined as community-based ambulatory patient care centers operating a primary care residency program.
- Creates new per-resident payment to Teaching Health Centers for the operation of residency programs, covering both direct and indirect costs.