

Providing a Medical Home to
Over 2 Million Patients by 2015

Access Illinois

As an affiliate of the National Association of Community Health Centers (NACHC), the Illinois Primary Health Care Association (IPHCA) is pleased to support *Access for All America*—NACHC's comprehensive plan to reduce the ranks of America's medically disenfranchised by preserving, strengthening, and expanding community health centers to reach a total of 30 million patients by the year 2015.

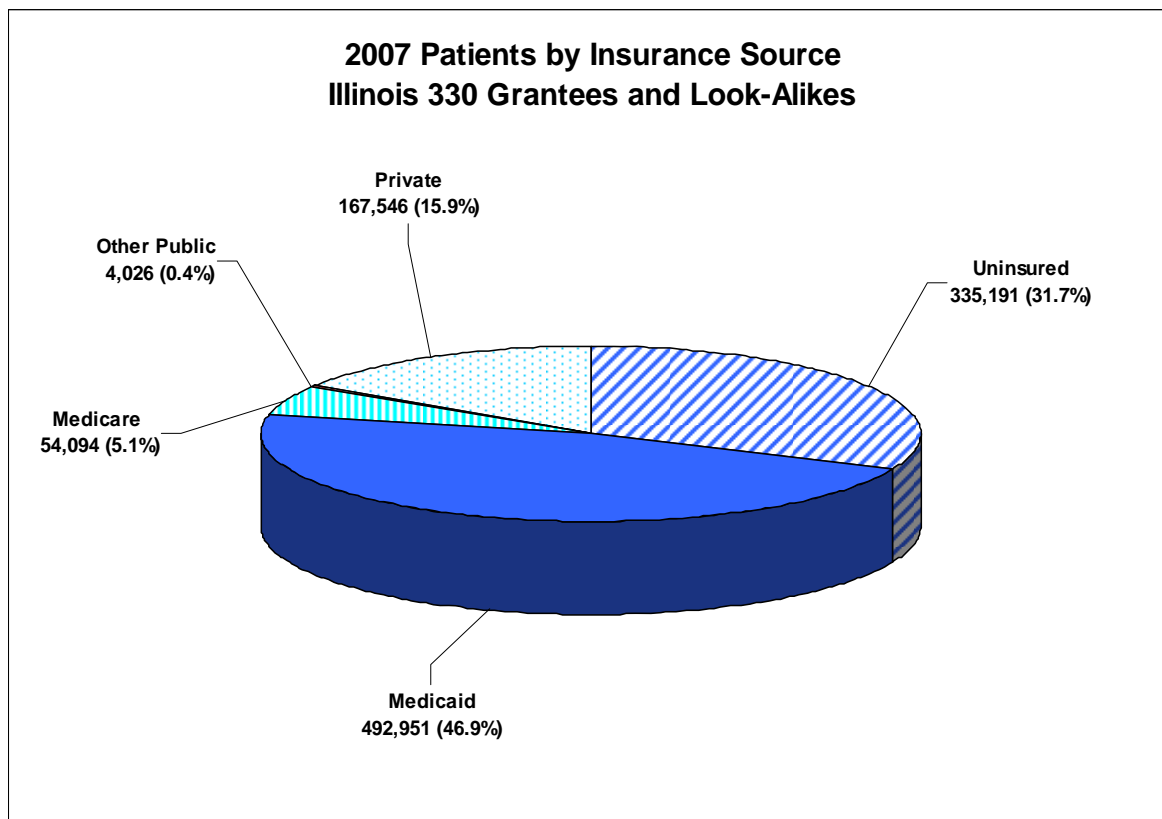
To help ensure the success of *Access for All America*, IPHCA is launching *Access Illinois*—a multi-year plan to provide a medical home to over 2 million Illinoisans by the year 2015 (detailed plan begins on page four).

Year	2008	2009	2010	2011	2012	2013	2014	2015
Estimated Patients Served (in millions)*	1.1	1.21	1.33	1.46	1.61	1.77	1.95	2.14

*Represents an annual average growth of 10 percent in the patient base each year.

Community health centers (CHCs)—entities created by Congress to meet the health care needs of underserved communities and high-risk patients (Section 330 of the Federal Public Health Services Act)—provide comprehensive primary, dental and mental health care services to all individuals regardless of their ability to pay. They are an important component of the American health care system, providing access to quality health care for millions of people who have been locked out of the traditional health care system.

In Illinois, CHCs serve as the medical home for over one million patients. Forty-seven percent of those are enrolled in Medicaid, Family Care or the All Kids program; while 32 percent have no health insurance at all. See *2007 Patients by Insurance Source* below.



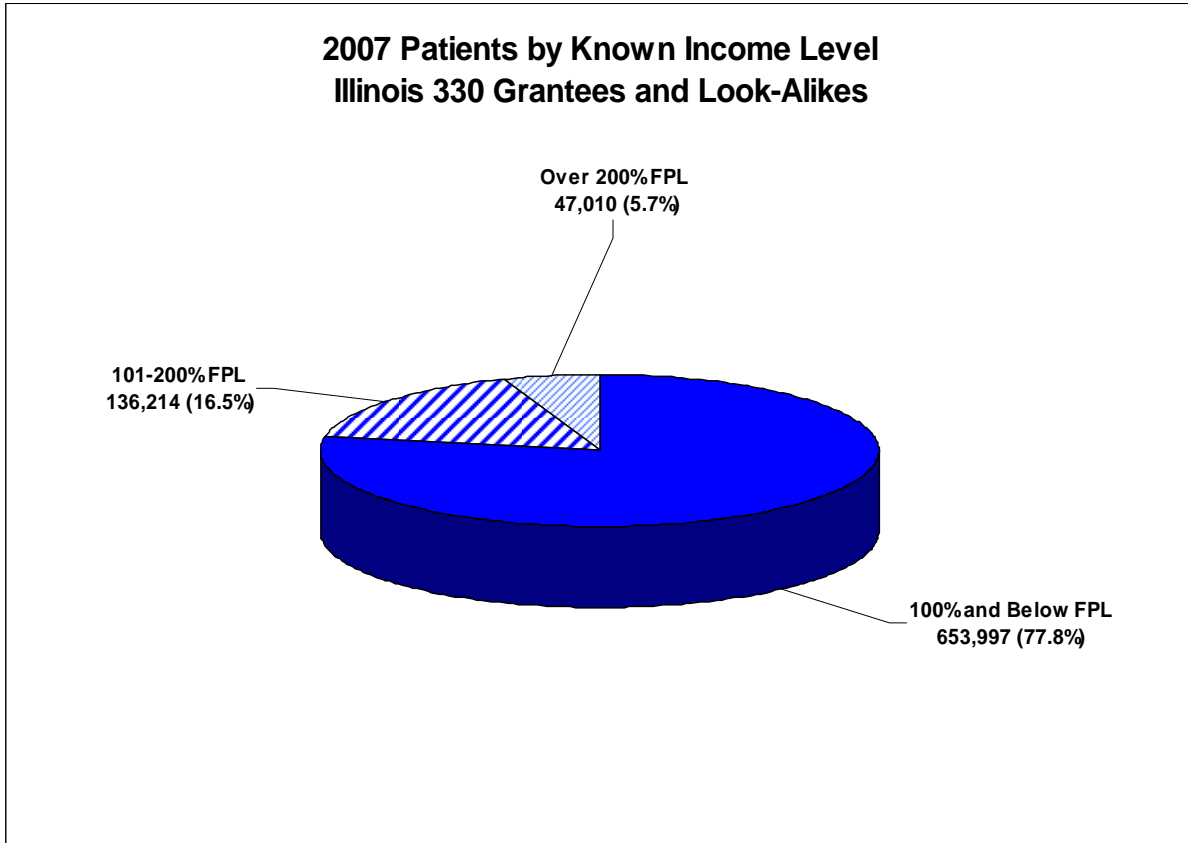
Illinois Primary Health Care Association, 2008.

Economic Impact of Illinois Community Health Center Network

As community-based businesses, in 2005, Illinois CHCs injected more than \$370 million in day-to-day operating expenditures into the Illinois economy, resulting in an overall economic impact of more than \$668 million. From 2003 to 2005, the amount of economic output increased by over \$153 million (29.7 percent). In addition, health centers provided direct full-time employment to nearly 4,000 people in 2005 resulting in a payroll of more than \$222 million. The indirect economic impact on health center communities in Illinois in 2005 was over \$328 million in labor income and the equivalent of approximately 6,000 full-time jobs supported.

Fiscal Limitations of Community Health Centers

Illinois health centers have done a tremendous job of expanding sites and services over the past several years. Since 2000, Illinois community health centers have more than doubled the number of patients—from over 400,000 to 1.1 million today (150 percent increase)—and provide services at over 300 clinic sites statewide. However, given their nonprofit status and the fact that nearly 80 percent of their patients have annual incomes at or below the federal poverty level (\$21,200 for a family of four), financial realities remain a barrier to health centers' ability to meet the actual demand for access to care. See *2007 Patients by Known Income Level* below.



Illinois Primary Health Care Association, 2008.

As demand for health center services continues to grow in an economy where family income and insurance coverage continues to diminish, financial challenges are placing enormous, unsustainable pressure on health centers to do more with less. It is becoming increasingly difficult to meet the demands of the industry within the existing system, which requires health centers to finance expansion projects by cobbling together a myriad of governmental programs, traditional financing methods and philanthropic activities.

While community health centers receive a grant from the federal government to help cover the cost of serving the uninsured, a large gap still remains between the per patient cost and the per patient grant funding:

- 2007 IL CHCs: \$451 average annual cost per patient (\$562 national rate)
- 2007 IL CHCs: \$281 average annual grant per uninsured patient

Furthermore, the federal grant program does not allow established health centers to use grant funds to cover construction, expansion or renovation costs, leaving most health centers looking for loans and private donations for these projects.

***Access Illinois*: The Plan**

The *Access Illinois* plan includes four key elements: 1) Preserve and strengthen the current Community Health Center Expansion Program; 2) build capacity by implementing a new Community Health Center Construction Program to address infrastructure needs; 3) attract and sustain a comprehensive primary care workforce; and 4) expand health care coverage for Illinois' uninsured and underinsured population.

Preserve and Strengthen the Community Health Center Expansion Program

In Illinois, CHCs are very fortunate to have a successful state grant program within the Department of Public Health that awards 3-year grants on a competitive basis. These grants help fund some of the start-up and operational costs of a new clinic or expanded clinic site, which strengthens the health center's application for federal grant funding. As the first priority of *Access Illinois*, IPHCA respectfully requests the General Assembly to preserve and strengthen this existing program, which currently receives an annual appropriation of \$10 million. To date, the program has funded 48 projects for new or expanded health center sites and services.

However, these state grants are capped at \$350,000 per year and require health centers to become operational within 120 days of the award. Although these grants are extremely helpful in guaranteeing the success of a new or expanded health center site, they are not designed for construction projects.

Build Capacity

To address the growing need for health center infrastructure, IPHCA is proposing a new Community Health Center Construction Program during the 2009 session of the 96th General Assembly. This program will provide direct capital funding to help meet the demand for quality care in Illinois' most underserved communities. Immediate projects include renovations for dilapidated buildings, conversions of vacant commercial space, construction of new health center sites, and equipment for additional services such as OB/GYN and dental, resulting in thousands of new patients statewide.

An expansion of Illinois' Community Health Center network would quickly address the needs of the underserved across the state and be a critical step in transforming our health care system. Health centers improve the health of the patients and communities they serve by providing cost-effective, regular primary and preventive care that translates into reduced hospitalizations, lower use of emergency rooms, and fewer referrals to costly specialists. As a result, overall health care spending will be reduced, saving tax payers significantly, while producing far better health care outcomes.

Attract and Sustain a Comprehensive Workforce

Even with new sites and services, health centers will continue to struggle with a shortage of primary care professionals available to staff them. Upon the successful passage of the Community Health Center Construction Program, the next phase of *Access Illinois* will be to create state incentives to both attract and sustain a comprehensive health center workforce. In order to meet the goal of serving two million patients by 2015, Illinois health centers will need an additional 1,345 primary care providers, which include physicians, nurse practitioners, physician assistants and certified nurse midwives (National Association of Community Health Centers [NACHC], August 2009).

Unfortunately, fewer medical students are choosing primary care careers. “Just 2 percent of nearly 1,200 fourth-year students surveyed planned to work in primary care internal medicine, according to results published in the Journal of the American Medical Association. In a similar survey in 1990, the figure was 9 percent” (Johnson, 2008). Several factors have contributed to this decline including, the salary gap between primary and specialty care physicians; increases in tuition and student debt; and the amount of personal time required on both paperwork and patients, who are often chronically ill. “The consequences of failing to act will be higher costs, greater inefficiency, lower quality, more uninsured persons, and growing payment and physician dissatisfaction” (Ornish, 2008).

To address these shortages, IPHCA is proposing a state funded loan repayment program modeled after the federally-funded National Health Service Corps loan repayment program, which was established to assist communities in recruiting health professionals. Program funds are used to repay educational loans incurred by medical professionals who agree to serve in federally designated Health Professional Shortage Areas (HPSAs). Nearly all Illinois CHCs take advantage of this important program as a means of attracting qualified health professionals to underserved areas of the state. Unfortunately like many federal programs, nationwide demand is much higher than available funding. With additional support from the state, Illinois CHCs will be in a much better position to attract and sustain the workforce necessary for reaching the goals of *Access Illinois*.

Expand Health Care Coverage

In 2006, Illinois became the first state in the nation to provide affordable, comprehensive health insurance for every child. Unfortunately, there are still 1.4 million uninsured adults, age 19-64, in Illinois. Approximately 338,000 are very poor—earning below 100 percent FPL. Of those who seek medical attention, a majority are either using a community health center or an emergency room for their primary care.

Health center patients are more than three times as likely as patients served by office-based physicians to experience one or more serious and chronic health conditions, including asthma, diabetes, hypertension, HIV/AIDS and behavioral health conditions (NACHC, 2006). Despite this, patients living in underserved areas with a health center have 5.8 fewer preventable hospitalizations per 1,000 people over three years than patients who live in areas that do not have a health center (NACHC, December 2006). In fact, Medicaid beneficiaries who use health

centers as their medical homes saw a 35.5 percent reduction in emergency room visits (NACHC, 2006).

Unfortunately, a disparity continues to exist among CHC patients enrolled in Medicaid and those that are uninsured simply due to a lack of coverage. According to separate studies conducted by Falik, et al. and Shi, et al., the longer a patient is eligible for Medicaid, the higher the savings for the program and the quality of care for the patient. IPHCA recognizes the right of every individual to have access to quality, affordable health care and will continue its work with the General Assembly and other health care advocates to develop and implement state subsidized health care coverage and private insurance products for low income, uninsured and underinsured individuals.

Conclusion

Insurance alone does not guarantee access to health care. Without an effective network of providers ready and willing to serve individuals in their own communities, an insurance card has little impact. IPHCA's *Access Illinois* plan addresses this need. With continued funding of the current Community Health Center Expansion Program, passage of a new Community Health Center Construction Program, and implementation of a state-funded student loan repayment program, Illinois' Community Health Center Network will be effectively equipped to serve as the medical home for over 2 million individuals by the year 2015.

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