

# The Vital Role of Community Clinics and Health Centers

## *Assuring Access for All Californians*



## CCHCs Are A Wise Investment

### **DID YOU KNOW**

- California is home to 6.6 million uninsured, 15% of the country's total uninsured and the largest number in any U.S. state. Nearly one in every five Californians has no health insurance.
- In 2005, community clinics and health centers (CCHCs) delivered more than 11 million encounters to over 3.6 million patients at nearly 800 clinic sites. In some communities, CCHCs are the only providers available to residents who are uninsured or on Medi-Cal.

### **HEALTH CENTERS REDUCE COSTS**

- Health centers generate savings of \$9.9 to \$17.6 billion annually. The average annual cost of care per patient in CCHCs is \$455 versus an average of \$657 for office-based medical providers.

- Serving Medicaid beneficiaries in CCHCs saves 30% to 33% per beneficiary compared with non-CCHCs providers. CCHC Medicaid patients are 11% to 22% less likely to be hospitalized and 19% less likely to use the emergency room for avoidable conditions. They have lower hospital admission rates, shorter lengths of hospital stays, less costly admissions, and lower outpatient and other health care costs.

### **HEALTH CENTERS INCREASE ACCESS AND IMPROVE CARE**

- CCHCs improve health status and outcomes by assuring a 'medical home' (usual source of care) for the hardest to reach patients and by addressing obstacles to care. The American College of Physicians, American Academy of Family Physicians, American Academy of Pediatrics,

and American Osteopathic Association all agree that a patient-centered medical home model can reduce cost and increase quality of care.

- CCHCs supplement comprehensive, coordinated care with enhanced services that assure access, including outreach, patient education, translation, labor coaching, childbirth education, child care, transportation, and assistance applying for health insurance. Case management assures that patients get all the services they need.
- Health information technology (HIT) improvements contribute to better communication, better quality assurance through data-driven decision-making, increased efficiency, enhanced quality of care, and ultimately to healthier communities.





Increasing technology demands, coupled with limited funding, hinders the ability of CCHCs to provide efficient, cost-effective care and to document improvements in health outcomes.

- Patients in underserved areas served by federally qualified health centers (FQHCs) had 5.8 fewer preventable hospitalizations per 1,000 population over three years than did those in underserved areas not served by an FQHC. The National Association of Community Health Centers estimates that health centers save almost \$3 billion annually in combined federal and state Medicaid expenditures – \$1.2 billion in state spending alone. These savings amount to more than four times the total of state-appropriated funding provided to health centers nationwide.
- CCHCs benefit their communities in many ways beyond the direct effect of the care they provide. In a 2008 brief, researchers at The George Washington University estimated that each investment of \$1 million in California community health centers would stimulate \$12.9 million in economic activity. This includes \$6.4 million in new revenue, 12,500 new patients served, and 141 FTE jobs.

## Strategies That Can Best Assure Access In California

### **EXPAND PRIMARY CARE CAPACITY**

CCHCs must be able to expand their facilities and infrastructure if they are to continue meeting the health care needs of the state's underserved and uninsured. Capital Link estimates that the expansion needs of California clinics over the next five years will cost \$989 million.

### **ENHANCE HEALTH INFORMATION TECHNOLOGY**

Technology is increasingly essential to the quality, efficiency, and financial viability of CCHCs. Key areas for HIT include technology-enabled quality improvement, electronic health records, documenting and tracking care, telemedicine, and regional and statewide health information exchange.

### **ADDRESS WORKFORCE OBSTACLES**

CCHCs struggle with availability of qualified medical and other staff, especially those who are linguistically and culturally prepared to address patient needs. Workforce strategies must address physician and provider supply; salaries, benefits, and other incentives; and retention.

### **SUPPORT CCHC MODEL PRACTICES IN PREVENTION, POPULATION HEALTH, AND CHRONIC DISEASE CARE**

Many CCHCs participate in federally-sponsored Health Disparities Collaboratives that actively engage providers and patients in improving health outcomes for chronic conditions, use best practices to track and address these conditions, and document outcomes to evaluate their success. Supporting effective clinic models can lead to shifts in public reimbursement programs to better cover the actual cost associated with expanded and supportive services.

### **PROMOTE INTEGRATED SYSTEMS THAT LINK SAFETY NET AND OTHER PROVIDERS TO ADDRESS MULTIPLE PATIENT NEEDS**

Provider integration can help spread effective practices between clinics and other entities to promote the best interest of the patient. This includes alliances and partnerships that coordinate care and create access across systems; sharing financial risk, resources, and financial accountability; developing common medical records, quality standards, and approaches to disease management; and facilitating CCHC involvement in local and regional public health efforts.

PREPARED BY:  
Jennie Schacht, Schacht & Associates  
[www.schachtandassociates.com](http://www.schachtandassociates.com)  
510-654-0545  
Oakland, CA

**CPCA**  
California Primary  
Care Association

[www.cPCA.org](http://www.cPCA.org)  
916.440.8170  
1215 K Street, Suite 700  
Sacramento, California 95814