

Health Care Reform Issue Brief: Workforce

I. Background:

- **HCR Provision**

With national sources indicating that primary care physicians who treat adults are expected to face a 30 percent increase in workload by 2025, and, at the same time their ranks are growing by only 2 to 7 percent, federal leaders have been mindful of what the expansion of millions of newly insured patients could mean for health systems across the nation. The Federal health care reform law attempts to promote primary care through several payment incentive and pilot and residency programs, as well as through the creation of new, and investment in current, loan repayment programs that seek to address the projected shortages. Shortage estimates nationally are between 35,000 to 44,000 adult primary care physicians, with California having an estimated shortage of between 5,000 – 17,000 physicians by 2015, as well as significant shortages in nurses and almost all other allied health professions.

The Patient Protection and Affordable Care Act makes significant investments in the primary care workforce, with some benefits being realized in the near future, others with long-term effects by investing in education and training. While the new law includes dozens of workforce related provisions that have great potential to benefit CCHCs, there are several key components of reform that are direct to CCHCs, such as the creation of Teaching Health Centers, the National Health Service Corps, loan repayment programs for providers who commit to serve in medically underserved areas, as well as others that are outlined in brief below.

- **CCHC Specific Provisions**

- ❖ ***New Clinic Types***

Teaching Health Centers (Section 5403)

- This section establishes a grant program to support new or expanded primary care residency programs at teaching health centers (an approved graduate medical residency training program in an FQHC, community mental health center, rural health clinic, or a health center operated by an Indian Health Service).
- This program will receive \$25 million for FY2010, \$50 million for FY2011 and FY2012 and such sums as may be necessary for each fiscal year thereafter. Program funding also provides \$230 million in funding under the Public Health Service Act to cover the indirect

and direct expenses of qualifying teaching health centers related to training primary care residents in certain expanded or new programs. Grants shall be for a term of not more than 3 years, with awards up to \$500,000.

- Program funds shall be used to cover the costs of establishing or expanding a primary care residency, including curriculum development; recruitment; training and retention of residents and faculty; accreditation by the Accreditation Council for Graduate Medical Education (ACGME), the American Dental Association (ADA) or the American Osteopathic Association (AOA); or faculty salaries during the development phase. Special preference will be given to applicants who have an existing affiliation agreement with an area health education center program (AHEC).

Nurse-Managed Health Clinics (Section 5208)

- This section strengthens the health care safety-net by creating a \$50 million grant program administered by HRSA to support nurse-managed health clinics. A nurse-managed health clinic (NMHC) is defined as a nurse-practice arrangement, managed by advanced practice nurses, that provides primary care or wellness services to underserved or vulnerable populations and that is associated with a school, college, university or department of nursing, federally qualified health center, or independent nonprofit health or social services agency.
- To receive a grant, an entity must be an NMHC. The language is unclear about whether a [clinicsclinic](#) is eligible to use the grant to become an NMHC.

❖ Student Loan & Scholarship Programs

Nursing Student Program (Section 5202)

- This section increases the total loan amount to \$17,000 and \$3,300 per year. It also updates the years for nursing schools to establish and maintain student loan funds.
- This section is relevant for clinics, as it makes the nursing student loan program more attractive, especially to incumbent staff who would like to advance in their clinic.

Training in family medicine, general internal medicine, general pediatrics, and physician assistantship (Section 5301)

- This section provides grants to develop and operate training programs; provide financial assistance to trainees and faculty; enhance faculty development in primary care and physician assistant programs; and to establish, maintain, and improve academic units in primary care. Priority is given to programs that educate students in team-based approaches to care, including the patient-centered medical home. Appropriated funding at \$125 million for 2010 and such sums as may be necessary for 2011-2014.
- This is similar funding for currently ARRA funding for primary care residencies and training, such as HRSA-10-235 and HRSA-10-234.

- When these grants are announced, clinics should be encouraged to partner with schools to submit grant proposals, as there is funding in the grants to provide student stipends and to provide clinical training stipends at sites.

Training in general, pediatric, and public health dentistry (Section 5303)

- This section reinstates a separate line of dental funding in Title VII of the Public Health Service Act. It allows dental schools and education programs to use grants for pre-doctoral training, faculty development, dental faculty loan repayment, and academic administrative units. Funding can provide financial assistance to students and financial assistance in the forms of traineeships and fellowships. Appropriated funding of \$30 million for 2010 and such sums as may be necessary for 2011-2015.
- This is not directly relevant to clinics, as they are not the grantees, but priority is given to educational applicants that establish formal relationships with FQHCs or rural health centers.

Health professions training for diversity (Section 5402)

- This section provides scholarships for disadvantaged students who commit to work in medically underserved areas as primary care providers
- Funding is increased from \$37 to \$51 million for 2010 – 2014.

❖ *Loan Repayment Programs*

Pediatric subspecialist loan repayment program (Section 5203)

- This section establishes a loan repayment program for pediatric subspecialists and providers of mental and behavioral health services to children and adolescents who are, or will be, working in a HPSA, MUA or MUP. It provides repayment amounts of up to \$35,000 per year for up to three years. Priority is given to applicants that will be working in pre-K, elementary, or secondary school setting. Funding for this program is set at \$30 million per year for pediatric subspecialists and \$20 million per year for behavioral/mental health workers.

Allied Health Loan Forgiveness Program (Section 5205)

- The section offers loan repayment to allied health professionals employed at public health agencies or in settings providing health care to patients, including acute care facilities, ambulatory care facilities, residences, and other settings located in HPSAs, MUAs, or serving MUPs.
- There is no language in the section on loan forgiveness amounts, or the allied health profession disciplines that would be eligible for this program.

National Health Service Corps (Section 5207 and 10503)

- This section establishes permanent authorization for the National Health Service Corps and establishes increased funding for NHSC programs through 2015, and the formula for appropriations in 2016 forward.

- 2010: \$320,461,632. 2011: \$414,095,394. 2012: \$535,087,442. 2013: \$691,431,432. 2014: \$893,456,433. 2015: \$1,154,510,336.
- Section 10503 establishes funding for NHSC at \$290,000,000 for 2011; \$295,000,000 for 2012; \$300,000,000 for 2013; \$305,000,000 for 2014; and \$310,000,000 for 2015.
- The award that Corps members can receive is increased from \$35,000 to \$50,000; in addition, beginning in FY2012, the award amount can be increased annually by the Secretary to reflect inflation.
- The health reform package allows Corps members to count up to 50% of their time spent teaching towards their full-time service obligation.
- Corps members may satisfy their service obligation through part-time clinical practice (a minimum of 20 hours per week). The Corps member must enter into a written agreement to either double the period of obligated service or receive 50% of the full-time loan repayment amount.

Alternative dental health care provider demonstration project (Section 5304)

- This section authorizes the Secretary to award grants to 15 eligible entities to establish training programs for alternative dental health care providers to increase access to dental health care services in rural, tribal, and underserved communities. Alternative dental health care providers are defined as “community dental health coordinators, advance practice dental hygienists, independent dental hygienists, supervised dental hygienists, primary care physicians, dental therapists, dental health aides, and any other health professional that the Secretary determines appropriate”. FQHCs are eligible to apply for these grants. Appropriated funding of \$4 million for 5 years, for each grant.
- FQHCs can apply to host a demonstration program to train or employ alternative dental health care providers.

Nurse education, practice, and retention grants (Section 5309)

- This section amends Section 831 of Public Health Service Act (42 USC 296p) to award grants to nursing schools or health care facilities; to strengthen nurse education and training programs; and to improve nurse retention. The goal of the grants is to ‘enhance the nursing workforce by initiating and maintaining nurse retention programs’. The grants can be for:
 - career ladder programs to promote career advancement of incumbent staff to become baccalaureate prepared RNs or advanced education nurses
 - developing and implementing internships and residency programs in collaboration with a nursing school
 - assisting individuals in obtaining education and training required to enter or advance within the nursing profession

- Clinics could be eligible for these grants, as “eligible entity” includes a school of nursing, a health care facility, or a partnership of such a school and facility. The legislation does not specify funding amounts for these grants.

Grants to promote the community health workforce (Section 5313)

- This section authorizes the Secretary to award grants to States, public health departments, clinics, hospitals, FQHCs, and other nonprofits to promote positive health behaviors and outcomes in medically underserved areas through the use of community health workers. It encourages establishment of out-come based payment system that rewards community health workers for connecting underserved populations with appropriate services.
- Eligible entities include free health clinics, FQHCs, or a consortium of such entities. Funding is worded as “authorized to be appropriated, such sums as may be necessary to carry out this section” for each of fiscal years 2010 through 2014.
- This section is directly relevant to clinics as it provides funding for health outreach and its community health worker staff and activities.

Demonstration grants for family nurse practitioner training programs (Section 5316)

- As added by Section 10501, this section establishes a training demonstration program that supports recent Family Nurse Practitioner graduates in primary care for a twelve month period in FQHCs and nurse-managed health clinics. The grant covers support for providing the clinical training of the NPs in the clinic. The demonstration is authorized from 2011 through 2014. Each grant is funded at \$600,000 per year.
- This grant provides an opportunity for clinics to recruit and retain additional nurse practitioners, by giving them funded training experiences in clinics.

❖ *Creation of New and Expansion of Existing Programs*

Primary care extension program (Section 5405)

- This section creates a Primary Care Extension Program to educate and provide technical assistance to primary care providers (defined as a clinician who provides integrated, accessible health care services and who is accountable for addressing a large majority of personal health care needs, including providing preventive and health promotion services for men, women, and children of all ages, developing a sustained partnership with patients, and practicing in the context of family and community) about evidence-based therapies, preventive medicine, health promotion, chronic disease management, and mental health.
- The Agency for Healthcare Research and Quality (AHRQ) will award planning and program grants to State hubs including, at a minimum, the State health department, State-level entities administering Medicare and Medicaid, and at least one health professions school. These State hubs may also include health professional societies, State primary care associations, State licensing boards, Quality Improvement Organizations, AHECs, and other quality and training organizations.

Interdisciplinary, community-based linkages (Section 5403)

- This section authorizes funding to establish community-based training and education grants for Area Health Education Centers (AHECs) and Programs. Two programs are supported - Infrastructure Development Awards and Points of Service Enhancement and Maintenance Awards - targeting individuals seeking careers in the health professions from urban and rural medically underserved communities.
- Funds can be used to develop and implement innovative curricula in collaboration with community-based accredited primary care residency training programs, FQHCs, RHCs, behavioral and mental health facilities, public health departments, or other appropriate facilities, with the goal of increasing the number of primary care physicians and other primary care providers prepared to serve in underserved areas and health disparity populations; research or implement other strategies to address identified workforce needs and increase; and enhance the health care workforce in the area served by the area health education center program.

Co-locating primary and specialty care in community-based mental health settings (Section 5604)

- This section authorizes \$50 million in grants for coordinated and integrated services through the co-location of primary and specialty care in community-based mental and behavioral health settings.
- CCHCs are explicitly mentioned as eligible entities.

State grants to health care providers who provide services to a high percentage of medically underserved populations or other special populations (Section 5606)

- This section creates a grant program to support health care providers who treat a high percentage of medically underserved populations.

- **Description of Current State and Federal Activity Related to this Provision**

- 1) Federal Activity** – The significant investment in federal stimulus dollars in the NHSC will serve as a good starting point for the additional expansion of the program through health care reform. Informing medical students, residents and currently practicing providers will be key in the success of California drawing down these funds. In prior years, there was less attention on NHSC, but with the recent investment from ARRA, NHSC has been getting attention and focus.
- 2) State Activity** – It is not yet known if specific state Legislation will be necessary to implement any of the health workforce provisions included in federal health care reform. State health workforce coalitions, however, have begun to do analysis and strategy on California institutions and groups applying for and receiving funding, as well as ways to begin outreach and informational campaigns to necessary targeted groups.

- **Potential Opportunities, Issues of Concern and Potential Partners**

One current opportunity is for CPCA and members to work closely with Legislators generally, as well as with the Assembly Select Committee on Health Workforce Access, to coordinate and develop a

meaningful Legislative hearing around state implementation and the role of the state and of stakeholders in federal health care reform workforce provisions, specifically those related to primary care and CCHCs.

Of some concern is that many grants and programs are competitive between states across the nation, leaving no assurance that any state, including California with its vast shortages in primary care, will have the ability to pull down adequate funds to take full opportunity of these investments and to be prepared for millions of newly insured patients entering the system.

There is also a concern that some of the legislation is currently unfunded, and the language is still vague as to the exact benefit to CCHCs.

There are many potential partners, including the state Legislature, as mentioned, AHECs, state agencies, community based organizations, hospitals, educational institutions, and many more.

- **Key message points for CCHC members in this area**

- There is significant funding for workforce in health reform, although much of the CCHC specific program funds are only available to FQHCs. Non-FQHC clinics will need to make decisions about whether the funding is sufficient enough to warrant initiating the process to become an FQHC.
- There are some innovative new programs being funded, such as nurse-managed health clinics, teaching health centers, and the alternative dental health provider demonstration project. Given the ongoing shortages of primary care providers that will not be completely addressed by health reform, it is important that clinics be thinking about new, creative ways to deliver care. These programs provide funding and support to help address the need to provide care to even more patients in the coming years.
- Some of the workforce funding goes to training institutions. Since part of the funding for training includes stipends, tuition assistance, fellowships, and internships, it is imperative that clinics develop and maintain close relationships with educational institutions in their area. It will be vital to have these strong partnerships as the grant proposals are written, to ensure that critical funding flows to the clinics for providing training opportunities for students and residents.
- One of the key points for CCHCs to highlight during the dialogue around how to prepare the health delivery system, specifically the safety-net, to serve millions of newly insured patients, is the critical necessity to shift away from solely specialty care, and focus on the great needs in primary care.
- Additionally, while the federal government has passed massive reforms and invested heavily in health and primary care, the state of California continues to be unstable due to a bad economy and a consistent and massive budget deficit. It is critical that CCHCs continue to inform Legislators, the media and the public, that CCHCs have already begun closing down around the state, with hundreds of providers and staff being lost... In order for clinics to stand strong and be prepared to care for swarms of new patients in communities throughout the state, state leaders must maintain core programs and maintain the CCHC infrastructure.