



# ADVOCATES FOR COMMUNITY HEALTH



## ACH MONTHLY UPDATE: JANUARY 2024

[advocatesforcommunityhealth.org](https://advocatesforcommunityhealth.org)

Dear ACH Members:

Today is the last day for you to take advantage of our 2024 Annual Member Meeting early bird registration fees, so please [register today](#) to save more than \$100. This event will take place **March 5-7, 2024** and will be hosted at the brand new Capitol Hill Royal Sonesta. You can also book your hotel room at a discounted rate [here](#). All the details, including a draft agenda can be found [here](#).

Also, we are pleased to share with you our [2023 Annual Report](#), which celebrates the great progress we have made to protect and advance the Health Center Program for our members during this critical year. In just the past year, we were able to not only double our membership but also double our staff to better serve you. Please [click here](#) to celebrate our milestones from the past year.

Continue reading for additional updates on our activities in Washington and relevant policy news.

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# MEMBER RESOURCES

Our members have been asking for funding opportunities, so we have been working with our policy team to provide this resource as a new member benefit. Please [click here](#) to view those opportunities. This document will be updated monthly for your convenience.



# POLICY UPDATES

## The Latest News From DC

On January 19, [Congress passed a short-term continuing resolution](#) to fund the government in two tiers and at current levels, including an extension of the Community Health Center Fund, through early March.

[Initially, Republicans and Democrats both wanted to add extra health policies to the stopgap bill, including an increase for community health centers, but those negotiations fell apart.](#)

While we are grateful that the Community Health Center Fund extension was included in this legislation and that a government shutdown was avoided, ACH remains gravely concerned about the ongoing uncertainty and instability for community health center funds and is urging Congress to enact a long-term reauthorization as soon as possible.

In other news, the House Ways and Means Committee advanced the Tax Relief for American Families and Workers Act by an overwhelming and bipartisan vote of 40-3. The bill would expand the Child Tax Credit, the Low-Income Housing Tax Credit, disaster assistance tax incentives, and extend several business tax deductions. The bill could be voted on by the House as early as this week. White House Press Secretary Karine Jean-Pierre signaled that the President sees the deal as a step in the right direction and urges Congress to pass it.

# ACH-Specific Legislation Updates

## Health Equity

ACH continues to promote Rep. Yvette Clarke (D-NY)'s [Health Center Community Transformation Hub Act](#), HR 1072, on the Hill. ACH has reached out to all of the Republican members of the House Energy and Commerce Committee to encourage bipartisan co-sponsorship and build support behind the bill. We will be following up with key offices to discuss potential next steps.

In addition, [ACH submitted comments to HHS's Request for Public Input on Coverage of OTC Preventative Services](#), including contraception, tobacco cessation, and breastfeeding supplies. The comments focused on how addressing issues related to accessibility and education of these products will promote greater health equity in underserved communities.

## FQHC Workforce

We continue to work toward the bipartisan introduction of the *Developing the Community Health Workforce Act*, to be sponsored by Rep. Raul Ruiz (D-CA). We are currently approaching potential Republican lead sponsors and hope to have the legislation introduced soon. We are also working to ensure that workforce needs are incorporated into discussions on the Community Health Center Trust Fund reauthorization and are very encouraged to see our language mirrored in the Senate's Primary Care and Health Workforce proposal ([Section 212 - Allied Health Professionals](#)).

ACH continues to recommend \$950 million in FY24 for the National Health Service Corps (NHSC), which was also included in the Primary Care and Health Workforce proposal ([Section 103 National Health Service Corps](#)). We also support the *Restoring America's Health Care Workforce and Readiness Act*, S. 862, a three-year reauthorization introduced by Senators Dick Durbin (D-IL) and Marco Rubio (R-FL) for the NHSC that would double the mandatory funding from \$310 million to \$625 million in FY24 and increase to \$825 million in FY26. For the Teaching Health Centers Program, ACH recommends an investment of \$5 billion over 10 years.

## Emergency Preparedness

ACH continues to work with Rep. Nanette Barragan (D-CA) on the *Emergency Preparedness for Underserved Populations Act* legislation to create a fund that will help health centers prepare for the next pandemic, natural disaster, or other emergency, and is working to identify a Republican lead sponsor.

The Emergency Preparedness Working Group's latest meeting was held on December 12. The group discussed survey results and priorities for 2024, including workforce resilience and training, funding, and housing concerns. The group aims to focus on emergency preparedness beyond pandemics, as governments and other institutions depend on CHCs in natural disasters and emergency situations but do not include them in funding and priority discussions.

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## Updates on ACH Priorities

### CHC Invest

#### *Community Health Center Reauthorization*

As you already know, the Community Health Center Fund has been extended through early March, thanks to a continuing resolution. As a reminder, in December, the House passed the [Lower Costs, More Transparency Act](#) with overwhelming bipartisan support (320-71). This bill provides a 10% funding increase - **\$4.4 billion per year through calendar year 2025** - above current levels. [Our statement](#)

[in support of the bill can be found here](#). In September, the HELP Committee passed the [Bipartisan Primary Care and Health Workforce Act](#), which funds health centers at **\$5.8 billion per year for three years**. Our statement in support of this bill can be found [here](#).

As the *Lower Costs, More Transparency Act* moves to the Senate for consideration and negotiations on a final funding level for the CHC Fund reauthorization continue in earnest, we will continue to work with leaders on both sides of the aisle and push for reauthorization of the CHC fund to include the highest possible level of funding.

**This is a critical time for advocacy, as Congress has yet to negotiate a long-term and sustainable funding agreement for health centers.** We must continue to communicate health centers' urgent needs to Congress so they understand the true impact of ongoing inflation, 340B savings erosion, workforce shortages, the Medicaid redetermination process, and other factors that are creating historic budget shortfalls and jeopardizing patient care.

## 340B/C

**340B Investigation - Contract Pharmacies:** Last week, ranking member of the Senate HELP Committee, Sen. Bill Cassidy (R-LA), [requested information from two major contract pharmacies, Walgreens and CVS](#), as part of his ongoing investigation into how health care entities use and generate revenue from the 340B program. You may recall that he has also requested information from two hospital systems and two community health centers about how they utilize 340B savings.

**State-Level Action:** 340B experts and lobbyists anticipate 2024 to see increased state-level action on 340B contract pharmacies. [As noted in 340B Report](#), as many as one-third of states are expected to introduce legislation prohibiting drug manufacturer restrictions on contract pharmacy arrangements.

**Lower Costs More Transparency Act & 340B:** As mentioned above, the *Lower Costs, More Transparency Act* passed the House last month, and if enacted, it will have an impact on the 340B program. Included in this bill is a provision that requires all 340B providers to report annually to HHS on how much savings they retain on 340B drugs dispensed to Medicaid managed care patients. We will continue to monitor this bill's progress and will keep ACH members apprised about its impact on the 340B program.

**340C:** ACH continues to advocate on behalf of our 340C proposal, holding ongoing conversations with members and staff and external stakeholders. Last year, ACH sent a [stakeholder letter](#) to the leadership of the Senate HELP and House Energy and Commerce Committees outlining the challenges health centers face in the 340B program and recommending [340C as a solution](#). The letter includes signatures from 104 national, state, and local organizations representing 25 states and DC and Puerto Rico.

ACH will continue to advocate urgently for policies to address the actions that are chipping away at the 340B program. [More information can be found here](#).

## Value-Based Care

**Growth in Value Based Care Utilization:** [McKinsey & Company](#) estimates about 90 million people will be in value-based care models by 2027, up from 43 million in 2022. They also expect growth in specialty VBC, especially in orthopedics and nephrology. Not only that, a recent [report](#) projects VBC to grow to \$174 billion by 2032.

As for ACH's work, as the new year begins the ACH Value Based Care working group is reviewing and revising their charter. Additionally, the group is providing the Duke Margolis Health Policy Center with recommendations around managed care plans and contracts.

In late January, ACH will meet with CMMI regarding the new 10-year [Transforming Maternal Health \(TMaH\) Model](#). The state-based Medicaid model was announced on December 15th and focuses on (1) Access, Infrastructure, and Workforce; (2) Quality Improvement and Safety; and (3) Whole-Person Care Delivery for the prenatal, birth, and postpartum phases for mothers and their infants. The model aims to

include CHCs and rural health clinics; however, the funding targets state Medicaid agencies. The working group is submitting feedback for ACH to relay to CMMI. If you have additional feedback on the model, please email Kristen at [kconstantine@cha-dc.com](mailto:kconstantine@cha-dc.com).

## Monthly Member Highlight

[San Ysidro Health](#)

## Must-Read Articles

[America Needs CHCs, But These Health Centers Need Funding](#)

[Community Health Centers in Financial Jeopardy Without Sufficient Federal Funding](#)



# UPCOMING EVENTS

**February 27-28:** [AI in Health Care Summit](#), Rise, 11 a.m. ET, Virtual

**March 5-7, 2024:** [ACH Annual Member Meeting](#) (Washington, D.C.)

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1575 I ST NW, SUITE 300  
WASHINGTON, D.C. 20005

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