



December 6, 2024

The Honorable Charles E. Schumer  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Mike Johnson  
Speaker of the House  
United States House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable Hakeem Jeffries  
Minority Leader  
United States House of Representatives  
Washington, DC 20515

Dear Leader Schumer, Speaker Johnson, Leader McConnell, and Leader Jeffries,

On behalf of Advocates for Community Health (ACH) and the community health centers (CHCs) and patients we represent, I write today to outline the priorities that ACH recommends Congress address prior to the end of the 118<sup>th</sup> Congress. We are deeply grateful for all you do for health centers and their patients, and we urge you to act now to ensure continued access to care for our nation's underserved populations.

ACH recommends:

1. Reauthorization of the Community Health Center Fund for two years at \$5.8 billion per year. This funding expires on December 31, 2024.
2. Passage of a disaster supplemental funding bill that provides dedicated funding for community health centers to recover from recent natural disasters.
3. Reauthorization of the National Health Service Corps mandatory funding stream (NHSC) at \$950 million per year for two years and an increase in funding for the Teaching Health Centers Graduate Medical Education (THCGME) program to \$300 million per year for five years.

**Community Health Center Fund Reauthorization**

Since the Health Center Program began 60 years ago, both Republicans and Democrats have invested in health centers because they have seen the vitally important results – both economic and clinical – in their communities. Without this support, the consequences would be devastating. Patients without a regular source of care would crowd emergency rooms, driving up the cost of health care for all patients and taxpayers. Patients in communities where rural hospitals are already closing would be left without any community care options. However, with a reinvestment in the safety net, we could work toward a future where patients have consistent access to high-quality primary care, communities see higher economic growth, and the health care system saves money.

There are over 1,400 community health centers in the United States, providing vital care in rural, suburban, urban, and frontier communities – the nation's largest network of primary care providers. The community health center model is community-based, high quality, and an



efficient investment of federal dollars. Research shows that, for every \$1 invested in primary care like that provided at CHCs, \$13 is saved in downstream costs.<sup>1</sup> The Congressional Budget Office found that care provided at community health centers lowers federal spending for the Medicaid and Medicare populations they serve and lowers spending in emergency departments, inpatient hospital settings, and other outpatient services.<sup>2</sup> CHCs were estimated to save \$25.3 billion for the Medicaid and Medicare programs in 2021.<sup>3</sup> Health centers have a lower incidence of specialty, emergency department, and hospitalization visits compared with other primary care providers for complex Medicaid managed care beneficiaries.<sup>4</sup>

ACH is deeply grateful for the bipartisan work done to provide an increase in funding for health centers as part of the March 2024 continuing resolution. However, more needs to be done. Nationwide health care workforce shortages, higher than normal medical inflation, high intensity natural disasters, small operating margins, and other factors have created an untenable financial situation for health centers, and many are on the brink of closing their doors. Health centers need help now.

More than 550 national, state, and local organizations representing all 50 U.S. states and territories support a \$5.8 billion per year investment in the Community Health Center Trust Fund.<sup>5</sup> Advocates for Community Health urges you to do everything you can to provide a robust, sustained funding increase for community health centers through this funding stream, to ensure communities have what they need to stay healthy.

### **Disaster Supplemental**

From the Maui wildfires over a year ago to the devastating hurricanes across the Southeast in September, community health centers were at the front lines for their patients and neighbors, providing safe drinking water, accessible facilities, and vital medical services. Despite the dire financial headwinds health centers are facing, health centers showed up for their communities because it is their mission to do so. However, it is imperative that their ability to provide ongoing healthcare is not compromised by these challenges.

Health centers need the Administration and Congress to work together to ensure any upcoming disaster supplemental funding package includes sufficient resources to help health centers keep their doors open and continue serving their patients. In particular, we request at least \$50 million to help health centers recover from recent natural disasters.

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<sup>1</sup> Gelmon, S., Wallace, N., Sandberg, B., Petchel, S., Bouranis, N., OHSU & PSU School of Public Health and Mark O. Hatfield School of Government, & Portland State University. (2016). *Implementation of Oregon's PCPCH Program: Exemplary practice and program findings*. <https://www.oregon.gov/oha/HPA/dsi-pcpcch/Documents/PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf>.

<sup>2</sup> Congressional Budget Office. (2024). *CBO's cost estimates explained, CBO describes its Cost-Estimating Process, Glossary*. <https://www.cbo.gov/system/files/2024-02/s2840.pdf>.

<sup>3</sup> Nocon, Robert. Kaiser Permanente Bernard J. Tyson School of Medicine. *Testimony on Community Health Centers: Saving Lives, Saving Money before the United States Senate Committee on Health, Education, Labor and Pensions Committee*. March 02, 2023. Retrieved from [https://www.help.senate.gov/imo/media/doc/Testimony-Nocon-CHCs%202023-0228\\_Final.pdf](https://www.help.senate.gov/imo/media/doc/Testimony-Nocon-CHCs%202023-0228_Final.pdf).

<sup>4</sup> Pourat, N., Chen, X., Lu, C., Zhou, W., Yu-Lefler, H., Benjamin, T., Hoang, H., & Sripipatana, A. (2023). Differences in health care utilization of High-Need and High-Cost patients of federally funded health centers versus other primary care providers. *Medical Care*, 62(1), 52–59. <https://doi.org/10.1097/mlr.0000000000001947>.

<sup>5</sup> Link to letter here: <https://advocatesforcommunityhealth.org/wp-content/uploads/2024/09/CHC-Funding-Stakeholder-Letter-Final-9.18.24-UPDATED-9.25.24.pdf>.



**National Health Service Corps and Teaching Health Centers Program**

We are deeply concerned about the imminent expiration of mandatory funding for the National Health Service Corps (NHSC) and the Teaching Health Centers Graduate Medical Education (THCGME) program, which is set to expire on December 31st.

**National Health Service Corps (NHSC):** We urge Congress to reauthorize mandatory NHSC funding at \$950 million per year for two years. The NHSC serves over 75 million people in primary care Health Professional Shortage Areas (HPSAs) by providing scholarships and loan repayment programs to healthcare providers committed to these communities. Despite rising demand, NHSC funding declined by nearly \$220 million in FY23 and almost \$90 million in FY24. An estimated \$965.6 million is needed to meet growing needs and projected clinician shortages. As a nation, we are at a breaking point with respect to healthcare workforce shortages, particularly in underserved communities. This investment in the NHSC equates to sustaining an NHSC field strength of 20,000 clinicians.

**Teaching Health Center Graduate Medical Education (TCHGME):** Please increase THCGME funding to \$300 million per year for five years. The THCGME program, which enjoys bipartisan support, currently trains nearly 1,200 medical and dental residents across 82 Teaching Health Centers in nearly 30 states. These residents provide care in over one million patient visits annually, addressing critical primary care shortages nationwide. The centers in this program, which place doctors where they are most needed, often receive over 100 applications for each residency slot. Many THCGME residents continue practicing in the communities where they trained, strengthening local healthcare systems and establishing long-term roots.

If you have any questions about this letter or would like to discuss this further, please do not hesitate to contact me at [apearskelly@advocatesforcommunityhealth.org](mailto:apearskelly@advocatesforcommunityhealth.org) or contact Stephanie Krenrich, SVP of Policy and Government Affairs, at [skrenrich@advocatesforcommunityhealth.org](mailto:skrenrich@advocatesforcommunityhealth.org).

Sincerely,

Amanda Pears Kelly  
Chief Executive Officer

CC: The Honorable Bernie Sanders, Chair, Senate Health, Education, Labor, and Pensions (HELP) Committee  
The Honorable Bill Cassidy, M.D., Ranking Member, Senate Health, Education, Labor, and Pensions (HELP) Committee  
The Honorable Cathy McMorris Rodgers, Chair, House Energy and Commerce Committee  
The Honorable Frank Pallone, Jr., Ranking Member, House Energy and Commerce Committee