



IMPLEMENTATION OF H.R. 1 AND MEDICAID AT COMMUNITY HEALTH CENTERS

THE ISSUE

Community Health Centers (CHCs) are the main source of primary care for millions of Americans, especially in rural and underserved communities, and Medicaid plays a critical role in enabling this access. Approximately 50% of CHC patients are covered by Medicaid.

Provisions in the recently enacted “One Big Beautiful Bill Act” (H.R. 1) that change Medicaid eligibility and enrollment processes are expected to result in coverage disruptions, which could affect patients’ ability to maintain regular access to care as well as destabilize CHC finances.

When a Medicaid patient loses coverage, they don’t lose their need for care. CHCs will continue to serve these patients and help maintain continuity of care. However, without adequate resources, we expect to see significantly higher rates of uncompensated services at health centers – increasing administrative burden and financial strain.

THE OPPORTUNITY

While H.R. 1 presents challenges, there are also opportunities to reinforce Medicaid’s role in supporting high-quality, comprehensive care delivered via health centers through implementation.

If states and health care leaders engage health centers early and thoughtfully, they can help minimize operational impacts and unintended consequences, while supporting the continued delivery of primary care and chronic disease management in safety-net settings.

POLICY PRIORITIES

ACH urges Congress to strengthen and sustain community health centers by:

- 1. Ensuring CHCs are at The Table:** When implementing H.R. 1, CMS and states must account for the role CHCs play in serving high-need populations and maintaining access to care in rural and underserved communities.
- 2. Preserving Access to Primary Care and Chronic Disease Management:** Congress should identify alternative sources of funding for these services, as they are foundational to care.

OUR ASK:

Congress should ensure that community health centers (CHCs) can continue to provide consistent, high-quality primary care by providing stabilization funding through a Primary Care Value and Innovation Fund, focusing on access to preventive and primary care services.

Members of Congress should partner with their states to ensure that CHCs are involved in state implementation in order to minimize care disruption.