



ADVOCATES FOR
COMMUNITY
HEALTH

February 24, 2026

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Mike Johnson
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader Thune, Minority Leader Schumer, Speaker Johnson, and Minority Leader Jeffries,

Advocates for Community Health (ACH) is a nonpartisan, nonprofit membership organization focused on advocacy initiatives to affect positive change for community health centers (CHCs), the patients they serve, and the entire nation's health care system. Our 50 health center members serve over four million patients across 22 states, Puerto Rico, and the District of Columbia. Our mission is to advance bold, actionable policy that strengthens health centers' ability to deliver comprehensive, integrated primary care and cutting-edge innovation. For 60 years, health centers have provided high-quality primary care that delivers better outcomes at lower cost for patients, taxpayers, and the health care system as a whole. To address rising health care costs and long-term fiscal pressures, we ask that you consider the role of CHCs as a proven, bipartisan solution.

Funding for Community Health Centers

We are extremely grateful for the bipartisan investment Congress made in CHCs in H.R.7148, the Consolidated Appropriations Act, which increases funding for the Community Health Center Fund (CHCF) through the end of this calendar year. The bill delivers \$4.6 billion in mandatory CHCF funding through 2026, an increase of \$340 million. That is real progress, but it does not yet match the scale of need.



As Congress continues to address health care affordability, we urge lawmakers to view robust and long-term investments in the CHCF as a core part of a fiscally responsible health care strategy. With additional investment, CHCs could dramatically accelerate their impact on patients and their communities. CHCs are model stewards of federal funds; the more you invest in health centers, the more federal funds you save. Research shows that for every \$1 invested in primary care, like the care provided at health centers, \$13 is saved in downstream costs through the prevention of expensive complications and emergency room visits.¹ Further, the Congressional Budget Office has reported that funding CHCs leads to more cost-effective patient care than the care that patients would otherwise receive and could save the federal government billions of dollars.²

As affordability conversations continue, **we urge lawmakers to make a strategic investment in the CHCF at the end of this year by increasing the CHCF to \$7.87 billion annually for at least three years.** Longer term investment is critical to health center operations, especially the ability to recruit and retain their workforce. **We also ask that \$2.88 billion be allocated in discretionary funding for the Health Center Program in Fiscal Year 2027.**

Protect the 340B Drug Pricing Program

As CHCs face workforce shortages and increased patient demand, the 340B Drug Pricing Program is critical to stretching limited federal resources to provide affordable, high-quality care to communities across the country, especially in rural areas.

By enabling discounted prescription drug purchases, the program allows health centers to serve more patients with complex needs and reinvest savings into critical services such as chronic disease management and maternal health. Though CHCs represent just 5% of 340B purchases, the program has an outsized impact on access to care in rural and at-risk regions. A recent analysis of ACH member data shows that one in every four 340B dollars supports care for rural Americans.³

¹ Oregon Health Authority (OHA). (2016). *Implementation of Oregon's PCPCH Program: Exemplary Practice and Program Findings*. [PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf](https://www.oha.gov/system/files/2016-09/PCPCH-Program-Implementation-Report-Final-Sept-2016.pdf)

² Congressional Budget Office. (2024). *Cost Estimate | S. 2840, Bipartisan Primary Care and Health Workforce Act*. <https://www.cbo.gov/system/files/2024-02/s2840.pdf>

³ Advocates for Community Health. (December 2025). *Findings from the Community Health Center 340B Savings Disclosure Survey | Research Brief*. <https://advocatesforcommunityhealth.org/wp-content/uploads/2025/12/340B-Disclosure-Form-Report-6.pdf>



These resources are reinvested directly into patient services, including:

- Keeping rural clinics open
- Expanding telehealth services
- Operating mobile and school-based clinics
- Providing transportation and other enabling services

Unfortunately, actions taken by drug manufacturers and pharmacy benefit managers are eroding the program, jeopardizing health centers' ability to care for underserved communities. **We urge Congress to pass comprehensive reform legislation that increases transparency and accountability for participating entities and ensures program stability and longevity for safety net providers.**

As we consider how best to ensure the 340B program remains a viable resource for community health centers, it is important to note that the proposed 340B Rebate Model Pilot Program would significantly harm the health centers that rely on 340B savings. CHCs operate on thin margins and must closely manage cash flow. Even a delay of a few weeks in receiving 340B savings could affect their ability to pay staff, purchase essential equipment and supplies, and make day-to-day operational decisions needed to keep clinics running. Moving from the upfront discount structure in the 340B statute to a rebate after-the-fact system – even if only for ten drugs - would also create significant administrative burden. Health centers would have to manage multiple systems, comply with new requirements, and navigate waiting periods. This would increase costs for covered entities that can at least afford it. Some health centers may be forced to stop participating in 340B altogether.

We greatly appreciate the strong bipartisan opposition in Congress to converting 340B into a rebate-based program. Last year, nearly 200 Members of Congress sent a letter urging the U.S. Department of Health and Human Services to reject a rebate model.⁴

ACH urges lawmakers to oppose any changes that weaken the 340B program and to protect health centers, which are good stewards of the program, from further harm. As such, ACH supports HR 7391, the *Community Health Center Drug Pricing Protection Act*, to ensure community health centers are not required to comply with a rebate model in the 340B program.

⁴ Congresswoman Doris Matsui (CA-07). (September 2025). *Matsui and Colleagues Urge HHS to Abandon 340B Rebate Model Pilot Program* [Press release]. <https://matsui.house.gov/media/press-releases/matsui-and-colleagues-urge-hhs-abandon-340b-rebate-model-pilot-program>



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Reinvest in the Primary Care Workforce

As a nation, we are facing severe health care workforce shortages, particularly in underserved and rural communities. Investing in the National Health Service Corps (NHSC) does not just fill gaps, it builds long-term capacity of human capital through scholarships and loan repayment programs to health care professionals who serve where they are needed most. Today, over 18,000 NHSC clinicians are delivering primary, dental, and mental health care at 8,400 CHCs, reaching 18.9 million patients.⁵ The NHSC program helps health centers recruit and retain a skilled, mission-driven workforce, from front office staff to physicians and behavioral health providers. In addition, NHSC workers are cost savers. On average, each additional NHSC behavioral health staff was associated with a significant reduction of \$3.55 of behavioral health care costs per visit in CHCs and was associated with an even larger reduction of \$7.95 in rural CHCs specifically.⁶

ACH urges Congress to invest at least \$950 million annually through a multi-year reauthorization for the National Health Service Corps to ensure that rural and underserved communities can access high quality health care. Addressing primary care needs with NHSC professionals will reduce long-term health care costs and create a more resilient health care infrastructure.

Modernize Care Delivery and Improve Health Outcomes

Given their role in primary care delivery and the complex, high-need patients they serve, CHCs are central to bending the health care cost curve and improving care delivery. We welcome the opportunity to partner with lawmakers to advance patient-centered solutions that address mental health, nutrition, and chronic disease more effectively. We support permanent extensions of policies that allow for expanded access to telehealth services and incentivize capacity building for value-based care at health centers.

ACH is deeply grateful for your leadership and continued support of the Health Center Program, which plays a vital role in providing comprehensive and affordable health care

⁵ Health Resources & Services Administration (HRSA) | National Health Service Corps (NHSC). *Who We Are*. <https://nhsc.hrsa.gov/>

⁶ Han, X., Pittman, P., & Ku, L. (September 2021). *The Effect of National Health Service Corps Clinician Staffing on Medical and Behavioral Health Care Costs in Community Health Centers*. <https://pmc.ncbi.nlm.nih.gov/articles/PMC8428858/>



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to Americans. ACH remains committed to partnering with you to advance health care for the communities we serve.

For more information or to discuss these issues further, please contact me at apearskelly@advocatesforcommunityhealth.org and/or contact Stephanie Krenrich, Senior Vice President of Policy and Government Affairs, at skrenrich@advocatesforcommunityhealth.org.

Sincerely,

Amanda Pears Kelly
Chief Executive Officer
Advocates for Community Health