

Advocates for Community Health
Hill Day 2026
Asks & Talking Points
March 12, 2026

Asks:

1. **Thank you** for increasing funding to a \$4.6 billion yearly rate in 2026 for the Community Health Center Fund, and for increasing funding for the National Health Service Corps and the Teaching Health Centers Graduate Medical Education Program.
2. **Health Center Funding:** We urge lawmakers to make a strategic investment in the Community Health Center Fund by increasing the CHCF to \$7.87 billion annually for at least three years. We also ask that \$2.88 billion be allocated in discretionary funding for the Health Center Program in Fiscal Year 2027.
3. **National Health Service Corps Funding:** ACH urges Congress to invest at least \$950 million in mandatory funding 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.
4. **340B Drug Discount Program:** We urge Congress to pass comprehensive 340B reform legislation that increases transparency and accountability for participating entities and ensures program stability and longevity for safety net providers. Please cosponsor HR 7391, the *Community Health Center Drug Pricing Protection Act*, to ensure health centers retain up front discounts in the 340B program.
5. **Protecting Medicaid Reimbursement and Patient Access:** Congress should ensure that community health centers 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 also partner with their states to ensure that CHCs are involved in state implementation in order to minimize care disruption.

Talking Points:

1. **Thank you** for increase in funding to \$4.6 billion yearly rate in 2026 for the Community Health Center Fund.
 - We are extremely grateful for the bipartisan investment Congress made in health centers in the recent funding package, which increases funding for the Community Health Center Fund through the end of this calendar year.
 - We are also grateful that the bill included \$225 million for the Teaching Health Centers Graduate Medical Education (THCGME) program in fiscal year 2026, with gradual increases until it is funded at \$300 million in FY29, and an increase for the National Health Service Corps (NHSC) mandatory funding to \$350 million for 2026
2. **Health Center Funding:** We urge lawmakers to make a strategic investment in the Community Health Center Fund by increasing the CHCF to \$7.87 billion annually for at least three years. We also ask that \$2.88 billion be allocated in discretionary funding for the Health Center Program in Fiscal Year 2027.
 - Congress must reinvest in the Community Health Center Fund with a strong baseline and regular increases to shore up this critical safety net when it expires on December 31, 2026.
 - Support for community health centers is one issue everyone can agree on – democrats and republicans, and urban, rural, suburban, and frontier communities nationwide.
 - Together with increased annual appropriations, an increased Community Health Center Fund will allow health centers to grow in four key areas: operations, infrastructure, workforce, and innovation.
 - Over a third of Americans do not have access to primary care, which has been shown to prevent and control chronic diseases. A bold investment in the Health Center Program fills a very real need – greater access to the gold standard of primary care for healthy American communities.
 - CHCs are the best investment you can make in health care, saving money by preventing costly complications, creating jobs, and keeping Americans healthy.
 - 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 recently 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
- CHCs are non-profits as well as community-owned and operated, with patient-led boards that ensure the needs of the local community are met.

3. National Health Service Corps Funding: ACH urges Congress to invest at least \$950 million in mandatory funding 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.

- As a nation, we are facing severe health care workforce shortages, particularly in underserved and rural communities.
- Investing in the National Health Service Corps builds long-term capacity 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 community health centers, reaching 18.9 million patients.³
- The National Health Service Corps helps health centers recruit and retain a skilled, mission-driven workforce, from front office staff to physicians and behavioral health providers.
- On average, each additional National Health Service Corps behavioral health staff was associated with a reduction of \$3.55 of behavioral health care costs per visit in community. In rural health centers, they saved \$7.95 per visit.⁴

4. 340B Drug Discount Program: We urge Congress to pass comprehensive 340B reform legislation that increases transparency and accountability for participating entities and ensures program stability and longevity for safety net

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

⁴ 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/>

providers. Please cosponsor HR 7391, the *Community Health Center Drug Pricing Protection Act*, to ensure health centers retain up front discounts in the 340B program.

- Community health centers are a small part of the overall 340B program, but it has an outsized impact on health center patients and communities.
- Non-profit community health centers are a prime example of the intent behind the 340B program's creation: to maximize federal investment and expand care to underserved communities as effectively as possible.
- Health centers only make up about 6% of the purchases in the 340B program, but their participation has meaningful impact on their ability to serve their communities.
- A recent analysis of ACH member data shows that **one in every four 340B dollars supports care for rural Americans**.⁵ 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
- As required by law and regulation, CHCs reinvest every dollar of program income (including 340B savings) back into patients and their care.
- Data has shown that health centers' grants and payer reimbursements consistently fail to cover the cost of the comprehensive services provided at community health centers. 340B savings can help make up for this shortfall.
- Health centers rely on 340B to help stretch federal dollars to serve underserved communities - the intent of the program - but program benefits are eroding due to the actions of manufacturers, PBMs, and insurance companies, and the rebate model being advanced by HHS.

340B Program Reform

- Reform of the 340B Program is long overdue, but it must be achieved without destabilizing our country's safety net.
- We will support reform legislation if it results in a net positive impact for

⁵ 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>

health centers, and if the process is clear, transparent, and inclusive.

- It should hold entities accountable for the use of their 340B savings, and entities should be required to maintain auditable records to document compliance.
- We are committed to working with lawmakers, 340B program stakeholders, and other interested parties to identify policy changes to restructure this program in a way that most benefits patients and their communities.

340B Rebate Model Pilot Program

- The proposed Rebate Model Pilot Program will require community health centers and other covered entities to pay the “sticker price” when they purchase drugs, as opposed to receiving the discounted price, as the program is currently structured.
- The Pilot Program puts an unfair financial burden on health centers - the entities that can least afford it.
 - **UPFRONT COST** - Health centers are projecting increased costs in the hundreds of thousands of dollars to go out of pocket for drugs.
 - **LOST SAVINGS** - Others are saying they will forgo prescribing certain medications to patients, so health centers will lose access to savings and patients will lose access to medications.
 - **ADMINISTRATIVE BURDEN** - The increased administrative burden and financial risk is expected to be significant and will limit health centers’ ability to provide high quality and comprehensive care using 340B savings.
 - Health centers will have to add senior level staff with the experience and sophistication to track rebates across multiple different models, third party administrators (TPAs), and contract pharmacies. They will need to submit data reports and submit disputes when manufacturers ultimately do not comply.

The Community Health Center Drug Pricing Protection Act, HR 7391 (HOUSE ONLY)

- Please cosponsor the ***Community Health Center Drug Pricing Protection Act***, to protect community health centers (and FQHC-lookalikes and Urban Indian Organizations participating in the 340B Program as FQHCs) from being forced

into a 340B rebate-based pricing model by:

- Prohibiting HRSA from approving any agreement with a drug manufacturer that requires a health center to pay more than the 340B ceiling price for covered outpatient drugs at the time of purchase, with later reconciliation through a rebate, reimbursement, or other payment; and
- Clarifying that no arrangement under the 340B Program may permit manufacturers to charge FQHCs more than the 340B ceiling price up-front, regardless of how the payment is later reconciled.

5. Protecting Medicaid Reimbursement and Patient Access: 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 also partner with their states to ensure that CHCs are involved in state implementation in order to minimize care disruption.

- 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.
- 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.

- **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.
- Congress should ensure that community health centers can continue to provide consistent, high-quality primary care by providing stabilization funding through a proposed **Primary Care Value and Innovation Fund**, focusing on access to preventive and primary care services.
 - Considering projected coverage losses and per patient costs at community health centers, a fund amounting to \$3.12 billion would help ensure health centers have what they need to continue providing care to their communities.