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NATIONAL ASSOCIATION OF  
Community Health Centers

Policy Update  
September 2010

### **NACHC's Annual Community Health Institute a Success**

The 2010 Community Health Institute (CHI) & EXPO was held September 10 – 14, 2010 in Dallas, Texas. The conference brought together thousands of health center leaders, decision-makers, policy experts, clinicians and consumers to dialogue on strengthening the primary care foundation in America under the Affordable Care Act (ACA). If you missed the conference, or want to review information from a session, you can find it all on [NACHC's Live Learning Center](#).

### **NACHC Marks Six Month Anniversary of the Patient Protection and Affordable Care Act**

September 23, 2010 marks the six month anniversary of the President signing the Patient Protection and Affordable Care Act (ACA). This anniversary is a significant benchmark in implementation of the new law. Starting today, Americans can no longer be denied coverage due to a pre-existing condition, get dropped from insurance, or "max out" their benefits if they get sick.

In recognition of the six month anniversary, NACHC President and CEO Tom Van Coverden issued the following statement:

*"Today marks a major milestone in our health care system. Families can now have more secure insurance coverage without the worry of being dropped or going bankrupt if a loved one is sick. New health insurance plans must now provide preventive services, such as mammograms and immunizations, with no out-of-pocket cost, so that people have a better chance at staying healthy and avoiding costly hospital stays. Insurance coverage and a place to go for care are critical components of staying healthy and the new law makes this finally possible. Equally important, a key provision of the new law will expand the national network of Community Health Centers and assure that people have access to doctors and a primary care medical home. This expansion will take place during the next five years in communities across the country. With coverage and access available to more people, the prognosis for America is hopeful. We are proud to be part of this great change."*

### **Increased FMAP Extended, States Must Request Funds**

On August 18, 2010, CMS issued a [State Medicaid Director's Letter](#) on the recently enacted Federal Medical Assistance Percentages (FMAP) extension, which was included in the Education, Jobs, and Medicaid Assistance (PL 111-226). This provision extends the increased FMAP under Section 5001 of the American Recovery and Reinvestment Act (ARRA) through June 30, 2011. Unlike the funds in ARRA, the Chief Executive Officer of the State must submit a request for the funds within 45 days of enactment, or by September 24, 2010. According to HHS, every state requested their FMAP increase within this time period. NACHC supported the increased FMAP in ARRA and [applauded](#) the recent extension. Additionally, the August 26 Federal Register (75 Fed Reg 52530 et seq) included the newest FMAP matches for the states from ARRA.

### **Bureau of Clinician Recruitment and Service Update**

At NACHC's CHI, Rebecca Spitzgo, Associate Administrator of the Bureau of Clinician Recruitment and Services (BCRS), noted that there were 2,479 Loan Repayment Program recipients 2009 and 4,023 Year-to-date Loan Repayment Program recipients in 2010. Over 3,000 Loan Repayment Program awards and over 200 National Health Service Corps (NHSC) Scholarships are expected to be awarded in FY 2011. A new streamlined version of the NHSC Loan Repayment Bulletin will be published in October 2010 and a web-based application and customer Service portal will make it easier for loan recipients and sites. The NHSC field strength by discipline has changed between 2004 and today; most notable changes are in physicians (45% to 27% today) and in mental health (17% to 26% today).

### **Bureau of Health Professions Update**

The Bureau of Health Professions (BHP) held a stakeholder meeting on Teaching Health Centers at HRSA on August 16 and has made available a webinar on the issue. You can view the archived webinar [here](#).

HHS awarded \$130 million to boost health professions workforce on September 17, 2010. The funding breaks down as follows:

- Expanding Primary Care Workforce Training Programs - \$42.1 million. Riverstone Health in Montana was one of 44 funded for Residency Training in Primary Care (HRSA-10-233) and received \$78,977. A.T. Stills in Missouri was one of 35 funded for PreDoctoral Training in Primary Care (HRSA-10-233) and received \$237,747.
- Oral Health - \$23.9 million. Penobscot Community Health Center in Maine was one of six funded under Faculty Development in General, Pediatric, and Public Health Dentistry & Dental Hygiene and received \$224,084. \$4.3 million was awarded to nine states to strengthen the delivery of multidisciplinary comprehensive oral health care, integral to quality primary care.
- Patient Navigator & Chronic Disease Prevention - \$3.8 million - four of ten grantees were health centers: Goodwin Community Health Center in Georgia - \$381,735; South County Community Health Center in California - \$389,444; William F. Ryan Community Health Center in New York - \$381,735; Vista Community Health Center in California - \$381,735.
- Equipment to Enhance Training for Health Professionals - \$50.5 million provided 208 awards to assist with purchasing equipment for training current and future health professionals across disciplines at the undergraduate, graduate, and post-graduate education levels.
- Loan Repayment - \$8.3 million - 29 grants were made to states for matching loan funds to assist physicians, dentists, nurse practitioners, nurse midwives, physician assistants, psychologists, and social workers who agree to provide full-time primary health services in federal health professional shortage areas for a minimum of two years.
- Health Careers Opportunity Program - \$2.1 million - three grantees received funding to increase diversity in the health professions by developing an educational pipeline to enhance the academic performance of economically and educationally disadvantaged students, and prepare them for careers in the health professions.

Click [here](#) for grant award tables by state and [here](#) for the HHS press releases and fact sheets. You can also view NACHC's press release on the funds [here](#).

### Federal Matching Funds for Electronic Health Record Incentive Program

ARRA provides a 90 percent federal match for state planning activities to administer the incentive payments to Medicaid providers, to ensure their proper payments through audits and to participate in statewide efforts to promote interoperability and meaningful use of electronic health record (EHR) technology statewide and, eventually, across the nation.

On September 13, 2010, the Centers for Medicare & Medicaid Services (CMS) announced the final four state Medicaid programs eligible to receive federal matching funds, to implement electronic health records. Massachusetts will receive \$3.56 million, Ohio \$2.29 million, Hawaii \$836,000 and North Dakota \$226,000. Now every state, plus Washington, DC, Puerto Rico and the Virgin Islands have all received federal matching funds for their state planning activities for the Medicaid EHR Incentive program.

Additionally, NACHC recently held webinars on the final rule on the Medicaid EHR incentives. If you missed the webinar, you can view the presentation [here](#).

### HHS Issues Request for Comments on State Based Exchanges

The HHS Office of Consumer Information and Insurance Oversight issued a [request for comments](#) on the development of the state-based exchange related provisions of the Affordable Care Act on August 3, 2010. The request for comments includes a number of questions for states and organizations that will be integral in the development of the state based exchanges. NACHC is reviewing the request and will be preparing comments and encourages health centers and PCAs to do the same. Comments are due October 4, 2010 and can be submitted at [www.regulations.gov](http://www.regulations.gov).

### Proposed Rules on Various Affordable Care Act Provisions

On September 17, 2010 the Centers for Medicare and Medicaid Services issued a [Proposed Rule](#) on Section 10201(i) of the Affordable Care Act, which requires improved transparency and public notice of 1115 waivers. NACHC is reviewing this rule and will prepare comments, which are due November 16, 2010.

HRSA released two Advance Notices of Proposed Rulemaking and Request for Comments on September 20, 2010 on Section 7102(a) of the Affordable Care Act. The first requires the Secretary to establish standards for civil monetary penalties for manufacturers that knowingly and intentionally overcharge a 340B entity for 340B covered drugs and the second establishes an administrative dispute appeals process. Comments on this notice of proposed rulemaking are due November 19, 2010.

NACHC is currently reviewing both of these regulations and will be preparing comments for submission. NACHC encourages health centers and PCAs to do the same. Please don't hesitate to contact NACHC staff should you have questions on any of these regulations.

### **MACPAC Announces New Website and First Meeting**

The Children's Health Insurance Program Reauthorization Act (CHIPRA) created the Medicaid and CHIP Payment and Access Commission (MACPAC), which was extended in the Affordable Care Act. MACPAC is a panel to evaluate whether Medicaid payment levels are enough to ensure access to quality care in Medicaid programs. Its mission is to review Medicaid and CHIP access and payment policies and advise Congress, the Secretary of Health and Human Services (HHS), and the states on Medicaid and CHIP issues.

MACPAC held its first meeting Sept 23 and 24, 2010 in Washington, DC. The agenda is available on its new website, [www.macpac.gov](http://www.macpac.gov). Through the website, MACPAC is accepting public comments on its meeting agendas before and after the public meetings. You can sign up for the MACPAC mailing list for updates on meetings and reports to Congress [here](#).

### **OIG Reports on Several Health Centers**

The Fiscal Year 2010 annual work plan for the Office of Inspector General (OIG) indicated that the OIG would conduct several audits specific to funding under ARRA, including reviews regarding: (1) whether health centers are managing and accounting for federal funds appropriately and whether they are compliant with law and regulation applicable to the health center program and (2) recipients' compliance with government-wide reporting requirements specified in ARRA and OMB guidance and the accuracy and completeness of such reports. Over the last few months, the results of several of these audits have been issued.

Findings from the two published reviews of Recipient Compliance with Reporting Requirements indicate that neither health center fully complied with ARRA reporting requirements, including reporting errors related to one or more of the following: funds received, expenditures, numbers of jobs created or retained and project status.

In all cases, the OIG recommended that the audited health centers establish and implement policies, procedures and systems to correct the identified weaknesses and deficiencies.

The full reviews are available online at the OIG's website under the [Office of Audit Services reports](#). The OIG Work Plan is available online [here](#).

### **Have questions about the Version 5010 and ICD-10 transition?**

[The Centers for Medicare and Medicaid Services](#) has resources for providers, vendors, and payers to prepare for the transition. Fact sheets available for educating staff and others about the transition include:

- [The ICD-10 Transition: An Introduction](#)
- [ICD-10 Basics for Medical Practices](#)
- [Talking to Your Vendors About ICD-10 and Version 5010: Tips for Medical Practices](#)
- [Talking to Your Customers About ICD-10 and Version 5010: Tips for Software Vendors](#)

### **NACHC Financial Operations and IT Management Conference**

With its theme, "Let the Transformation Begin: A Road Map to 2014," this year's conference promises to offer health centers strategies for successful growth and development during Health Care Reform. Programmatic and logistical details are being established as we write so make your plans now, block off your calendar and budget to attend the 2010 FOM/IT Conference! November 16-18, 2010 in Las Vegas, Nevada.

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