



**Sunset Advisory Commission Staff Report  
Health and Human Services Commission and System Issues  
Texas Association of Community Health Centers (TACHC) Comments  
October 17, 2014**

The Texas Association of Community Health Centers represents community health centers (CHCs or federally qualified health centers, FQHCs) throughout the state. The 73 health centers have over 350 delivery sites and are located in 118 counties across Texas. These CHCs served over 1.1 million Texans and provided more than 4.23 million patient visits in 2013.

CHCs are active providers in numerous programs across the state providing primary care services, including the Expanded Primary Care Program and Family Planning Programs housed at DSHS and in the Texas Women's Health Care Program housed at the HHSC.

In the 2014 EPHC initial awards, CHCs represented 62 percent of the contractors funded by DSHS to provide comprehensive women's health services. In the 2014 family planning initial awards, CHCs represented 72 percent of the contractors funded to provide family planning services across Texas.

CHCs also provide women's health services funded through the Title V Program, the Breast and Cervical Cancer Services Program, and the Primary Care Program at DSHS, as well as the CHIP Perinate program funded through the HHSC.

As a significant participating provider in the three programs assessed by the Sunset Commission under Issue 8, "Administration of Multiple Women's Health Programs Wastes Resources and Is Unnecessarily Complicated for Provider and Clients," TACHC offers the following recommendations to the proposal to consolidate the administration, operations, and funding of the three state funded women's health programs in Texas:

## **Change in Statute (8.1)**

### *1) Client Eligibility*

- a. **Income:** Raise the client eligibility to 250 percent of the federal poverty level, as in DSHS's Family Planning program currently. This will result in greater cost savings to the state by preventing unwanted pregnancies for more women.
- b. **Age and fertility:** Expand eligibility to include women above 44 years of age and women who have been sterilized. CHCs have found that women in these categories not only need women's healthcare services, such as clinical breast exams and screening for sexually transmitted infections, but also benefit from access to care for their multiple chronic health care conditions. Providing primary health care services to these women has been demonstrated to result in cost savings.
- c. **Gender:** Include services for men, as is currently done in DSHS's Family Planning



program.

- d. **Covered Services:** Include comprehensive health care services for eligible patients, as currently included in the Expanded Primary Care Program, including prenatal, medical, and dental services. CHCs cannot accept patients for only family planning services. If a woman comes into a CHC for another preventive health care service first, the CHC may not be reimbursed by HHSC for the family planning services provided and may discourage CHCs from participating in a single service program. The Sunset Commission's report indicated other funding sources exist for other health care services. However, the title V funds for pregnant women have declined from about \$72 million in 2009 to a budgeted amount of \$35.9 million in 2014. In addition, pregnant women may not start receiving services through Texas Medicaid until month 4 or 5 of their pregnancy depending on when they find out they are pregnant and/or are enrolled in a Medicaid HMO.

## 2) *Eligibility Determination and Enrollment Process*

- a. **Point-of-service eligibility:** CHCs need the authority to determine a patient's eligibility when that patient arrives, in order to provide immediate care to address their preventive health care needs. CHCs currently face a potential 70 percent reduction in federal funding that could impact the number of clients they are able to serve in 2016 given this additional financial risk.

## 3) *Billing Procedures and Funding Distribution*

- a. **Fee-for-service model:** CHCs' successful health care delivery model includes services not traditionally covered by a fee for service system such as care coordination and community health worker (CHW)/ promotora services to follow-up with high risk patients. Reduced cost reimbursement funding may limit implementation of best practice health care delivery models in a primary care setting. Long-acting reversible contraceptives (LARCs) should be reimbursed at cost, not with a fee-for-service model.
- b. **Payment structure:** CHCs are currently reimbursed on a cost based system referred to as prospective payment system (PPS). Continue with using a PPS at a per visit rate at CHCs which has contributed to the successful participation of CHCs in the Texas Women's Health Program.

Thank you for your consideration of these recommendations, and for your strong support for comprehensive women's healthcare. If you have any questions or if we can provide further information, please contact me at [jcamacho@tachc.org](mailto:jcamacho@tachc.org) or Olga Rodriguez, Deputy Director, at [orodriguez@tachc.org](mailto:orodriguez@tachc.org). You can reach us at 512 329-5959 if you would like to discuss further.

Respectfully submitted,

A handwritten signature in black ink that reads 'José E. Camacho'.

José E. Camacho  
Executive Director  
Texas Association of Community Health Centers, Inc.

**From:** [Sunset Advisory Commission](#)  
**To:** [Cecelia Hartley](#)  
**Subject:** FW: Comments from the Texas Association of Community Health Centers on the Sunset Commission's Staff Report for HHSC and System Issues  
**Date:** Friday, October 17, 2014 3:43:43 PM  
**Attachments:** [Sunset Rec 8 Women's Health TACHC comments 10 17 14.pdf](#)

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**From:** Olga Rodriguez [mailto:[orodriguez@tachc.org](mailto:orodriguez@tachc.org)]  
**Sent:** Friday, October 17, 2014 3:12 PM  
**To:** Sunset Advisory Commission  
**Cc:** Jose E. Camacho; Olga Rodriguez  
**Subject:** Comments from the Texas Association of Community Health Centers on the Sunset Commission's Staff Report for HHSC and System Issues

Sunset Staff:

Please find attached the comments and recommendations from the Texas Association of Community Health Centers (TACHC) specific to Issue 8 of the HHSC and System Issues Staff Report.

The 73 health centers statewide have over 350 delivery sites and are located in 118 counties across Texas. These CHCs served over 1.1 million Texans and provided over 4.23 million patient visits in 2013. CHCs have historically been a participating provider in numerous state safety net programs and a particularly significant participating provider in women's health services in Texas, currently making up well over half of the contracted providers for the DSHS Expanded Primary Health Care and Family Planning Programs.

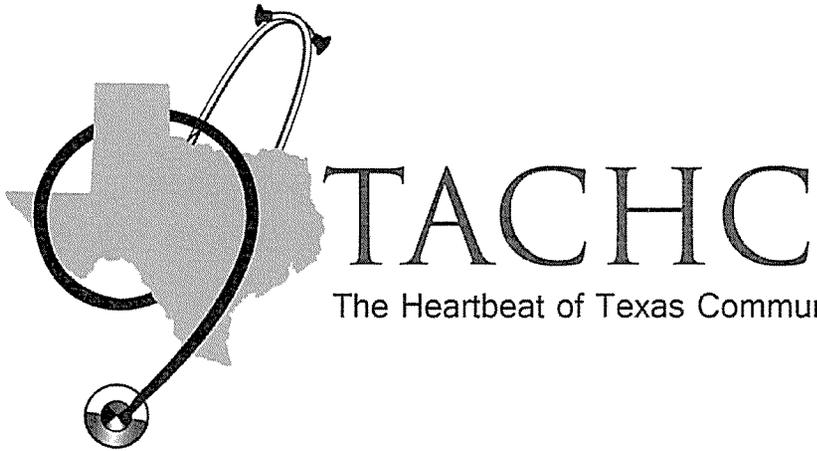
Please do not hesitate to contact me if you have any specific questions.

Thank you,

Olga Rodriguez

*Olga Rodriguez*  
*Deputy Director*  
*Texas Association of Community Health Centers*  
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José E. Camacho



The Heartbeat of Texas Community Health Centers

Texas Association of Community Health  
Centers: Comments on Sunset Commission  
Issue 8 Recommendations

José E. Camacho  
November 13, 2014

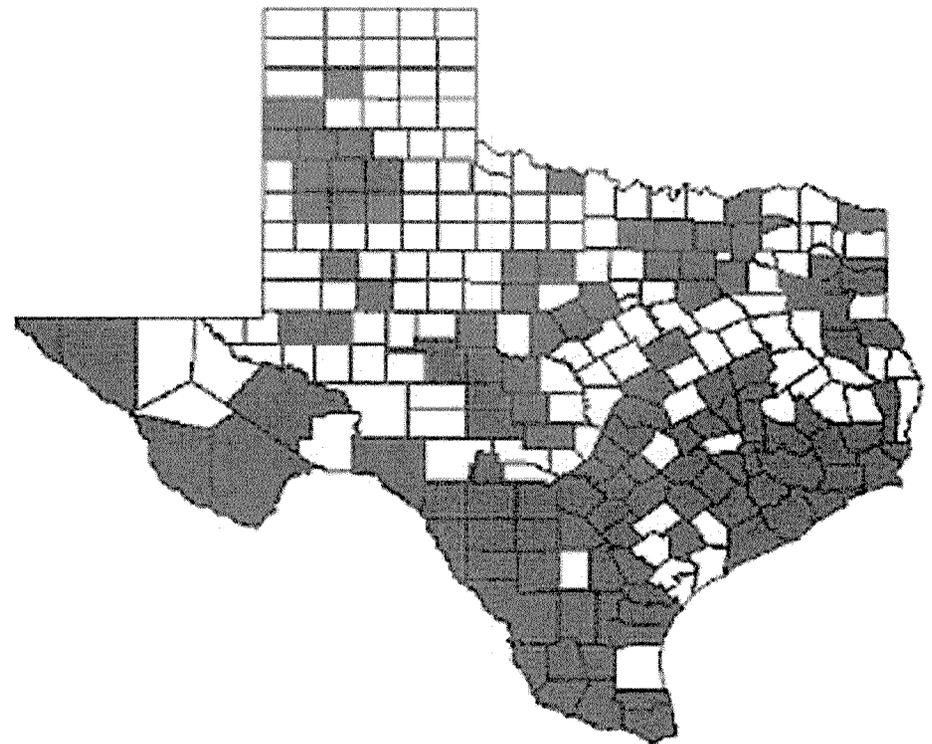
# Texas Health Centers (FQHCs)

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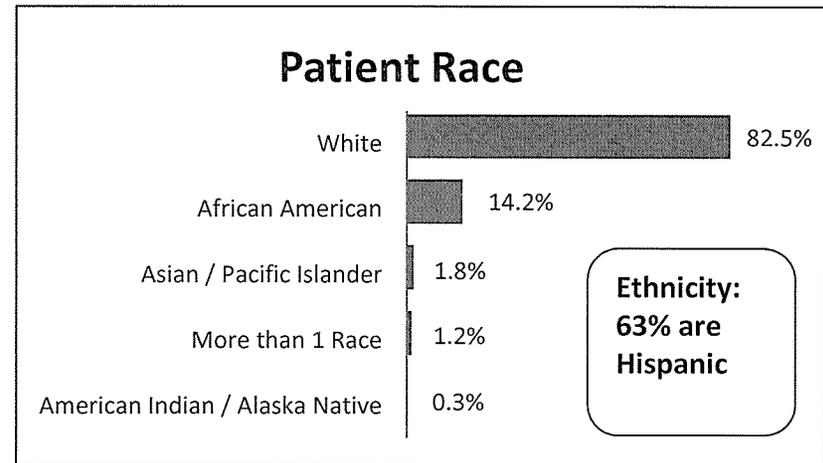
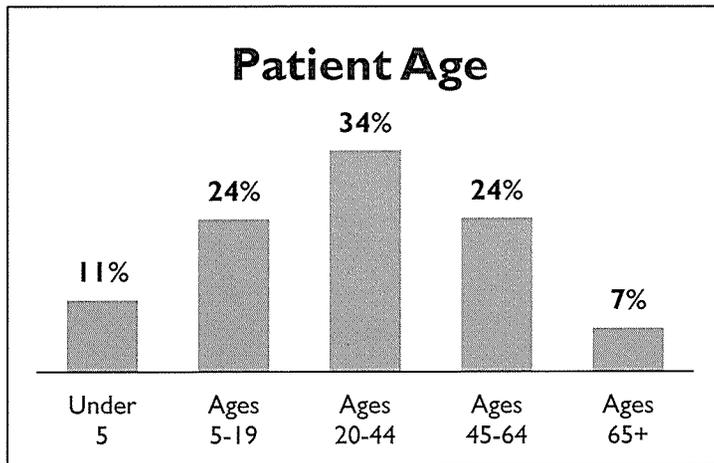
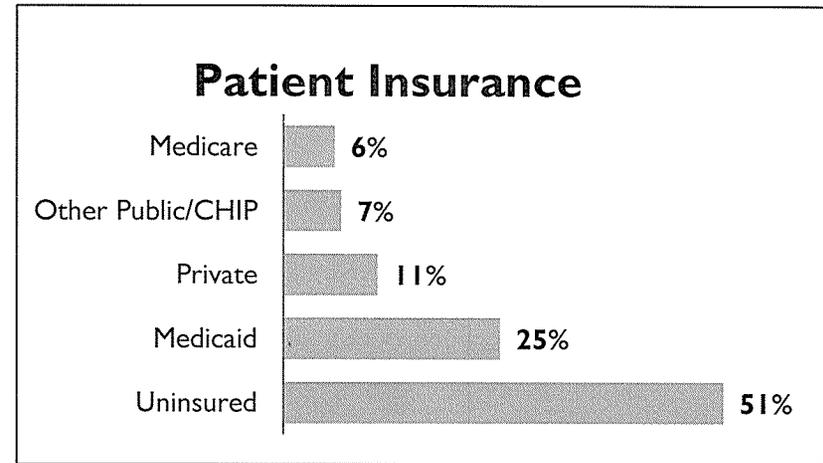
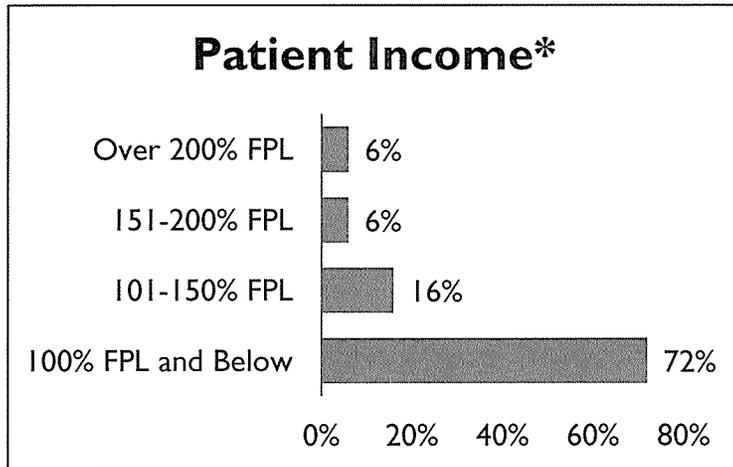
## **Texas Health Center Quick Facts in 2013**

- 1,134,120 patients
- 4,238,046 total patient visits
- 73 FQHCs, including 3 FQHC Look-Alikes
- Over 350 service delivery sites
- Located in 118 counties across Texas

## **2014 Health Center Locations**



# Patient Characteristics: 2013



\*(Note: 20% of patients did not report their income level and were excluded from these calculations)

# FQHC Participation in Women's Health Programs: Initial FY 14 Awards

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- ▶ 62% of EPHC contractors were FQHCs
- ▶ 72% of DSHS Family Planning contractors were FQHCs
- ▶ FQHCs also provide women's health services through the TWHP and CHIP Perinate administered by HHSC and the Title V Program and Breast and Cervical Cancer Services Program administered by DSHS

# TACHC Recommendations on Program Consolidation

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- ▶ *Covered Services- Sunset recommendations require a woman to access the program through the family planning door. She must receive a family planning visit to access primary care services.*

## TACHC Comments:

- ▶ The program should allow clients to receive the services needed at the time they need them, regardless of whether they have a family planning visit first.
- ▶ Health centers treat women for a wide array of services. Requiring women to enter the program through the family planning door will limit access to care and prove difficult for providers to operationalize.
- ▶ The new program should include all services currently covered in the EPHC program, including prenatal medical and dental services.

# TACHC Recommendations on Program Consolidation

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- ▶ *Reimbursement Methodology- Sunset recommends 100% fee for service reimbursement with limited categorical funding.*
  - ▶ TACHC Comments:
  - ▶ Fee-for-service model: FQHCs' successful health care delivery model includes services not traditionally covered by a fee for service system such as care coordination and community health worker/promotora services. Moving to 100% fee for service may limit provider participation in the program.
  - ▶ Payment structure: FQHCs are reimbursed under a cost-based encounter methodology in the TWHP. A consolidated women's health program should continue to use this per visit rate for FQHCs that covers the cost of providing services.

# Moving Forward

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- ▶ TACHC supports consolidation that streamlines and simplifies processes for patients and providers.
- ▶ TACHC and other stakeholders with experience in how these programs operate on the ground should be involved during the consolidation and implementation process.

# Community Health Centers: working for healthy families and a stronger Texas.

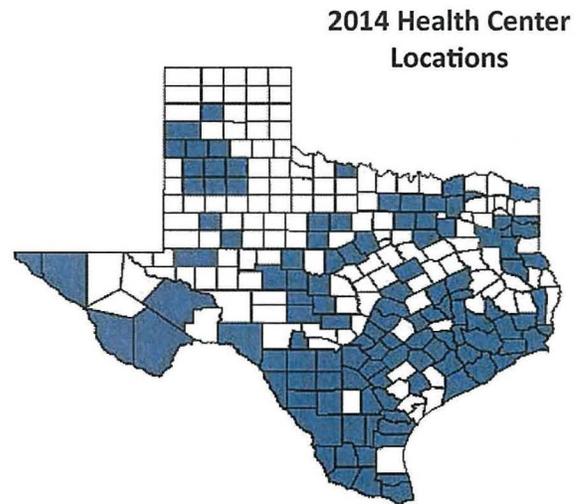


Community health centers (CHCs or federally qualified health centers, FQHCs) represent the largest statewide primary care provider network in Texas. Health centers provide **high-quality, affordable primary and preventive care** to people who otherwise may lack access to medical care due to where they live, language barriers, income level or their complex health care needs. Community health centers reach low-income and medically underserved communities, and serve patients regardless of insurance status or ability to pay.

## Texas Health Centers Profile<sup>1</sup>

1,134,120 patients served annually  
 4,238,046 annual patient visits  
 73 FQHCs, including 3 FQHC Look Alikes<sup>2</sup>  
 Over 350 service delivery sites  
 Located in 118 counties across Texas

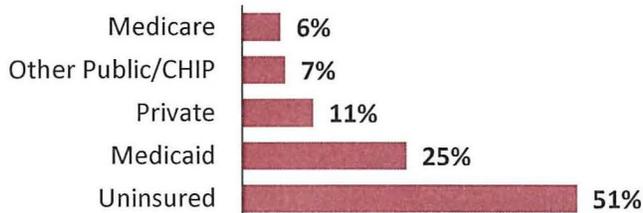
<sup>1</sup> Data Source: 2013 audited Uniform Data System  
<sup>2</sup> FQHC Look Alikes are centers that meet all the FQHC designation requirements but do not receive federal funding.



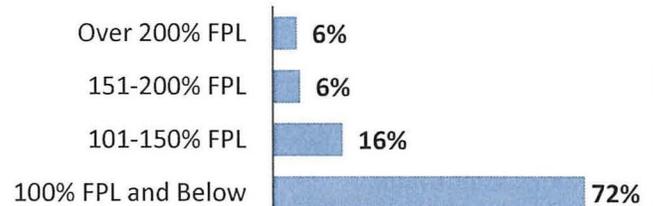
## Texas Health Centers Patient Profile

Over half of Texas health center patients are uninsured. More than 72 percent of patients fall below 100 percent of the Federal Poverty Level (FPL), which was \$23,850 for a family of four in 2014.

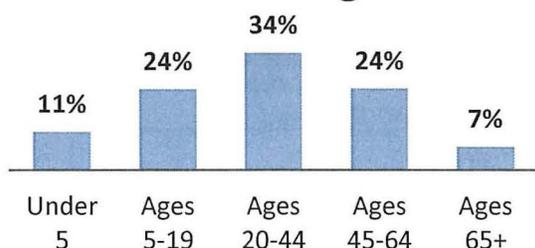
### Patient Insurance



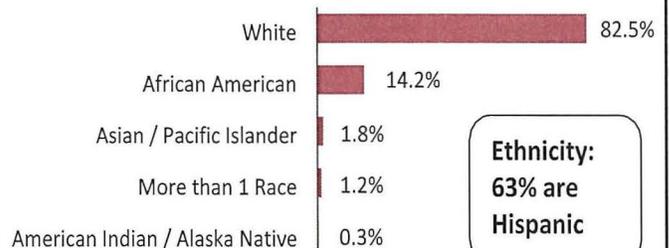
### Patient Income



### Patient Age



### Patient Race



**Ethnicity:  
63% are  
Hispanic**

## A Healthy Return on Investment

Health centers are a driving economic force in their communities, adding over \$1.4 billion annually to the Texas economy. Over 8,000 full-time equivalent employees work at Texas health centers in a wide range of positions from primary care physicians and pharmacists to outreach workers and clerical staff.

<b>Texas Health Centers employ 8,441 fulltime employees, including the following:</b>	
Physicians:	<b>501</b>
Mid-Level Providers:	<b>415</b>
Dentists/Dental Hygienists:	<b>271</b>
Mental Health/Substance Abuse Providers:	<b>245</b>
Pharmacy Personnel:	<b>241</b>
Vision Care Providers:	<b>13</b>
Enabling Services Personnel:	<b>746</b>
Other Medical/Dental Personnel:	<b>2,504</b>

Annual Patient Visits by Service Provided	
Medical visits:	<b>3,131,440</b>
Dental visits:	<b>546,915</b>
Mental health visits:	<b>224,738</b>
Substance abuse visits:	<b>34,382</b>
Other professional visits:	<b>39,985</b>
Vision visits:	<b>26,322</b>
Enabling visits:	<b>234,264</b>
<b>Total visits:</b>	<b>4,238,046</b>

## Revenue Sources

Revenue comes from a variety of sources. Medicaid dollars represent the largest source, accounting for 28% of total revenue. Community health centers also receive ongoing federal grants used primarily to fund uninsured care. State and local funds comprise about 12% of health center revenue, and **self-pay patients account for 9% of total revenue**. Health centers maintain an open-door policy, ensuring everyone receives care regardless of financial status. For patients without insurance who self-pay, health centers establish sliding scale fees based on patient income.

## Economical Care

Health centers provide preventive care and assist patients to effectively manage chronic conditions such as hypertension and diabetes. Research shows that effective preventive care and chronic disease management reduces the need for more costly urgent hospital emergency room care. In addition, non-urgent care at community health centers is 7 to 12 times less costly than the same care in hospital emergency rooms.

2013 Revenue Sources		
Medicaid	\$ 214,431,644	28%
Health Center Grants	\$ 159,721,518	21%
State/Local Funds	\$ 93,963,010	12%
<b>Patient Self-Pay</b>	<b>\$ 71,961,352</b>	<b>9%</b>
Foundation/Private Grants	\$ 60,446,835	8%
CHIP/Other Public Programs	\$ 35,447,367	5%
Private Insurance	\$ 34,373,485	5%
Medicare	\$ 34,028,525	4%
Other Miscellaneous Revenue	\$ 31,275,977	4%
Other Federal Grants	\$ 26,017,224	3%

Average Annual Cost per Patient	
Medical	\$ 484
Dental	\$ 453
Behavioral Health	\$ 681
<b>All Services</b>	<b>\$ 674</b>
Average Cost per Patient Visit	
Medical	\$ 156
Dental	\$ 171
Behavioral Health	\$ 167
Average Annual Visits	
All visits per patient	3.7
Medical	3.1
Dental	2.6
Behavioral Health	4.1