Community Health Centers Continued to Expand Patient and Service Capacity in 2017

Geiger Gibson / RCHN Community Health Foundation Research Collaborative

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About the Geiger Gibson / RCHN Community Health Foundation Research Collaborative

The Geiger Gibson Program in Community Health Policy, established in 2003 and named after human rights and health center pioneers Drs. H. Jack Geiger and Count Gibson, is part of the Milken Institute School of Public Health at the George Washington University. It focuses on the history and contributions of health centers and the major policy issues that affect health centers, their communities, and the patients that they serve.

The RCHN Community Health Foundation is a not-for-profit foundation established to support community health centers through strategic investment, outreach, education, and cutting-edge health policy research. The only foundation in the U.S. dedicated solely to community health centers, RCHN CHF builds on a long-standing commitment to providing accessible, high-quality, community-based healthcare services for underserved and medically vulnerable populations. The Foundation’s gift to the Geiger Gibson program supports health center research and scholarship.

Additional information about the Research Collaborative can be found online at https://publichealth.gwu.edu/projects/geiger-gibson-program-community-health-policy or at www.rchnfoundation.org.
Newly released data from the United States Department of Health and Human Services Uniform Data System, an ongoing annual nationwide reporting system, show that in 2017, the nation’s community health centers provided outreach, comprehensive primary health care, patient support services, and care management to nearly 28 million patients.

This dramatic growth in access to primary health care, a major health policy advance for low-income and medically underserved communities, is the result of a steady, bipartisan investment, begun by President George W. Bush, dramatically expanded under the Affordable Care Act (ACA), and continuing into the present. This policy brief provides an overview of the latest data.¹

**A Portrait of Steady Growth and a Changing Insurance Picture for Health Center Patients**

In 2017, 1,373 federally-funded community health centers, 44 percent of which were in rural communities, served 27.2 million patients across 11,000 sites.² This figure represents a five percent growth over 2016 and a near-tripling in the number of patients served since 2000. An additional 56 “look-alike” health centers, which meet the requirements of Section 330 of the Public Health Service Act (which authorizes the health centers program) but do not receive federal grants, served 721,922 patients (Figure 1).³

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¹The 28 million patients served includes look-alike health centers, but the rest of the brief presents data only on federally-funded community health centers.


Together, these community health centers served 27.9 million patients in 2017—about one in twelve people across the United States—and approximately one in three of the 84 million people who reside in communities that have been designated as medically underserved by the federal government as a result of elevated poverty and health risks and a shortage of primary health care.4

Nearly all community health center patients are low-income; 69 percent have below-poverty income5 and 91 percent have incomes at or below 200 percent of the FPL (Figure 2). The majority of patients are female (58%), non-elderly adults (60%), and people of color (63%).

Since 2000, the number of patients served by health centers has grown dramatically. Figure 3 shows that in 2000, 730 health centers served approximately 9.6 million patients, of whom 3.2 million (one third) were covered by Medicaid. By 2017, reflecting the Affordable Care Act’s major Medicaid expansion as well as the establishment of a special community health center growth fund, the number of health centers had grown substantially, and the number of Medicaid patients served had increased to 13.3 million, a 314 percent growth. In 2017, Medicaid patients represented 49 percent of all health center patients served.


4Kaiser Family Foundation. (2018). Primary Care Professional Shortage Areas (HPSAs) as of December 31, 2017. https://www.kff.org/other/state-indicator/primary-care-health-professional-shortage-areas-hpsas/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

5The federal poverty level in 2017 for a family of four was $24,600. https://aspe.hhs.gov/2017-poverty-guidelines
Despite the growth of insurance among health center patients, large numbers remain uninsured. As health centers have grown, they have steadily expanded the number of uninsured patients served, from 3.9 million (40 percent of patients) in 2000 to 6.2 million in 2017. In 2017, 23 percent of all patients served by community health centers were uninsured. Community health centers serve approximately one in five uninsured people nationally.\(^6\)

Although uninsured people remain a significant portion of those patients who depend on health centers, the ACA reforms have made a dramatic difference to health centers and their patients. Health reform dramatically improved access to Medicaid for the poorest patients while also establishing a pathway to subsidized private health insurance for low- and moderate-income patients. In 2013, people without health insurance represented 35 percent of all health center patients; by 2017, this proportion had declined by over one-third to 23 percent, while the actual number of patients without health insurance dropped by 18 percent, from 7.6 million to 6.2 million.

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\(^6\) Based on 2016 HRSA UDS and Kaiser Family Foundation estimates based on the Census Bureau’s March Current Population Survey (CPS: Annual Social and Economic Supplements), 2014-2017. [https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D](https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D)

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**Figure 3. Health Center Patients, By Insurance Coverage Type, 2000-2017**

![Graph showing the number of patients in millions by insurance type from 2000 to 2017.](image)

Notes: Patients with other public insurance not shown. Numbers (in millions) are shown for 2000, 2005, 2010, 2013, and 2017

Source: GW analysis of data reported in the UDS national reports 2000-2017
Health Center Patients by Age and Health Insurance Status

Health centers serve patients across the lifespan (Figure 2). Table 1 shows that the majority of health center patients are non-elderly adults and children. At the same time, health centers experienced major growth in the number of elderly patients. Between 2010 and 2017, the number of elderly patients increased by 77 percent, from 1.3 million to 2.4 million, as health centers increased their capacity to manage patients with chronic and serious health conditions.7

Between 2010 and 2017, the number of patients covered by Medicaid grew by 78 percent, Medicare by 75 percent, and privately insured patients by 77 percent (Table 1). In 2017, health centers served roughly one in six Medicaid/Children’s Health Insurance Program (CHIP) enrollees nationally, and more than one in four enrollees in nine states and the District of Columbia (Figure 4).

Table 1. Health Center Patients By Age and Type of Health Insurance Coverage, 2010-2017

<table>
<thead>
<tr>
<th>Age</th>
<th>2010</th>
<th>2017</th>
<th>Percentage Change (2010-2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children Under Age 18</td>
<td>6,251,866</td>
<td>8,395,134</td>
<td>34%</td>
</tr>
<tr>
<td>Non-elderly Adults Age 18-64</td>
<td>11,885,206</td>
<td>16,416,970</td>
<td>38%</td>
</tr>
<tr>
<td>Elderly Adults Age 65 and Older</td>
<td>1,332,395</td>
<td>2,362,268</td>
<td>77%</td>
</tr>
<tr>
<td>Total Patients</td>
<td>19,469,467</td>
<td>27,174,372</td>
<td>40%</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>7,308,644</td>
<td>6,216,811</td>
<td>-15%</td>
</tr>
<tr>
<td>Medicaid</td>
<td>7,505,047</td>
<td>13,340,999</td>
<td>78%</td>
</tr>
<tr>
<td>Medicare</td>
<td>1,461,485</td>
<td>2,555,311</td>
<td>75%</td>
</tr>
<tr>
<td>Private Insurance</td>
<td>2,699,183</td>
<td>4,787,875</td>
<td>77%</td>
</tr>
<tr>
<td>Other Public Insurance</td>
<td>495,108</td>
<td>273,376</td>
<td>-45%</td>
</tr>
</tbody>
</table>

Health Center Growth in Medicaid Expansion and Non-Expansion States

Figure 5 shows the growth in the number of health center patients by state Medicaid expansion status. Between 2010 and 2017, health centers located in Medicaid expansion states reported a 43 percent increase in the number of patients served, compared to an increase of 33 percent among health centers located in non-expansion states. Differences in growth patterns likely reflect numerous factors, including variations in overall Medicaid growth rates among the states and the resulting surge in operating revenue in expansion states that, in combination with grant funding, enabled health centers in expansion states to more dramatically grow their patient care capacity.

Source: GW analysis of 2010 and 2017 UDS data.

Figure 4. Proportion of Medicaid and CHIP Enrollees Receiving Care at a Community Health Center, By State, 2017

US Overall: 17.7%

Notes: US percentage does not include US territories. Source: GW analysis of 2017 UDS data (numerator) and CMS Medicaid/CHIP enrollment numbers for December 2017 (denominator); Kaiser State Health Facts. (2018). https://www.kff.org/health-reform/state-indicator/total-monthly-medicaid-and-chip-enrollment/?currentTimeframe=5&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

Figure 5. Growth in Health Center Patients from 2010-2017, By State Medicaid Expansion Status

43%

13,251,091

19,014,986

Medicaid Expansion States

33%

5,777,758

7,704,159

Non-Expansion States

Notes: Medicaid expansion status as of 2017. Data do not include U.S. Territories. Source: GW analysis of 2010 and 2017 UDS data
Strengthened Services and a Growth in Services for the Most Seriously At-Risk Health Center Patients

Health centers aim to meet the full range of primary care needs of those they serve. In 2017, total patient visits reached 110 million (Figure 6); 67 percent were for medical care. The remaining visits that year were distributed across mental health and substance use disorder services, dental and vision care, and enabling services that support access to health care.

Figure 7 shows how health center services have changed over time. In 2017, over four in five health centers (81 percent) offered dental care, while 89 percent provided mental health services. As the magnitude of the opioid crisis has grown, so too have related health center services. In 2000 and 2010, one in five health centers provided substance use disorder services; by 2017, over one in three did so. In 2017, 64,597 patients received medication-assisted treatment for opioid use disorders, furnished by 2,973 health center clinical staff caring for patients under special waivers granted under the Drug Addiction Treatment Act of 2000 (DATA).

Note: Data reflect health centers that reported any dental, mental health, or substance abuse services staff. This may underestimate the percentage of health centers providing substance abuse services (see Zur et al., 2018 [p. 3] https://www.kff.org/medicaid/issue-brief/the-role-of-community-health-centers-in-addressing-the-opioid-epidemic/)

The Importance of Medicaid and Grant Funding to Health Center Capacity and Growth: Expansion and Non-Expansion States

Table 2 shows that in 2017, Medicaid accounted for 44 percent of operating revenue. Between 2010 and 2017, Medicaid as a percentage of health center operating revenue grew from 38 percent to 44 percent, with virtually all of this growth occurring after 2013, when the ACA Medicaid reforms took effect.

Federal health center grant funds, which cover the cost of uninsured patients and services critical to improving access and health outcomes, represented 18 percent of revenue in 2017. This figure has remained relatively constant as a percentage of health center operating revenue as grant funding has increased over time to keep pace with the growth in health center capacity, thereby ensuring that, even as the proportion of insured patients grows, health centers do not lose their capacity to treat the uninsured. This capacity is especially important in non-expansion states, where Medicaid enrollment rates remain relatively low.

Figure 8 illustrates the correlation between state Medicaid expansion status and Medicaid revenue. In non-expansion states, Medicaid accounted for 29 percent of total revenue in 2017. By contrast, Medicaid accounted for 48 percent of total revenue for health centers in expansion states, reflecting both an increase in CHC service capacity and their importance to state Medicaid agencies in an era of major eligibility expansion. Federal health center grants represented the second largest source of revenue in both expansion and non-expansion states, but grant funding plays a distinctly different role. In non-expansion states, these grants accounted for 26 percent of operating revenue; in non-expansion states, the grants accounted for 15 percent of operating revenue.

The relative importance of Medicaid in expansion and non-expansion states is reflected in differences in patients’ insurance status. As Figure 9 shows, in non-expansion states, 33 percent of health center patients were insured by Medicaid in 2017 compared to 55 percent in Medicaid expansion states. Similarly, a far higher proportion of patients remained uninsured in non-expansion states (36 percent) than in Medicaid expansion states (18 percent).
Figure 8. Sources of Health Center Revenue, By State Medicaid Expansion Status, 2017

<table>
<thead>
<tr>
<th>Medicaid Expansion States</th>
<th>48%</th>
<th>7%</th>
<th>9%</th>
<th>3%</th>
<th>15%</th>
<th>17%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue: $19.8 Billion</td>
<td></td>
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<table>
<thead>
<tr>
<th>Non-Expansion States</th>
<th>29%</th>
<th>8%</th>
<th>13%</th>
<th>7%</th>
<th>26%</th>
<th>18%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue: $6.2 Billion</td>
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</tbody>
</table>

Note: Medicaid expansion status as of 2017. Data do not include U.S. Territories. Percentages may not sum to 100% due to rounding. "Other grants and revenue" includes other public insurance revenue, other federal grants, non-federal grants and contracts, and other revenue. Source: GW analysis of 2017 UDS data.

Figure 9. Health Coverage of Health Center Patients, By State Medicaid Expansion Status, 2017

- Medicaid Expansion States (19 Million Total Patients)
- Non-Expansion States (7.7 Million Total Patients)

<table>
<thead>
<tr>
<th>Uninsured</th>
<th>Medicaid</th>
<th>Private</th>
<th>Medicare</th>
<th>Other Public Insurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>36%</td>
<td>55%</td>
<td>20%</td>
<td>10%</td>
<td>1%</td>
</tr>
<tr>
<td>18%</td>
<td>33%</td>
<td>17%</td>
<td>9%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Note: Data do not include US territories. Source: GW analysis of 2017 UDS data.
The Role of Subsidized Private Health Insurance Available Through Marketplace Health Plans

Since community health centers serve millions of near-poor patients, the subsidized health insurance market established by the ACA also has played an important role for health centers and their patients. In 2010, 14 percent of health center patients had private health insurance. By 2017, this figure had risen to 18 percent, an increase of 27 percent in the share of patients with private health insurance, but a 77 percent increase in the actual number of privately insured patients (Table 1). Health centers play a key role in the Marketplace, providing ongoing enrollment assistance across all forms of health insurance, and participating in qualified health plan provider networks.

Implications

The latest federal data shows the continued growth of community health centers, a phenomenon that reflects a dramatic change in the insurance prospects of health center patients across both the Medicaid and subsidized private insurance markets, with the latter assuming outsize importance in non-Medicaid-expansion states. The growth of health insurance has been coupled with the sustained investment in health center grant funding that covers the cost of uninsured patients and key services whose costs remain uncovered, such as adult dental care, transportation, outreach and patient support, and case management. Health center patient care capacity has grown across all ages and in all regions, with the most significant overall growth occurring in Medicaid expansion states. With this growth has come major service expansion, including health care for adults with serious and chronic health conditions and major new service capacity with respect to mental health and substance use treatment.

Despite this substantial growth, health centers today serve only a third of all people classified by the federal government as medically underserved. Yet major challenges remain to future growth. Health centers’ ability to grow will depend on sustained investment in the form of public and private insurance coverage for low-income populations and a continuing commitment to grant funding. Growth will also turn on health centers’ ability to attract and retain health care professionals, underscoring the importance of continued investment in the National Health Service Corps, the nation’s most important program for training and deploying clinical professionals to serve in health professions shortage areas, and the Teaching Health Centers (THCs) program, established under the ACA, which now funds primary care physician residency training for more than 700 residents at more than 60 THCs, most located at community health centers.

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