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Issue Brief

Ready or Not? How Community Health Centers View Their Preparedness to Care for Newly Insured Patients

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Abstract: By expanding access to affordable insurance coverage for millions of Americans, the Affordable Care Act will likely increase demand for the services provided by federally qualified health centers (FQHCs), an important source of care in low-income communities. A Commonwealth Fund survey asked health center leaders in 2013 about current and anticipated workforce challenges, as well as efforts under way to prepare for the increase in patients. The majority of FQHCs reported shortages of primary care doctors (56%), especially bilingual physicians (60%). Health centers are engaged in activities to meet the needs of new patients, with 53 percent pursuing integration of behavioral health and 31 percent hiring additional clinical staff. To help them provide quality care to more patients, FQHCs will require assistance to recruit additional personnel, particularly bilingual staff and mental health professionals, and to expand access to care through telehealth and other strategies.

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OVERVIEW

Federally qualified health centers (FQHCs), also known as community health centers, provide comprehensive primary care, behavioral health services, and dental care to all patients regardless of ability to pay or health insurance status. Located in medically underserved areas, they are a critical component of the health care safety net: in 2012, 21 million patients, the majority of whom were either uninsured (39%) or publicly insured (40%), made 83.7 million visits to the nation's nearly 1,200 FQHCs operating in 8,500 sites.¹ In addition to health services, FQHC staff provide patients with insurance eligibility and enrollment assistance, case management, language interpretation, and transportation services.

Recent history has shown that expanding access to affordable insurance increases the demand for services provided by community health centers. For example, when certain states extended Medicaid eligibility to parents of children covered under the Children's Health Insurance Program (prior to the Affordable Care Act), health centers served more patients overall, including more Medicaid

patients, and fewer uninsured patients than states that did not increase eligibility beyond minimum standards.² And in Massachusetts, health centers observed an increased demand for services among low- and middle-income residents following implementation of the state's health reform program. While the overall number of uninsured declined, Massachusetts health centers continued to care for a disproportionate share of the remaining uninsured compared with other primary care practices.³

The Affordable Care Act has the potential to greatly increase demand nationally for the services provided by health centers. That is because the law's key insurance coverage provisions target low- and middle-income Americans, the mainstay of the FQHC patient base: 84 percent of health centers' uninsured patients have incomes below 200 percent of the federal poverty level (\$47,700 for a family of four and \$23,340 for individuals), and 97 percent have incomes below 400 percent of poverty.^{4,5} An estimated 4 million uninsured health center patients are expected to gain insurance coverage in 2014.^{6,7}

The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers, conducted from June 19 to October 24, 2013, offers new insight as to how health center leaders are preparing for the expected influx of new patients, and what they consider to be the main challenges over the next year. (For information about the survey, see [How This Study Was Conducted](#) on page 6.)

SURVEY FINDINGS

The majority of federally qualified health centers anticipate difficulty in meeting workforce needs in 2014 and providing quality care to their patients.

In the survey, nearly three-quarters of health center leaders said they anticipate problems stemming from the large number of patients expected as millions gain coverage through Medicaid expansion and the new health insurance marketplaces. Most respondents anticipate personnel shortages, with 83 percent believing

physician supply will be a problem and 73 percent believing nurse practitioner and physician assistant supply will be a problem (Exhibit 1, [Table 1](#)). Two-thirds (66%) of health center leaders also view staff retention as a likely challenge in the near future.

As a result of the expected surge in patient volume, health centers are worried about their ability to ensure access to good care. Three of five FQHC leaders (58%) expressed concern over being able to continue to provide their patients with quality care, with nearly seven of 10 (67%) believing that ensuring the same level of access to dental care will be a problem. There is similar concern with sustaining and building on recent improvements achieved in quality of care ([Table 1](#)).

Most FQHCs reported shortages of primary care physicians in 2013, an ongoing problem.

The majority of health centers reported personnel shortages. Nearly six of 10 (56%) FQHCs cited shortages of primary care physicians and two of five (40%) cited unmet demand for mental health providers (Exhibit 2). Fewer FQHCs—but still roughly one-third—reported shortages of nurses (35%), nurse practitioners and physician assistants (36%), and dentists (30%). Centers in urban areas have greater difficulty filling vacancies for primary care providers than centers in rural areas ([Table 2](#)).

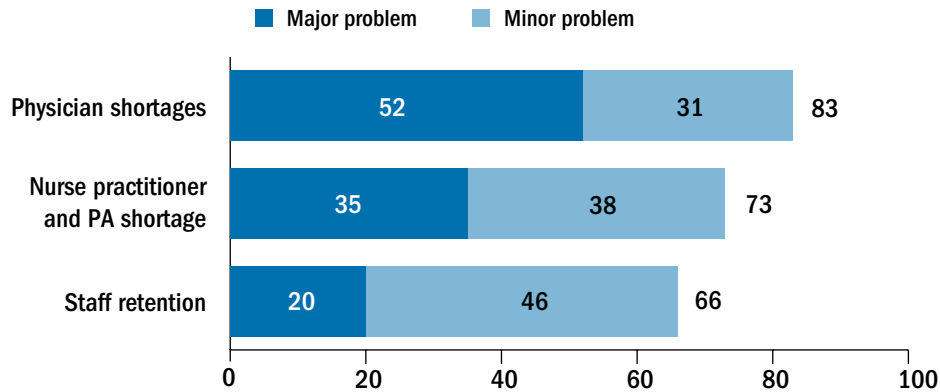
Personnel shortages in community health centers are a longstanding concern, with levels largely unchanged for both primary care physicians and nurse practitioners since the first Commonwealth Fund survey of FQHCs was conducted in 2009.⁸ However, FQHCs surveyed in 2013 reported fewer vacancies for dentists and pharmacists compared with 2009 ([Table 2](#)).

FQHCs have difficulty hiring bilingual physicians, nurse practitioners, and other personnel.

Patients receive better care from providers who can communicate in their primary language. According to federal data, 23 percent of FQHC patients would be

Exhibit 1. The Majority of FQHCs Believe Physician and Clinical Personnel Shortages Will Be A Problem in 2014

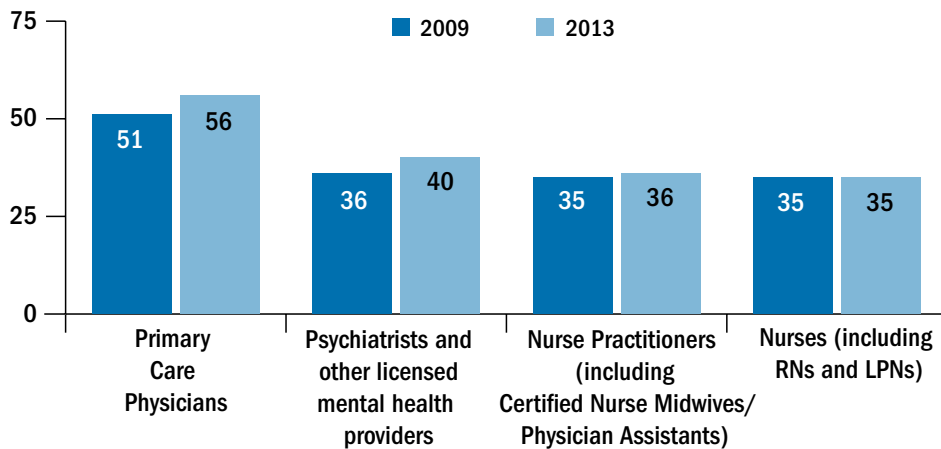
Percent of FQHCs reporting that with Medicaid expansion and/or the creation of new insurance marketplaces the following will be a major or minor problem:



Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

Exhibit 2. Shortages of Primary Care Doctors Persist, 2009 to 2013

Percent of FQHCs reporting budgeted positions that are currently open of the following types of personnel:



Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

best treated by clinicians who can speak a language other than English.⁹ Shortages of bilingual personnel are common among FQHCs, however: the majority of health centers have difficulty recruiting bilingual primary care physicians (60%), nurse practitioners and physician assistants (57%), and nurses (53%) (Exhibit 3). Lower proportions reported difficulty finding bilingual case managers and social workers (42%)

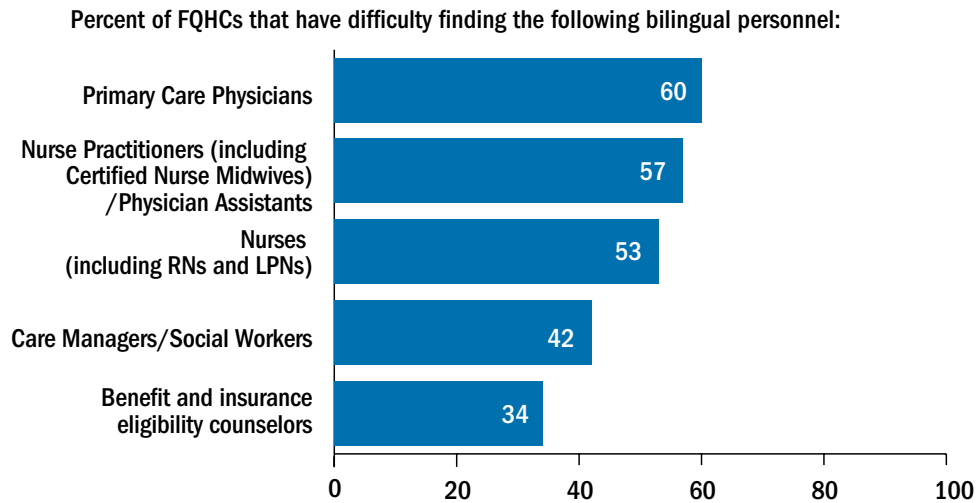
and benefit and insurance eligibility counselors (34%). Centers in rural areas face greater challenges recruiting bilingual clinicians than those in urban areas (Table 2).

Preparing for an expected increase in patients, FQHCs are investing in behavioral health and, to a lesser extent, telehealth, and otherwise seeking to expand workforce capacity. With millions of Americans gaining Medicaid or private coverage under

the Affordable Care Act, health center leaders are preparing for what is expected to be dramatic growth in the number of patients seeking care. The majority (69%) of FQHCs have hired staff to help patients apply for insurance coverage (Exhibit 4). In addition, expanding behavioral health services and integrating them with the other care provided to patients have emerged as top priorities. More than half (53%) of health centers are expanding or integrating behavioral health services (Table 3).

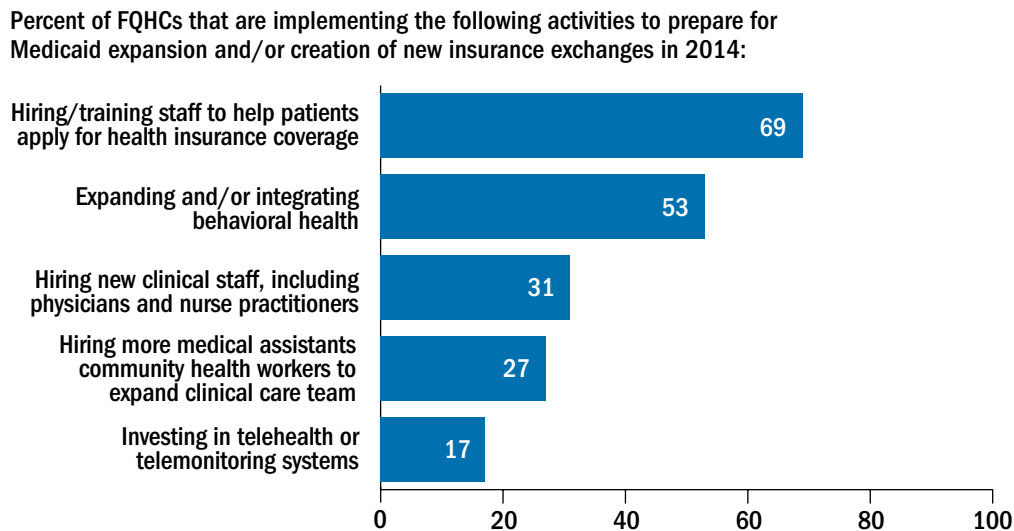
Much smaller proportions of health centers are investing in telehealth or telemonitoring systems, with centers located in rural areas leading the way. Overall, 17 percent are expanding remote access to care, with more than twice as many rural health centers (29%) planning to invest in telehealth or telemonitoring systems than urban health centers (13%). To further expand their capacity to serve new patients, nearly three of 10 (28%) rural centers are collaborating or sharing clinical services with other providers (Table 3).

Exhibit 3. Most FQHCs Have Difficulty Finding Bilingual Clinicians and Staff



Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

Exhibit 4. Many FQHCs Are Actively Engaged in Activities to Prepare for the Influx of New Patients



Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

CONCLUSIONS AND POLICY IMPLICATIONS

All federally qualified health centers are likely to see an influx of new patients this year, as millions gain coverage through state Medicaid expansion, the new health insurance marketplaces, and concerted efforts to identify and enroll uninsured residents who are Medicaid-eligible. Health insurance enrollment numbers from May 2014 show that an additional 4.8 million Americans have obtained coverage through Medicaid and the Children's Health Insurance Program (CHIP) since October 1, 2013.¹⁰ Since 41 percent of health center patients are covered by Medicaid and CHIP, these newly insured are likely to turn to FQHCs for their care. Our survey findings indicate, however, that health center leadership have concerns about whether they will have sufficient personnel to meet the needs of these additional patients.

Meeting the demand for services. In anticipation of this increased demand, the Affordable Care Act (ACA) made a substantial investment in the nation's community health centers through a five-year, \$11 billion Health Center Trust Fund, which has increased the total number of patients served by FQHCs by more than 4 million annually by providing capital development, quality improvement, and operational support to more than 500 new health center sites. The trust fund is scheduled to expire in 2015, raising questions about whether there is adequate support to ensure health centers' stability as they prepare to meet the new patient demand.

In addition, the ACA dedicates \$1.5 billion in new funds for the National Health Service Corps to help health centers recruit medical, behavioral, and oral health providers. Responses from health center leaders interviewed for our survey indicate that federal policymakers also should consider conducting targeted outreach to attract primary care physicians, nurse practitioners, mental health providers, and bilingual personnel. Expanding the use of telehealth and telemonitoring services, particularly by FQHCs in rural areas, is another strategy for expanding current health center workforce capacity and increasing access to care.

Adopting health information technology.

In recent years, U.S. physician offices and hospitals have accelerated their adoption and use of patient electronic health records (EHRs) and other health information technology (HIT). Ninety-three percent of FQHCs surveyed now have an EHR system, a 133 percent increase from 2009, the year targeted federal investments and "meaningful use" incentives for HIT were first authorized. The next big challenge for health centers is to achieve greater interoperability and functionality of EHR systems and to ensure that patients can easily access their records. (To learn more about HIT adoption by FQHCs and the remaining challenges they face, see the Commonwealth Fund issue brief, *The Adoption and Use of Health Information Technology by Community Health Centers, 2009–2013*.)

Integrating behavioral health. The fact that a majority of FQHCs are seeking to expand or better integrate behavioral health services with the other care patients receive is promising, as it indicates a commitment to overcoming the longstanding separation of physical and mental health care services in the U.S. health system. Since 35 percent of adult Medicaid beneficiaries need behavioral health services, continued federal and state funding for this capacity-building activity is essential.¹¹ Many health centers are providing integrated behavioral health through the ACA's "health home" provision, which enables health centers to be reimbursed by Medicaid at a rate of 90 percent, with a 10 percent state match, for two years. To support FQHCs further, the Centers for Medicare and Medicaid Services should consider extending this enhanced match.

In helping to meet the complex needs of poor and minority patients, federally qualified health centers are a core component of the health care safety net, and they will continue to serve as providers for new Medicaid patients as well as the remaining uninsured. Our survey highlights areas where additional support is likely needed to enable these providers to continue fulfilling their important mission.

HOW THIS STUDY WAS CONDUCTED

The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers was conducted by Social Science Research Solutions from June 19, 2013, through October 24, 2013, among a nationally representative sample of 679 executive directors or clinical directors at federally qualified health centers (FQHCs). The survey sample was drawn from a list of all FQHCs in 2011 that have at least one site that is a community-based primary care clinic. The list was provided by the federal Bureau of Primary Health Care.

All 1,128 FQHCs were sent the questionnaire and 679 responded, yielding a response rate of 60 percent. The survey consisted of a 12-page questionnaire that took approximately 20 to 25 minutes to complete.

Data were weighted by number of patients, number of sites, geographic region, and urban/rural location to reflect the universe of primary care community centers as accurately as possible.

NOTES

- ¹ Bureau of Primary Health Care. 2012 Health Center Data, <http://bphc.hrsa.gov/uds/datacenter.aspx?year=2012>.
- ² P. Shin and S. Rosenbaum, *Medicaid and Community Health Centers: the Relationship Between Coverage for Adults and Primary Care Capacity in Medically Underserved Communities* (Washington, D.C.: Henry J. Kaiser Family Foundation, March 2012).
- ³ L. Ku, E. Jones, P. Shin et al., “Safety-Net Providers After Health Care Reform: Lessons from Massachusetts,” *Archives of Internal Medicine*, Aug. 8, 2011 171(15):1379–84.
- ⁴ “2014 Federal Poverty Guidelines” (79 FR 3593, Jan. 22, 2014).
- ⁵ P. Shin, J. Sharac, and S. Rosenbaum, *Assessing the Potential Impact of the Affordable Care Act on Uninsured Community Health Center Patients: A Nationwide and State-by-State Analysis*, No. 33 (Washington, D.C.: George Washington University, Oct. 2013).
- ⁶ *Ibid.*, p. 9.
- ⁷ Ku, Jones, Shin et al., “Safety-Net Providers After Health Care Reform,” 2011.
- ⁸ M. M. Doty, M. K. Abrams, S. E. Hernandez, K. Stremikis, and A. C. Beal, *Enhancing the Capacity of Community Health Centers to Achieve High Performance: Findings from the 2009 Commonwealth Fund National Survey of Federally Qualified Health Centers* (New York: The Commonwealth Fund, May 2010).
- ⁹ Bureau of Primary Health Care, 2012 Health Center Data.
- ¹⁰ U.S. Department of Health and Human Services, “[Enrollment in the Health Insurance Marketplace Totals over 8 Million People](#)” (press release), May 1, 2014.
- ¹¹ Kaiser Commission on Medicaid and the Uninsured, *The Role of Medicaid for People with Behavioral Health Conditions* (Washington, D.C.: Henry J. Kaiser Family Foundation, Nov. 2012).

Table 1. Anticipated Challenges for 2014

	URBANICITY				REGION			
	Total	Urban	Suburban	Rural	Midwest	Northeast	South	West
Percent Distribution	100%	46%	23%	31%	19%	18%	35%	27%
Unweighted n	679	297	150	217	137	120	221	186
Anticipated Challenges								
Staff retention								
Major problem	20	24*	23*	13*	22	18	19	23
Minor problem	46	48	49	47	43	50	50	48
Not a problem	31	29*	28*	39*	35	32	31	30
Physician shortages								
Major problem	52	52	62	50	53	48	54	56
Minor problem	31	35	26	33	32	40	31	28
Not a problem	15	14	13	18	15	12	15	16
Nurse practitioner and PA shortages								
Major problem	35	37	40	32	32	33	36	41
Minor problem	38	41	34	39	40	42	39	35
Not a problem	25	22	26	29	27	25	25	24
Retaining patients								
Major problem	24	28	27	19	30	19	26	23
Minor problem	47	46	47	50	41	44	52	49
Not a problem	27	26	26	31	29*	37*	22*	28*
Decreased Medicaid reimbursement rates								
Major problem	49	47	57	50	51*	45*	59*	42*
Minor problem	29	30	28	32	27	31	26	37
Not a problem	19	23	16	19	22	25	15	21
Large volume of patients								
Major problem	26	32*	32*	15*	27	25	26	28
Minor problem	47	49	42	50	50	45	44	53
Not a problem	25	19*	25*	34*	23*	30*	30*	19*
Maintaining quality of care								
Major problem	16	18	20	12	22	11	17	17
Minor problem	42	43	44	44	40*	44*	39*	52*
Not a problem	39	39	36	44	38*	45*	45*	32*
Maintaining improvements achieved through quality initiatives								
Major problem	19	20*	25*	14*	26	13	18	22
Minor problem	46	48	43	50	43	52	46	50
Not a problem	33	31	32	36	32	36	36	28
Maintaining access to oral health care								
Major problem	30	32	33	28	34	23	34	31
Minor problem	37	38	35	42	36	39	36	43
Not a problem	30	30	32	30	30	38	30	26

*p ≤ .05

Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

Table 2. Workforce Shortages

	Total 2009	Total 2013	URBANICITY			REGION			
			Urban	Suburban	Rural	Midwest	Northeast	South	West
Percent Distribution	100%	100%	45%	23%	33%	21%	18%	33%	28%
Unweighted n	795	679	297	150	217	137	120	221	186
Staff Shortages									
Currently experiencing shortages of the following types:									
Primary Care Physicians	51	56	61	58	54	53	61	61	56
Nurse Practitioners (including Certified Nurse Midwives)/Physician Assistants	35	36	44*	36*	27*	31	44	38	36
Care Managers/Social Workers		33	36	41	35	30*	45*	33*	42*
Nurses (including RNs and LPNs)	35	35	40*	40*	29*	38	37	34	39
Psychiatrists and other licensed mental health providers	36	40	50	47	52	54	50	49	47
Dentists	34	30	35	35	40	41*	40*	41*	27*
Pharmacy personnel	13	10	19	23	12	11	14	18	24
Trained language medical interpreters		19	26	26	36	30	29	30	26
Benefit and insurance eligibility counselors		25	27	29	33	31	25	29	31
Bilingual Personnel									
Difficulty finding the following types of bilingual personnel:									
Primary Care Physicians		60	72	72	80	79	68	78	71
Nurse Practitioners (including Certified Nurse Midwives)/Physician Assistants		57	71	66	78	76*	62*	78*	65*
Care Managers/Social Workers		42	53*	56*	71*	62*	50*	67*	48*
Nurses (including RNs and LPNs)		53	62*	66*	78*	72*	62*	74*	58*
Benefit and insurance eligibility counselors		34	41*	38*	63*	56*	31*	58*	34*

*p ≤ .05

Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

Table 3. Preparations Under Way for ACA-Related Coverage Expansions

	Total	URBANICITY			REGION				
		Urban	Suburban	Rural	Midwest	Northeast	South	West	
Percent Distribution	100%	46%	23%	31%	19%	18%	35%	27%	
Unweighted n	679	297	150	217	137	120	221	186	
Preparations for Medicaid Expansion									
Currently implementing the following activities:									
Hiring/training of staff to help patients apply for health insurance coverage, such as Medicaid, CHIP, Medicare	69	72	76	71	71	71	72	76	
Hiring new administrative staff	25	30	30	23	26	24	27	33	
Hiring new clinical staff including physicians and nurse practitioners	31	38	38	28	34	35	32	38	
Hiring more medical assistants, community health workers to expand clinical care team	27	33	30	27	35	28	27	32	
Investing in telehealth or telemonitoring systems	17	13*	23*	29*	21	15	18	26	
Expanding specialty care	10	12	12	8	6	12	11	14	
Collaborating and/or sharing clinical services with others	22	23	34	28	20	23	29	32	
Expanding and/or integrating behavioral health	53	64*	66*	44*	58*	58*	48*	73*	

*p ≤ .05

Source: The Commonwealth Fund 2013 Survey of Federally Qualified Health Centers.

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