

INVESTING IN CARE: THE COMMUNITY HEALTH CENTER STATE GRANT

JANUARY 2025

The Community Health Center State Grant was established in 1999 through the biennial budget and distributes \$6.49 million annually to non-profits that collectively served over 287,000 patients in 2023. Prior to a \$1 million increase in 2021, the State Grant funding remained flat for over 10 years. Through this period of level funding, patients served at Community Health Centers increased by 44% and the number of dental patients more than doubled.

The State Grant helps Community Health Centers fund programs and investments tailored to the emerging needs of the communities they serve. Investments include:

- Opening new service locations, such as new dental clinics
- Continuously reinvesting in innovative quality improvement activities that improve health care outcomes
- Significantly broadening access to substance use disorder (SUD) treatment and co-located mental health services
- Improving access to preventive care and chronic disease management, reducing overall cost

According to annual data submitted to the federal Health Resources and Services Administration, 13% of care provided by Wisconsin CHCs in 2023 was uncompensated. The State Grant helps offset a portion of that care.

IMPACTING WISCONSIN COMMUNITIES

State Grant funds are used flexibly depending on the populations and communities served at a Community Health Center and local care gaps. Health Centers submit annual reports to the Department of Health Services regarding the funding. The majority of Community Health Centers report using State Grant funds to supplement staffing cost increases in their medical and behavioral health departments. Several Community Health Centers also use funds for dental staffing. Examples of how the State Grant was used in 2023:

- Psychiatric medication management
- Medical support staff (e.g., Medical Assistants), and other non-billable care team members
- Prenatal Care Coordination for expecting mothers, including lactation education and resource navigation to support healthy births and families
- Referral Specialists to improve care gaps beyond the four walls of the clinic
- Manage chronic diseases and risk factors such as excessive alcohol consumption, tobacco use, nutrition, insufficient physical activity, suicidal ideation, and opioid use
- Help patients access the Community Health Center's Sliding Fee Scale and insurance via Medicaid and Marketplace

Note that two new Community Health Centers that fall under a different federal designation called “FQHC Look Alike” do **not** receive State Grant funds, and WPHCA seeks to fix this exclusion.

EXPANSION

With additional funding, Community Health Centers would prioritize new medical, dental, and behavioral health staffing and compensation for non-billable services. Examples include:

- Behavioral health services for patients with high to moderate risk of suicidal ideation
- Outreach and patient engagement in the areas of colorectal and breast cancer screenings, hypertension and diabetes control, and timely prenatal and postnatal care
- Mobile dental outreach services
- Expanding school-based programming
- Improving access to interpretation and translation services

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HOW STATE POLICYMAKERS CAN HELP

Pass legislation to:

- Increase funding for the Community Health Center State Grant by \$2 million per year (30%)
- Update §250.15 to include new funding for Look Alike designees (\$500,000) and fix an exclusion in the current statute
- Add a budget directive for the Division of Medicaid Services to work collaboratively with Community Health Centers on value-based care initiatives

In 2021, a bill to increase funding by \$2 million per year (2021 Assembly Bill 66/2021 Senate Bill 59) was introduced by Senators Testin and Ballweg and Representatives Novak and Magnafici. SB 59 was voted out of the Senate Committee on Health with a recommendation for approval and had 33 bipartisan cosponsors. Governor Evers included a similar proposal in his Executive Budget that year and ultimately an increase of \$1 million annually was included in the enacted budget. As need and access to health services increases and the cost of staffing to provide this care continues to rise, and Community Health Centers seek to respond to a changing payer mix, the State Grant is an essential lifeline. WPHCA similarly supports increased funding for Free and Charitable Clinics, also funded through §250.15.