

With health insurance at risk, community health centers face cut-backs

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Repeal of key provisions of the Affordable Care Act, combined with a failure to renew critical funding streams, would result in catastrophic funding losses for community health centers-forcing these safety net providers to cut back on services, lay off staff or shut down clinical sites, according to a report published today. The report represents the first analysis of the potential effects on medically underserved communities of the types of health insurance losses contained in legislation now pending in Congress.

The Congressional Budget Office has projected that the American Health Care Act as introduced on March 6th would eliminate [health insurance coverage](#) for 24 million people by 2026. At risk are ACA expansions of private insurance subsidies, and cuts to the Medicaid program, which is a key source of insurance coverage for health center patients, providing coverage to just under half of those served by community health centers in 2015. Reductions of the magnitude forecast by CBO could trigger deep reductions in health center services, according to the report from investigators at the Geiger Gibson/RCHN Community Health Research Collaborative at the George Washington University's Milken Institute School of Public Health (Milken Institute SPH).

"Impact estimates of rolling back the Affordable Care Act's insurance reforms have emphasized its implications for insurance coverage. We believe that this is the first study to gauge the possible effects of major reductions in coverage on [primary health care](#) access in medically

underserved urban and rural communities," said Sara Rosenbaum, JD, the Harold and Jane Hirsh Professor of Health Law and Policy at Milken Institute SPH and lead author of the report. "Close to half of all community health centers predict what can only be described as catastrophic financial losses that in turn would trigger a nationwide reduction in services."

To find out how reversal of the coverage gains and increased funding made possible by the ACA might affect community health center revenue, staffing, and patients, Rosenbaum and her colleagues surveyed community health centers between January and February 2017. The survey, which captured information from a representative group of nearly 600 centers in all 50 states, the District of Columbia and three U.S. territories, shows:

- Impact on patient care. Reduced hours, site closures, and service reductions driven by revenue cuts will translate into fewer people served. Nearly 1 in 4 centers estimate they would lose capacity to care for 5,000 people or more, while three quarters estimate they would lose capacity to serve at least 1,000 people.
- Catastrophic financial effects. More than 80 percent of community health centers estimate financial losses exceeding 20 percent, and nearly half (47 percent) estimated that they would experience revenue losses of more than 40 percent.
- Staff layoffs. Community health centers would be forced to lay off mission-critical staff, including doctors, nurses and others who provide care to high-risk, vulnerable people in underserved rural and urban communities. The expected reductions averaged 34 positions per health [center](#).
- Service reductions. Virtually all community health centers said that they would have to pare down or cut services in response to funding losses of this magnitude. General medical services would likely be reduced, while much-needed mental health care and

treatment for substance abuse, nutrition and health education, care management for chronic health conditions, and services to promote access, would be at greatest risk of being eliminated entirely.

In 2015, community health centers served nearly one in 13 Americans. The findings from this study suggest that the rollback of insurance coverage carries enormous consequences for the accessibility of primary care in communities already at greatest risk for lack of care. These projected declines would, in turn, put a growing strain on hospital emergency care, just as hospitals are feeling the stress of major declines in [insurance coverage](#), according to the report.

"Rolling back the gains made by the ACA jeopardizes both community [health](#) centers and the people they serve," said RCHN Community Health Foundation President and CEO Feygele Jacobs, whose organization funded the report. "It compromises services to the nation's most vulnerable communities and jeopardizes the very fabric of our [health care](#) safety net."

Provided by Milken Institute School of Public Health

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