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The Community Health Center Fund: In Brief

Updated May 13, 2019

Congressional Research Service

<https://crsreports.congress.gov>

R43911

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Background

The Health Center Program, which is administered by the Health Resources and Services Administration within the Department of Health and Human Services, awards grants to outpatient health care facilities that provide care to medically underserved populations.¹ The program's annual funding has more than tripled between FY2002 and FY2019, increasing from \$1.3 billion to \$5.5 billion. This funding increase has resulted in more health centers, more patients seen, and more services available to these patients.² The program's funding increase is due, in part, to the Community Health Center Fund (CHCF),³ a mandatory multibillion-dollar fund established in the Patient Protection and Affordable Care Act (ACA, P.L. 111-148, as amended) and extended in subsequent laws. The most recent two-year extension was included in the Bipartisan Budget Act of 2018 (BBA 2018, P.L. 115-123). The fund was established in 2011 and is currently available through FY2019. When the fund was established it was intended to increase health center appropriations above the level the program received in FY2008;⁴ however, the CHCF has partially supplanted annual appropriations since it began. For instance, in FY2010 the discretionary appropriation for health centers was \$2.1 billion, which was prior to the establishment of the CHCF.⁵ The FY2011 discretionary appropriation was \$1.5 billion, which was 30.3% less than the FY2010 discretionary appropriation; however, combined with CHCF funding the amount appropriated for health centers in FY2011 was \$2.6 billion, which represented an increase of 23.8% above the FY2010 level.⁶

The CHCF also supports the National Health Service Corps (NHSC), a scholarship and loan repayment program that places participating providers in underserved areas, including at health centers. From FY2012 through FY2017, the CHCF was that program's sole funding source. In FY2018 and FY2019, the program received discretionary appropriations to increase the number of NHSC providers who provide opioid and other substance use disorder treatment.⁷

CHCF funds have been used for a range of health center activities including funding new health centers, increasing services provided at existing health centers, and implementing care coordination initiatives (see **Table 1**). CHCF funds have also been used to fund health centers in

¹ For more information on health centers, see CRS Report R43937, *Federal Health Centers: An Overview*.

² Annual discretionary appropriations during this time period and the American Recovery and Reinvestment Act (P.L. 111-5) provided supplemental funding in FY2009 and FY2010. See Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*; CRS Report R40181, *Selected Health Funding in the American Recovery and Reinvestment Act of 2009*; and Peter Shin et al., *Community Health Centers: A 2012 Profile and Spotlight on Implications of State Medicaid Expansion Decisions*, The Kaiser Commission on Medicaid and the Uninsured, Issue Brief, Washington, DC, September 2014.

³ Section 10503 of the Patient Protection and Affordable Care Act (ACA) established the CHCF. Though the fund is named for community health centers (the most common type of health center), its funds are available for use by all four types of health centers: (1) community health centers, (2) health centers for the homeless, (3) migrant health centers, and (4) health centers for residents of public housing.

⁴ The FY2008 appropriation was \$2.1 billion; see Table 3 in CRS Report R43937, *Federal Health Centers: An Overview*.

⁵ See U.S. Department of Health and Human Services, Health Resources and Services Administration, *Justification of Estimates for Appropriations Committees, FY2013*, Rockville, MD, p. 24.

⁶ See U.S. Department of Health and Human Services, Health Resources and Services Administration, *Justification of Estimates for Appropriations Committees, FY2012*, Rockville, MD, p. 16.

⁷ CRS Report R44970, *The National Health Service Corps*. In FY2018, the National Health Service Corps received discretionary appropriations for the first time since FY2012. In FY2019, the NHSC also received \$15 million to place loan repayment recipient providers at facilities funded by the Indian Health Service (see P.L. 115-245).

need of immediate funding, such as those in Flint, MI, which had acute health service needs due to the discovery of lead in its water supply; those in Puerto Rico and other territories, which had additional health service needs related to the Zika virus; and those in areas most affected by the opioid crisis.⁸

The CHCF represents more than 72% of the Health Center Program’s FY2019 funding. Since its inception, the CHCF has been extended twice: first, it was extended for FY2016 and FY2017 in the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA, P.L. 114-10); second, as stated previously, it was extended in the Bipartisan Budget Act of 2018 (BBA 2018, P.L. 115-123), which provided FY2018 and FY2019 funding. MACRA provided \$3.6 billion to the CHCF for each of FY2016 and FY2017 (\$7.2 billion total), while BBA 2018 provided \$3.8 billion for FY2018 and \$4.0 billion for FY2019 (\$7.8 billion total). Under current law, no new funding is provided for FY2020 or subsequent years.⁹

This report provides information on the CHCF. Specifically, it includes information on the types of grants awarded, total funds disbursed, and the amount of CHCF funds that centers in each state and territory received.

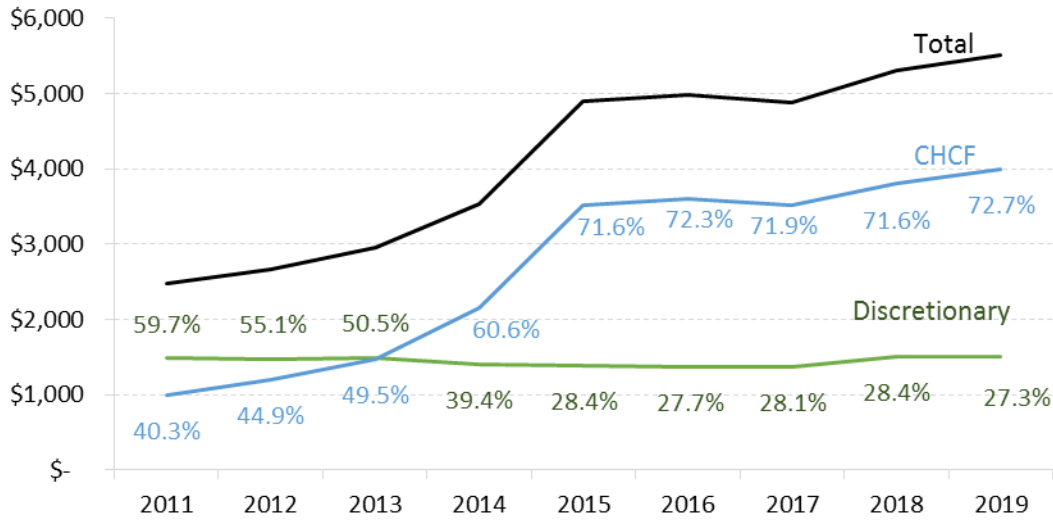
CHCF as a Percentage of Health Center Funding

The CHCF as a total percentage of federal funding for health centers has increased from 40% to 72% from FY2011 through FY2019 (see **Figure 1**).

⁸ U.S. Department of Health and Human Services, Health Resources and Services Administration, press releases, “HHS Awards \$500,000 in Funding to Flint Health Centers,” <https://www.hhs.gov/about/news/2016/02/18/hhs-awards-500000-funding-flint-health-centers.html>; “HHS Awards \$5 Million to Puerto Rico Health Centers to Fight the Spread of Zika Virus,” April 26, 2016, <https://www.hhs.gov/about/news/2016/04/26/hhs-awards-5-million-to-puerto-rico-health-centers.html>; and “HHS Awards More than \$742,000 to Health Centers in American Samoa and the Virgin Islands to Fight Zika,” June 23, 2016, <https://www.hhs.gov/about/news/2016/06/23/hhs-awards-more-742000-health-centers-american-samoa-and-virgin-islands-fight-zika.html>; “FY2016 Substance Abuse Service Expansion Awards,” <https://bphc.hrsa.gov/programopportunities/fundingopportunities/substanceabuse/2016awards/index.html>; and “HHS Makes \$350 Million Available to Fight the Opioid Crisis in Community Health Centers Nationwide,” <https://www.hhs.gov/about/news/2018/06/15/hhs-makes-350-million-available-to-fight-opioid-crisis-community-health-centers.html>.

⁹ Legislation has been introduced in the 116th Congress that would extend the CHCF funding for five years (H.R. 1943, H.R. 1983, H.R. 2328, S. 106, S. 192, and S. 962).

Figure I. The CHCF and Health Center Funding, FY2011-FY2019
 (Dollars in Millions, CHCF and Discretionary labeled with percent of total)



Source: CRS analysis of HRSA’s Congressional Budget Justifications, P.L. 115-123, and P.L. 115-245 .

CHCF Grants Awarded

ACA’s language creating the CHCF specified rather broad purposes—that the fund be used to “provide for expanded and sustained national investment in community health centers.”¹⁰ CHCF funds have been used to support operating grants at existing health centers, including grants that are awarded competitively to existing health centers at the end of their grant cycle that seek continued funding.¹¹ The CHCF has also been used to support a number of specific initiatives that seek to expand services and to improve the care provided by health centers (see **Table 1**).¹²

Table 1. CHCF-Supported Grant Programs

Name	Description	Funds Awarded
Beacon Community Supplemental Funding	Grants to support health center HIT adoption so as to improve health outcomes, improve care quality, and achieve cost efficiencies.	\$8.4 million (FY2011)
Behavioral Health Integration	Grants to expand behavioral health services by increasing the number of providers and services offered.	\$54.6 million (FY2014); \$51.3 million (FY2015)

¹⁰ ACA Section 10503(a).

¹¹ These are referred to as “service area competitions.” Under these awards, HRSA specifies geographic areas eligible to apply. These awards may be competing continuations (where existing grantees must apply at the end of their grant cycle) or may be competitions for new areas. See U.S. Department of Health and Human Services, Health Resources and Services Administration, “Service Areas Competition,” <https://bphc.hrsa.gov/programopportunities/fundingopportunities/default.aspx?id=dc72c18-c136-411b-bce5-c69a548f6283>.

¹² The ACA also provided, for use between FY2011 and FY2015, \$1 billion dollars for health center construction and renovation. Grant awards from this program were made in FY2011 and FY2012 and supported 398 projects at 190 centers; see CRS Report R42433, *Federal Health Centers*.

Name	Description	Funds Awarded
Expanded Services	Grants for hiring new staff to extend hours and expand care that a health center provides.	\$295 million (FY2014); \$6.4 million (FY2015); \$7 million (FY2016); \$156 million (FY2016 for oral health)
Facility Improvement	Grants for construction and renovations to increase the number of patients served.	\$260 million (FY2016)
Health Center Controlled Network-Health Information Technology (HIT)	Grants to expand the use of advanced HIT.	\$21 million (FY2013); \$123 million (FY2016)
Health Center Outreach and Enrollment Assistance	Grants to hire staff for in-person enrollment and eligibility assistance to uninsured individuals.	\$150 million (FY2013); \$58 million (FY2014)
HIV Service Integration	Grants to support HIV services with primary care service integration.	\$5 million (FY2012); \$6.2 million (FY2014)
New Access Points	Grants to support new health center sites.	\$28.8 million (FY2011); \$128.6 million (FY2012); \$19 million (FY2013); \$150 million (FY2014); \$270 million (FY2015); \$51 million (FY2017)
Opioid and Heroin Treatment	Grants to expand substance abuse services at health centers.	\$94 million (FY2016); \$350 million (FY2018)
Patient-Centered Medical Homes (PCMH)	Grants to assist facilities with meeting the requirements (including facility-related requirements) to be certified as a PCMH.	\$32 million (FY2011); \$44 million (FY2012); \$35.7 million (FY2014); \$8.6 million (FY2016)
Planning and Development	Grants to support organizations to plan and become health centers.	\$10 million (FY2011)
Quality Improvement/ Base Adjustment	Adjustments to health center base funding for ongoing operations and quality improvement activities.	\$48 million (FY2013); \$63 million (FY2015); \$100 million (FY2016)
State and Regional Primary Care Association	Cooperative agreements with state and regional organizations to provide health center training and technical assistance.	\$5.2 million (FY2011); \$6.4 million (FY2013)
Training and Technical Assistance	Cooperative agreements to provide technical assistance to organizations that support health centers.	\$2.8 million (FY2011)

Sources: CRS analysis of data from the HRSA data warehouse; CRS communication with HRSA's Office of Legislation, January 5, 2015, December 30, 2016, and May 15, 2018; and HRSA and HHS press releases obtained by searching <http://www.hrsa.gov> and <http://www.hhs.gov/news/>. FY2016 funds were also used to fund health centers in Flint, MI, and the territories for Zika virus related health services.

CHCF funds were awarded from FY2011 through FY2018 to facilities and organizations in each of the 50 states, the District of Columbia, and the territories (see **Table 2**).

Table 2. CHCF Funds Awarded, by State and Territory

(Dollars in Thousands)

State	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total ^a
Alaska	\$15,176	\$17,176	\$21,855	\$31,370	\$45,789	\$48,670	\$53,611	\$57,246	\$233,648
Alabama	\$19,803	\$23,584	\$29,280	\$39,000	\$58,662	\$55,617	\$58,600	\$61,587	\$284,546
Arkansas	\$11,634	\$13,671	\$16,951	\$23,823	\$37,286	\$34,559	\$39,961	\$41,616	\$177,885
American Samoa	\$1,089	\$901	\$1,146	\$1,899	\$1,348	\$2,360	\$2,384	\$2,456	\$11,127
Arizona	\$19,016	\$20,195	\$24,729	\$37,004	\$52,156	\$63,647	\$64,899	\$64,061	\$281,647
California	\$120,943	\$140,459	\$178,975	\$275,331	\$445,460	\$494,221	\$493,092	\$521,013	\$2,148,482
Colorado	\$25,431	\$29,535	\$37,523	\$45,921	\$62,087	\$72,845	\$75,681	\$74,938	\$349,023
Connecticut	\$12,973	\$15,168	\$18,923	\$22,080	\$35,906	\$45,680	\$42,957	\$47,089	\$193,687
District of Columbia	\$5,211	\$5,852	\$6,465	\$9,744	\$18,315	\$20,258	\$21,357	\$20,474	\$87,202
Delaware	\$3,290	\$4,372	\$6,164	\$6,280	\$7,459	\$10,225	\$10,283	\$10,723	\$48,073
Florida	\$48,992	\$59,567	\$73,398	\$117,934	\$165,216	\$170,243	\$169,526	\$178,611	\$804,876
Federated States of Micronesia	\$423	\$438	\$476	\$1,123	\$1,836	\$2,136	\$2,934	\$2,715	\$9,367
Georgia	\$21,338	\$26,182	\$37,181	\$47,576	\$73,665	\$83,684	\$86,411	\$94,845	\$376,037
Guam	\$501	\$519	\$683	\$1,059	\$1,460	\$1,361	\$1,350	\$1,463	\$6,934
Hawaii	\$6,880	\$6,795	\$8,606	\$13,448	\$21,135	\$23,212	\$22,050	\$25,303	\$102,126
Iowa	\$8,507	\$9,537	\$12,555	\$16,899	\$27,913	\$28,002	\$28,604	\$30,346	\$132,017
Idaho	\$9,029	\$10,223	\$13,255	\$18,743	\$32,664	\$33,182	\$33,898	\$35,426	\$150,994
Illinois	\$41,748	\$50,739	\$64,450	\$88,207	\$132,420	\$144,843	\$145,608	\$151,396	\$668,016
Indiana	\$12,420	\$13,746	\$17,216	\$28,441	\$48,338	\$58,643	\$59,062	\$60,172	\$237,867
Kansas	\$7,414	\$9,633	\$13,030	\$18,278	\$28,237	\$34,513	\$34,203	\$35,944	\$145,308
Kentucky	\$13,705	\$17,800	\$21,803	\$31,162	\$49,267	\$54,770	\$58,258	\$61,898	\$246,765

State	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total ^a
Louisiana	\$17,792	\$19,320	\$24,680	\$43,095	\$66,806	\$74,742	\$77,796	\$79,240	\$324,231
Massachusetts	\$24,757	\$26,155	\$32,222	\$54,646	\$81,352	\$95,352	\$90,527	\$100,356	\$405,011
Maryland	\$13,066	\$12,880	\$15,336	\$26,574	\$34,035	\$40,760	\$40,902	\$47,738	\$183,552
Maine	\$8,751	\$9,965	\$11,100	\$17,724	\$30,805	\$32,886	\$31,988	\$35,174	\$143,219
Marshall Islands	\$295	\$306	\$338	\$704	\$785	\$808	\$756	\$807	\$3,992
Michigan	\$23,770	\$27,289	\$33,868	\$55,030	\$89,391	\$97,298	\$92,650	\$100,788	\$419,296
Minnesota	\$8,829	\$10,938	\$13,775	\$18,646	\$28,149	\$29,128	\$30,680	\$33,758	\$140,145
Missouri	\$20,096	\$22,840	\$28,811	\$45,233	\$68,839	\$83,065	\$79,128	\$85,719	\$348,012
Mississippi	\$18,939	\$19,205	\$23,681	\$34,055	\$49,672	\$49,916	\$52,336	\$57,381	\$247,804
Montana	\$8,669	\$10,250	\$13,772	\$18,292	\$27,698	\$29,685	\$31,574	\$33,229	\$139,940
North Carolina	\$26,443	\$31,974	\$42,027	\$57,132	\$95,453	\$91,974	\$102,757	\$104,632	\$447,760
North Dakota	\$1,989	\$1,818	\$2,447	\$4,211	\$7,262	\$7,445	\$8,393	\$8,571	\$33,566
Nebraska	\$3,830	\$4,891	\$6,211	\$9,385	\$12,291	\$16,670	\$15,322	\$16,871	\$68,600
New Hampshire	\$4,280	\$4,927	\$7,340	\$10,909	\$16,817	\$18,452	\$20,493	\$21,437	\$83,218
New Jersey	\$18,036	\$18,534	\$25,263	\$37,524	\$53,364	\$62,578	\$59,840	\$65,209	\$275,139
New Mexico	\$17,132	\$19,064	\$25,423	\$32,981	\$43,138	\$55,949	\$54,541	\$54,620	\$248,229
Nevada	\$3,963	\$3,802	\$7,030	\$6,265	\$11,065	\$15,349	\$16,079	\$15,940	\$63,553
New York	\$54,434	\$69,550	\$84,597	\$114,257	\$177,512	\$194,513	\$196,883	\$206,568	\$891,746
Northern Mariana Islands		\$608	\$732	\$738	\$906	\$1,041	\$1,166	\$1,295	\$5,191
Ohio	\$27,236	\$32,877	\$37,969	\$60,811	\$100,662	\$108,040	\$114,226	\$116,687	\$481,821
Oklahoma	\$12,270	\$15,626	\$19,901	\$22,992	\$39,075	\$43,577	\$42,123	\$45,012	\$195,564
Oregon	\$18,770	\$23,679	\$29,405	\$41,563	\$62,124	\$67,299	\$68,314	\$70,891	\$311,154
Palau	\$358	\$31,807	\$40,399	\$55,918	\$811	780,218	732,931	\$995	\$130,807

State	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Total ^a
Pennsylvania	\$27,426	\$24,701	\$30,063	\$38,782	\$86,292	\$89,813	\$88,928	\$99,312	\$386,005
Puerto Rico	\$19,894	\$371	\$292	\$577	\$56,486	\$67,430	\$62,928	\$66,606	\$207,978
Rhode Island	\$7,259	\$6,713	\$7,671	\$11,673	\$20,470	\$20,970	\$21,034	\$20,524	\$95,790
South Carolina	\$20,082	\$23,988	\$31,938	\$37,320	\$49,574	\$60,102	\$60,766	\$62,498	\$283,770
South Dakota	\$4,150	\$4,523	\$5,597	\$8,434	\$12,625	\$12,131	\$13,339	\$12,789	\$60,798
Tennessee	\$17,968	\$21,473	\$26,400	\$36,560	\$59,695	\$62,397	\$60,329	\$65,722	\$284,822
Texas	\$60,674	\$68,428	\$86,323	\$121,729	\$184,926	\$179,902	\$186,745	\$195,201	\$888,727
Utah	\$6,805	\$6,834	\$10,814	\$16,712	\$25,117	\$29,516	\$30,641	\$30,261	\$126,440
Virginia	\$19,223	\$22,149	\$27,601	\$38,361	\$56,120	\$64,809	\$65,272	\$65,905	\$293,535
Virgin Islands	\$673	\$789	\$959	\$1,339	\$2,368	\$2,351	\$2,280	\$2,667	\$10,759
Vermont	\$3,791	\$4,126	\$5,439	\$10,222	\$12,865	\$22,564	\$18,788	\$19,118	\$77,794
Washington	\$27,932	\$30,811	\$40,902	\$57,496	\$94,593	\$95,990	\$95,116	\$99,630	\$442,840
Wisconsin	\$8,327	\$11,069	\$13,051	\$18,617	\$32,303	\$35,536	\$33,162	\$36,311	\$152,064
West Virginia	\$13,499	\$15,001	\$20,198	\$29,218	\$46,687	\$52,842	\$51,149	\$56,435	\$228,595
Wyoming	\$1,730	\$1,921	\$2,386	\$3,999	\$6,319	\$6,038	\$6,188	\$6,578	\$28,581
Total ^b	\$978,659	\$1,137,296	\$1,440,620	\$2,075,045	\$3,191,077	\$3,502,371	\$3,530,603	\$3,721,815	\$15,855,677
CHCF Allocation ^c	\$1,000,000	\$1,200,000	\$1,465,000 ^c	\$2,145,000 ^c	\$3,510,000 ^c	\$3,600,000	\$3,516,000 ^c	\$4,000,000	\$16,436,000

Source: CRS analysis of HRSA's *Datawarehouse* (at <http://www.hrsa.gov/data-statistics/index.html>) and of data obtained from HRSA, personal communication, February 8, 2018, and February 11, 2019.

Notes: Blank cells indicate that no funds were received by that state or territory in that year.

- a. Total indicates the cumulative amount a state has received from the CHCF since the fund began in FY2011.
- b. Total indicates amount of grants awarded; it is lower than the amount appropriated to the CHCF as some funds are used by HRSA to administer these grant programs.
- c. The FY2013, FY2014, FY2015, and FY2017 amounts were reduced by the sequester required under the Budget Control Act (P.L. 112-25). For more information, see CRS Report R43937, *Federal Health Centers: An Overview*.

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Acknowledgments

LaTiesha Cooper, former CRS Research Assistant, and Clarissa Cooper, former CRS Research Assistant, prepared the tables and figures included in this report.

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