



Nuts and Bolts



of



Medicaid



Medicaid is a public program that provides health coverage to over 70 million Americans. It is funded jointly by states and the federal government. The federal government sets requirements (or standards) while states design and administer their own Medicaid program.

The Facts: Health Centers and Medicaid



Medicaid covers 49% of Health Center Patients



Health Centers serve 1 in 6 Medicaid beneficiaries for < 2% of the Medicaid budget



Patients served by Health Centers have 24% lower total Medicaid costs than patients in other health care settings

\$6b

Health Centers save the Medicaid program \$6 billion annually

Why Does Medicaid Work Well for Health Centers?

Health centers are a unique type of Medicaid provider, offering comprehensive primary and preventive services to all.



FQHC Medicaid Prospective Payment System (PPS)

In 2001, Congress created the FQHC Medicaid Prospective Payment System (PPS), to ensure adequate payment for services while protecting federal investments such as the Health Center Fund.**

PPS drives efficiency, not cost-based reimbursement.



Current law offers states flexibility in how to pay health centers.

See Nuts and Bolts on Health Center Funding for more information



NATIONAL ASSOCIATION OF
Community Health Centers

If you have questions, please email federalaffairs@nachc.org
or visit the NACHC website at www.nachc.org.

Medicaid Policy Proposals

Congress is currently considering changes to limit federal funding to the Medicaid program including:

Repeal of ACA Medicaid Expansion 

Currently, 31 states and D.C. have expanded Medicaid. Between 2013 and 2015, 3 million additional health center patients were covered by Medicaid. Rolling back Medicaid expansion would jeopardize Medicaid coverage for millions of low-income families and adults.

Block Grants



Pre-set amount of federal dollars for entire state.

Cannot account for rising health care costs, recession, or public health emergencies.



Per-Capita Allotments/Caps



Pre-set amount of federal dollars per person.

Allows for changes in enrollment but not changes in health care costs.

Both would change Medicaid's federal guarantee of coverage while giving states more flexibility to determine how to utilize limited federal dollars. Without safeguards, it is very likely states will:

-  eliminate benefits
-  cut provider payments
-  limit eligibility

NACHC calls on Congress to sustain a strong Medicaid program that ensures coverage and maintains access to care for health center patients, and preserves the FQHC PPS payment methodology.

What can you do?



Make sure your health center has completed a Medicaid impact estimator, showing the value of Medicaid at your center.

Collect patient stories that illustrate the importance of Medicaid in your community.

Visit <http://www.hcadvocacy.org/makethecase> for these and other resources.