



MEMORANDUM

TO: Public Policy and Research Colleagues
FROM: Colleen
DATE: January 24, 2020
RE: **BPHC to stagger end dates of FY2020 Section 330 grants; one-sixth of CHCs will run out of FY2020 grant funding on Sept 30**

Summary: With the FY2020 funding that Congress has provided to date, BPHC will provide all CHCs with nine-months' worth of their annual grant amount for FY2020. Since the start dates of CHCs' budget periods are spread across 6 months (January 1 through June 1), this means that roughly one-sixth of CHCs will run out of 330 grant funds on September 30, one-sixth on October 31, etc. This differs from BPHC's previous practice, which provided all grantees enough funding to last through a specific date (which this year would likely have been December 31, 2020.)

In a "normal" funding year, CHCs receive 12-months' worth of Section 330 grant funding at the start of their annual budget period. The start dates for CHCs' budget periods are staggered from January 1 through June 1, with roughly one-sixth of all CHCs starting their budget period each month.

In 2018 – as in 2020 -- many CHCs' budget periods began before Congress provided a full year's worth of Section 330 funding. For those CHCs, **BPHC provided enough funds that all impacted CHCs would run out of funding on the same date.** For example, CHCs with Jan. 1 and Feb. 1 budget start dates initially received enough funding to last through February 28, 2018. Later that winter, BPHC provided additional funding to support those CHCs (as well as the March 1 and April 1 starts) through April 30, 2018.

If BPHC were to follow the same practice this year, I estimate that all CHCs (as well as PCAs, HCCNs, and NTTAPs) would receive funding through December 31, 2020. This could potentially lead Congress to think that they "don't need to deal with" providing additional FY2020 funding until after the start of FY2021.

However, in Tuesday's *Primary Health Care Digest*, BPHC announced that rather than funding all CHC grants through a specific date, they will instead fund each for nine months. This means that **roughly one-sixth of CHCs will run out of FY2020 funding on September 30, one-sixth on October 31, etc.** Based on our 2018 experience, I would expect those CHCs whose funds run out first to be among the most vocal advocates for continued funding. **Please let me know if you would like a list of those CHCs.**