



North Carolina Community Health Center Association

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May 7, 2020

The Honorable Nancy Pelosi
Speaker of the US House of Representatives

The Honorable Kevin McCarthy
Minority Leader, US House of Representatives

The Honorable Mitch McConnell
Majority Leader, US Senate

The Honorable Chuck Schumer
Minority Leader, US Senate

Dear Congressional Leaders:

On behalf of North Carolina's 42 federally qualified health centers and lookalike organizations (collectively, "community health centers" or CHCs) and the roughly 600,000 patients they serve at over 270 clinical delivery sites in our state, I write to thank you for your continued support of CHCs as part of the COVID-19 response packages. These packages have provided vital funding that allowed our CHCs to keep their doors open and their operations running, enabling them to continue their work on the frontlines of this pandemic. However, we are concerned about CHCs' ability to continue to keep their doors open in the short term, as patient visits have declined from 30-70% at our members' sites. I write today in support of the National Association of Community Health Centers' (NACHC) official request for additional funding for CHCs in the next COVID-19 package.

North Carolina issued a statewide stay-at-home order on March 27. Even before then, North Carolina CHCs responded to the emerging pandemic by nimbly adapting their practices and operations to promote access to needed care and mitigate the spread of the virus. This has involved migrating many services to virtual visits via video and audio-only telehealth, establishing patient screening and triage stations to separate well and sick patients when in-person visits are necessary, partnering with local health departments and others to provide access to COVID-19 testing on-site and through drive-up and community sites, establishing prescription mail delivery programs, reducing and rescheduling certain non-emergency and non-urgent in-person services, and much more. Because of rural broadband problems in the state, some CHCs have set up parking lot visits, where patients drive to the CHC to use Wi-Fi from their car to utilize telehealth visits via a CHC-provided tablet.

Through these and many other efforts, North Carolina has achieved some success in flattening the curve in our state. However, with this progress also comes costs, as our community health centers have experienced significant drops in patient volumes and revenues, and we're still seeing the virus spread into our rural communities. Some federal packages enacted thus far have enabled our health centers to maintain staffing and capacity; however, North Carolina community health centers have had to furlough and/or lay off staff at a time when their workforce is greatly needed. Yet CHCs are being called upon more and more to expand testing in partnership with public health authorities, care for the growing uninsured population, and provide ongoing comprehensive primary care, behavioral health, and dental services to medically underserved communities, in turn reducing strain on our partners at hospitals and emergency rooms. In order to support these critical efforts and ensure CHCs remain fully operational in

the short-term, Congress must provide additional emergency funding as well as continued support for their operational needs.

Estimates show that the funding provided to CHCs in the last COVID-19 response and relief packages covers less than two months of the nationwide losses among CHCs. **For this reason, we strongly support NACHC's request for a minimum of \$7.6 billion over the next six months to support COVID-19 emergency response at CHCs.** We would also encourage Congress to consider support for federally qualified health center lookalike (FQHC LAL) organizations; our three FQHC LALs in North Carolina operate as community health centers serving medically underserved communities, but because they do not receive federal health center program grant dollars, they were ineligible for the supplemental awards made directly to CHCs via HRSA in the CARES Act. That they lack federal grant dollars has not made their practices immune from the financial strains of this pandemic, so we urge Congress to consider including FQHC LALs in their next support package.

While our CHCs are doing everything they can to respond to this pandemic and care for their communities now, they need Congress to provide certainty about their future funding. The CARES Act provided a short-term extension of mandatory funding for the Community Health Center Fund, National Health Service Corps, and Teaching Health Center Graduate Medical Education programs through November 30, 2020. However, North Carolina CHCs and others across the country need a stable, long-term picture now so that we can ensure we're able to get to the other side of this pandemic fully operational and in a position to meet the needs of our communities. **We request that Congress authorize \$41.9 billion for a five-year extension** that will allow CHCs around the country certainty for their long-term planning and allow for the Health Center Program to grow to serve an additional 10 million patients.

To achieve stability and to grow capacity to meet the needs of our communities, CHCs are counting on Congress to not just extend the aforementioned National Health Service Corps and Teaching Health Centers Graduate Medical Education programs, but to invest in expanding these programs to address current provider shortages in underserved areas. This will allow CHCs to recruit and retain providers, especially to our rural communities, despite the workforce uncertainty that this pandemic and financial crisis are causing. **We therefore support NACHC's request for \$7.8 billion over five years to expand the National Health Service Corps and the Teaching Health Center GME programs.**

North Carolina health centers must have the infrastructure and technology to prepare for the future. The COVID-19 pandemic has highlighted the need for an additional infusion of infrastructure funding—something CHCs have not received nationally since 2009—as we prepare for the future of health care and future emergencies. Our member health centers in North Carolina have rapidly been working to adjust their practices, operations, and clinical workspaces for this pandemic. These changes cost money, and we expect that not only will the way we deliver care change in the future due to this pandemic, but that we will need new technology to help us promote access and data analytics moving forward. **For these purposes, we support NACHC's request for an additional \$20 billion in infrastructure funding over five years for health centers.**

The CARES Act made important changes to Medicare telehealth guidelines that allowed CHCs to promote access to care while observing physical distancing guidelines and protecting patients and staff from exposure. Our health centers are quickly adopting telehealth despite being historically barred from reimbursement for distant site telehealth services in Medicare and in Medicaid at the state level. While

Congress and the U.S. Department of Health and Human Services have provided excellent flexibility for implementing telehealth, CHCs are currently reimbursed by Medicare for these video telehealth services at rates below their in-person rates. Additionally, we strongly encourage Congress to recognize the value of these services not just now during the pandemic, but beyond this crisis, as North Carolina CHCs—which provide comprehensive primary care services including specialty behavioral health and substance use disorder treatment services, among others—can leverage telehealth to promote access to care for patients for whom distance is a barrier. **We therefore encourage Congress to adopt changes that allow FQHCs to furnish and bill Medicare for distant site telehealth services permanently moving forward and to be reimbursed at parity with in-person visits at their Medicare Prospective Payment System (PPS) rates.**

In North Carolina, CHCs in urban and rural areas alike are adopting video telehealth visits. But in many communities across our state, connectivity challenges for patients—due to lack of broadband access, Internet service affordability, and lack of access to and/or familiarity with video conferencing technology—limit the short-term effectiveness of video telehealth services. CHCs in our state are providing care in the most clinically appropriate setting that best meets the needs of their patients, and for many North Carolinians, audio-only telehealth services provided via telephone are that best fit. North Carolina health centers are encouraged by last week’s announcement that Medicare would temporarily cover some audio-only telehealth services. In recognition of this, **we encourage Congress and the federal administration to continue providing flexibility and regulatory relief to allow health centers to be fairly compensated for audio-only telehealth services.**

Lastly, **we encourage Congress and the federal administration to prioritize CHCs in the implementation and allocation of the Provider Relief Fund** authorized by the CARES Act and recently replenished by the Paycheck Protection Program and Health Care Enhancement Act. We are hopeful that Medicaid providers will be prioritized by future allocations and that allocations for reimbursement of COVID-19 testing and treatment of the uninsured will be sufficient moving forward.

Thank you for considering these requests and for your ongoing support of community health centers and the patients and communities we serve. The role of CHCs is more important than ever during this pandemic, and for these reasons, we ask that Congress prioritize community health centers in the next federal response package. Please do not hesitate to reach out to us for any information or ways that we can be of assistance. We would be happy to share more about the heroic and innovative work being done every day by our member CHCs across the state.

Sincerely,

Crystal Shank
President and CEO
North Carolina Community Health Center Association

cc: North Carolina Congressional Delegation