May 4, 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 California’s 1,370 community health centers (CHCs) and the 7.2 million patients they serve, I write to thank you for your continued support of community health centers (CHCs) as part of the COVID-19 response packages. The funding received thus far has helped our CHCs maintain staffing and continue their partnerships with local health departments in the vital efforts to fight the pandemic. 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.

As you know, California put in place local and then state stay-at-home orders earlier than many areas of the country, and we are proud to see the positive impact of those orders on slowing the spread of COVID-19. However, our community health centers have been feeling the negative impact of these orders for over a month. They have experienced a significant drop in revenue due to postponement of visits unrelated to COVID-19 and cancellation of all non-emergency dental visits. In response to these revenue losses, CHCs are being forced to reduce their workforce at a time when it is most needed. As the crisis continues, this decline in revenue will persist and cause health centers to continue to make difficult financial decisions. To keep community health centers solvent, there is an urgent need for an additional infusion of emergency funding as well as continued support for their operational needs.

The funding provided to CHCs in the last COVID-19 response and relief packages only covers less than two months of the losses felt nationwide by CHCs. In order for them to continue to effectively and appropriately respond to COVID-19, they estimate a need for a minimum of $7.6 billion over the next six months.

Across the nation, nearly 30 million people rely on community health centers for their care. In California, health centers serve 7.2 million patients annually - almost 17% of Californians turn to us for their care. During a public health emergency, health centers provide triage, treatment, and referrals, and also work in partnership with the local health departments and the state of California. This crisis is no different - CHCs are uniquely positioned to assist in the fight against the spread of...
COVID-19 because they are rooted in the communities they serve and are trusted sources of care for anyone that walks through their doors.

Health centers are implementing drive-up, walk-up, and mobile COVID-19 testing centers, and they are working with local health departments to bring testing to the homeless populations throughout California. It is essential that emergency funding for CHCs can be used to cover losses attributable to COVID-19, as well as the costs of testing and treatment processes. This would enable health centers to reemploy all staff in an effort to continue to expand services and outreach and to respond to COVID-19. As you draft legislation, we urge you to work with CHCs on their current cost projections and include the complete funding needs they have identified.

CHCs are the front-line health care providers for 1 in 6 Californians, and they should be equipped for the future of health care, both through technological and physical infrastructure. Health centers have not had an infusion of infrastructure funding since the Affordable Care Act was adopted ten years ago. **For them to be prepared to meet the demands of future health crises, we request an additional $20 billion over five (5) years for health center infrastructure projects.**

Health centers have had challenges with recruitment and retention of staff for several years, and the current financial crisis is creating more workforce uncertainty. **We ask that you provide $7.8 billion over five (5) years to expand the National Health Service Corps and the Teaching Health Center GME programs and assist health centers in addressing their vital workforce needs.**

To further support CHCs in maintaining the critical workforce, we request that the next COVID-19 response bill addresses a major limitation of the SBA administered Paycheck Protection Program – the exemption of organizations with more than 500 employees. Across the country, roughly 100 health centers have more than 500 employees. Approximately 1 in 5 of these health centers are in California. These health centers, collectively, treat an estimated 10 million medically-underserved patients – up to one-third all health center patients in the country. In rural and urban communities, these organizations distribute their staff across multiple care delivery sites. They are ineligible for the Paycheck Protection Program (PPP) or Emergency Paid Leave Program due to their total number of employees. The Paycheck Protection Program must be strengthened to enable health center organizations to count employees per physical location when determining eligibility. The CARES statute allows businesses in the accommodation and food industries to count their employees on a per-site basis when determining eligibility for the Paycheck Protection Program. Health centers deserve the same. **In the next COVID-19 response bill, the SBA Paycheck Protection Program must be amended to define number of employees at the site, not organization, level.**

Not only do CHCs need an infusion of funding to deal with the current crisis, but they are also faced with an uncertain future. While the CARES Act included an extension of health center, National Health Service Corps, and Teaching Health Center GME mandatory funding through November 30, 2020, this short-term solution is not enough. In order to respond to COVID-19 while providing the highest-quality care to all their patients, CHCs need to have an immediate guaranteed extension for at least five (5) years. **We request that you include $41.9 billion for this 5-year extension that will allow CHCs around the country certainty for their long-term planning.**
Community health centers fulfill an irreplaceable role in California’s health care system, a role that is more essential now than ever. For these reasons, I urge you to prioritize assistance for community health centers in the next COVID-19 response legislation.

I welcome the opportunity to dialog with you further on this important matter. Please let me know how CPCA can be an asset to you, providing additional information about how health centers are responding to the COVID-19 crisis in California, the role we play in getting California’s economy restarted and supporting communities as they reopen to a new normal.

Sincerely,

Carmela Castellano-Garcia, Esq.
President and CEO
California Primary Care Association

cc: California Congressional Delegation