Neighborhoods can affect health outcomes, including infant mortality, life expectancy, and the development of chronic diseases. We know that neighborhoods “get under the skin.”

— Center for Population Health and Health Disparities, RAND Corp.
How to reform the American health care system—in terms of access, cost and quality—is a conundrum this country has struggled with for years. On March 23, 2010, President Barack Obama signed into law health care reform legislation designed to help more people acquire health insurance.

Amid the wrangling over solutions, a movement to improve health on the community level has been gaining traction. This movement promotes not only access to health care but access to healthful environments and nutritious food.

This issue of Banking and Community Perspectives focuses on some nonlegislative efforts to foster healthful communities, particularly in low- and moderate-income areas. These efforts are led by both public and private organizations across the Federal Reserve’s Eleventh District.

The initiatives are important to community well-being because, as the Center for Population Health and Health Disparities reports, “Where you live affects your health. Neighborhoods can affect health outcomes, including infant mortality, life expectancy, and the development of chronic diseases.”
The American health care system is more ecosystem than system. No central entity coordinates the activities of health care providers and insurers. Nor do the fundamental laws of supply and demand apply, with little information about cost and quality available to the public.

Health care spending has been rising faster than the nation’s nominal gross domestic product, and health insurance premium increases have been surpassing the growth in workers’ earnings. At the same time, an estimated 46 million people in the U.S. are uninsured and thus have limited access to care.

Recently passed health care reform addresses uninsurance, among other issues, to some degree.

Lack of insurance is particularly problematic because the uninsured are less likely to get timely preventive care or care for illnesses. As a result, they tend to have worse health outcomes. Uninsurance also has significant economic consequences. The value of better health outcomes from uninterrupted coverage for all Americans is an estimated $65 billion to $130 billion a year.

The recent recession increased the national unemployment rate, pushing up the number of uninsured. For every 1 percent increase in unemployment, the number of uninsured people rises by 1.1 million and the number of Medicaid and Children’s Health Insurance Program (CHIP) enrollees goes up by...
a total of 1 million.\textsuperscript{5} Meanwhile, state general fund revenues decrease 3 to 4 percent, which means that states have smaller budgets while facing larger demands for subsidized care.\textsuperscript{6}

Health care reform may address uninsurance, but problems remain. Among them is access to primary care providers, who are already in short supply for Medicare and Medicaid patients.

One way to allay the severity of the national health care problem is to help communities become healthier—which can reduce demand for health care services. Public and private organizations are promoting access to healthier surroundings, nutritious food and medical care across the country, including low- and moderate-income areas where such access is limited. This report highlights some of their efforts.

**Access to Healthier Environments**

Major initiatives that promote healthier lifestyles are planned or ongoing in the Federal Reserve’s Eleventh District, which includes Texas and parts of New Mexico and Louisiana.

Here’s a look at Vision North Texas and Healthy Kids, Healthy Communities, two wide-ranging efforts to create healthier environments.

**Vision North Texas**

In North Texas, public, private and academic entities have developed Vision North Texas, a partnership to build awareness about the region’s projected growth, serve as a platform for dialogue among stakeholders and generate support for initiatives based upon a shared vision. One goal is to create healthier communities by increasing access to exercise programs and facilities, affordable healthy foods and primary care and wellness services.

The partnership’s Health Research Team is leading the way. Other participants are Blue Cross Blue Shield, the city of Fort Worth, the North Texas Council of Governments, Parkland Health and Hospital System, Tarrant County Public Health, the Texas Health Institute, Texas Health Resources, the University of North Texas Health Science Center and the University of Texas at Arlington School of Nursing.

Participants have established guiding principles that promote health and well-being. They will create community action plans to help municipalities in the 16-county region plan and implement projects that create healthier environments for residents. Plans will look at such indicators as the number of community gardens, full-service grocery stores within a certain radius, schools with walking programs and safe routes, and shared fitness facilities through school, hospital and community partnerships.

Participants are already supporting North Texas’ shared vision through independent and joint programs. Among these programs is Tarrant County Public Health’s Live a More Colorful Life, which offers education on healthy eating and supports farmers markets in Pantego and Richland Hills and two community gardens. The first garden is a joint effort by the Arlington YMCA, Amos Elementary School and the United Way of Tarrant County. The second garden is a partnership between the Greater Fort Worth YMCA and United Healthcare.

**Healthy Kids, Healthy Communities**

Healthy Kids, Healthy Communities is a $33 million program to reverse the childhood obesity epidemic.\textsuperscript{7} Operating in 50 communities across the country, the initiative invests in local partnerships to advance policy and environmental changes so that children and families have more opportunities to be active and eat healthy.

The program is supported by the Robert Wood Johnson Foundation, whose mission is to improve the health and health care of all Americans. The foundation provides support to indi-
individuals and organizations focused on advocacy, action and research addressing the country’s most pressing health and health care issues.

In these 50 communities are neighborhoods where obesity is exacerbated by issues such as high levels of poverty, unemployment, crime, dangerous traffic and too few fresh-food retailers. Over a third of the sites are in the southern U.S. because this region has the highest prevalence of obesity. Four are in the Eleventh District: El Paso, Houston and San Antonio, Texas, and Grant County, N.M.

El Paso

Healthy Kids, Healthy Communities recently started in El Paso’s El Chamizal neighborhood, home to approximately 2,000 children and adolescents. The program has over a dozen partners that include the Pan American Health Organization (PAHO)/World Health Organization (WHO) U.S.–Mexico Border Office as well as housing and public health authorities, park services, universities and the media.

The partners’ first step is to assess and map Chamizal’s healthy living assets and needs. These include access to fresh food; public lighting as a safety feature in parks and on pedestrian and bike routes; in-school and after-school opportunities for sports and exercise; and zoning that promotes or inhibits the growth of a healthier living environment. The partnership will disseminate its results to federal, state and local authorities and community leaders. It will recommend which parks, recreation areas, sidewalks and other infrastructure should be maintained or revitalized to increase residents’ physical activity. Recommendations will also address how to improve the community’s access to healthier food.

The partners’ vision is for Healthy Kids, Healthy Communities to be community-driven so that it is sustainable. Youth leadership is critical, so the initiative has introduced Eco-clubes (www.ecoclubes.org) to promote and develop youth leadership on environmental health issues. Eco-clubes exist in about 30 countries but haven’t been in the U.S. until now. These organizations are made up of young people who meet to decide upon objectives, bring in specialists as trainers and educators, and develop activities that raise community awareness. Working with local entities, they do outreach through the media and activities such as plays, exhibitions and parades.

Maria Teresa Cerqueira, chief of the PAHO/WHO U.S.–Mexico Border Office, says a variety of indicators will demonstrate the partnership’s success: The community will see more people walking and biking, more kids involved in well-structured after-school activities, more accessibility of affordable nutritious food and more public awareness of healthy food choices.

The partnership hopes to open a neighborhood farmers market and a community center that teaches dance, music and cooking. It also plans to document community changes with photos, track students’ body mass index, and survey students, parents and teachers. Partners will publicize their findings and best practices to promote investment in this healthy living campaign.

Houston

CAN DO Houston (Children And Neighbors Defeat Obesity) is a nonprofit organization created in 2007 by several community groups including the Mayor’s Wellness Council, Houston Wellness Association and the University of Texas School of Public Health. Its mission is to prevent and reduce childhood obesity in the city, which in some neighborhoods has overweight and obesity rates as high as 46 percent.
obesity in the city, which in some neighborhoods has overweight and obesity rates as high as 46 percent.

CAN DO Houston’s founders saw that groups in Houston were independently working to address obesity, and many were unaware of existing programs to improve access to nutritious food and physical activity. They created this nonprofit to identify community needs and available resources to deal with childhood obesity.

CAN DO Houston’s partners include the city’s parks and recreation, health and human services and police departments, plus the M.D. Anderson Cancer Center, Houston Independent School District (HISD) and Recipe for Success. Still in its early stages, the organization is also meeting with community members and local policymakers to advocate changes that foster safe exercise environments and affordable healthy food options. Program leaders plan to expand collaboration and identify additional support so that their work becomes sustainable.

**San Antonio**

The Healthy Kids, Healthy Communities Coalition, formerly the Healthy Active San Antonio partnership, is developing and implementing the initiative in the Alamo City. This partnership’s focus is the city’s densely populated West Side, where poverty, unemployment and poor educational achievement are high relative to the rest of Bexar County. The initiative has four components: the Complete Streets Coalition, Healthy Restaurants Coalition, Neighborhood Nutrition Assessment Coalition and Shared Use Agreement Coalition.

The Complete Streets Coalition, whose primary partners are city planners and engineers, will complete a work plan this fall and push for adoption in spring 2011.

The Healthy Restaurants Coalition—whose primary partners are local restaurants, registered dieticians and the San Antonio Restaurant Association—plans to provide financial and technical assistance to at least five restaurants over the next four years as part of a healthy menu initiative designed to evaluate menus and establish food and beverage guidelines. A pilot is already under way at one restaurant.

Meanwhile, the Neighborhood Nutrition Assessment Coalition, composed of University of Texas Health Science Center School of Nursing staff and students, is evaluating the community’s nutrition levels in cooperation with the San Antonio Metropolitan Health District and plans to finish the project this summer.

The newly formed Shared Use Agreement Coalition includes the Westside Development Corporation, the South Texas Area Health Education Center and the city’s Community Development Advisory Committee and parks and recreation department. By winter 2010, coalition members hope to build the support of local leadership and identify facilities for shared-use agreements to encourage sports and exercise.

The San Antonio Metropolitan Health District, St. Louis-based public health firm Transtria and Chapel Hill, N.C.-based Active Living By Design are working together to evaluate and measure the initiative’s progress and provide technical assistance to Healthy Kids, Health Communities’ grantees so that they can help in the assessment process.

Bryan Alsip, project director and assistant director at the San Antonio Metropolitan Health District, says the partnership will have succeeded when policy changes that promote healthy eating and active living are enacted and the community’s overall health improves.

**Grant County, N.M.**

Grant County is home to fewer than 30,000 residents, nearly half of whom live far from this rural county’s four incorporated towns. Almost three dozen of the county’s communities are...
designated as colonias because they lack quality housing and sufficient water, sewage and street systems. They also have limited access to affordable healthy food. One result is that, on average, a third or more of school-age children are overweight or obese.10

A group of local food and health organizations and government entities is tackling these issues as part of the Healthy Kids, Healthy Communities initiative.

The Gila Regional Medical Center Foundation is the initiative’s grant fiduciary. The Grant County Community Health Council, whose 30 members represent a diverse group of stakeholders, is leading the implementation. Other partners are Farm to Table, Grant County Cooperative Extension Service, Grant County Public Health Office, Hidalgo Medical Services, Southwest New Mexico Council of Governments and The Volunteer Center of Grant County.

The initiative’s goal is to enable and inspire all residents to live healthier lifestyles by increasing the availability and affordability of fresh food and creating physical activity opportunities. The county health council already supports three community gardens and two farmers markets, some of which are in low-income neighborhoods. Program partners are investigating the use of cold-storage facilities for growers and the local food pantry as well as a purchasing cooperative for grocers, restaurants and schools to enable the expansion of local production. Partners are also supporting the creation of safe walking and biking trails that connect towns and parks, and are advocating extended hours at public facilities for sports and exercise.

The county health council recently finished a two-month community assessment to determine if city, county and school officials would support or have already put into place policies or ordinances that influence healthier eating and greater physical activity levels. The council conducted focus groups with farmers and recreation, transportation and land-use experts to explore how to make fresh food and exercise opportunities more available to residents. It also interviewed families to better understand what helps or hinders their efforts to lead healthier lifestyles. In addition, the council trained student nurses to go into assigned grocery stores to check the availability and price of healthy food items.

To help make its efforts sustainable, the council conducted an online survey of community-based organizations’ programs and needs. It also plans to develop a food policy council, giving farmers, food vendors and distributors a seat at the table.

Andrea Sauer, coordinator of the Grant County Healthy Kids, Healthy Communities initiative, says that the partnership will know that real change is occurring when community gardens proliferate, public policies promote healthier lifestyles and residents’ nutrition levels, physical activity and overall health improve.

Access to Nutritious Food

Food insecurity, obesity and inadequate access to fresh and healthy food are problems that millions of Americans face. More than 17 million U.S. households were food-insecure at times during 2008, according to the U.S. Department of Agriculture (USDA). That means 14.6 percent of all households could not consistently afford adequate food for all household members, up from 11.1 percent in 2007.11

Households that had rates of food insecurity higher than the national average tended to have incomes near or below the poverty line, live in principal cities of metropolitan areas, or have black or Hispanic individuals or single women with children as head of household. Food insecurity was most prevalent in the South (15.9 percent) and least prevalent in the Northeast (12.8 percent). States with the highest rates of food insecurity were Mississippi (17.4 percent), Texas (16.3 percent), Arkansas (15.9 percent), Georgia (14.2 percent) and New Mexico (14.1 percent).12

Efforts to improve access to nutritious food and encourage healthier lifestyles can be found across the U.S.

Let’s Move!, a new national campaign spearheaded by First Lady Michelle Obama, seeks to solve the problem of childhood obesity within a generation. Major players are the independent foundation Partnership for a Healthier America and the White House Task Force on Childhood Obesity. The campaign’s website, www.letsmove.gov, is designed to inform parents and children about healthy food choices and ways to increase physical activity.

Another initiative—British chef Jamie Oliver’s Food Revolution—has also focused national attention on the need for healthier diets (see box, “A Food Revolution”).
Pennsylvania’s Successful Model

The Pennsylvania Fresh Food Financing Initiative, the forerunner to the proposed Healthy Food Financing Initiative, provides funds to grocery operators who cannot obtain enough credit and infrastructure financing from mainstream financial institutions.

As of March 31, 2010, The Reinvestment Fund (TRF) had leveraged $59.6 million in New Markets Tax Credits for the initiative.1 With the support of its partners—the Greater Philadelphia Urban Affairs Coalition, The Food Trust and the Commonwealth of Pennsylvania—this mid-Atlantic community development financial institution (CDFI) has enabled the growth and development of more than 1.6 million square feet of retail space for supermarkets, farmers markets, neighborhood markets, corner stores and grocery stores and helped to create or retain over 5,000 jobs.

A 2006 study on the economic impact of Philadelphia supermarkets draws upon work commissioned by TRF and completed by Econsult Corp., which estimates the impact new supermarkets had on the city’s neighborhood housing values. Housing units that were within a quarter to half mile of the new retailers increased in value an average of $1,500, or 4 to 7 percent, after the store openings. This effect was larger in weaker neighborhood housing markets.2

The stores also had measurable multiplier effects. Using data from the Bureau of Economic Analysis, the study quantified economic multiplier effects arising from the stores’ construction activity, operating expenditures and employee earnings. For every dollar in direct expenditures and earnings paid, an additional 50 cents (multiplier of 1.5) circulates throughout Philadelphia County in the form of indirect and induced economic activity from increased demand for goods and services.

Building on the success of the Pennsylvania initiative, The Food Trust is convening policymakers in Colorado, Illinois, Louisiana, New Jersey and New York to promote a similar approach to addressing local food deserts. With a Robert Wood Johnson Foundation grant, the organization is moving into eight more states, including Texas, where it is reaching out to public and private stakeholders to build broad support.

Notes


Healthy Food Financing Initiative

Nutritious food is essential to good health and the prevention of illness. Yet an estimated 23 million U.S. residents live in areas with inadequate access to supermarkets—and 83 percent of them live in low- and moderate-income census blocks. Economically underserved neighborhoods that have little, if any, access to fresh and healthy food are sometimes referred to as food deserts.13

To address this problem, the Obama administration is backing the seven-year, $400 million-plus Healthy Food Financing Initiative, a national model of the successful Pennsylvania Fresh Food Financing Initiative. The national initiative is the culmination of work by California-based nonprofit PolicyLink along with The Reinvestment Fund, a community development financial institution (CDFI) in the mid-Atlantic area; Philadelphia-based nonprofit The Food Trust; the White House; and the Congress. The Healthy Food Financing Initiative is featured in the Let’s Move! campaign.14

The initiative, which would be financed through three U.S. government departments, is now in the budget appropriations process. The Treasury Department is expected to provide $250 million in New Markets Tax Credits and $25 million in financial and technical assistance to Treasury-certified CDFIs. The Health and Human Services Department estimates that it will inject up to $20 million into its Community Economic Development program, which awards grants to community development corporations. The USDA plans to use $50 million in grants, loans, promotions and other programs to leverage $150 million in public and private investments.15

The Pennsylvania initiative, a $30 million state grant and loan program, has helped finance 87 projects in more than half the state’s 67 counties. It has increased fresh-food access for over 400,000 Pennsylvania residents and had a visible economic impact in terms of increased housing values, new jobs, new-business development and retail spending (see box, “Pennsylvania’s Successful Model”).

Sustainable Food Center

Community gardens, farmers markets and farm-to-cafeteria programs are some of the many grassroots activities going on across the country to promote health and wellness, help the environment, support local food producers and reduce food insecurity.

Community gardens are typically developed on city or private land, divided into plots and self-organized and self-regulated. Local residents rent plots to plant food or flowers. In Austin, the Sustainable Food Center (SFC) has an array of programs that include not only community gardens but also farmers markets, farm-to-school, farm-to-work and farm-to-cafeteria programs and cooking and nutrition classes.

The SFC’s Grow Local program provides education and resources for Central Texans to start and manage community and school gardens. It teaches them how to do organic gardening and provides lists of landscapers, garden stores and other information. It also helps the community share harvests with food pantries and families in need.

Other programs are The Happy Kitchen/ La cocina alegre and Farm Direct. The Happy Kitchen teaches parents and children how to shop for and prepare healthy, affordable meals. Farm Direct is a network of farmers markets and neighborhood farm stands that sells produce grown within 150 miles of Austin. Some of these markets are at Women, Infants, and Children (WIC) clinics and at community centers in low- and moderate-income areas. All of the SFC’s markets accept WIC Farmers Market Nutrition Program vouchers and food stamps.

Farm Direct also encompasses the center’s farm-to-cafeteria and farm-to-work programs. For the last five years, the SFC has served as a link between farmers and local hospitals,
universities and other organizations by coordinating orders, delivery, billing and payments. The SFC’s farm-to-work and Sprouting Healthy Kids programs help workplaces and schools offer locally grown fresh fruits and vegetables. Sprouting Healthy Kids also provides classroom and after-school nutrition education to Austin Independent School District students, 61 percent of whom are economically disadvantaged.¹⁶

Access to Health Care

Access to a healthy environment and nutritious food goes hand-in-hand with access to health care in improving the well-being of individuals and communities. One major provider of medical services to low- and moderate-income people is the network of community health centers (CHCs).

CHCs offer primary care, dental and preventive services. Many of them also provide mental health, substance abuse, lab, pharmaceutical and radiological services, plus case management, translation and transportation services in hundreds of locations nationwide. These services are important to CHC patients because almost all are low income and from medically underserved communities. Some are in isolated rural communities. About half are in urban communities.

From a social and economic standpoint, CHCs are important because they help improve access for underserved populations, provide culturally appropriate services, improve health outcomes and reduce health disparities. Through their business activities, these health centers generate an estimated annual economic impact of $560 million in Texas alone. This number does not include the millions of dollars that CHCs save taxpayers and health care providers by significantly reducing the number of emergency room visits and avoidable hospitalizations.

Sixty-eight CHCs in Texas are Federally Qualified Health Centers, or FQHCs. Sixty-four of these CHCs are funded by the federal Bureau of Primary Health Care and four are FQHC look-alikes. Look-alikes meet the requirements for health center funding but do not receive federal grants and are not required to submit a Uniform Data System report to the U.S. Department of Health and Human Services. The American Recovery and Reinvestment Act of 2009 funded eight new community health centers in Texas in 2009. Together, these organizations support over 350 service delivery sites across Texas.

Figure 1 shows Texas FQHC sites, with colors identifying the level of need for health services in each county. Counties along the U.S.–Mexico border region clearly have the highest need.

In 2008, Texas CHCs provided care to almost 815,000 individuals, who made 2.9 million visits. Fifty-six percent of them were uninsured, and 23 percent were insured through Medicaid. Sixty-three percent of Texas CHC patients were at or below the federal poverty line, and 19 percent fell between 101 percent and 200 percent of the poverty line. CHCs see the poorest of the poor in the state.

When asked for their ethnic/racial information, more than 62 percent of patients identified themselves as Hispanic or Latino, about 58 percent identified themselves as white and about 12 percent said they were African-American.¹⁷ The remainder identified themselves as Asian, Native American or more than one race.
Demand for CHCs’ services is outstripping their ability to supply them, says Jose E. Camacho, executive director/general counsel at the Texas Association of Community Health Centers (see interview, page 11).

As the case studies in this report show, building healthier communities from the ground up is a multidimensional process. Public and private entities are partnering in a number of ways to increase households’ access to healthier environments, nutritious food and health care services.

How effective can health care reform be in improving access to quality health care for all households? It depends not only on the work of health-focused organizations but the work of entities that focus on community and economic development, education and other disciplines. That’s because where people live, their gender, race or ethnicity and their socioeconomic position all affect their level of health.

Health disparities are part of the broad and complex conversation about how to expand quality care for all. According to Chloe Bird, a senior sociologist at nonprofit research firm RAND Corp., improving care in those segments of the population with unequal access or poorer care will require more than “more of the same.” It will require that constraints faced by economically disadvantaged populations are overcome. For more in-depth information on health and health care in America, see the box “Recommended Reading.”

Notes
1 For GDP data, see Figure 2, “Average Annual Growth Rates for Nominal NHE and GDP for Selected Time Periods,” in the report “Health Care Costs: A Primer, Key Information on Health Care Costs and Their Impact,” The Henry J. Kaiser Family Foundation, March 2009, www.kff.org/insurance/upload/7670_02.pdf. For earnings data, see Figure 9, “Cumulative Changes in Health Insurance Premiums, Inflation, and Workers’ Earnings, 1999–2008,” in the same report.
2 See “The Uninsured: A Primer, Key Facts about Americans without Health Insurance,” The Henry J. Kaiser Family Foundation, October 2009, www.kff.org/uninsured/upload/7451-05.pdf. The data don’t include Americans who are underinsured, defined by Kaiser as those who have health benefits that don’t adequately cover their medical expenses.
6 According to the Urban Institute, decreases in state general fund revenues represent the difference between anticipated and actual revenues, net tax changes. The unemployment rate acts as a proxy for economic changes; a causal relationship between the unemployment rate and state general fund revenues was not established.
7 For more information on the El Paso initiative, see www.healthykidshealthycommunities.org/communities/el-paso-tx.
8 The targeted neighborhoods are Magnolia Park, Sunnyside and Near Northside. For neighborhood boundaries, see the city of (Continued on back page)
Community Health Centers: Successes and Challenges

Community health centers (CHCs) played an important role during the recent economic recession as the demand for their services grew significantly. Recently, the Federal Reserve Bank of Dallas interviewed Jose E. Cama-cho, executive director/general counsel at the Texas Association of Community Health Centers, to learn more about the challenges his constituents now face.

How has the recession affected Texas-based CHCs and their patients?

The recession has increased demand for services. CHCs have seen 149,000 new patients during the recession. Fortunately, 65 centers in Texas have received $108 million in American Recovery and Reinvestment Act funds. Part of the money ($14.4 million) went to eight new centers, $20 million went to fund increased demand and the rest went to capital investments such as new equipment and buildings for existing centers.

Who are Texas-based CHCs’ partners?

CHCs get a lot of support from municipalities, counties, hospitals, residency programs and mental health centers. The degree of support varies by site and a community’s ability to help the underserved population.

What are Texas-based CHCs and their partners’ biggest successes in meeting the needs of their patients?

Their biggest successes are providing care to low-income and medically underserved populations and communities when they need these services so that patients do not have to wait until their health problems become a crisis.

In addition, CHCs generate significant taxpayer savings. According to a Brandeis University study, Texas Medicaid patients who received the majority of their primary care at health centers cost the Texas Medicaid program $631 less per month than patients who received the majority of their primary care at hospital outpatient departments or emergency rooms. Also, CHC patients’ inpatient costs are 48 percent lower, on average, than inpatient costs for patients who receive primary care in hospital outpatient departments or emergency rooms.¹

What are Texas-based CHCs and their partners’ biggest challenges in meeting the needs of their patients?

Their biggest challenge is that the need for their services is outpacing their ability to supply them. CHCs currently operate on 1 percent to 2 percent margins. Roughly one-third of their revenues comes from a federal discretionary grant program for CHCs; another third comes from Medicaid (25 percent), Medicare (4 percent) and the Children’s Health Insurance Program and other federal funds (3 percent); and another third comes from state and local governments (18 percent) and patients (10 percent).²

States are facing huge fiscal deficits, so many programs that we rely on for funding at the state level are facing cuts. On the other hand, nationally centers will receive $11 billion in new funding over the next five years from the federal government. Centers have to compete for this funding and no one is guaranteed funding.

A serious challenge for us is that the Texas FQHC Incubator Program is on the chopping block. Founded in 2003, this program provides $5 million annually to help established Federally Qualified Health Centers (FQHCs) win federal funds to expand their services and help entities that want to become FQHCs develop into competitive candidates.

The Texas Health and Human Services Commission (HHSC) has proposed that the incubator program be cut in 2011; $2 million is no longer available in fiscal year 2010. This program has been highly successful in Texas. Prior to the incubator program, Texas centers received an average of only 3.6 percent of the federal funding available during any cycle. After the incubator program, Texas centers received an average of over 7 percent. As a result, FQHCs were able to increase their total patient load by 49 percent from Sept. 1, 2004, to Dec. 31, 2008.

This incubator program is slated to lose its funding, which would make it difficult for Texas-based CHCs to compete with others around the country for the federal CHC funds.

Ironically, the Texas program is being touted as a model for other states to adopt in order to successfully leverage the $11 billion of new federal funding.

Do the issues faced by Texas-based CHCs differ from issues faced by CHCs in other states? If so, how?

Our major issue is the same as other states: meeting the growing demand while funding fails to keep pace with demand. The degree of this problem is daunting in Texas because of the huge number of people who do not have insurance and lack access to care. The Texas HHSC estimates that in our state, 6.5 million people are currently uninsured. Even if we implement the coverage options available under federal health reform in 2014, HHSC estimates that 2.6 million people will remain uninsured.

Currently, Texas has 16 times the number of uninsured people as Massachusetts had when it implemented universal care. Now we’re seeing that Massachusetts does not provide enough access to care because it lacks an adequate supply of primary care providers. There simply are not enough providers who take new patients, Medicare or Medicaid. Reimbursement is a very large issue.

Also, Texas has not invested in the infrastructure to serve the poor. There’s not enough capital, health care providers or operational money for these providers. As more people fall into poverty or stay in it, more subsidies will be needed to support their care. So the cost of care could spiral out of control if we do not deal with the supply of providers and infrastructure issues.

How do you anticipate health care reform to affect Texas-based CHCs and their patients?

A greater percentage of our patients will be insured; however, at the same time, CHCs will serve an even larger proportion of the uninsured in the state. We think that all CHCs will have to be health care homes for comprehensive care so that centers can serve as one-stop shops for people dealing with medical, dental, substance abuse and mental problems. The reason it’s so important to provide comprehensive care is that it helps prevent further progression of the illnesses, particularly chronic diseases such as diabetes and asthma. This kind of care also is important because it has an educational component that teaches people how to get the support they need and better manage their own health and health care.

Notes

¹ These data are an average of 1999–2004 expenses. See “High-Performing Community Health Centers: What It Takes in Texas (Final Report: Phase One),” by Deborah Gurwich, Donald S. Shepard, Karen R. Tyo and Junya Zhu, Brandeis University, Schneider Institute for Health Policy, June 30, 2009.

² All patients are charged on a sliding scale and demonstrate need by bringing in any document that proves their income (check stub, tax return, etc.) and residency in the CHC’s target area. Without proof of income and residency, they are expected to pay 100 percent of the charges.

—Elizabeth Sobel Blum

10 These are body mass index data for the 2009–10 school year in the Grant County Healthy Kids, Healthy Communities’ areas of focus: Cobre Consolidated School District (Mining District) and Silver Consolidated School District (Silver City and Cliff/Gila).


12 Data for three years, 2006–08, were combined to provide more reliable statistics at the state level. Estimated prevalence rates of food insecurity during this period ranged from 6.9 percent in North Dakota to 17.4 percent in Mississippi. See USDA data at www.ers.usda.gov/Briefing/FoodSecurity/stats_graphs.htm.


15 The USDA has also launched the Food Environment Atlas, http://ers.usda.gov/foodatlas, which compiles data on community characteristics, food choices and health and well-being.


17 The numbers do not add up to 100 percent due to the way the bureau counts patients. There is a double count when patients identify themselves as both Hispanic/Latino and white.