



Expand Access to Care Through Grants to FQHCs

Federally Qualified Health Centers (FQHCs) are key to the state's health care safety net, providing comprehensive primary medical, dental, and behavioral health care to all patients regardless of their insurance status or ability to pay. FQHCs, located in 133 counties across the state, provide cost-effective health care services to over 1.6 million patients in urban, rural, and frontier areas, where they may be the only provider for many miles. FQHCs have been at the forefront of the COVID pandemic, providing testing, treatment, telemedicine and telehealth services, and vaccinations in hard-to-reach communities across the state. **To further support FQHCs' role in responding to COVID and increasing access to care, the FQHC Incubator Grant Program, which would help certain FQHCs meet the enormous unmet demand for primary care and behavioral health services across Texas, merits the use of state dollars for COVID response.**

Background and Legislative History - In 2003, the Texas Legislature passed Senate Bill 610 by Senator Nelson establishing the FQHC Incubator Grant Program (Incubator Program) to provide funding to new and existing FQHCs to make them more competitive to receive large federal grants to open new facilities or expand services. The program remains in statute (Chapter 31, Section 31.017, Health and Safety Code) but funding was eliminated due to budget cuts in 2011. The Incubator Program helped increase the number of health center patients served by FQHCs by 65% from 2003 to 2009. As a result of the Incubator Program providing necessary "seed" dollars to expand sites and services, Texas FQHCs brought in more than \$40 million a year in renewable, ongoing federal funds to Texas.

Looking Forward: Using the FQHC Incubator Grant Program to Strengthen COVID Response

Texas should continue to invest in the FQHC model, which is proven to increase access to care and save money in the health care system, through the use of American Rescue Plan Act (ARPA) funds.

Texas FQHCs provide access to high-quality primary health care to more than 1.6 million Texans annually, focusing on populations that may otherwise lack a regular source of care. Most FQHC patients are low-income, uninsured, or Medicaid recipients. Below are examples of how the FQHC Incubator Program could be used in accordance with allowable categories of ARPA spending.

COVID-19 Mitigation and Prevention: Texas FQHCs have administered vaccines and testing while providing safe medical and behavioral health care to vulnerable populations via telemedicine and in-person visits. The Incubator Program could allocate ARPA funds to enhance health center capacity through additional staff, equipment, and facilities. This could also include capital investments in physical plant improvements to existing and new health clinics to increase COVID-19 mitigation tactics.

Behavioral Health Care: The public health emergency has exacerbated the need for behavioral health services, and FQHCs have seen an increase in demand that exceeds current capacity. The Incubator Program could provide necessary funding to both establish and expand behavioral health services at FQHC locations across the state.

Expenses to Improve the Design and Execution of Health and Public Health: The pandemic has required FQHCs to adapt to new ways of providing care, including through telemedicine and telehealth. Texas FQHCs provided over a million virtual visits in 2020, a 6,000% increase from 2019. As these services become a permanent part of the FQHC model and are further used to expand access to care in rural and frontier parts of the state, investment in equipment is necessary to meet ongoing demand.

Examples of FQHC Capacity-Building Needs and Opportunities for Increasing Access to Care

Below are examples of current areas of need Texas FQHCs are experiencing that could be funded through an investment of ARPA dollars. These examples represent only a small portion of potential uses for funds to expand access and address COVID response in urban, rural, and frontier areas of the state.

Aransas Pass (Aransas, Nueces, and San Patricio Counties)– Funding for a new site expansion for an existing FQHC to open medical and behavioral health services in Aransas Pass, including funding for equipment and personal protective equipment (PPE) to keep patients and staff protected from COVID. This new FQHC site would bring much-needed behavioral health services to the community.

Wichita Falls (Wichita County)– Funding to support renovating multiple facilities in Wichita Falls to expand access to services.

Plainview (Hale County) and Hereford (Deaf Smith County)- Funding for an existing FQHC to expand services and grow capacity through new construction and remodel of facilities to increase medical, dental, and behavioral health care to approximately 13,000 patients.

Three Rivers (Live Oak County) – Funding for an existing FQHC to complete the construction of a new facility and purchase the necessary equipment to provide primary and behavioral health services to the community, increasing access to provide care to 1,000 new patients.

San Antonio (Bexar County) – Support for an existing FQHC to establish their first “Smart Clinic,” which would allow them to provide in-person care while linking their patients to providers at other locations via telemedicine. This model would allow for the patient to receive increased comprehensive services under one roof via the expansion of telemedicine and technology. If funded, the FQHC anticipates offering services to 18,000 new patients.

Houston (Harris County) – Funding for an FQHC to purchase much-needed equipment to more effectively respond to the COVID pandemic. Equipment needs include vaccine storage freezers, mobile x-ray machines, infusion therapy supplies, IV syringe pumps, and other materials.

El Paso (El Paso County) – Funding for an existing FQHC to establish a mobile clinic that would provide access to care at community partner locations providing other social services, such as family and domestic violence centers, serving an average of 15 extremely vulnerable and hard-to-reach patients daily. Also, support for remodeling an existing clinic location to increase medical, behavioral health and care management services by 50 patients daily. The remodel would include adding a waiting room, 1-2 triage rooms, a laboratory, vaccination room, 6-8 exam rooms, a nurse’s station, and payment area.

Cameron and Willacy Counties – Multiple clinic sites operated by an FQHC require renovation to expand services to include behavioral health. Additional funding is needed to update information technology hardware and software for both patient information as well as the use of telehealth services.

Support for New FQHCs- Many counties across the state do not have a single FQHC to provide high-quality, cost-saving, and affordable care to populations in need. FQHC Incubator dollars could also be used to support entities working to become federally-designated as an FQHC. As in the past, the program can help new entities become more competitive to receive the ongoing federal grants to provide care to the uninsured that accompany achieving FQHC status. There is need for these “seed” dollars in communities like Gun Barrel City, Tomball, and others across the state.