

Federally Qualified Health Center Subsidy – Formula Change

HF3412 / SF3323

Description

This proposal amends the Federally Qualified Health Center subsidy program, allowing subsidies to be calculated using the most current year's data, rather than perpetually using 2006 data, as currently provided in M.S. § 145.9269, subd. 2.

Background

The Federally Qualified Health Center (FQHC) subsidy program, enacted in 2007, distributes \$1.5 million per year to support, expand, and improve FQHC's services to low-income populations. Funds are allocated to each FQHC based on the amount of uncompensated care they provide. An integral part of the clinical health care safety net, FQHCs are nonprofit clinics serving a large percentage of uninsured and underinsured patients.

Proposal

This statutory change (M.S. § 145.9269, subd. 2) would revise the formula for calculating subsidy distribution among the state's 17 federally-qualified health centers so that it is based on the most recent year uncompensated care data available, rather than on 2006 data, as statute currently requires. These data change significantly from year to year as the number of uninsured patients accessing care at these clinics fluctuates. Utilizing more current data each year will provide greater accuracy in determining the proportional distribution of the subsidy. The change will also allow the inclusion of any FQHCs established in the future.

The change would be implemented with fiscal year 2009 subsidy grant contracts. There is no cost to the agency related to this change.

FY 2008 Awards

Scenic Rivers Health Services,
Cook: \$79,205

Lake Superior Community Health Center,
Duluth: \$30,000

Sawtooth Mountain Clinic,
Grand Marais: \$48,642

Open Door Health Center,
Mankato: \$30,000

Cedar Riverside People's Center,
Minneapolis: \$30,000

Community University Health Care Center,
Minneapolis: \$50,284

Fremont Community Health Services, Inc.,
Minneapolis: \$48,022

Hennepin County Healthcare for the Homeless,
Minneapolis: \$40,534

Indian Health Board of Minneapolis,
Minneapolis: \$89,018

Native American Community Clinic,
Minneapolis: \$30,000

NorthPoint Health & Wellness Center,
Minneapolis: \$195,465

Southside Community Health Services,
Minneapolis: \$147,033

Family HealthCare Center,
Moorhead: \$30,000

Migrant Health Services, Inc.,
Moorhead: \$70,459

Open Cities Health Center, Inc.,
St. Paul: \$64,395

United Family Practice Health Center,
St. Paul: \$66,943

West Side Community Health Services,
St. Paul: \$450,000



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