



# WHY HEALTH CENTERS MATTER

## WALNUT STREET COMMUNITY HEALTH CENTER

### Health Center Fact Sheet

November 2011

**Walnut Street Community Health Center**  
 24 North Walnut Street, Suite 200  
 Hagerstown, MD 21740  
 Kim Murdaugh, Executive Dir.

**Contact Information**  
 Phone: 301-745-3777  
 www.walnutstreetchc.org

**Services:**

Walnut Street Community Health Center provides a variety of medical, dental, mental health, and supportive services for patients from infants to seniors.

Community Health Centers improve access to care for the nation's most medically underserved. Community Health Centers ensure that over 20 million underserved patients have a place for primary and preventive care. Also known as Federally-Qualified Health Centers (FQHCs), health centers care for 1 out of every 7 Medicaid beneficiaries nationally. Health centers offer comprehensive primary and preventive health care services that propel system-wide cost savings and improve patient health.

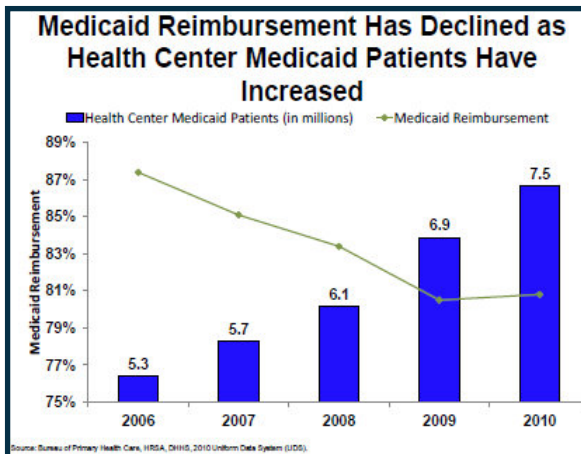
### DELIVERING SAVINGS

Medicaid beneficiaries relying on Health Centers are 19% less likely to use the emergency room and 11% less likely to be hospitalized for preventable conditions. As a result, health centers save the federal-state Medicaid program \$6 billion annually.

In Maryland, Health Centers serve 15% of Medicaid patients with only 1.2% of Medicaid expenditures.

### THE IMPORTANCE OF ADEQUATE MEDICAID PAYMENTS

As the largest insurer of health center patients, adequate Medicaid payments are essential to a center's solvency. Over the years, Medicaid reimbursement has decreased at a time when health centers are serving more Medicaid patients.



**Quick Facts**  
Walnut Street Community Health Center

1 Site Location  
 Serving 5,989 Patients  
 38% Uninsured  
 38% Medicaid  
 14% Medicare  
 Employing 39 Staff Members

Source: HRSA, 2010 Uniformed Data System (UDS)

### PROSPECTIVE PAYMENT SYSTEM (PPS)

Medicaid PPS was established by Congress with the intent of ensuring appropriate payment for covered individuals while not forcing health centers to cross-subsidize Medicaid out of their federal grants. This unique payment system is critical to the continued success of Health Centers in providing cost-savings primary and preventive care, not only to their Medicaid patients but to all uninsured individuals.

Without a unique PPS rate, inadequate payment for the Health Center patients covered by Medicaid, combined with the extremely limited payment for patients who are uninsured, would quickly cause Health Centers to lose viability.

### ESTIMATED AFFORDABLE CARE ACT IMPACT

By 2017, MACHC estimates that Washington County will have roughly 12,800 newly insured residents as a result of the Affordable Care Act. Of these 12,800, roughly 7,100 will be under 200 percent of the poverty line. Of those under 200 percent of the poverty line, MACHC estimates that 4,750 will be under 133 percent of the poverty line and eligible to receive Medicaid.

### STATE HEALTH IMPLEMENTATION PLAN

In response to the Affordable Care Act and Medicaid expansion, Community Health Centers in Maryland are creating task forces responsible for moving forward with Federal requirements and closely examining how to implement major provisions such as health insurance exchanges and insurance reforms.