

112TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
1st Session } 112-

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TO REPEAL MANDATORY FUNDING FOR SCHOOL-BASED  
HEALTH CENTER CONSTRUCTION

APRIL --, 2011.—Ordered to be printed

Mr. UPTON, from the Committee on Energy and Commerce,  
submitted the following

R E P O R T

together with

*Dissenting* VIEWS

[To accompany H.R. 1214]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 1214) to repeal mandatory funding for school-based health center construction, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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### PURPOSE AND SUMMARY

H.R. 1214, a bill to repeal mandatory funding for school-based health center construction was introduced on March 29, 2011, by Rep. Michael Burgess (R-TX), and referred to the Committee on Energy and Commerce.

The purpose of H.R. 1214 is to reduce federal spending, deficits, and debt by repealing mandatory programs with limited Congressional oversight.

### BACKGROUND AND NEED FOR LEGISLATION

The Patient Protection and Affordable Care Act (PPACA) contained numerous provisions that contained mandatory spending for public health programs that have been traditionally discretionary in nature. In contrast the health care bill that passed the House, H.R. 3962, contained a division dedicated to public health and workforce issues but programs under that division did not contain mandatory appropriations but rather were authorizations subject to future appropriations.

The federal government is now borrowing 42 cents of every dollar it spends. The current projected deficit for this fiscal year is \$1.6 trillion while the national debt has exceeded \$14 trillion.

Section 4101(a) of PPACA provides \$50 million a year through 2014 for construction, land acquisition and other capital costs for School-Based Health Centers (SBHCs). However, there is an express prohibition in the law on using these funds for personnel or providing health care services. Section 4101(b) of PPACA authorized a separate discretionary

grant program to provide care at these clinics. This program was not provided mandatory funding and the President's budget did not request any money for the grant program that actually provides care. H.R. 1214 does not repeal section 4101(b) of PPACA. Providing funds for construction without funds to staff these clinics and provide health services is an incoherent policy.

Supporters of the program claim that any school based health center that receives funds must indicate how the school based health center will support its operating costs. However, there is no guarantee that the health center will be able to sustain its operation in the future. Traditionally in the context of community health centers, Congress has provided grants to help offset the cost of operating the center, not for construction costs. This ensures that federal dollars are not wasted to build centers that may never provide care. The program under Section 4101(a) of PPACA provides funds for the construction of school based health centers, the purchase of land for a center, or for capital equipment cost with no guarantee the center will ever see patients.

Additionally, the stimulus and the health care law each provided \$1.5 billion for the construction of community health centers. Many school based health centers qualified to receive grants from this funding. Providing an additional \$50 million a year for additional construction grants is duplicative and unwarranted particularly in these economic times.

#### HEARINGS

The Committee on Energy and Commerce held a hearing on draft legislation that became H.R. 1214 on March 9, 2011. The following witnesses testified at the hearing:

- The Honorable Ernest J. Istook, The Heritage Foundation
- Dr. John Goodman, President and CEO, National Center for Policy Analysis
- The Honorable Joseph F. Vitale, New Jersey State Senate

#### COMMITTEE CONSIDERATION

H.R. 1214 was introduced by Mr. Michael Burgess on March 29, 2011, and was referred to the Committee on Energy and Commerce.

On March 31, 2011, the Subcommittee on Health met in open markup session to consider H.R. 1214. Subsequently, the Subcommittee ordered H.R. 1214 favorably reported by a recorded vote of 14-11.

On April 5, 2011, the Energy and Commerce Committee met in open markup session to consider H.R. 1214. Subsequently, the Committee ordered H.R. 1214 favorably reported by a vote of 27-15.

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. **[INSERT]**

**COMMITTEE ON ENERGY AND COMMERCE -- 112TH CONGRESS  
ROLL CALL VOTE # 16**

**BILL:** H.R. 1214, to repeal mandatory funding for school-based health center construction.

**AMENDMENT:** An amendment by Ms. Capps, No. 2, to delay the effective date of the bill.

**DISPOSITION:** NOT AGREED TO, by a roll call vote of 16 yeas to 28 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton				Mr. Waxman			
Mr. Barton		X		Mr. Dingell	X		
Mr. Stearns		X		Mr. Markey			
Mr. Whitfield		X		Mr. Towns	X		
Mr. Shimkus		X		Mr. Pallone	X		
Mr. Pitts		X		Mr. Rush	X		
Mrs. Bono Mack				Ms. Eshoo	X		
Mr. Walden		X		Mr. Engel			
Mr. Terry		X		Mr. Green			
Mr. Rogers		X		Ms. DeGette	X		
Mrs. Myrick		X		Mrs. Capps	X		
Mr. Sullivan		X		Mr. Doyle			
Mr. Murphy		X		Ms. Schakowsky	X		
Mr. Burgess		X		Mr. Gonzalez			
Mrs. Blackburn		X		Mr. Inslee	X		
Mr. Bilbray		X		Ms. Baldwin	X		
Mr. Bass		X		Mr. Ross	X		
Mr. Gingrey		X		Mr. Weiner	X		
Mr. Scalise		X		Mr. Matheson	X		
Mr. Latta		X		Mr. Butterfield			
Mrs. McMorris Rodgers		X		Mr. Barrow	X		
Mr. Harper		X		Ms. Matsui	X		
Mr. Lance		X		Ms. Christensen	X		
Mr. Cassidy		X					
Mr. Guthrie		X					
Mr. Olson		X					
Mr. McKinley							
Mr. Gardner		X					
Mr. Pompeo		X					
Mr. Kinzinger		X					
Mr. Griffith		X					

Current as of 03/14/2011

**COMMITTEE ON ENERGY AND COMMERCE -- 112TH CONGRESS  
ROLL CALL VOTE # 17**

**BILL: H.R. 1214**, to repeal mandatory funding for school-based health center construction.

**AMENDMENT:** An amendment by Mr. Towns, No. 3, to strike the underlying bill and strike the limitation on mandatory funding in Section 4101(a).

**DISPOSITION: NOT AGREED TO**, by a roll call vote of 15 yeas to 27 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton				Mr. Waxman			
Mr. Barton		X		Mr. Dingell			
Mr. Stearns		X		Mr. Markey			
Mr. Whitfield		X		Mr. Towns	X		
Mr. Shimkus		X		Mr. Pallone	X		
Mr. Pitts		X		Mr. Rush	X		
Mrs. Bono Mack				Ms. Eshoo	X		
Mr. Walden		X		Mr. Engel			
Mr. Terry		X		Mr. Green			
Mr. Rogers		X		Ms. DeGette	X		
Mrs. Myrick				Mrs. Capps			
Mr. Sullivan		X		Mr. Doyle			
Mr. Murphy		X		Ms. Schakowsky	X		
Mr. Burgess		X		Mr. Gonzalez			
Mrs. Blackburn		X		Mr. Inslee	X		
Mr. Bilbray		X		Ms. Baldwin	X		
Mr. Bass		X		Mr. Ross	X		
Mr. Gingrey		X		Mr. Weiner	X		
Mr. Scalise		X		Mr. Matheson	X		
Mr. Latta		X		Mr. Butterfield	X		
Mrs. McMorris Rodgers		X		Mr. Barrow	X		
Mr. Harper		X		Ms. Matsui	X		
Mr. Lance		X		Ms. Christensen	X		
Mr. Cassidy		X					
Mr. Guthrie		X					
Mr. Olson		X					
Mr. McKinley							
Mr. Gardner		X					
Mr. Pompeo		X					
Mr. Kinzinger		X					
Mr. Griffith		X					

**COMMITTEE ON ENERGY AND COMMERCE -- 112TH CONGRESS  
ROLL CALL VOTE # 18**

**BILL:** H.R. 1214, to repeal mandatory funding for school-based health center construction.

**AMENDMENT:** An amendment by Mr. Rush, No. 4, to provide an exception to allow the Secretary to issue grants with mandatory funding.

**DISPOSITION:** NOT AGREED TO, by a roll call vote of 16 yeas to 27 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton				Mr. Waxman			
Mr. Barton		X		Mr. Dingell			
Mr. Stearns		X		Mr. Markey			
Mr. Whitfield		X		Mr. Towns	X		
Mr. Shimkus		X		Mr. Pallone	X		
Mr. Pitts		X		Mr. Rush	X		
Mrs. Bono Mack				Ms. Eshoo	X		
Mr. Walden		X		Mr. Engel			
Mr. Terry		X		Mr. Green	X		
Mr. Rogers		X		Ms. DeGette	X		
Mrs. Myrick				Mrs. Capps	X		
Mr. Sullivan		X		Mr. Doyle			
Mr. Murphy		X		Ms. Schakowsky	X		
Mr. Burgess		X		Mr. Gonzalez			
Mrs. Blackburn		X		Mr. Inslee	X		
Mr. Bilbray		X		Ms. Baldwin	X		
Mr. Bass		X		Mr. Ross	X		
Mr. Gingrey		X		Mr. Weiner			
Mr. Scalise		X		Mr. Matheson	X		
Mr. Latta		X		Mr. Butterfield	X		
Mrs. McMorris Rodgers		X		Mr. Barrow	X		
Mr. Harper		X		Ms. Matsui	X		
Mr. Lance		X		Ms. Christensen	X		
Mr. Cassidy		X					
Mr. Guthrie		X					
Mr. Olson		X					
Mr. McKinley							
Mr. Gardner		X					
Mr. Pompeo		X					
Mr. Kinzinger		X					
Mr. Griffith		X					

**COMMITTEE ON ENERGY AND COMMERCE -- 112TH CONGRESS  
ROLL CALL VOTE # 19**

**BILL:** H.R. 1214, to repeal mandatory funding for school-based health center construction.

**AMENDMENT:** A motion by Mr. Upton to order H.R. 1214 favorably reported to the House, without amendment. (Final Passage)

**DISPOSITION:** **AGREED TO**, by a roll call vote of 27 yeas to 15 nays.

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Mr. Upton				Mr. Waxman			
Mr. Barton	X			Mr. Dingell			
Mr. Stearns	X			Mr. Markey			
Mr. Whitfield	X			Mr. Towns		X	
Mr. Shimkus	X			Mr. Pallone		X	
Mr. Pitts	X			Mr. Rush			
Mrs. Bono Mack				Ms. Eshoo		X	
Mr. Walden	X			Mr. Engel			
Mr. Terry	X			Mr. Green		X	
Mr. Rogers	X			Ms. DeGette		X	
Mrs. Myrick				Mrs. Capps		X	
Mr. Sullivan	X			Mr. Doyle			
Mr. Murphy	X			Ms. Schakowsky		X	
Mr. Burgess	X			Mr. Gonzalez			
Mrs. Blackburn	X			Mr. Inslee		X	
Mr. Bilbray	X			Ms. Baldwin		X	
Mr. Bass	X			Mr. Ross		X	
Mr. Gingrey	X			Mr. Weiner			
Mr. Scalise	X			Mr. Matheson		X	
Mr. Latta	X			Mr. Butterfield		X	
Mrs. McMorris Rodgers	X			Mr. Barrow		X	
Mr. Harper	X			Ms. Matsui		X	
Mr. Lance	X			Ms. Christensen		X	
Mr. Cassidy	X						
Mr. Guthrie	X						
Mr. Olson	X						
Mr. McKinley							
Mr. Gardner	X						
Mr. Pompeo	X						
Mr. Kinzinger	X						
Mr. Griffith	X						

#### COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portions of this report, including the finding that reigning in mandatory spending is necessary to avoid a debt crisis.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of the Committee are reflected in the descriptive portions of this report, including the goal that reigning in mandatory spending is necessary to avoid a debt crisis.

#### NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 1214 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

#### EARMARK

In compliance with clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 1214 contains no earmarks, limited tax benefits, or limited tariff benefits.

#### COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

#### CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 [INSERT]:



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

April 7, 2011

**H.R. 1214**  
**A bill to repeal mandatory funding for school-based health center construction**  
*As ordered reported by the House Committee on Energy and Commerce on April 5, 2011*

**SUMMARY**

H.R. 1214 would repeal a program established by the Patient Protection and Affordable Care Act (PPACA) that provides grant funds to eligible entities to establish health centers in school-based settings and would rescind any unobligated funds appropriated to that program.

CBO estimates that enacting the legislation would decrease direct spending by \$100 million over both the 2012-2016 period and the 2012-2021 period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 1214 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012-2016	2012-2021
<b>CHANGES IN DIRECT SPENDING</b>												
Estimated Budget Authority	-50	-50	0	0	0	0	0	0	0	0	-100	-100
Estimated Outlays	-23	-50	-28	0	0	0	0	0	0	0	-100	-100

Note: Numbers may not sum to totals because of rounding.

## BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted by the end of September 2011.<sup>1</sup> CBO estimates that H.R. 1214 would prevent the Health Resources and Services Administration from obligating any unobligated funds appropriated by PPACA for the construction and renovation of health centers in school-based settings. CBO expects that \$100 million of the \$200 million appropriated under PPACA for those health centers will be obligated by the time the bill is enacted. As a result, CBO estimates that enacting H.R. 1214 would reduce direct spending by the remaining unobligated amount: \$100 million. Those savings would fall in fiscal years 2012, 2013, and 2014.

## PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in the following table. Enacting H.R. 1214 would have no impact on federal revenues.

CBO Estimate of Pay-As-You-Go Effects for H.R. 1214, as ordered reported by the House Committee on Energy and Commerce on April 5, 2011

	By Fiscal Year, in Millions of Dollars												2011-	2011-
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2016	2021	
<b>NET DECREASE (-) IN THE DEFICIT</b>														
Statutory Pay-As-You-Go Impact	0	-23	-50	-28	0	0	0	0	0	0	0	-100	-100	

Note: Numbers may not sum to totals because of rounding.

## INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill contains no intergovernmental or private-sector mandates as defined in UMRA. By rescinding grant funds, the bill would decrease the amount of assistance that state, local, and tribal governments receive to construct or equip school-based health centers.

1. If the bill were to be enacted sooner than the end of fiscal year 2011, a larger unobligated balance may remain than is estimated here. In that case, the amount of budget authority that could be rescinded by this legislation would increase, resulting in a corresponding increase in savings.

**ESTIMATE PREPARED BY:**

Federal Costs: Lisa Ramirez-Branum

Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum

Impact on the Private Sector: Sarah Axeen

**ESTIMATE APPROVED BY:**

Holly Harvey

Deputy Assistant Director for Budget Analysis

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

#### APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

#### SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

##### *Section 1. Repealing Mandatory Funding for School Based Health Center Construction.*

H.R. 1214 would repeal Section 4101(a) of the Patient Protection and Affordable Care Act which provides mandatory funding for the construction of school based health centers. The grants under Section 4101(a) are prohibited from being used to provide health service or for personnel. The legislation would rescind unobligated funds made available under Section 4101(a).

#### CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets and existing law in which no change is proposed is shown in roman):

PATIENT PROTECTION AND AFFORDABLE CARE ACT

\* \* \* \* \*

TITLE IV—PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH

\* \* \* \* \*

Subtitle B—Increasing Access to Clinical Preventive Services

SEC. 4101. SCHOOL-BASED HEALTH CENTERS.

[(a) GRANTS FOR THE ESTABLISHMENT OF SCHOOL-BASED HEALTH CENTERS.—

[(1) PROGRAM.—The Secretary of Health and Human Services (in this subsection referred to as the “Secretary”) shall establish a program to award grants to eligible entities to support the operation of school-based health centers.

[(2) ELIGIBILITY.—To be eligible for a grant under this subsection, an entity shall—

[(A) be a school-based health center or a sponsoring facility of a school-based health center; and

[(B) submit an application at such time, in such manner, and containing such information as the Secretary may require, including at a minimum an assurance that funds awarded under the grant shall not be used to provide any service that is not authorized or allowed by Federal, State, or local law.

[(3) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to awarding grants for school-based health centers that serve a large population of children eligible for medical assistance under the State Medicaid plan under title XIX of the Social Security Act or under a waiver of such plan or children eligible for child health assistance under the State child health plan under title XXI of that Act (42 U.S.C. 1397aa et seq.).

[(4) LIMITATION ON USE OF FUNDS.—An eligible entity shall use funds provided under a grant awarded under this

subsection only for expenditures for facilities (including the acquisition or improvement of land, or the acquisition, construction, expansion, replacement, or other improvement of any building or other facility), equipment, or similar expenditures, as specified by the Secretary. No funds provided under a grant awarded under this section shall be used for expenditures for personnel or to provide health services.

[(5) APPROPRIATIONS.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated for each of fiscal years 2010 through 2013, \$50,000,000 for the purpose of carrying out this subsection. Funds appropriated under this paragraph shall remain available until expended.]

[(6) DEFINITIONS.—In this subsection, the terms “school-based health center” and “sponsoring facility” have the meanings given those terms in section 2110(c)(9) of the Social Security Act (42 U.S.C. 1397jj(c)(9)).]

\* \* \* \* \*

## DISSENTING VIEWS

We, the undersigned members of the Committee on Energy and Commerce, oppose the passage of H.R. 1214, a bill to repeal the program to fund school-based health center construction (established in the *Patient Protection and Affordable Care Act*). Accordingly, we submit the following comments to express our concerns about this very mis-guided and deeply divisive legislation.

### INTRODUCTION AND BACKGROUND

Teachers and other educators, parents, and students alike all agree: Students perform better in the classroom when they come to school healthy and ready to work. And study after study has shown this to be true.<sup>1</sup>

School-based health centers (SBHCs) were initially conceived and are specifically designed to help achieve this goal. In essence, they bring the doctor's office to a school so that students can avoid unnecessary health-related absences and remain in the classroom prepared to study and learn.

Currently, there are more than 1,900 SBHCs across the country in 44 states and the District of Columbia, providing access to health-related services to some 2 million children and adolescents.<sup>2</sup> Located in schools or on school grounds, SBHCs share a number of characteristics in common. In general, SBHCs:

- Provide a comprehensive range of health-related services, including check-ups and mental health services.
- Employ a multidisciplinary team of providers, including physicians, nurse practitioners, social workers, and other health professionals.
- Provide clinical services through a qualified health provider such as a hospital, health department, or private medical practice.<sup>3</sup>
- Provide services to medically underserved children and adolescents who lack access to a primary health care provider.<sup>4</sup>

In addition -- and at their core -- SBHCs are community-based and student-centered organizations. Each SBHC has an advisory board made up of parents, youth, and family

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<sup>1</sup> Strolin-Goltzman J, *The Relationship Between School-Based Health Centers and the Learning Environment*, Journal of School Health. 2010; 80(30): 153-159; Van Cura M, *The Relationship Between School-Health Centers: Rates of Early Dismissal from School and Loss of Seat Time*, Journal of School Health. 2010; 80(8): 317-377; Walker SC, Kerns S, Lyon AR, Brun EJ, Cosgrove TJ, *Impact of School-Based Health Center Use on Academic Outcomes*, Journal of Adolescent Health. 2010;46(3): 251-257.

<sup>2</sup> Strozer J, Juszczak L, Ammerman A, *2007-2008 National School-Based Health Care Census*, National Assembly on School-Based Health Care (2010).

<sup>3</sup> National Assembly on School-Based Health Care, *About School-Based Health Care* (online at [http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.2561553/k.843D/about\\_sbhcs.htm](http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.2561553/k.843D/about_sbhcs.htm)).

<sup>4</sup> Juszczak L, Melinkovich P, Kaplan D, *Use of Health and Mental Health Services by Adolescents Across Multiple Delivery Sites*, Journal of Adolescent Health. 2003; 32S:108-118.

organizations representing the community. These groups give guidance on SBHC planning and oversight activities. And services offered by SBHCs are designed to meet the specific physical and behavioral health needs of the children and adolescents living in the community they assist.<sup>5</sup> In brief, SBHCs exist only in those places that want them and operate strictly in accordance with local standards and policies.

Most SBHCs are supported through a diversified portfolio of funding sources, including federal, state, and local grants; foundations; corporations and other private sector sponsors; patient revenue; and in-kind contributions. According to one national survey, state government has provided well over half (65%) of all grant funding while the federal government has provided slightly more than one-quarter (28%). The same survey found that some 80% of all SBHCs bill students' health insurance for the services provided.<sup>6</sup>

As a result of all this, SBHCs have been enormously successful in helping to improve students' access to health care<sup>7</sup>; promote healthy behaviors among children and adolescents<sup>8</sup>; improve students' academic performance<sup>9</sup>; decrease school absenteeism<sup>10</sup>; and reduce health care expenditures.<sup>11</sup> This in turn, has led to a proliferation in the growth of SBHCs around the country. Indeed, over the last 15 years, the number of SBHCs has doubled.<sup>12</sup>

This powerful track record has engendered strong support for SBHCs – across the country and across the political spectrum. Public support for the centers is also robust. Polling data indicate that two-thirds of voters support the provision of health care services in school settings.<sup>13</sup>

In recognition of the contributions SBHCs have made in addressing the health care needs of youth most in need, as well as the pent-up demand for the establishment of new SBHCs and for improvements to existing programs, a new authority was created in the *Patient Protection and Affordable Care Act* (ACA)<sup>14</sup> to provide support for SBHCs.<sup>15</sup> This authority includes two components. The first establishes a mandatory spending program (\$50 million for each of FY 2010 through 2014) for the construction, expansion, or replacement (or other facility

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<sup>5</sup> National Assembly on School-Based Health Care, *About School-Based Health Care* (online at [http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.2561553/k.843D/about\\_sbhcs.htm](http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.2561553/k.843D/about_sbhcs.htm)).

<sup>6</sup> National Assembly on School-Based Health Care, *Funding* (online at [http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.3844823/k.7FCD/Basics\\_Funding.htm](http://www.nasbhc.org/site/c.jsJPKWPFJrH/b.3844823/k.7FCD/Basics_Funding.htm)).

<sup>7</sup> Juszczak L, Melinkovich P, Kaplan D, *Use of Health and Mental Health Services by Adolescents Across Multiple Delivery Sites*, *Journal of Adolescent Health*. 2003; 32S:108-118.

<sup>8</sup> Kisker EE, Brown RS, *Do SBHCs Improve Adolescents' Access to Health Care, Health Status, and Risk-Taking Behavior?*, *Journal of Adolescent Health*. 1996; 18:335-343.

<sup>9</sup> Strolin-Goltzman J, *The Relationship Between School-Based Health Centers and the Learning Environment*, *Journal of School Health*. 2010; 80(30): 153-159.

<sup>10</sup> Van Cura M, *The Relationship Between School-Health Centers, Rates of Early Dismissal from School and Loss of Seat Time*, *Journal of School Health*. 2010; 80(8): 317-377.

<sup>11</sup> Adams EK, Johnson V, *An Elementary SBHC: Can It Reduce Medicaid Costs?*, *Pediatrics*. 2000; Apr;105 (4 Pt. 1): 780-788.

<sup>12</sup> Strozer J, Juszczak L, Ammerman A, *2007-2008 National School-Based Health Care Census*, National Assembly on School-Based Health Care (2010).

<sup>13</sup> Lake Research Partners (poll conducted on behalf of the W.K. Kellogg Foundation) (2006).

<sup>14</sup> The ACA is comprised of two public laws, P.L. 111-148 and P.L. 111-152.

<sup>15</sup> ACA Section 4101. This is not the first instance in which Congress has acknowledged the value of SBHCs. Under the federal Child Health Insurance Program, states are allowed to provide Medicaid coverage for services furnished through SBHCs (Social Security Act Section 2103(c)(8)).

improvements) of SBHCs.<sup>16</sup> The second establishes a discretionary spending program (“such sums as may be necessary” for each of FY 2010 through 2014) for the operations of SBHCs.<sup>17</sup> H.R.1214 seeks to terminate the former.

To date, some 350 applicants in 46 states and the District of Columbia are seeking funding through the first round of competitive grants to be awarded under the new SBHC construction/renovation authority.<sup>18</sup> (This includes 45 applications from centers and/or school districts represented by members of the Committee.) The vast majority of these projects are “shovel ready.”<sup>19</sup> All are eager to carry on with the good and important work for which SBHCs have become well known and are greatly appreciated.

## SBHC SUSTAINABILITY AND FUNDING SUPPORT

Despite the many contributions of SBHCs to child and adolescent health, the health care savings they produce, the strong bi-partisan and public support they engender, and both the need and desire to expand their presence in communities across the country, Republicans are determined to bring the SBHC construction/renovation program to an end. We believe this position is unfounded and very short-sighted.

In addition to their main objection -- the program’s mandatory spending requirement (discussed below) -- Republicans argue in this report that the program should be repealed because (1) SBHCs receiving construction/renovation funds may not be able sustain their operations,<sup>20</sup> and (2) other potential funding sources are available to provide support for SBHC construction/renovation efforts. Neither of these claims accurately reflects program reality, especially the competitive environment in which applicants find themselves today.

Program sustainability is a top concern for virtually all grant programs funded by the federal government – and for us as well. No review committee, no program official, no department secretary, and no member of Congress wants to provide monetary support to a program applicant whose future -- financial, operational or otherwise -- is in serious doubt or in jeopardy. The SBHC construction/renovation program is viewed no differently and thus, has been designed to ensure that once their capital needs have been met, SBHCs will be -- and will continue to be -- in a position to sustain their work.

The application form issued by the Health Resources and Services Administration (HRSA) (the agency within the Department of Health and Human Services charged with

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<sup>16</sup> ACA Section 4101(a).

<sup>17</sup> ACA Section 4101(b).

<sup>18</sup> National Assembly on School-Based Health Care, *Why Should We Keep Funding for School-Based Health Centers under PPACA?* (online at [http://www.google.com/#sclient=psy&hl=en&source=hp&q=NASBHC+why+should+we+keep+funding+for+school+based+health+centers+under+PPACA&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2.or.r\\_gc\\_r\\_p\\_w.&fp=38378e84586d88e6](http://www.google.com/#sclient=psy&hl=en&source=hp&q=NASBHC+why+should+we+keep+funding+for+school+based+health+centers+under+PPACA&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2.or.r_gc_r_p_w.&fp=38378e84586d88e6)).

<sup>19</sup> *Id.*

<sup>20</sup> Ironically, Republicans rejected an amendment offered by Rep. Towns during the full Committee mark up of H.R. 1214 structured to address this very concern, highlighting the hypocrisy of this argument. Under the amendment, mandatory spending would be provided for SBHC operations rather than for construction/renovations. (House Committee on Energy and Commerce, *Business Meeting to Mark Up H.R. 1213 et. al.*, 112<sup>th</sup> Cong., pp. 197-209) (Apr. 5, 2011) (transcript of the proceeding).

managing the program) underscores this point. Among other things, applicants to the School-Based Health Center Capital (SBHCC) Program are required to:

- Describe the overarching impact of the SBHCC proposal on the operational budget and how the proposal will promote organizational sustainability once the project has been completed.
- Indicate how the applicant organization will support operating costs, including increases in utilities, daily maintenance and repair, and capital investment for the identified project(s).
- Explain how the SBHC will maintain access/services resulting from the project(s) within its existing/anticipated operational budget.
- Describe how the applicant organization will leverage other primary health services provided in the service area.
- If appropriate, describe how the organization will pay for or retire the capital debt related to the proposal.
- Describe the plan for recruiting and retaining key management staff and health care providers as appropriate for achieving the proposed staffing plan for the project(s).<sup>21</sup>

With such requirements in place, it is clear that HRSA intends to support only those SBHCs that are “in it for the long haul” and not for the short term. We agree that it should not be otherwise and believe HRSA has established adequate application and application review requirements to meet this standard of sustainability.

We also believe that SBHC construction/renovation needs have not been and will not be met through other funding authorities. SBHCs were not eligible for direct support under the 2009 stimulus package (the *American Recovery and Reinvestment Act*, or ARRA, as it is frequently known) that included \$1.5 million in construction/renovation funds for community health centers (CHCs).<sup>22</sup> Nor are they eligible to directly participate in the more recent \$1.5 million CHC construction/renovation program established in the ACA.<sup>23</sup> In both instances, only programs funded through Section 330 of the Public Health Service Act are qualified to apply for funding. While SBHCs that are affiliated with CHCs may benefit from these programs, they can only do so only if their sponsoring CHC elects to apply for construction/renovation funds – they cannot act on their own. Moreover, less than 25% of SBHCs are engaged in such a relationship, leaving the vast majority of centers outside the reach of these laws.<sup>24</sup> But even if the percentage were higher, there would be insufficient funds to adequately address the capital needs of both CHCs

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<sup>21</sup> Bureau of Primary Care, HRSA, U.S. Department of Health and Human Services, Grants for School-Based Health Center Capital Program, Announcement Number: HRSA-11-127, p. 13 (Oct. 4, 2010) (online at <https://grants.hrsa.gov/webExternal/DisplayAttachment.asp?ID=7921A744-841E-40DF-B93E-CC6B0130736E>).

<sup>22</sup> P.L.111-5 (Feb. 17, 2009; 123 stat. 175).

<sup>23</sup> ACA Section 10503.

<sup>24</sup> National Assembly on School-Based Health Care, *Why Should We Keep Funding for School-Based Health Centers in PPACA?* (online at [http://www.google.com/#sclient=psy&hl=en&source=hp&q=NASBHC+why+should+we+keep+funding+for+school+based+health+centers+under+PPACA&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2,or\\_r\\_gc.r\\_p\\_w.&fp=38378e84586d88e6](http://www.google.com/#sclient=psy&hl=en&source=hp&q=NASBHC+why+should+we+keep+funding+for+school+based+health+centers+under+PPACA&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2,or_r_gc.r_p_w.&fp=38378e84586d88e6)).

and SBHCs. It is for this reason that the SBHCC program was created – to provide a dedicated source of funding targeted solely on SBHCs.

## MANDATORY SPENDING

Republicans chief objection to the SBHC construction/renovation program lies in their opposition to its being funded through mandatory spending. Given the program’s purpose, SBHCs’ track record of accomplishment to date, and general Republican support for SBHCs,<sup>25</sup> it comes as a great disappointment that they have taken this position.

This is especially true since both Republican and Democratic members of Congress frequently make choices -- often very difficult choices -- about which programs should benefit from mandatory spending.<sup>26</sup> Congress made such a choice in establishing the SBHC construction/renovation program in 2010. In our view, that decision was fully considered and well grounded. We learned nothing during either the hearing on H.R. 2014<sup>27</sup> or the mark up of the legislation<sup>28</sup> that would bring us to a different conclusion. Indeed, in the 14 months since the ACA was signed into law, our resolve to see this program move forward has only grown stronger.

## AN ANTI-HEALTH REFORM IDEOLOGICAL AGENDA

In our view, the Republicans’ three-pronged opposition to the SBHC construction/renovation program is without merit. Moreover, we do not believe their arguments in support of H.R. 1214 go to the heart of their defiance to end the program.

Rather, we believe H.R.1214 represents the Republicans’ new line of attack to disrupt, dismantle, and ultimately destroy the ACA – even those programs that make good health policy sense, in or out of the health reform law. What they have not been able to achieve whole cloth,<sup>29</sup>

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<sup>25</sup> See, e.g., Republican comments made in support of SBHCs during the full Committee mark up of H.R. 1215. (House Committee on Energy and Commerce, *Business Meeting to Mark Up H.R. 1213 et. al.*, 112<sup>th</sup> Cong. (Apr. 5, 2011) (transcript of the proceeding):

- Rep. Burgess: “I am not against health centers. I want to do more in this realm . . . .” (p. 157 of transcript of the proceeding).
- Rep. Burton: “We certainly support . . . school based health clinics. I have gone to openings in my district. I have supported funding for . . . school based clinics.” (p. 186 of transcript of proceeding).

<sup>26</sup> For examples of various federal programs that are supported through mandatory spending, see Committee on Energy and Commerce, Democratic Staff, *The Pitts Proposal to Block Mandatory Funding in the Affordable Care Act* (Mar. 9, 2011)

(online at

[http://democrats.energycommerce.house.gov/sites/default/files/image\\_uploads/Fact%20Sheet\\_03.09.11.pdf](http://democrats.energycommerce.house.gov/sites/default/files/image_uploads/Fact%20Sheet_03.09.11.pdf)

<sup>27</sup> House Committee on Energy and Commerce, Subcommittee on Health, *Hearing on Setting Fiscal Priorities in Health Care Funding*, 112<sup>th</sup> Cong. (Mar. 9, 2011).

<sup>28</sup> House Committee on Energy and Commerce, Subcommittee on Health, *Business Meeting to Mark Up H.R. 1213 et. al.*, 112<sup>th</sup> Cong. (Mar. 31, 2011); House Committee on Energy and Commerce, *Business Meeting to Mark Up H.R. 1213 et. al.*, 112<sup>th</sup> Cong. (Apr. 5, 2011).

<sup>29</sup> Although the House of Representatives has passed legislation to repeal the ACA, that legislation will not become law since the Senate has defeated the proposal. (H.R. 2, *Repealing the Job-Killing Health Care Law Act*, passed the House of Representatives in January 2011 (Congressional Record, H322-323 (Jan. 11, 2011)). The Senate defeated a similar proposal a month later. (Congressional Record S475 (Feb. 2, 2011)).

Republicans are now attempting to do piece by piece. H.R. 1214 puts SBHCs and the SBHC construction/renovation program in the frontline of this ongoing assault.

From our perspective, this is not where this program should be. Instead, it should remain exactly what it is and where it is – at the forefront of building our capacity to provide access to health services to children and adolescents in need.

Ken A. Wayman

Donis O. Matsui

M. M. Doyle

Al L. Jolly

Eliot L. Engel

John G. Smith

Diana DeFette

Tammy Baldwin

Butterfly

Frank Pallone Jr.

~~Mr. G. Scho~~

M. G. T.

E. S. Evans

Lois Capps

Edward J. Markey

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Alme ...