



Comparison of Free & Charitable Clinics to Federally Funded Clinics

Universal access to health care services is a national priority. Issues currently being examined include out-of-control health care spending, poor health, and the redesign of the health care financing system. Safety-net providers -- in the form of free and charitable clinics, community health centers (CHC) and federally qualified health centers (FQHC) -- provide much needed support to fill service delivery gaps for the uninsured and underinsured. Federal 330 grants provide funds to operate the CHC/FQHC programs.

There is no equivalent funding stream for the more than 1,200 free and charitable clinics throughout the nation. Distinct variations exist between free and charitable clinics and federally funded clinics. The table below summarizes these differences.

| Critical Issues | Federally Funded Clinics | Free and Charitable Clinics |
|--|---|--|
| Regulatory Agencies | Defined by Section 330 of the Public Health Service Act as a FQHC or FQHC look –alike. Oversight by HRSA. | Varies by locale |
| Primary Funding Mechanisms | Federal Government Grant and Medicare; State Government-Medicaid reimbursement; Insurance payers; Public & Private Gifts/Grants, Self Pay | Private sector (donations, grants, etc.) |
| Population Served | Insured/Uninsured | Uninsured/Underserved Usually up to 200% of Federal Poverty Level |
| Composition of Board of Directors | Federal rules require that at least 51% of board members be consumers | Per Bylaws developed by each free clinic |
| Prescription Assistance | Medications provided through private drug coverage benefits or at discounted pricing using the federal 340b program | Free , may include a processing fee No 340b access |
| Primary Care | Provided by Clinic <i>employees</i> | Primarily and often exclusively volunteers |
| Dental Care | Provided by Clinic <i>employees</i> | Primarily and often exclusively volunteers |
| Vision Care | Referrals based on <i>reimbursement</i> | Referral to <i>volunteers</i> |
| Specialty Care | Referrals based on reimbursement | Provided on site by volunteers or through referrals at little or no cost to patients. |
| In-Patient Care | Referrals to hospitals <i>reimbursement or sliding fee scale</i> | Referrals to hospitals <i>free or sliding fee scale</i> |
| Fees for Service | Third Party Payers or Sliding Fee Scales | Free or Minimal fee(s) may be charged only if fee(s) are waived when necessary for essential services. Patient donations may be accepted. |
| Lab/Radiology | Referral based on <i>reimbursement</i> | Referrals usually <i>free</i> |
| Economic Impact | Unknown | Minimum 3:1 |