**Background and Purpose**

Nurse Managed Health Centers (NMHC) developed as a result of the advance practice movement. The initial focus for advance practice nurses had been health promotion and disease prevention, but the focus has evolved into a broader range of health services such as chronic disease management. NMHCs have historically had significant issues with financial sustainability; greater than 50% of the centers established in the last 20 years have closed due to financial instability. The remaining centers must constantly consider financial sustainability to ensure avoidance of disruption of services to the medically fragile populations served.

**PURPOSE:** To determine if a NMHC can become financially sustainable through Federally Qualified Health Center (FQHC) status.

**Theoretical Framework: Transformation For Healthcare Systems**

Significant changes were required when the NMHC sought FQHC status. A conceptual framework utilizing transformative power for overcoming barriers to obtaining financial sustainability at the system level was employed. This model, entitled Transformation for Health Care Systems, was adapted from the Transformation for Health (TFH) model that utilized Paulo Freire’s educational philosophy (Esperat, et al, 2008).

**Background: The Federally-Qualified Health Centers Program**

The Bureau of Primary Health Care (BPHC) designates eligible community health centers the status of Federally-Qualified Health Center (FQHC) through a highly competitive grant process, which allows successful grantees cost-based reimbursements for Medicare and Medicaid services.

The Public Entity model of governance utilizes a public agency entity with a co-applicant entity (Office community governing board) who in tandem meet all requirements for health center governance. The public entity retains authority for financial and personnel policies, while the co-applicant provides the governing board that must consist of at least 51% consumers of the health center.

Having been a community health center since 1998, and qualifying for a public entity setting for FQHC implementation. Assumptions and limitations were identified even with FQHC status, break even financial position may take 18 months. Still required is:

- steady growth to provide increased access to care
- strong community partnerships
- new programs and services
- staying abreast of current health care policy and regulatory changes
- positive financial position may not occur for at least 18 months

**Logic Model of Integration**

**CONSTRUCTS**

- Cognition
- Critical Consciousness
- Goal Setting

**IMPLEMENTATION**

- Development of Policies
- Development of Outreach
- Development of Ongoing Assessment

**OUTCOMES**

- Realization of Need to Change
- Alternative Analysis
- Acceptance of Change

**FRAMEWORK APPLICATION**

**DISTAL END POINTS:** Expected goals and specific HRSA Outcome Measures for the Health and Business Plans resulting in organizational sustainability

**MEDICAID RATE COMPARISONS:**

**PRE AND POST FQHC STATUS**

**Governance and the NMHC**

A community advisory board was developed for the NMHC in 2004; this board made the transition to a governing board in 2007 meeting the requirements for community health centers funded under section 330(c) of the Act. The demographics of the board mirror the demographics of the patient population being served at the health center.

The Texas Tech University Health Sciences Center School of Nursing began operating the NMHC in a medically underserved area in 1998. The health center never reached a state of financial sustainability until FQHC status was obtained even with the assistance of local, state, and federal grants.

The LCCHWC finally obtained FQHC status in March, 2009 through initial funding from the BPHC as part of the ARRA stimulus funding.

**Conclusions/Recommendations**

Maintenance of transformation is a continuous process; once the organization reaches the state of transformation as an FQHC, the process does not end. Even with FQHC status, break even financial position may take 18 months. Still required is:

- steady growth to provide increased access to care
- strong community partnerships
- new programs and services
- staying abreast of current health care policy and regulatory changes
- positive financial position may not occur for at least 18 months

For More Information:

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