

**MASSACHUSETTS LEAGUE OF  
COMMUNITY HEALTH CENTERS**

**ESTABLISHING A  
COMMUNITY HEALTH CENTER  
IN MASSACHUSETTS**

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This electronic and interactive guidebook, “Establishing a Community Health Center in Massachusetts” is intended to serve as a companion document to the National Association of Community Health Centers’ (NACHC) publication, *So You Want To Start A Health Center?* The primary focus of this guidebook is on regulations and requirements that are specific to Massachusetts community health centers. Because some information is standard at both the state and federal level, we have included the NACHC text where necessary. While this document serves primarily as a resource for starting a health center, it also provides a reference guide for established health centers that may need to review certain aspects of their on-going operations. Because of the amount of information presented in this guidebook, it may be helpful to review the timeline and checklist at the end of the document prior to reading its entire contents.

For several years, the federal government through the Bureau of Primary Health Care, HRSA (Health Resources and Services Administration) has supported the development of new community health centers and the expansion of health center sites and services through so-called “Section 330 grants.” As a result of changes in the future availability of federal funding, Massachusetts’ communities will likely be unable to access Section 330 grants (federal funding) for establishing a new health center organization. However, communities interested in working with an existing health center may be able to obtain some federal funding. The NACHC document delineates these models in its Chapter V.

Despite the uncertainty about federal grant funding, acquiring status as a “Federally Qualified Health Center” (FQHC) is critical to accessing higher reimbursement levels from both the state Medicaid program (MassHealth) and from Medicare. Both this guidebook and the NACHC document provide guidance on what is required to become certified by the federal Centers for Medicaid and Medicare Services (CMS) as an FQHC.

Some of the issues that should be reviewed prior to making the decision to move forward with development of a health center in Massachusetts include:

- The demographic and health status indicators of the community.
- The ability of these indicators to support federal designation for a medically underserved area/population (MUA/MUP) and Health Professions Shortage Area (HPSA).
- The level of support within the community particularly from existing health care providers and local government.
- The financing and revenue analyses to document that the project would be financially viable and sustainable over time.
- The interest of existing health centers in partnering with the community to access federal funding.

The guidebook attempts to break all the required tasks into manageable steps. However, some steps occur simultaneously while others, sequentially. A timeline is included that attempts to show how and when these steps should occur.

All the agencies that have worked to put this guidebook together are available to help with this process. Please let them know early on in your process what you are planning. They can be an invaluable resource as you move forward.



### Health Centers in Boston

Boston Health Care for the Homeless Program  
 Bowdoin Street Health Center  
 Brookside Community Health Center  
 Codman Square Health Center  
 Dimock Community Health Center  
 Dorchester House Multi-Service Center  
 East Boston Neighborhood Health Center  
 Fenway Community Health Center  
 Greater Roslindale Medical & Dental Center  
 Geiger Gibson Community Health Center (Harbor Health Services)  
 Harvard Street Neighborhood Health Center  
 Joseph M. Smith Community Health Center  
 Martha Eliot Health Center  
 MGH Back Bay HealthCare Center  
 MGH Community Health Associates  
 Mattapan Community Health Center  
 Neponset Health Center  
 North End Community Health Center  
 Roxbury Comprehensive Community Health Center  
 Sidney Borum Jr. Health Center  
 South Boston Community Health Center  
 South Cove Community Health Center  
 South End Community Health Center  
 Southern Jamaica Plain Health Center  
 Upham's Corner Health Center  
 Whittier Street Health Center

### **Health Centers Outside of Boston**

Baystate Medical Center Health Centers, Springfield  
Brockton Neighborhood Health Center  
Cambridge Health Alliance Health Centers, Cambridge and Somerville  
Cape Cod Free Clinic and Community Health Center, Falmouth and Mashpee  
Caring Health Center, Springfield  
CHP Health Center, Great Barrington  
Community Health Center of Franklin County, Turners Falls  
Community Health Connections Family Health Center, Fitchburg  
Duffy Health Center, Hyannis  
Family Health Center of Worcester  
Framingham Community Health Center  
Great Brook Valley Health Center, Worcester  
Greater Lawrence Family Health Center  
Greater New Bedford Community Health Center  
HealthFirst Family Care Center, Fall River  
Hilltown Community Health Centers, Huntington and Worthington  
Holyoke Health Center, Holyoke and Chicopee  
Island Health Care, Edgartown, Martha's Vineyard  
Lowell Community Health Center  
Lynn Community Health Center  
Manet Community Health Center, Quincy and Hull  
Mid Upper Cape Community Health Center, Hyannis  
North Shore Community Health, Peabody and Salem  
Outer Cape Health Services, Provincetown and Wellfleet  
Springfield Health Services for the Homeless  
SSTAR Family Healthcare Center, Fall River  
Tri-River Family Health Center, Uxbridge

### **Agencies To Contact Early In The Process**

- Massachusetts League of Community Health Centers  
<http://www.massleague.org>
- Massachusetts Department of Public Health  
<http://www.mass.gov/dph/>
- Massachusetts Division of Health Care Finance and Policy  
<http://www.mass.gov/dhcfp/>
- Massachusetts Executive Office of Health and Human Services/  
Office of Acute and Ambulatory Care  
<http://www.mass.gov/eohhs/>
- UMass Commonwealth Medicine  
<http://www.umassmed.edu/commed/>

## **ORGANIZATION**

This section identifies steps in the planning process that will assist communities in assessing whether it makes sense to move forward with establishing a health center. It provides links to important data that can help inform the discussion and decision making process. It also provides links to regulatory requirements that will help identify the appropriate model for the health center and provides information about the federal FQHC certification process and federal designations.

## **Plan Community Development**

- Identify Key Stakeholders (collaborating with community leaders, local health agencies and hospitals)
- Establish Task/Work Force
  - Conduct monthly meetings that involve community residents without access to care
- Review Bureau of Primary Health Care Community Health Center Program Expectations  
<ftp://ftp.hrsa.gov/bphc/docs/I998PINS/PIN98-23.PDF>
- Review Public Health Service (PHS) Grants Policy Statement, most current edition  
<http://grants.nih.gov/grants/funding/phs398/phs398.html>

## **Develop Community Analysis/Needs Assessment**

- Research Demographics (age, gender, race/ethnicity)  
<http://masschip.state.ma.us> and  
<http://www.census.gov>
- Research Health Status Indicators  
<http://masschip.state.ma.us>
- Research Socioeconomic Issues (poverty, low income)  
<http://www.census.gov>
- Research Cultural Competency Issues (language barriers [school districts' student body whose Primary Language is Not English - PLINE], available translation services)
- Identify Other Health Care Providers/Potential Competition and Collaborators  
<http://www.massmedboard.org>
- Identify Target Population  
<http://masschip.state.ma.us> and  
<http://www.census.gov>
- Specifically, Identify Uninsured/Underinsured/Medicaid Patient Base  
<http://www.mass.gov/dhcfp>

Use the resources listed above but not to the exclusion of collecting local data to document local needs for health care services. Review publicly available data and statistics against what you and your stakeholder group know about your community and its health care needs.

## **Develop Communication Strategy**

- Meet with Public Officials
  - <https://wfb.dor.state.ma.us/dlslod/Public/WebForms/Browse.aspx>
  - [http://www.mass.gov/portal/index.jsp?pagelD=mg2terminal&L=3&L0=Home&L1=State+Government&L2=Local+Government&sid=mass-gov2&b=terminalcontent&f=cc\\_landing&csid=massgov2](http://www.mass.gov/portal/index.jsp?pagelD=mg2terminal&L=3&L0=Home&L1=State+Government&L2=Local+Government&sid=mass-gov2&b=terminalcontent&f=cc_landing&csid=massgov2)
- Meet with Other Providers (hospitals, mental health, local or regional professional societies)
- Develop Plan for Routine Updates to these Parties
- Develop Communications Strategy to Address Negative Responses, when and if needed

## Identify Legal and Financial Consultants

- Engage Appropriate Consultants to Assist with Community Health Center Development  
<http://www.massleague.org>

## Review Organizational and Business Models

- Review Different Structure (i.e. Hospital Licensed or Federally Qualified and/or Federally Funded Free Standing Clinic licensed by the state)  
<http://www.mass.gov/dph/dhcq/liccert.htm>
- Review Guidelines for Licensure of Clinics 105 CMR 140.000  
<http://www.massleague.org/CHCManual/105CMR140.pdf>  
(Contact the Massachusetts Division of Health Care Quality for any updates  
<http://www.mass.gov/dph/dhcq/>)
- Review 130 CMR 405.00 MassHealth Community Health Center Program Regulations  
[http://www.mass.gov/Eeohhs2/docs/masshealth/regs\\_provider/regs\\_commhealthctr.pdf](http://www.mass.gov/Eeohhs2/docs/masshealth/regs_provider/regs_commhealthctr.pdf)
- File Articles of Incorporation (MGL 180)  
<http://www.mass.gov/legis/laws/mgl/gl-180-toc.htm>
- File Articles of Organization  
<http://www.sec.state.ma.us/cor/corpweb/cornp/npfrm.htm>
- Review US/R Code Section 501(c)(3) of 1954  
<http://www.irs.gov/publications/p557/index.html>
- Apply for Appropriate Tax Status  
<http://www.irs.gov/charities/index.html>

## Determine Community Governance

- Discuss and Document Agreement on Governance Structure with Task/Work Force
- Identify Potential Board Members (see Board Training section)
- Review Resources for Board Development
  - Contact National Association of Community Health Centers  
<http://www.nachc.com>
  - Access BoardSource  
<http://www.governanceprofessionals.org/governnfp/ncnb.shtml>
  - Contact Massachusetts League of Community Health Centers  
<http://www.massleague.org>
- Develop “Mission, Vision, Values” Statement. This forms the philosophical basis for the center. Some examples include:
  - *The mission of the community health center is to provide comprehensive, high quality primary and preventive health care regardless of race, ethnicity, sexual orientation, religion, age, gender or insurance status.*
  - *The vision of the community health center is to become the medical home for residents of its community and to ensure the well being of those seeking care at the center.*
  - *The community health center encompasses the values of quality, diversity, cultural competency, respect and compassion.*

- Develop Working Draft of By-laws (MGL 180 Section 6A)
  - <http://www.mass.gov/legis/laws/mgl/180-6a.htm>

### **Apply for Federal Designations**

Please note: As designation regulations frequently change, organizations should contact the Primary Care Association (PCA) and/or Primary Care Office (PCO) for the most up-to-date designation information. These agencies are also helpful resources to collaborate with as you prepare these applications.

- Review Application(s) With State PCA (Mass League)
  - <http://www.massleague.org>
- Review Application(s) With State PCO (within the Department of Public Health (DPH))
  - <http://www.mass.gov/dph/fch/primcare.htm>
- Prepare MUA /MUP Application
  - <http://bhpr.hrsa.gov/shortage/muaguide.htm>
- Prepare HPSA Applications (Primary Care, Dental and Mental Health)
  - <http://bhpr.hrsa.gov/shortage/hpsacrit.htm>
- Review National Health Service Corps (NHSC) Options
  - <http://nhsc.bhpr.hrsa.gov>
- Initiate FQHC Certification Application
  - <http://bphc.hrsa.gov/pinspals/pins/2005-17.htm>
- If Applicable, Prepare New Access Point Need for Assistance Scoring
  - <http://bphc.hrsa.gov/pinspals/pins.htm>
- If Eligible, Apply for a Section 330 Grant
  - [http://www.access.gpo.gov/nara/cfr/waisidx\\_02/42cfr51c\\_02.html](http://www.access.gpo.gov/nara/cfr/waisidx_02/42cfr51c_02.html)
- Review Executive Order 12372—Intergovernmental Review of Federal Programs
  - [http://www.archives.gov/federal\\_register/codification/executive\\_order/12372.html](http://www.archives.gov/federal_register/codification/executive_order/12372.html)
- Review Joint Commission on Accreditation of Healthcare Organizations (JCAHO) Accreditation Standards Manual for Ambulatory Care, Laboratory, most current edition
  - <http://www.jcrinc.com/publications.asp?durki=77>
- Apply for State Office of Minority and Women Business Assistance (SOMWBA) Designation
  - <http://www.somwba.state.ma.us>

### **Begin Strategic Planning**

- Conduct an Environmental Assessment of the Health Care Marketplace in Massachusetts and Discuss Findings with Task/Work Force
- Contact State Agencies Including the Massachusetts Department of Public Health and MassHealth
  - <http://www.mass.gov/dph/fch/index.htm> and
  - <http://www.mass.gov/masshealth>
- Contact Massachusetts League of Community Health Centers
  - <http://www.massleague.org>
- Develop Strategic Plan with Timelines and Benchmarks

## FACILITY

### **Begin Financial Planning**

Although addressed in a later section, the need for financial planning to begin as early in the process as possible is critical. Matching the financial plan to the strategic plan ensures that there is consistency between what the organization is planning and how its financial plan will support the timelines and benchmarks as outlined in the Strategic Plan.

### **Develop Space Needs and Planning**

Prior to investing time in searching for a compatible site it is important to assess the space needs of the venture. One tool that will be helpful early in the planning process is the Space Plan analysis. This analysis helps to identify what your area needs will be, given the services you wish to provide. There are various rules-of-thumb that can be used to determine how much space will be required not only for primary service delivery but also for support of those services (e.g. utility space, storage, hallways, restrooms, etc.). The result of conducting a Space Plan analysis is a quantitative representation of the optimal square-footage needed and the allocation of that space to workspaces. This is not an architectural schematic or floor plan, but rather a quantitative tool to help you understand the size and type of space that will be needed.

- <http://www.caplink.org>

### **Identify Location**

Location, location, location. Accessibility is an important consideration when identifying the location of a community health center. The service location must be convenient to the patient population you aim to serve, and should be accessible by public transportation. The site's physical space is a crucial factor. There must be adequate and effectively organized space and equipment for administrative and staff offices, reception and waiting areas, storage of patient records, consultation, examination, treatment and dressing areas, as well as other appropriate functions. Possible future expansion must also be considered when looking for space. Depending on financial considerations, it may make sense to lease or rent existing space that requires little remodeling instead of purchasing or constructing new space.

- Obtain Real Estate Assistance (Capital Link can provide a list of consultants)  
<http://www.caplink.org>
- Review DPH and Division of Health Care Quality (DHCQ) Facility Requirements and Process  
<http://www.mass.gov/dph> or  
<http://www.mass.gov/dph/dhcq/hcqske.htm>
- Find Sites That Can Accommodate Volume Projections
- Negotiate Purchase, Lease or Rental Agreements
- Develop a Timeline for Rehabilitation, Renovation and Inspections for Occupancy and Licensing
- Analyze Local and Regional Transportation Issues  
<http://www.mbta.com/>

## **Develop Architectural Plans**

All plans for new construction, conversions, additions and alterations for a proposed community health center or an existing licensed health center must be reviewed and approved by the Massachusetts Department of Public Health before any work is commenced.

- Review Outpatient Facilities Checklists  
<http://www.mass.gov/dph/dhcq/plan/planform.htm#outpatient>
- Prepare HCQ Plan Review Process  
<http://www.mass.gov/dph/dhcq/plan.htm>
- Prepare Submission to DPH for Approval; Develop DHCQ Self-Certification Review and Process Documents Addressing and Meeting All Requirements  
<http://www.mass.gov/dph/dhcq/plan/selfrev.htm>
- Review Americans with Disability Act of 1990  
<http://www.access-board.gov/adaag/about/index.htm>
- Review Occupational Safety & Health Administration (OSHA) Regulations  
<http://www.osha.gov>
- Review Information from National Fire Protection Association of 1987 (or most current edition)  
<http://www.nfpa.org/index.asp>
- Review 28 CFR Part 36 Commercial Facilities  
<http://www.usdoj.gov/crt/ada/reg3a.html>

## **Finalize Business Plan and Financing Arrangements**

It comes as no surprise that financing capital projects for any non-profit organization is not an easy task. Moreover, the effort becomes even more difficult when the organization is a “start-up.” However, there are more sources of financing than one would imagine and new CHCs are indeed opened each year. The key to financing success is in being determined and inventive. Very few CHC capital projects occur as the result of accessing a single financing source; rather, success comes from combining numerous and diverse financial resources in a creative fashion. Some source types to consider are:

1. Federal Grants
2. State Grants
3. Private Foundation Grants
4. Community Development Financial Institutions
5. Tax-exempt bond financing
6. New Markets Tax Credits program
7. USDA Community Facilities Program
8. Traditional commercial bank financing
9. Various state and federal loan guarantee programs
10. Local capital raising campaigns

In any case, it is important to begin the financing process early in your project deliberations. Capital Link specializes in providing this assistance and can provide guidance if needed.

- <http://www.caplink.org>

## Begin Construction

Construction projects are extremely complex. Costs can be intimidating and accessing financing for building projects can seem daunting for non-profit organizations. Professional assistance can help acquire the necessary funds and avoid unnecessary expenses.

- Identify Contractor(s)
- Establish Timeline and Contingency Plans
- Hire Project Manager, If Appropriate

These are laws that affect contracting with a contractor:

- 40 USC 276a to 276a-7 Davis-Bacon Act  
<http://www.dol.gov/esa/regs/statutes/whd/dbra.htm>
- 40 USC 276c and 18 USC 874 Copeland Act  
<http://www.dol.gov/asp/programs/guide/kickback.htm>
- USC 327-333 Contract Work Hours and Safety Standards Act  
<http://www.dol.gov/compliance/laws/comp-cwhssa.htm>

The following are areas of concern when developing a new site or renovating a building and should be reviewed by the contractor. There are also assurances that you must submit to the federal government if you are seeking funding for construction. The federal link is:

- <http://www.hhs.gov/forms/PHS-5161-1.pdf>  
(Please note: You will need to go to p. 17 - Assurances — Construction Programs.)

Specific links to each law are:

- 16 USC 1451 et seq: Coastal Zone Management Act of 1972 - This would only apply if you were building or renovating near the coast.  
[http://www.cr.nps.gov/local-law/FHPL\\_CstlZoneMngmt.pdf](http://www.cr.nps.gov/local-law/FHPL_CstlZoneMngmt.pdf)
- National Environmental Protection Act  
<http://ceq.eh.doe.gov/Nepa/regs/nepa/nepaeqia.htm>
- 42 USC 7401: Clean Air Protection Act  
<http://www.thecre.com/fedlaw/legal14air.htm>
- P.L. 93-523: Safe Drinking Water Act of 1972  
<http://www.epa.gov/compliance/civil/sdwa/sdwaenfstatreq.html>
- P.L. 93-205: Endangered Species Act of 1973  
<http://www.fws.gov/Endangered/esa.html>
- 16 USC 470: National Historic Preservation Act of 1966  
<http://www.cr.nps.gov/local-law/nhpa1966.htm>
- 16 USC 469a-1 et seq: Lead Based Paint Poisoning Prevention Act  
<http://www.fda.gov/opacom/laws/leadact.htm> and  
<http://search.ntia.doc.gov/pdf/top/sf-424-b.pdf>
- 521 CMR: Architectural Access Board Requirements  
[http://www.mass.gov/aab/aab\\_regs.htm](http://www.mass.gov/aab/aab_regs.htm)

## Initiate Approval Process

Three agencies within the state Executive Office of Health and Human Services (EOHHS) are responsible for key approvals for new community health centers: DPH, the Division of Health Care Finance and Policy (DHCFP),

and MassHealth (Medicaid). Because these separate state approvals have some focus on approval of the physical facility and must be addressed before a health center becomes operational, they are described in this section.

Community health centers must be licensed as clinics by DPH's DHCQ before they can become operational. DHCQP sets rates of payment for community health centers and administers the Uncompensated Care Pool, a fund that reimburses community health centers for health care services provided to uninsured and underinsured individuals. MassHealth (Medicaid) pays for health care for certain low- and medium-income people living in Massachusetts. To be paid by MassHealth, a community health center must be approved as a participating provider before delivering services to a MassHealth member.

- DHCQ Plan Review
- Review Guidelines for Licensure 105 CMR 140.000 and Process for License Application and Scheduling of Final Site Inspection  
<http://www.sec.state.ma.us/spr/sprcat/agencies/105.htm>
- Review Requirements for Certification for Reimbursement
  - 114.3 CMR 4.00 Rates for Community Health Centers  
<http://www.mass.gov/dhcfp> (Click on "DHCFP Regulations", Click on "Community Health Centers") or  
[http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114\\_3\\_4.pdf](http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114_3_4.pdf)
  - 114.6 CMR 11.00 Administration of the Uncompensated Care  
<http://www.mass.gov/dhcfp> (Click on "Uncompensated Care Pool") or  
[http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114\\_6\\_11.pdf](http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114_6_11.pdf)
  - 114.6 CMR 12.00 Services Eligible for Payment from Uncompensated Free Care  
<http://www.mass.gov/dhcfp> or  
[http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114\\_6\\_12.pdf](http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114_6_12.pdf)
  - Titles XVIII and XIX of the Social Security Act FQHC Provisions  
<http://www.nasmd.org/issues/bba/medicaidbba.htm>
  - 130 CMR 450.00 MassHealth All Provider Program Regulations  
<http://www.mass.gov> or  
[http://www.mass.gov/Eeohhs2/docs/masshealth/regs\\_provider/regs\\_all\\_provider.pdf](http://www.mass.gov/Eeohhs2/docs/masshealth/regs_provider/regs_all_provider.pdf)
  - 130 CMR 405.00 MassHealth Community Health Center Program Regulations  
<http://www.mass.gov> or  
[http://www.mass.gov/Eeohhs2/docs/masshealth/regs\\_provider/regs\\_com\\_mhealthctr.pdf](http://www.mass.gov/Eeohhs2/docs/masshealth/regs_provider/regs_com_mhealthctr.pdf)

### **Review Other Facility Issues**

- Review Sliding Fee Scales/Discounts
- Develop a Scale of Sliding Fee Discounts for the Health Center to be Used to Remove Financial Barriers to Accessing Care by Low-Income Uninsured Individuals and Families
- Review Federal Poverty Guidelines  
<http://aspe.hhs.gov/poverty/>
- Review Local Ordinances

## PERSONNEL

Personnel is probably one of the most difficult aspects of planning. The ratio of staff to projected volume needs to be phased in with sufficient coverage at all levels to ensure efficiency. Unless there is start-up funding available, cash flow analysis is critical when the health center initially opens. This section outlines what needs to happen in terms of staffing composition and levels, and links planners to relevant laws at the federal and state level governing personnel.

### Develop Staffing Plan

- Identify Staffing Needs
- Develop Ramp Up Plan Based on Volume Projections
- Initiate Recruitment of Essential Staff (Executive Director) As Soon As Possible After Incorporation  
<http://www.nachc.org> and  
<http://www.massleague.org>
- Consider Loan Repayment for Providers as a Recruitment Strategy  
<http://www.mass.gov/dph/fch/primcare.htm>
- Consider NHSC Providers for Scholarships or Loan Repayment  
<http://nhsc.bhpr.hrsa.gov/>
- Contact Commonwealth Medicine for Information about their Loan Repayment Program.  
<http://www.umassmed.edu/commed>
- Review Laws Governing Personnel
- Review 5 USC 1501-1508 Hatch Act  
[http://www.osc.gov/ha\\_fed.htm](http://www.osc.gov/ha_fed.htm)
- Review National Labor Relations Act  
[http://www.nlrb.gov/nlrb/shared\\_files/brochures/basicguide.asp](http://www.nlrb.gov/nlrb/shared_files/brochures/basicguide.asp)
- Review Fair Labor Standards Act  
<http://www.dol.gov/esa/whd/flsa/>
- Review Drug Free Workplace Act of 1989  
<http://workplace.samhsa.gov/FedPrograms/FedCtrsGrantee/DTWAct1988.htm>
- Review PL 91-646 and Title III of the Uniform Relocation Act  
[http://www.ssa.gov/OP\\_Home/comp2/F091-646.html](http://www.ssa.gov/OP_Home/comp2/F091-646.html)
- Review Rehabilitation Act of 1973, Section 504  
<http://www.hhs.gov/ocr/504.html>
- Review MGL 268A Conflict of Interest Law  
<http://www.mass.gov/ethics/web268A.htm>
- Review Massachusetts Executive Order 240 = Sexual Harassment  
<http://www.lawlib.state.ma.us/ExecOrders/eo240.txt>
- Review Massachusetts Executive Order 452 = Governor's Diversity and Equal Opportunity Initiative  
<http://www.lawlib.state.ma.us/ExecOrders/Eo452.Txt>
- Review 45 CFR Part 80 Civil Rights Assurances  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_99/45cfr80\\_99.html](http://www.access.gpo.gov/nara/cfr/waisidx_99/45cfr80_99.html)
- Review 29 USC 794 Age Discrimination Act of 1975  
<http://www.lawandpsychiatry.com/html/ADEA%201967.htm>

- Review 45 CFR Part 84 Assurances Concerning Handicapped  
<http://www.hhs.gov/ocr/504part84.html>
- Review 45 CFR Part 86 Assurances Concerning Sex Discrimination  
<http://www.washingtonwatchdog.org/documents/cfr/title42/part86.html>

### **Develop Workplans and Business Targets**

#### **Develop Personnel Policy Handbook**

- Contact the Massachusetts League of Community Health Centers for assistance  
<http://www.massleague.org>

## **FISCAL**

The importance of analyzing the fiscal aspects of health center planning, as well as an understanding of what constitutes efficient ongoing fiscal operations for a health center once it is established, cannot be overstated. The two basic areas to consider are revenues and expenses. Not only must a business plan be prepared, but a health center also needs to regularly check its experience against its expectations (or budget) and adjust as needed after it has begun operations. Health centers need to consider their likely patient service revenue according to the organizational model they have selected. Particularly, in the health center planning and early operational phases, some source or sources of subsidy must be identified. In addition, other sources of revenue (e.g., grants and contracts, private donations) must be factored in; given a health center's mission and the needs of its patients, it is very unlikely that a health center will run in the black if it relies only on operating revenue.

#### **Develop Financing Strategy**

- Assess Resources
- Identify Potential Sources to Finance Capital and Operating Gaps
- Contact Capital Link for Technical Assistance in Developing a Financial Strategy and Business Plan  
<http://www.caplink.org>
- Contact the DHCFP to Determine What Financial Reporting Requirement Exist and How to Prepare for Them in Order to be Compliant; Possibly Obtain Blank Annual Cost Reports to Determine Future DHCFP Obligations  
<http://www.mass.gov/dhcfp/>
- Develop Business Plan
- Analyze Pro-Forma Statements with Consideration of the Impact of Key Variables (Demographic, Reimbursement, Health Policy Shifts)
- Develop Fundraising/Development Plan (see Non-Federal Funding Options section for more details)
- Make Audit Arrangements

#### **Acquire Working Capital**

The largest single cause of failure for any new enterprise is insufficient capital. It does not matter whether the venture is for-profit or not-for-profit, no enterprise can succeed unless there is enough initial capital to help it survive the first few years. One must expect that not only will there be substantial start-up costs (e.g. building, furniture, fixtures, business equipment, medical

equipment, supplies, pre-paid expenses, etc.), there will also likely be two or more years during which patient revenue volumes will not reach a level that will sustain the health center. This means that new health centers must be armed with liquid funds not only to fulfill initial expenditures but also to satisfy cash flow needs for the first year or more.

### **Establish a Banking Relationship**

It is important that a new community health center establish a banking relationship locally. This need be no more than a checking account at the beginning. However, senior management should become acquainted with the bank officers, letting them know about the center, its mission and services. All banks must comply with the Community Reinvestment Act, which requires them to actively seek opportunities to invest in the welfare of the local community. This is a strong incentive for banks to maintain relationships with mission-driven community organizations, especially non-profit enterprises. By establishing an association early, you will raise your chances of gaining a borrowing relationship later if or when it is needed.

### **Monitor Revenues and Expenses**

- Develop Systematic Process for Monitoring Revenues and Expenses
- Contact Capital Link for assistance  
<http://www.capl原因ink.org>

### **Develop Marketing Plan**

- Identify Venues for Reaching the Target Population
- Contract with Marketing Firm, If Appropriate
- Review and Finalize with Board and Other Key Stakeholders
- Implement
- Evaluate Progress

### **Develop Long-Term Strategic Plan**

- Establishing a long-term strategic plan (3 years) prior to opening a CHC allows the board and administration to have something to measure its progress by; it should be a working document but should reflect as much as possible the revenue streams needed to support both start-up costs and on-going operations.
- Based on Initial Performance, Make Adjustments To Volume and Financial Projections
- Based on the First Three Years and the Adjustments Made During That Time, Develop a 3-5 Year Strategic and Operating Plan to Move the Organization Forward

## **NON-FEDERAL FUNDING OPTIONS**

As noted, status as a Federally Qualified Health Center (FQHC) is critical to the long-term financial viability of a community health center. There are also other sources of funding that can support the mission and operations of a health center. The state frequently issues requests for proposals for funding activities that complement the mission of a CHC.

Local funding can be found at the city or town level by determining who controls and distributes Community Development Block Grants (CDBGs)

and what the priorities are for receiving funding. Information about this funding can be obtained from your local city or town government.

There may also be opportunities to find foundation or other private funding to assist.

#### **Research State Funding Options**

- Research Commonwealth's website  
<http://www.comm-pass.com/>

#### **Research City and Town Funding Options**

- Research CDBG website  
<http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm>

#### **Research Foundation and Other Private Funding Options**

- Associated Grant Makers  
<http://www.agmconnect.org/>
- Fundsnet Services in Massachusetts  
<http://www.fundsnet services.com/massachu.htm>
- The Grantmanship Center in Massachusetts  
<http://www.tgci.com/grants/Massachusetts/community.asp>

## **BOARD TRAINING**

#### **Initiate Board Training and Functions**

The League is currently updating its Board Training Manual. Once it is available, the report will link directly to it. In the meantime, please reference the NACHC directory until League report is available.

- [http://www.nachc.com/about/files/Start\(final\).pdf](http://www.nachc.com/about/files/Start(final).pdf) | 6. Timeline

## **SCHEDULING, REGISTRATION AND BILLING**

The scheduling, registration and billing processes are linked and have a well-defined impact on revenue generation and cash flow.

Special attention must be given to developing efficient processes for determining the eligibility of a patient for public insurance programs like MassHealth or grant-supported services. Currently, Massachusetts EOHHS is implementing its "Virtual Gateway," a portal that determines online eligibility and referrals for registered providers of care to low-income patients. Health centers must be able to use this and other online eligibility systems proficiently in order to maximize the reimbursements they receive for providing care to publicly assisted patients.

The more comprehensive and accurate information that can be obtained at the time an appointment is scheduled, the more opportunities there are for accurate information to be transmitted to the billing office and the sooner cash will be collected. An uninsured or underinsured patient should be referred to a patient financial counselor prior to his/her next appointment. Even established patients should be asked if anything has changed when they call for an appointment and should be referred to patient financial counseling when appropriate. Because of the nature of insurance coverage, particularly in the public payer arena, many patients come on and off programs very quickly.

When a patient registers for a visit, information should again be checked and insurance cards swiped to ensure eligibility. Any problems should be dealt with at the time of the visit but should not interfere with the patient's need to receive care.

Billing should be accomplished as soon as possible. Optimally bills should be turned around in 30-45 days. This ensures that cash flow is sufficient to cover expenses and assists health centers in maintaining a positive accounts payable status.

The League offers several workshops on these issues each year including a program to train new health center employees with little health care experience on a variety of core competencies related to scheduling, registration and billing. Check their website periodically to see upcoming trainings. Assistance can also be provided from MassHealth and DHCFP for policies related to these payers.

A well thought out Practice Management System (PMS) can greatly assist with these processes: Information Technology is discussed separately below.

- Contact the League (check their website periodically to see upcoming trainings)  
<http://www.massleague.org>
- Review Virtual Gateway Information and Processes (register as a "VG" user)  
<https://gateway.hhs.state.ma.us/portal/dt>

## MEDICAL RECORDS/INFORMATION TECHNOLOGY

Efficient medical record-keeping is key to any health care provider's operations and delivery of services. Key quality of care (and liability) issues refer back to the medical record. Record-keeping and record retention systems must be put in place and maintained, supported by explicit written health center policies. Medical records must comply with all state and federal laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA).

Within the last 5 years, more and more health centers are looking to convert to Electronic Medical Records (EMR) from paper systems. Although the initial cost for implementation of an EMR can be much higher than a paper system, the return on investment from EMR in terms of efficiency and improved productivity is well documented.

An effective Practice Management System that includes scheduling, patient tracking and billing information is also a critical component of day-to-day operations. Compatibility with the EMR can bring even more efficiency to the practice so it may be helpful to look at both systems simultaneously. A solid IT infrastructure along with staff adequately trained and knowledgeable about the system will have a significant impact on the smooth functioning of the health center. In this section guidance is given about these issues.

The League has put considerable effort in working with health centers to implement EMR systems and can be a significant resource to communities.

It is also very important that a new health center use information technology understood more broadly to conduct business efficiently.

## **Determine Paper Records or Electronic Medical Records**

- Assess Cost
- Assess Health Center Readiness
- For EMR information, contact the Massachusetts League of Community Health Centers  
<http://www.massleague.org>

## **Determine System Needs**

- Review Practice Management Systems and Electronic Medical Records System — Contact the Massachusetts League of Community Health Centers  
<http://www.massleague.org>
- Review Status of State Initiatives
  - Massachusetts eHealth Collaborative  
<http://www.maehc.org>
  - MassPRO  
<http://www.masspro.org/HIT/DOQ/>
  - MA SHARE  
<http://www.mahealthdata.org/ma-share/>
- Review Status of Federal Initiatives
  - Office of the National Coordinator for Health Information Technology (ONCHIT)  
<http://www.hhs.gov/healthit/>
  - Bureau of Primary Health Care (BPHC), HRSA  
<http://www.bphc.hrsa.gov>

## **Review Medical Records Rules and Regulations**

- Review 42 CFR Part 2 Confidentiality of Alcohol and Drug Abuse Patient Records  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_00/42cfr2\\_00.html](http://www.access.gpo.gov/nara/cfr/waisidx_00/42cfr2_00.html)
- Review 42 CFR Part 2a Protection Of Identity-Research Subjects  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_00/42cfr2a\\_00.html](http://www.access.gpo.gov/nara/cfr/waisidx_00/42cfr2a_00.html)
- Review MGL 66A Fair Information Practices Act  
<http://www.mass.gov/legis/laws/mgl/gl-66a-toc.htm>
- Review Retention of Medical Records 105 CMR:140.302C; 105 CMR:130.370A; MGL c111, s70 Records of Hospitals or Clinics; Custody; Inspection; Copies; Fees (30 years after discharge)  
<http://www.mass.gov/legis/laws/mgl/111-70.htm>
- Review MGL 111.70E Chapter 111: Section 70E Patients' and Residents' Rights  
<http://www.mass.gov/legis/laws/mgl/111-70e.htm>
- Review HIPAA Rules  
<http://www.cms.hhs.gov/hipaa/>

## **Acquire IT for Health Center Operations**

Careful budgeting for start-up phases is critical; donations and discounts may be available from multiple avenues. The following items should be purchased for the new health center site:

- Phones, FAX
- Cabling
- Internet Access
- PCs: hardware, OS, business applications and utilities
- Laptops, PDAs
- Mail, File, Database Servers
- Printers, scanners
- Routers, Firewalls, SPAM Filters, Switches
- Additional hardware/software for meeting security requirements

### **Develop Data Security Policies & Disaster Recovery Plans (offsite data storage)**

### **Cross-Reference Security Policies & Actions to HIPAA & JCAHO Requirements**

- Verify Vendor Relationships are HIPAA-Compliant, Where Applicable
- Contact the Mass League and Request Information on any Current Forums that are IT-Oriented
- <http://www.massleague.org>

## **CLINICAL SERVICES**

Clinical services are the core of the health center's mission. Based on the needs assessment, an array of primary care, preventive health and subspecialty services can be implemented. In the planning phase it is very important to determine the potential volume that each service will generate during the first year of operation. Primary care is the main service offered at health centers across Massachusetts. However, other services including oral health and behavioral health are significantly present in many health centers. The decision to add services relates strongly to the fiscal viability of the organization and the service's ability to contribute to that. Again, ancillary services like lab and radiology need to be analyzed carefully. In some cases these are offered on site but many centers have affiliation agreements with other providers who offer these services. This section provides information about these services and links to relevant laws and regulations about the provision of clinical services.

### **Identify Core Services to be Developed**

- <http://www.massleague.org/HealthCenters.htm>
  - Primary care (Pediatric, Internal Medicine, Family Practice, General Practice, ObGyn)
  - Oral health (see Oral Health section)
  - Behavioral health
  - Sub-specialty
  - Interpreters

Review National Council on Interpreting in Health Care's "Standards of Practice for Interpreters in Health Care"

<http://www.ncihc.org> or

[http://www.ncihc.org/NCIHC\\_PDF/National\\_Standards\\_of\\_Practice\\_for\\_Interpreters\\_in\\_Health\\_Care.pdf](http://www.ncihc.org/NCIHC_PDF/National_Standards_of_Practice_for_Interpreters_in_Health_Care.pdf)

- Radiation control, if necessary (dental and mammography)
- Inpatient relationships
- Waivers (e.g. school-based health centers)
- Health Education
- Medical Social Services
- Nutrition Services

#### **Review Relevant State and Federal Laws**

- MGL 123 s. 12 Mental Disorders  
<http://www.mass.gov/legis/laws/mgl/123-12.htm>
- MGL 119 S. 51A Child Abuse  
<http://www.mass.gov/legis/laws/mgl/119-51a.htm>
- MGL 19A. s. 15 Elder Abuse  
<http://www.mass.gov/legis/laws/mgl/19a-15.htm>
- MGL 111 s. 20 Impaired Providers  
<http://www.mass.gov/legis/laws/mgl/112-5f.htm>
- “Lamb Law” - Duty to Warn  
<http://www.mass.gov/dph/cdc/std/services/stdwar.htm>
- Ryan White Act  
<http://hab.hrsa.gov/history.htm>
- 105 CMR 180.000 Clinical Laboratories  
<http://www.mass.gov/dph/clp/clpregs.htm>
- 105 CMR 480.000 Storage and Disposal of Physically Dangerous Medical and Biological Waste  
<http://www.mass.gov/Eeohhs2/docs/dph/regs/105cmr480.pdf>

#### **Research State Options**

- Contact Mass League  
<http://www.massleague.org>

#### **Develop Quality Assurance/Quality Improvement Activities**

- Develop Quality Assurance/Quality Improvement Activities  
(see Quality Assurance/Quality Improvement section)

## **ORAL HEALTH SERVICES**

A community health center is a wonderful place for unserved and underserved members of a community to receive dental care. Oral health is an integral component of primary health care. Currently, the Commonwealth of Massachusetts has over 30 dental programs in more than 60 community health center sites statewide. If possible, it is best to have the dental records as part of the patient/client total health record, instead of a primary system, if there is an efficient and effective health record retrieval system. This policy would promote integration of oral health as part of total health and encourage collaboration among all providers of the community health center in treating patients.

#### **Review State Clinic Licensure Regulations**

- Division of Health Care Quality  
<http://www.mass.gov/dph/dhcq/hcqske.htm>

### **Review Payment and Reimbursement Issues**

- Medicaid (MassHealth Provider Status)  
[http://www.mass.gov/portal/site/massgovportal/menuitem.6b3609bb385731c14db4a11030468a0c/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Provider&L2=Insurance+\(including+MassHealth\)&L3=MassHealth&L4=MassHealth+Provider+Enrollment+and+Credentialing&sid=Eeohhs2](http://www.mass.gov/portal/site/massgovportal/menuitem.6b3609bb385731c14db4a11030468a0c/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Provider&L2=Insurance+(including+MassHealth)&L3=MassHealth&L4=MassHealth+Provider+Enrollment+and+Credentialing&sid=Eeohhs2)

### **Access Licensure of Dental Professionals**

- Massachusetts Board of Registration in Dentistry \*  
<http://www.mass.gov/portal/site/massgovportal/menuitem.6b3609bb385731c14db4a11030468a0c/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Provider&L2=Certification%2c+Licensure%2c+and+Registration&L3=Occupational+and+Professional&L4=Dentistry&sid=Eeohhs2>

\* Foreign trained dentists may apply for a “limited dental registration” that would allow them to work in a community health clinic. This license is renewable each year for up to 5 years.

### **Review Occupational Health, Infection Control, Hazardous Waste Issues**

- Needlesticks and Other Sharp Injuries Information  
<http://www.mass.gov/portal/site/massgovportal/menuitem.6b3609bb385731c14db4a11030468a0c/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Consumer&L2=Community+Health+and+Safety&L3=Workplace+Health+and+Safety&L4=Needlesticks+and+Other+Sharps+Injuries&sid=Eeohhs2>
- Occupational Safety & Health Administration (OSHA) Bloodborne Pathogens and Needlestick Prevention  
<http://www.osha.gov/SLTC/bloodborne pathogens/index.html>
- CDC Morbidity and Mortality Weekly Reports  
[http://www.cdc.gov/mmwr/indrr\\_2003.html](http://www.cdc.gov/mmwr/indrr_2003.html)
- American Dental Association CDC Guidelines  
<http://www.ada.org/prof/resources/topics/cdc/index.asp>

### **Review Amalgam Issues**

- Massachusetts Department of Environmental Protection's Dental Amalgam/ Mercury Recycling  
<http://www.mass.gov/dep/service/dentists.htm>
- American Dental Association's Best Management Practices for Amalgam Waste  
[http://www.ada.org/prof/resources/topics/amalgam\\_bmp.asp](http://www.ada.org/prof/resources/topics/amalgam_bmp.asp)

### **Review Radiation Safety Issues**

- DPH's Radiation Control Program  
[http://www.mass.gov/portal/site/massgovportal/menuitem.307e4dfc1e5731c14db4a11030468a0c/?pageID=eohhs2terminal&L=5&L0=Home&L1=Government&L2=Departments+and+Divisions&L3=Department+of+Public+Health&L4=Programs+and+Services+K+S&sid=Eeohhs2&b=terminalcontent&f=dph\\_environmental\\_radiationcontrol\\_g\\_about&csid=Eeohhs2](http://www.mass.gov/portal/site/massgovportal/menuitem.307e4dfc1e5731c14db4a11030468a0c/?pageID=eohhs2terminal&L=5&L0=Home&L1=Government&L2=Departments+and+Divisions&L3=Department+of+Public+Health&L4=Programs+and+Services+K+S&sid=Eeohhs2&b=terminalcontent&f=dph_environmental_radiationcontrol_g_about&csid=Eeohhs2)

### **Research Oral Health Funding Options**

- Contact Commonwealth Medicine Office of Community Programs  
<http://ocp-map.org/Programs/DTS/>

## PHARMACY

### Review Other Resources

- Safety-Net Dental Clinic Manual  
<http://www.dentalclinicmanual.com>
- American Association for Community Dental Programs  
<http://www.aacdp.com>
- Association of State and Territorial Dental Directors  
<http://www.astdd.org>
- DPH's Office of Oral Health  
<http://www.mass.gov/dph/fch/ooh.htm>

Over the past several years the need for health centers to provide affordable medications for their patients has been identified as critical. This section contains information on what models of pharmacy programs are available to federally qualified community health centers as well as the Commonwealth's regulations governing them. Many health centers have integrated a variety of programs to ensure a comprehensive, cost effective pharmacy program. These include free samples, patient assistance programs as well as formalized arrangements either on-site or through a local drug store for distribution of medications purchased through the 340B program. Significant work has been done at the state level and through the League to develop formularies that ensure adequate medications for the patient population while also attempting to provide these in the most cost effective manner possible.

### Review On-Site Pharmacy Requirements

- Board of Registration in Pharmacy  
<http://www.state.ma.us/reg/boards/ph/>
- MGL 94C s. 7 Controlled Substance  
<http://www.mass.gov/legis/laws/mgl/94c-7.htm>

### Review 340b Pharmacy Models

- "Section 340b" Federal Drug Pricing Program  
<http://pssc.aphanet.org/>

### Review Other Resources

- Massachusetts League of Community Health Centers  
<http://www.massleague.org>
- MassHealth Pharmacy Program  
[http://www.mass.gov/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Provider&L2=Insurance+\(including+MassHealth\)&L3=MassHealth&L4=MassHealth+Pharmacy+Program&sid=Eeohhs2](http://www.mass.gov/?pageID=eohhs2subtopic&L=5&L0=Home&L1=Provider&L2=Insurance+(including+MassHealth)&L3=MassHealth&L4=MassHealth+Pharmacy+Program&sid=Eeohhs2)
- "A Guide To Best Practices For The Federal 340b Program"  
[http://www.mass.gov/Eeohhs2/docs/masshealth/pharmacy/phm-340b-bpg\\_guide.pdf](http://www.mass.gov/Eeohhs2/docs/masshealth/pharmacy/phm-340b-bpg_guide.pdf)

### Review Patient Assistance Programs

- Patient Assistance Programs are available from most major drug manufacturers and related agencies and have individual requirements and restrictions. We recommend that you websearch on the words "patient assistance programs"  
<http://www.google.com/search?sourceid=navclient&ie=UTF-8&rls=GGLD,GGLD:2004-26,GGLD:en&q=patient+assistance+programs>

## QUALITY ASSURANCE/QUALITY IMPROVEMENT

Quality Assurance/Quality Improvement (QA/QI) activities provide an opportunity for the health center to maintain a standard of care and quality services. It also allows community health centers to target specific areas of the health center system to make improvements to their operations.

QA/QI activities need to include a timetable for review, assessment/evaluation by key team members, dissemination of findings—both positive and negative, and a clear and systematic process for improvement when appropriate.

QA/QI activities are supported through a number of health center resources and accreditation agencies. Some of these are noted below. QA/QI activities should be implemented at every level of the health center including clinical, financial, MIS, patient satisfaction, and other relevant systems.

The following excerpt is a helpful resource.

- “Improving Outcomes in Public Health Practice: Strategy and Methods”  
by G.E. Alan Dever  
<http://www.massleague.org/CHCManual/DeverQIexcerpt.pdf>

### **Develop a Quality Assurance/Improvement Plan**

Like a Strategic Plan, a Quality Assurance Plan should be in place prior to opening and revised as issues arise. Again, this sets up standards that the health center can measure performance against as it implements and expands its programming over the first few years of operation.

- 243 CMR Patient Care Assessment Program P.L. 93-348  
Protection of Human Subjects  
<http://www.massmedboard.org/pca/>
- Joint Commission for Accredited Health Organizations  
<http://www.jcaho.org/>
- National Association for Healthcare Quality  
<http://www.nahq.org/>
- Foundation for Accountability for Health Plans  
<http://www.markle.org/resources/facct/index.php>

### **Review Ten Steps to QA/QI**

1. Identify the issue the community health center team wants to address.
2. Define the target population or system of the community health center.
3. Define the community health center's desired goal.
4. Define one or more measures for the goal.
5. Define the range of values that the community health center-team can expect for the particular measure.
6. Define the community health center target value (or expected unadjusted value).
7. Identify the source of the data for each measure (quality data is an important component of QA/QI).
8. Define subgroups of interest (or stratification groups) and their expected values.
9. Define interventions that the community health center believes are effective toward changing the measure.

10. Identify how to address all components required for each measure in the QA/QI plan.

### **Review With Clinical Staff**

## **EMERGENCY MANAGEMENT**

Community health centers have been asked what emergency response roles they can play during and after an emergency or any occurrence that puts a strain on the local health care system. Internal assessments and subsequent awareness trainings have resulted in health center staffs becoming more skilled at developing emergency management plans for their health centers and integrating their work within their communities. An essential part of this is the development of both an emergency operations plan should a natural or man-made event occur, and a business continuity plan should an event require the health center to interrupt or suspend operations for a period of time. Links to sites that can help communities develop these plans are included. As part of the overall work in establishing a center, contact should be made with the local board of health in that community to ensure that the center understands and is integrated with emergency efforts in the community.

### **Develop Business Continuity Plan**

- Business Continuity Plan  
[http://www.mass.gov/portal/index.jsp?pagelD=eopsterminal&L=3&L0=Home&L1=Public+Safety+Agencies&L2=Massachusetts+Emergency+Management+Agency&sid=Eeops&b=terminalcontent&f=mema\\_business\\_preparedness&csid=Eeops](http://www.mass.gov/portal/index.jsp?pagelD=eopsterminal&L=3&L0=Home&L1=Public+Safety+Agencies&L2=Massachusetts+Emergency+Management+Agency&sid=Eeops&b=terminalcontent&f=mema_business_preparedness&csid=Eeops) and  
<http://www.ready.gov/business/virtuallibrary.html>

### **Develop Emergency Operations Plan**

- Emergency Operations Plan  
<http://www.massleague.org/programs/EP.htm#Publications>

## **LEGAL**

There are many legal and corporate compliance issues and requirements with which health centers must comply (see Corporate Compliance section).

Health centers considering expansion or community groups considering the creation of a new health center should evaluate whether they need to obtain legal counsel. For some matters local counsel is appropriate, while for other issues (particularly those related to federal matters) a group may choose to use a firm with expertise in national community health center affairs.

### **Develop Policy Related to Immigrants**

- Immigrant Issues

### **Review FTCA Requirements**

- FTCA (Federal Tort Claims Act)
  - <http://bphc.hrsa.gov/risk>
  - PIN 2002-23: New Requirements for Deeming under the Federally Supported Health Centers Assistance Act  
<ftp://ftp.hrsa.gov/bphc/docs/2002pins/2002-23.PDF>

### **Review Insurance Coverage**

- Insurance Issues
  - Employee Medical Benefits Coverage
  - Provider Malpractice-Review FTCA Eligibility  
<http://www.bphc.hrsa.gov>
  - Corporation — Officers, Liability-Fire, Theft, Injury, Business Interruption

### **Review Affiliation Agreements**

- Affiliation Agreements
  - PIN 97-27: Affiliation Agreements of Community and Migrant Health Centers  
<ftp://ftp.hrsa.gov/bphc/docs/1997PINS/97-27.PDF>
  - Amendment PIN 98-24. Amendment to PIN 97-27 Regarding Affiliation Agreements of Community and Migrant Health Centers  
<ftp://ftp.hrsa.gov/bphc/docs/1998PINS/PIN98-24.PDF>

## **CORPORATE COMPLIANCE**

Corporate compliance issues include those related to obtaining or maintaining non-profit status and corporate status, payment of appropriate taxes, and other areas related to employment and to provider contracting. It is very important to understand and comply with state and federal laws and regulations governing health center operations: in some cases both individuals (executive staff and board members) and corporate entities may bear liability for non-compliance.

### **Develop Corporate Compliance Plan**

- Review “Corporate Responsibility and Corporate Compliance: A Resource for Health Care Boards of Directors”  
<http://oig.hhs.gov/fraud/docs/complianceguidance/040203CorpRespRscceGuide.pdf>

### **Review Massachusetts Filings for Non-Profit Organizations**

- Application for Revival (MGL Ch. 180, s.10C): \$40.00
- Articles of Amendment (MGL Ch. 180, s.7): \$15.00
- Articles of Consolidation/Merger (MGL Ch. 180 s.10, 10A): \$35.00
- Articles of Organization (MGL Ch. 180): \$35.00
- Certificate of Appointment of Resident Agent (MGL Ch. 180, s. 10A): \$10.00
- Certificate of Change of Address of Resident Agent (MGL Ch. 180, s10C): \$10.00
- Certificate of Change of Directors or Officers (MGL Ch. 180 s.6D): no fee
- Certificate of Change of Fiscal Year (MGL Ch. 180, S.10C): no fee
- Certificate of Change of Principal Office (MGL Ch. 180, s.10C): \$10.00
- Certificate of Revocation for Appointment of Resident Agent (MGL Ch. 180, s.10C): \$10.00
- Massachusetts Nonprofit Corporation Annual Report (MGL Ch. 180, s.26A): \$15.00
- Restated Articles of Organization (MGL Ch. 180, s.7): \$25.00

Most of these are one-time fees. As of 2006, the fees range from \$10.00-\$50.00. However, health centers should check with these organizations to ensure that the fees listed are current when they are filing.

#### **Review Other Corporate Compliance Laws**

- Criminal Offender Record Information (CORI) Checks  
[http://www.mass.gov/chsb/cori/cori\\_regs\\_305.html](http://www.mass.gov/chsb/cori/cori_regs_305.html)
- OMB-A-133 Audits of States, Local Governments, and Non-Profit Organizations  
<http://www.whitehouse.gov/omb/circulars/a133/a133.html>
- Medicare Fraud and Abuse Statutes  
<http://www.cms.hhs.gov/MCAIDFraudAbuseGenInfo/>
- Single Audit Act of 1984, Amended 1996  
<http://www.ignet.gov/single/saamend.html>
- 808 CMR 1.00 Compliance, Reporting and Auditing for Human and Social Services (Uniform Financial Statement and Independent Auditors)  
<http://www.mass.gov/Aosd/docs/policy/808cmr1.doc>
- OMB-A-110 Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations  
<http://www.whitehouse.gov/OMB/circulars/a110/a110.html>
- OMB-A-122 Cost Principles for Non-Profit Organizations  
<http://www.whitehouse.gov/omb/circulars/a122/a122.html>

#### **Review Taxes Regulations**

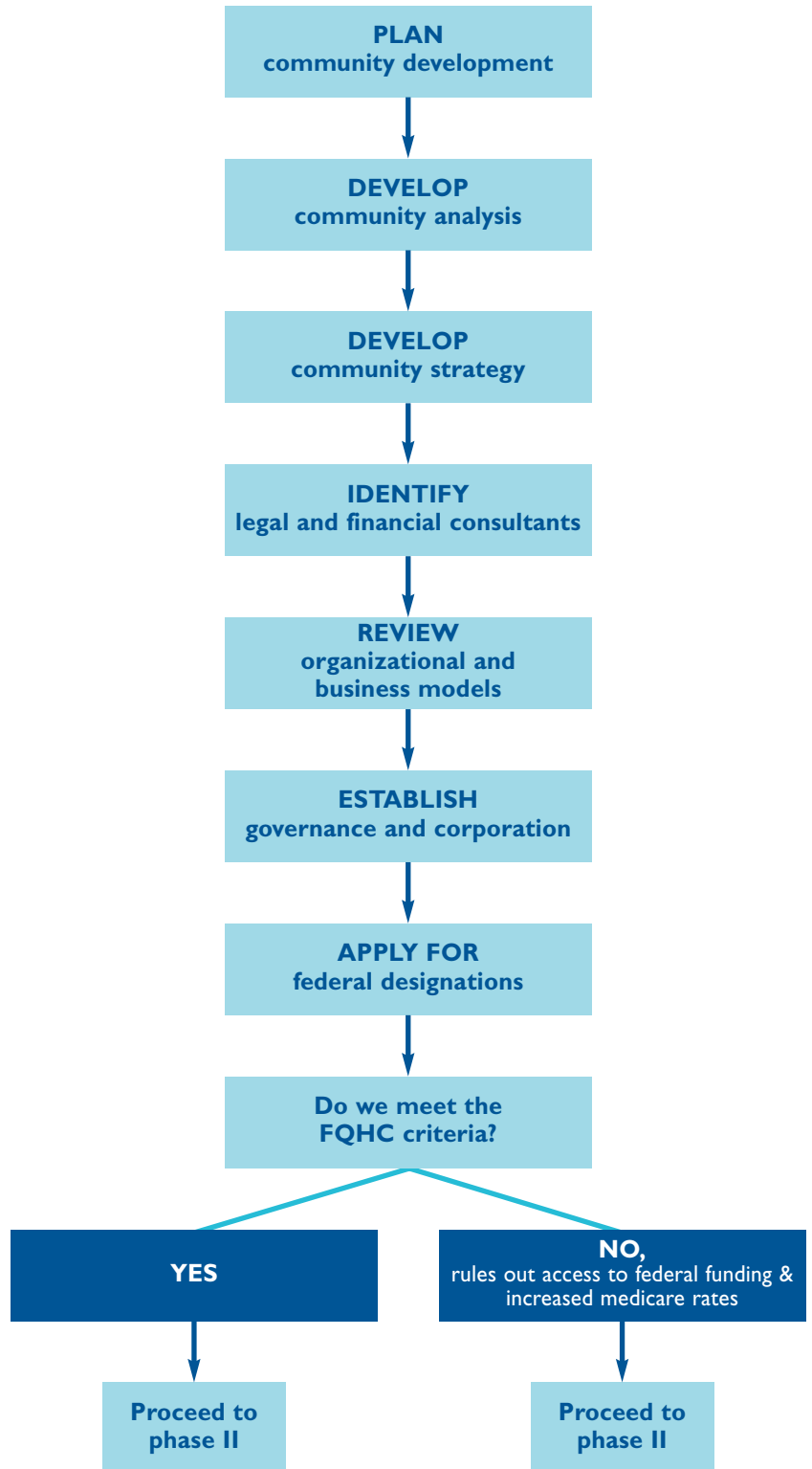
- Review Return of Organization Exempt From Income Tax (IRS Form 990)
- Review Employment Taxes (IRS Form 941)
- Review Unrelated Business Income (such as might be paid for advertisers in a newsletter or ad book) (IRS Form 990-T)

## **TIMELINE**

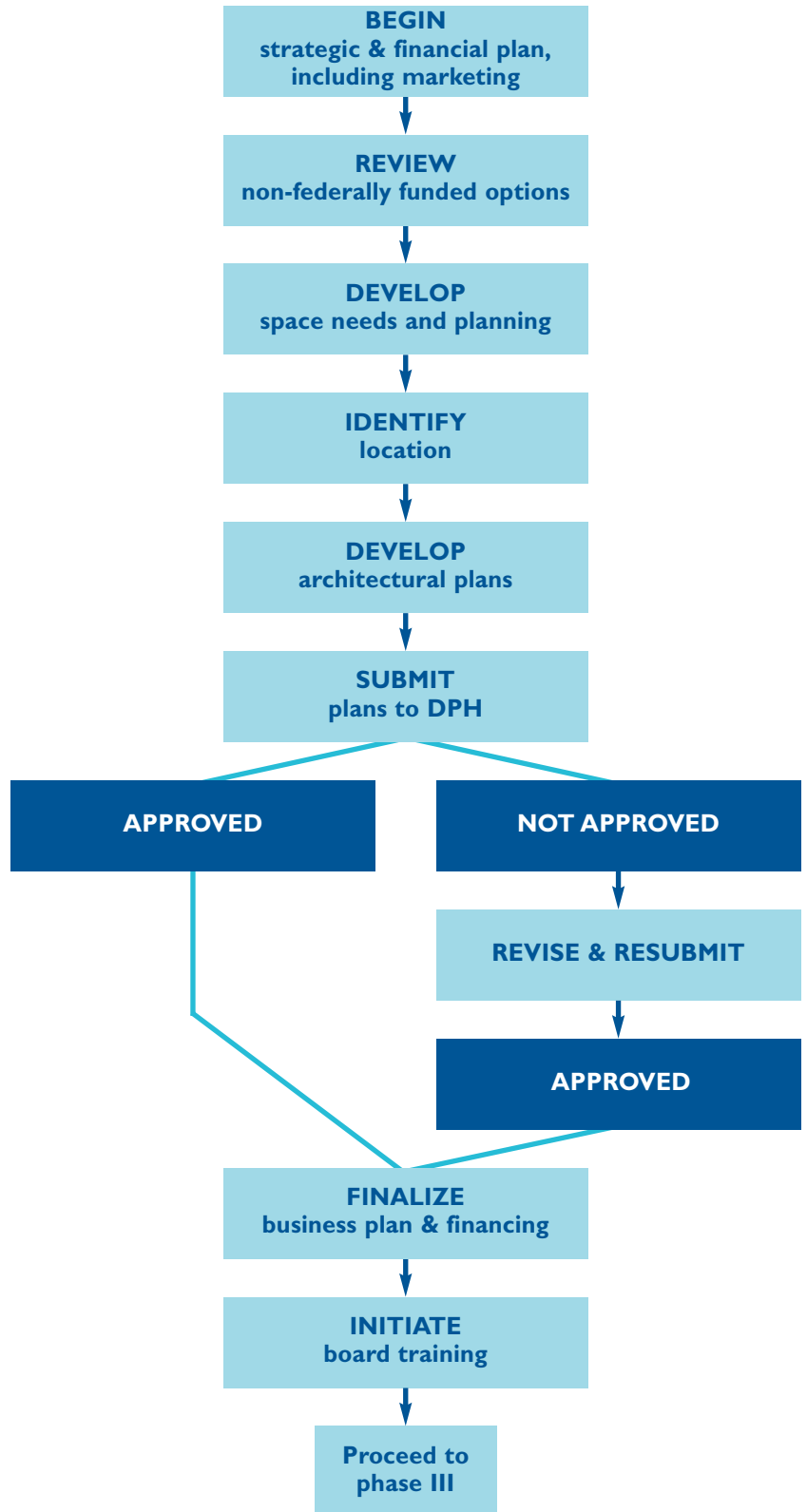
Following is a visual timeline of the important steps you need to complete in order to determine the viability of establishing a new community health center: Phase I: Organizing generally takes 2-6 months to complete. Phase II: Planning generally takes 12-18 months to complete. Phase III: Construction and Implementation generally takes 12-18 months to complete. Please note, these phase timelines are estimated parameters only. Under each phase, the task identified can be done simultaneously.

## **CHECKLIST**

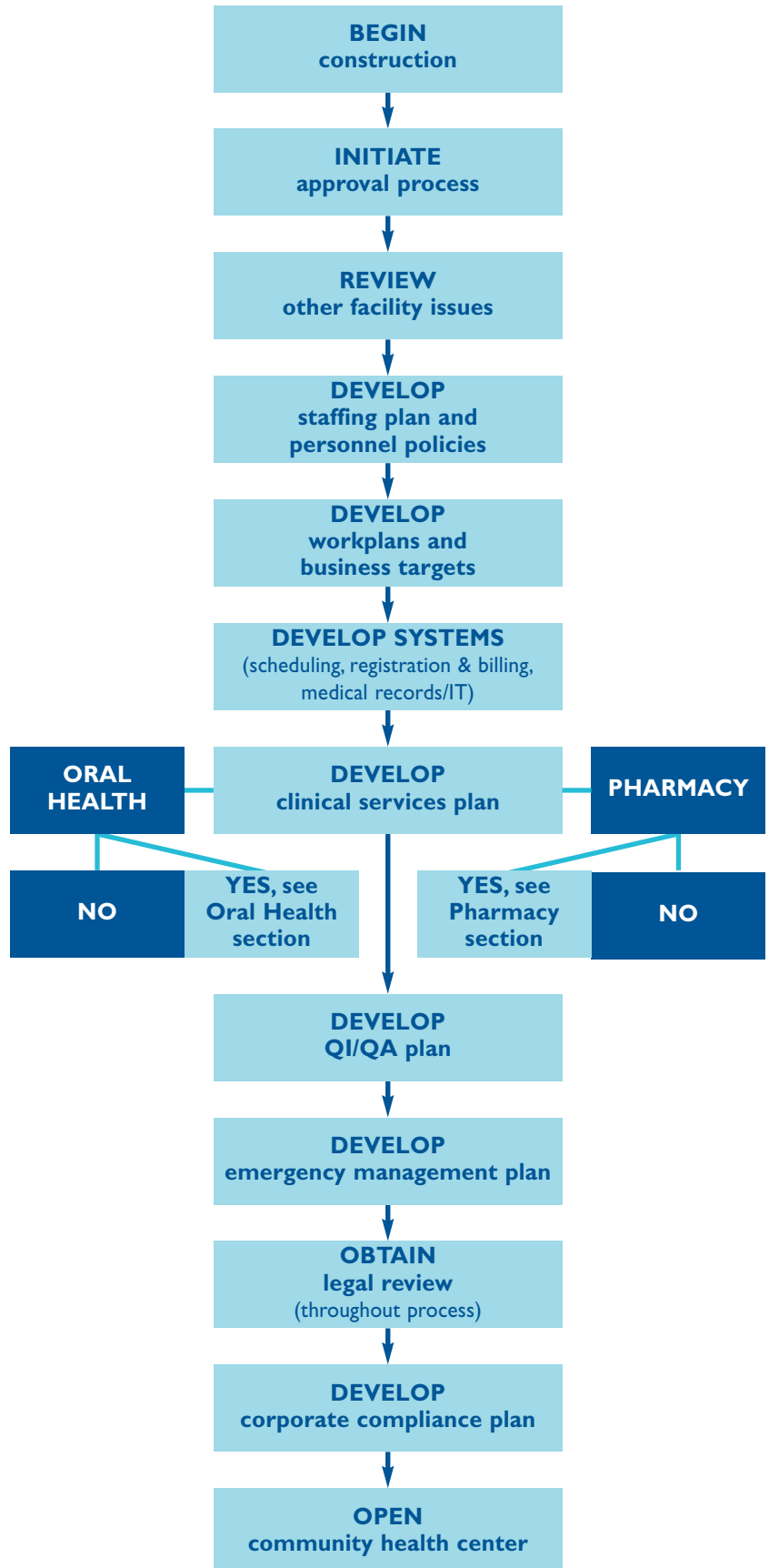
**PHASE I: ORGANIZING (2-6 MONTHS)**



**PHASE II: PLANNING (12-18 MONTHS)**



**PHASE III: CONSTRUCTION & IMPLEMENTATION  
(12-18 MONTHS)**



# CHECKLIST

Following is a checklist of the important tasks you need to complete in your planning process. You can use this tool to delineate core responsibilities and establish your own timeline.

## TASK

## PERSON RESPONSIBLE

## TIMELINE

### Organization

Plan Community Development	_____	_____
Develop Community Analysis/Needs Assessment	_____	_____
Develop Communication Strategy	_____	_____
Review Organizational Models	_____	_____
Determine Community Governance	_____	_____
Apply for Designations	_____	_____
Begin Strategic Planning	_____	_____
Begin Financial Planning	_____	_____

### Facility

Develop Space Planning	_____	_____
Identify Location	_____	_____
Develop Architectural Plans	_____	_____
Finalize Business Plan and Financing Arrangements	_____	_____
Begin Construction	_____	_____
Initiate Approval Process	_____	_____
Review Other Facility Issues	_____	_____

### Personnel

Develop Staffing Plan	_____	_____
Develop Personnel Policy Handbook	_____	_____

### Fiscal

Develop Financing Strategy	_____	_____
Acquire Working Capital	_____	_____
Establish a Banking Relationship	_____	_____
Monitor Revenues and Expenses	_____	_____
Develop Marketing Plan	_____	_____
Develop Long-Term Strategic Plan	_____	_____

### Non-Federal Funding Options

Research State Funding Options	_____	_____
Research City and Town Funding Options	_____	_____
Research Foundation and Other Private Funding Options	_____	_____

### Board Training

Hold Board Training	_____	_____
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TASK	PERSON RESPONSIBLE	TIMELINE
<b>Scheduling, Registration and Billing</b>		
Determine Scheduling, Registration and Billing Software		
<b>Medical Records/Information Technology</b>		
Determine Paper Records or Electronic Medical Records		
Determine System Needs		
Review Medical Records Rules and Regulations		
Acquire IT for Health Center Operations		
Develop Data Security Policies & Disaster Recovery Plans (offsite data storage)		
Cross-Reference Security Policies & Actions to HIPAA & JCAHO Requirements		
<b>Clinical Services</b>		
Identify Core Services to be Developed		
Review Relevant State and Federal Laws		
Research State Options		
Develop Quality Assurance/Quality Improvement Activities		
<b>Oral Health Services</b>		
Review State Clinic Licensure Regulations		
Review Payment and Reimbursement Issues		
Access Licensure of Dental Professionals		
Review Occupational Health, Infection Control, Hazardous Waste Issues		
Review Amalgam Issues		
Review Radiation Safety Issues		
Research Oral Health Funding Options		
Review Other Resources		
<b>Pharmacy</b>		
Review On-Site Pharmacy Requirements		
Review 340b Pharmacy Models		
Other Resources		
Review Patient Assistance Programs		
<b>Quality Assurance/Quality Improvement</b>		
Develop a Quality Assurance/Improvement Plan		
Review Ten Steps to QA / QI		
Review With Clinical Staff		
<b>Emergency Management</b>		
Develop Business Continuity Plan		
Develop Emergency Operations Plan		

**TASK**

**PERSON RESPONSIBLE**

**TIMELINE**

**Legal**

Develop Policy Related to Immigrants

\_\_\_\_\_

\_\_\_\_\_

Review FTCA Requirements

\_\_\_\_\_

\_\_\_\_\_

Review Insurance Coverage

\_\_\_\_\_

\_\_\_\_\_

Review Affiliation Agreements

\_\_\_\_\_

\_\_\_\_\_

**Corporate Compliance**

Develop Corporate Compliance Plan

\_\_\_\_\_

\_\_\_\_\_

Review Massachusetts Filings for  
Non-Profit Organizations

\_\_\_\_\_

\_\_\_\_\_

Review Other Corporate Compliance Laws

\_\_\_\_\_

\_\_\_\_\_

Review Taxes Regulations

\_\_\_\_\_

\_\_\_\_\_

## ACKNOWLEDGEMENTS

The Massachusetts League of Community Health Centers gratefully acknowledges the following agencies:

- Massachusetts Department of Public Health, Massachusetts Division of Health Care Finance and Policy, Massachusetts Executive Office of Health and Human Services / Office of Acute and Ambulatory Care and UMass Commonwealth Medicine

We want to thank members of the following groups and committees:

- MLCHC/UMass Working Group — Sara Carroll, Julia Dyck, Mary Leary, Margaret Oakes, Mary Ellen O'Driscoll, Bill Schmidt
- MLCHC/UMass Steering Committee – Lucinda Brandt, Sara Carroll, Julia Dyck, Pat Edraos, Warren Ferguson, Ellen Hafer, Donna Johnson, Mary Leary, Greg Mansfield, Margaret Oakes, Mary Ellen O'Driscoll, Joan Pernice, Elizabeth Pressman, Bill Schmidt, Barbara Weinstein
- MLCHC Project Health Center Advisory Group – Stuart Forman, Greater New Bedford Community Health Center; Pamela Helmold, Framingham Community Health Center; John Hess, Great Brook Valley Health Center; Bob Ingala, Greater Lawrence Family Health Center

And a special thanks to the Greater New Bedford Community Health Center's Board of Directors and CEO Stuart Forman for sharing their Reference Document and Lynn Bethel from MDPH's Office of Oral Health for her contribution to the Oral Health section.

## ACRONYMS

LETTERS	MEANING
<b>A&amp;F</b>	Administration & Finance, Executive Branch (state)
<b>ADA</b>	Americans with Disabilities Act (federal law)
<b>AHEC</b>	Area Health Education Center (state specific)
<b>BBA</b>	Balanced Budget Act (federal law that affects Medicare and Medicaid)
<b>BHP</b>	Bureau of Health Professions, HRSA (federal)
<b>BPHC</b>	Bureau of Primary Health Care, HRSA (federal)
<b>BPHC</b>	Boston Public Health Commission (state)
<b>CA</b>	Cooperative Agreement
<b>CBO</b>	community-based organization
<b>CDBG</b>	Community Development Block Grant
<b>CDC</b>	community development corporation, community specific
<b>CDC</b>	Centers for Disease Control and Prevention (federal)
<b>CEU</b>	Continuing Education Units
<b>CFR</b>	Code of Federal Regulations
<b>CHC</b>	community health center
<b>CMR</b>	Code of Massachusetts Regulations
<b>CMS</b>	Centers for Medicaid and Medicare Services (federal)
<b>CMSP</b>	Children's Medical Security Plan (part of Massachusetts SChip)
<b>CORI</b>	Massachusetts Criminal Offender Record Information (personnel requirement)
<b>DEA</b>	Drug Enforcement Agency (federal)
<b>DET</b>	Massachusetts Department of Employment and Training
<b>DHCFP</b>	Massachusetts Division of Health Care Finance & Policy
<b>DHCQ</b>	Massachusetts Division of Health Care Quality
<b>DHHS</b>	Department of Health and Human Services (federal)
<b>DMH</b>	Massachusetts Department of Mental Health
<b>DMR</b>	Massachusetts Department of Mental Retardation
<b>DOB</b>	Massachusetts Division of the Blind
<b>DoN</b>	Determination of Need
<b>DPH</b>	Massachusetts Department of Public Health
<b>DPW</b>	Massachusetts Department of Public Works
<b>DSS</b>	Massachusetts Department of Social Services
<b>DTA</b>	Massachusetts Division of Transitional Assistance
<b>DYS</b>	Massachusetts Division of Youth Services
<b>EMR</b>	Electronic medical record
<b>EOEA</b>	Massachusetts Executive Office of Elder Affairs
<b>EOEA</b>	Massachusetts Executive Office of Economic Affairs

## ACRONYMS

LETTERS	MEANING
<b>EOHHS</b>	Massachusetts Executive Office of Health and Human Services
<b>FEMA</b>	Federal Emergency Management Agency
<b>FQHC</b>	Federally Qualified Health Center
<b>FTCA</b>	Federal Tort Claims Act
<b>FTE</b>	Full time equivalent
<b>GAO</b>	General Accounting Office (federal)
<b>GME</b>	Graduate Medical Education
<b>HCFA</b>	Health Care For All (Massachusetts organization)
<b>HCPCS</b>	Healthcare Common Procedure Coding System
<b>HEFA</b>	Massachusetts Health and Education Facilities Authority
<b>HIPAA</b>	Health Insurance Portability and Accountability Act
<b>HMO</b>	health maintenance organization
<b>HPSA</b>	Health Professional Shortage Area
<b>HRSA</b>	Health Resources and Services Administration (federal)
<b>HUD</b>	Department of Housing and Urban Development (federal)
<b>IDSN</b>	Integrated Delivery Service Network
<b>IPA</b>	Independent Practitioner's Association
<b>IRP</b>	Insurance Reimbursement Plan (state)
<b>IS</b>	information systems
<b>ISDI</b>	Integrated Service Delivery Initiative (federal)
<b>IT</b>	information technology
<b>JCAHO</b>	Joint Commission on Accreditation of Healthcare Organizations
<b>LOC</b>	letter of credit
<b>LOI</b>	letter of intent
<b>MCB</b>	Maternal & Child Health Bureau (federal)
<b>MCO</b>	Managed Care Organization
<b>MDS</b>	Massachusetts Dental Society
<b>MEMA</b>	Massachusetts Emergency Management Agency
<b>MGL</b>	Massachusetts General Laws
<b>MHA</b>	Massachusetts Hospital Association
<b>MHC</b>	Massachusetts Health Council
<b>MHDC</b>	Massachusetts Health Data Consortium
<b>MIFA</b>	Massachusetts Industrial Finance Agency
<b>MLCHC</b>	Massachusetts League of Community Health Centers
<b>MMS</b>	Massachusetts Medical Society
<b>MOA</b>	Memorandum of Agreement

## ACRONYMS

LETTERS	MEANING
<b>MOU</b>	Memorandum of Understanding
<b>MPHA</b>	Massachusetts Public Health Association
<b>MSO</b>	Management Service Organization
<b>MUA/MUP</b>	medically underserved area / medically underserved population (federal designation)
<b>NACHC</b>	National Association of Community Health Centers
<b>NCB</b>	National Cooperative Bank
<b>NGA</b>	Notice of Grant Award (federal)
<b>NHP</b>	Neighborhood Health Plan (Massachusetts based)
<b>NHSC</b>	National Health Service Corps
<b>NIH</b>	National Institutes of Health
<b>NIMH</b>	National Institutes of Mental Health
<b>ONCHIT</b>	Office of the National Coordinator for Health Information Technology (federal)
<b>ORH</b>	Office of Rural Health (state)
<b>OSHA</b>	Occupational Safety & Health Administration
<b>PACE</b>	Program of All-Inclusive Care for the Elderly (federal)
<b>PAL</b>	Policy Assistance Letter (federal)
<b>PAC</b>	Primary Care Association (MLCHC)
<b>PCO</b>	Primary Care Office (state)
<b>PDA</b>	Prescription Drug Assistance Program
<b>PHS</b>	Public Health Service (federal)
<b>PIN</b>	Policy Information Notice (federal)
<b>PLINE</b>	Primary Language Is Not English (state)
<b>PMS</b>	Practice Management System
<b>PSA</b>	Public Service Announcement
<b>PSO</b>	Provider Sponsored Organization
<b>QA</b>	Quality Assurance
<b>QI</b>	Quality Improvement
<b>RHC</b>	Rural Health Clinic / Center
<b>RLF</b>	Revolving Loan Fund
<b>R&amp;R</b>	recruitment and retention
<b>ROR</b>	Reach Out and Read
<b>SBA</b>	U.S. Small Business Association
<b>SChip</b>	Children's Health Insurance Program
<b>SDB</b>	Shortage Designation Branch (federal)
<b>SLRP</b>	State Loan Repayment Program
<b>SOMWBA</b>	State Office of Minority and Women Business Assistance
<b>SPP</b>	Senior Pharmacy Program

## ACRONYMS

LETTERS	MEANING
<b>UDS</b>	Uniform Data System (federal)
<b>UMMC</b>	University of Massachusetts Medical Center
<b>USC</b>	United States Code
<b>VG</b>	Virtual Gateway
<b>VHA</b>	Veterans Health Administration
<b>VNA</b>	Visiting Nurses Association
<b>WIC</b>	Women, Infants, and Children Program



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