In 2003, Sue Lapp, Chief Executive Officer of School Health Clinics of Santa Clara County, had to make a tough decision. Faced with the termination of federal funding for school health centers, Lapp knew she needed to pursue other options quickly or face closure. “At the time, there were only about 16 school health centers receiving federal funding,” explains Lapp. “We needed to either link up with a federally funded community health center—which the government would continue to fund—or pursue becoming an independent nonprofit ourselves; we chose the latter.” Becoming a stand alone 501(c)(3) nonprofit and then qualifying for FQHC (Federally Qualified Health Center) status was a long and challenging path, but one that has brought School Health Clinics of Santa Clara County financial stability and long-term success.

School Health Clinics of Santa Clara County have been around since 1986. In 1999, two of the six clinics became federally funded and in 2006, the other four became FQHCs. Lapp admits that the application process for FQHCs can be daunting to some, starting with a 150-page Request for Proposal. She notes that a clinic must be able to show they: are a primary care provider; serve all ages of the community; offer a full scope of services; and serve a federally defined “high need” area not already served by another CHC. They must also collect required statistics, complete a needs assessment, obtain letters of support, and establish a consumer majority board of directors. While some school health clinics meet most of the criteria already, they can find the grant writing process overwhelming. “For someone who has never written a federal grant, it can be a bit intimidating,” says Lapp. “But it really is not that difficult if you take your time and tackle each form one by one.” There are also several opportunities each year to apply. Lapp estimates it took her about 80 hours total to complete the process and suggests that hiring an experienced grant writer might be a good option for some. Some clinics might also be able to obtain FQHC Look-Alike status as a first step (which boosts Medi-Cal reimbursement rates, although it does not secure a federal grant).

Another challenge to becoming an FQHC is putting together and maintaining a consumer board of directors. This means relying on the parents of students (who are the “consumers”) to fill at least half the positions on the board. Lapp has depended on clinic staff to identify parents willing to become involved and also suggests matching up parents with a board mentor, providing transportation, and holding board meetings at times convenient for the parents. Another hurdle is getting letters of support. Lapp highly recommends school health centers become involved in local community health clinic consortia. “Some community health clinics don’t even know school health centers exist,” points out Lapp. “We have strong relationships with all the CHCs in our county through the Community Health Partnership, which brings together community health clinics, school health centers, and the Public Health Department.” The group meets six times per year to discuss CHC issues, expand collaborative efforts, and work together to improve specialty care, managed care contracts, and to learn from one another. These relationships played a critical role in obtaining FQHC status when Lapp was seeking advice and letters of support.
For the School Health Clinics of Santa Clara County, FQHC status has been a matter of survival. Their federal grant is used for general operating expenses, they have access to other federal monies that become available, and, most importantly, they now receive more than twice as much money per Medi-Cal visit as non-FQHC facilities. “We receive $260,000 a year from our federal grant,” explains Lapp. “But we also just were awarded $168,000 of federal stimulus money, which came through in one week’s time, and our reimbursement income jumped from $700,000 to $1.1 million once we became an FQHC.”

Lapp was initially worried that the school districts would not be happy about the change from school health center to an FQHC on campus serving the broader community, but she was pleasantly surprised. All the districts were very supportive and happy to see their school health centers embracing a wider group of patients, better serving the community and preparing younger children for school with immunizations and pre-school physicals. The districts also have seen improved academic performance and increased attendance rates.* Strong, long-term relationships also helped. With a 20-year history serving the schools, the health centers were already well accepted and had been helping to fill the health care gap left by a school nurse shortage. “We already had the trust of the community as full service medical clinics,” notes Lapp. “That trust served us well when we broadened our mission to serve the entire community as an FQHC.”

School Health Clinics of Santa Clara County see kids from birth to age 19 and are the primary care provider for 2,500 kids in the community. They see many infants and toddlers. Adult care is provided in collaboration with local free clinics which provide services once a week at a SHC of Santa Clara site. Families hear about the clinics mainly via word of mouth, referrals, and through community outreach programs. Known for being culturally sensitive, all five clinics have bilingual frontline staff and take pride in great relationships with the school, school nurses, and their ability to provide health care to the entire family. The most common scenario for clinic visits is that a family comes in together, with all their kids, rather than a single student coming in by him or herself. “We really straddle the line between school health center and community clinic,” says Lapp. “We feel that we’ve found the right balance between the two and we’re a good model for sustainability.”

By: Aileen Olson

*More data on the benefits of school health centers will be available at the conclusion of a 5-year study (begun in 2008) at School Health Clinics of Santa Clara County and San Jose Unified School District, sponsored by Lucille Packard Children’s Hospital, which is funding four full-time school nurses for five years and a nurse practitioner at the school health clinic and tracking health and academic outcomes. Data is currently being compiled and evaluated by a statistician employed by Stanford University and will be available at the conclusion of the study period.