VALUE IMPACT of HEALTH CENTERS

California's 41st District

HEALTH CENTER PARTNERS of Southern California

Three Federally Qualified Health Centers and other safety-net clinics provide care to residents of **California's 41st District.** They collectively provide tremendous value and impacts to their communities—from JOBS and ECONOMIC STIMULUS to local communities; SAVINGS to the health care system; ACCESS to care for vulnerable populations; STATE-OF-THE-ART, COMPREHENSIVE, COORDINATED CARE, with a focus on CHRONIC DISEASE MANAGEMENT and QUALITY HEALTH OUTCOMES. Highlights of their **2015 contributions** are shown below.

California's 41st Congressional District Health Centers Provide...

JOBS and other positive impacts on the ECONOMY

Economic and Employment Impacts

420 TOTAL JOBS

248 HEALTH CENTER JOBS including
- **82** ENTRY-LEVEL and **90** SKILLED JOBS for community residents
- **172** OTHER JOBS IN THE COMMUNITY

$50,247,685 TOTAL ECONOMIC IMPACT of current operations.

- **$29,141,156** DIRECT HEALTH CENTER SPENDING
- **$21,106,529** COMMUNITY SPENDING

Tax Revenue Impacts

$6.98 Million ANNUAL TAX REVENUES

- **$1.64 Million** STATE AND LOCAL TAX REVENUES
- **$5.34 Million** FEDERAL TAX REVENUES

SAVINGS to the health system

Savings to Medi-Cal (CA 41)

22% LOWER COSTS FOR FQHC MEDI-CAL PATIENTS

$99 Million SAVINGS TO MEDI-CAL

Statewide Medi-Cal Expenditures

20% MEDI-CAL POPULATION served by health centers

2.8% HEALTH CENTER MEDI-CAL REVENUE as % of total Medi-Cal expenditures

ACCESS to care for vulnerable populations

Patient Profile

53,727 PATIENTS SERVED

19% THREE-YEAR PATIENT GROWTH

155,872 PATIENT VISITS

10,827 patients are CHILDREN AND ADOLESCENTS

17,396 patients are ADULTS

100% of patients are LOW-INCOME (Below 200% of the Federal Poverty Level)

74% of patients identify as an ETHNIC OR RACIAL MINORITY

35,564 patients gained INSURANCE COVERAGE

COMPREHENSIVE COORDINATED CARE

A Range of Services

20,815 patients received **MEDICAL CARE**

9,755 patients received **DENTAL CARE**

3,375 patients received at least one **ENABLING SERVICE** to overcome barriers to care

319 patients received **MENTAL HEALTH CARE**

2,828 patients received **VISION CARE**

In addition, patients received non-clinical services to connect them to community resources such as **HOUSING, JOB TRAINING, AND CHILD CARE**

PREVENTIVE CARE and CHRONIC DISEASE MANAGEMENT

Chronic Disease Management

921 patients were diagnosed with **ASTHMA**

405 patients were diagnosed with **CORONARY ARTERY DISEASE**

1,576 patients were diagnosed with **DIABETES**

2,809 patients were diagnosed with **HYPERTENSION**

Preventive Care

3,759 children received **WELL-CHILD VISITS**

5,631 patients received **IMMUNIZATIONS** and **SEASONAL FLU VACCINES**

STATE-OF-THE-ART PRACTICE

Electronic Health Records

67% of health centers have installed and currently use an **ELECTRONIC HEALTH RECORD (EHR)**

67% of health centers are currently participating in the Centers for Medicare and Medicaid Services (CMS) **EHR INCENTIVE PROGRAM "MEANINGFUL USE"**

Patient-Centered Care

33% of centers recognized as **PATIENT-CENTERED MEDICAL HOMES**

QUALITY HEALTH OUTCOMES

Clinical Performance

100% of health centers met or exceeded at least one **HEALTHY PEOPLE 2020 GOAL FOR CLINICAL PERFORMANCE.**

CLINICAL QUALITY MEASURES → IMPROVED HEALTH OUTCOMES

Capital Link prepared this Value Impact report using 2015 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2015 IMPLAN Online.

CAPITAL LINK
Driving Successful Health Center Growth

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VALUE IMPACT of HEALTH CENTERS

California's 41st District

REFERENCES AND DATA SOURCES

1. Access to Care for Vulnerable Populations: Bureau of Primary Health Care, HRSA, DHHS, 2015 Uniform Data System.
2. Savings to Medi-Cal: Nocon et al. *Health Care Use and Spending for Medicaid Enrollees in Federally Qualified Health Centers Versus Other Primary Care Settings*. American Journal of Public Health: November 2016, Vol. 106, No. 11, pp. 1981-1989.
3. Savings to the Health System: NACHC Fact Sheet: *Health Centers and Medicaid*, December, 2016.
4. Economic and Employment Impacts: Calculated by Capital Link using 2015 IMPLAN Online.
5. Comprehensive Coordinated Care: Bureau of Primary Health Care, HRSA, DHHS, 2015 Uniform Data System.
6. Preventive Care and Chronic Disease Management: Bureau of Primary Health Care, HRSA, DHHS, 2015 Uniform Data System.
7. Quality Health Outcomes: Calculated by Capital Link based on 2015 Uniform Data System information and relevant Healthy People 2020 targets found at https://www.healthypeople.gov/2020/data-search.

*Full-Time Equivalent (FTE) of 1.0 means that the person is equivalent to a full-time worker. In an organization that has a 40-hour work week, a person who works 20 hours per week (i.e. 50 percent time) is reported as "0.5 FTE." FTE is also based on the number of months the employee works. An employee who works full time for four months out of the year would be reported as "0.33 FTE" (4 months/12 months).

Distribution of Population

	CHC Population	National Population
Under 100% Poverty	89%	71%
Under 200% Poverty	100%	92%
Uninsured	24%	24%
Medicaid	49%	49%
Medicare	9%	9%
Privately Insured	17%	17%

Summary of 2015 Total Economic Activity

Stimulated by Current Health Center Operations

		Economic Impact	Employment (# of FTEs*)
Community Impact	Direct	$ 29,141,156	248
	Indirect	$ 6,515,771	56
	Induced	$ 14,590,758	116
	Total	**$ 50,247,685**	**420**

Direct # of FTEs (employment) based on HRSA 2015 UDS data for FQHCs.

Summary of 2015 Tax Revenue

		Federal	State
Community Impact	Direct	$3,617,742	$834,077
	Indirect	$526,337	$205,151
	Induced	$1,191,584	$604,312
	Total	**$5,335,663**	**$1,643,540**
Total Tax Impact		**$6,979,203**	

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VALUE IMPACT of HEALTH CENTERS

California's 41st District

HOW ECONOMIC IMPACT IS MEASURED

Using IMPLAN, integrated economic modeling software, this analysis applies the "multiplier effect" to capture the direct, indirect, and induced economic effects of health center business operations and capital project plans. IMPLAN generates multipliers by geographic region and by industry combined with a county/state database. It is widely used by economists, state and city planners, universities and others to estimate the impact of projects and expenditures on the local economy. This analysis was conducted using 2015 IMPLAN Online.

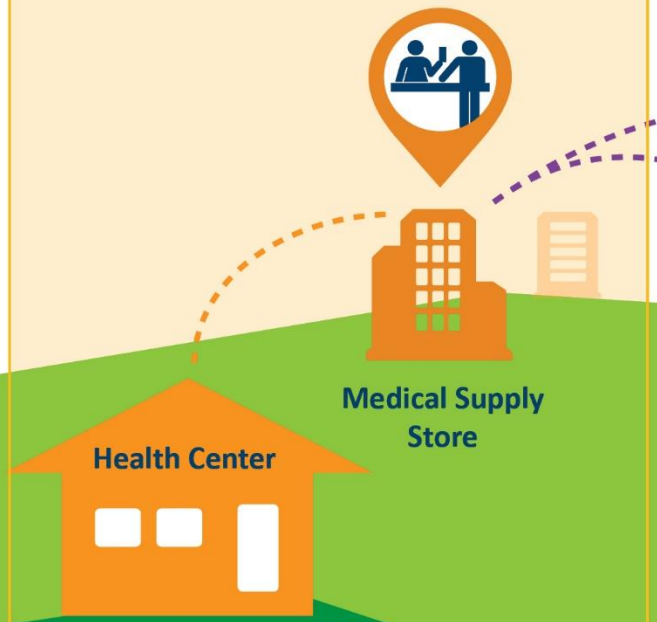
WHAT ARE DIRECT AND COMMUNITY IMPACTS?

Direct impacts result from ***health center expenditures associated with expanded operations, new facilities, and hiring.***

Community impacts can be indirect, resulting from ***purchases of local goods and services, and jobs in other industries.***

Community impacts can be induced, resulting from ***purchases of local goods and services at a household level made by employees of the health center and suppliers.***

A health center purchases medical devices from a local medical supply store.



This purchase is a ***direct*** economic impact of the health center's expanded operations.

The medical supply store purchases paper from an office supply store to print receipts and hires a local delivery service to transport the medical devices.



These purchases are ***indirect*** economic impacts of the health center's expanded operations.

As local industries grow and household income increases, employees of the health center, medical supply store, office supply store, and delivery service spend their salaries in the community.



These purchases are ***induced*** economic impacts because they are the result of growth of the entire community.

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COMMUNITY HEALTH CENTERS INCLUDED IN THIS ANALYSIS

Borrego Health

Community Health Services, Inc.

Planned Parenthood of the Pacific Southwest

This report was developed by Capital Link, a non-profit organization that has worked with hundreds of health centers and Primary Care Associations for over 18 years to plan capital projects, finance growth, and identify ways to improve performance. We provide innovative consulting services and extensive technical assistance with the goal of supporting and expanding community-based health care. For more information, visit us online at www.caplink.org.

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