VALUE IMPACT of HEALTH CENTERS

Health Center Partners of Southern California

HEALTH CENTER PARTNERS of Southern California

Three Federally Qualified Health Centers (FQHCs) and other safety-net clinics provide care to residents of **California's 49th District**. They collectively provide tremendous value and impacts to their communities—from ACCESS to care for vulnerable populations; SAVINGS to the health care system; JOBS and ECONOMIC STIMULUS to local communities; STATE-OF-THE-ART, COMPREHENSIVE, COORDINATED CARE, with a focus on CHRONIC DISEASE MANAGEMENT and QUALITY HEALTH OUTCOMES. Highlights of their **2016 contributions** are shown below.

California's 49th District Health Centers Provide...

JOBS
and other positive impacts on the ECONOMY

1,147 TOTAL JOBS

$143,140,680 TOTAL ECONOMIC IMPACT of current operations.

$24 Million ANNUAL TAX REVENUES

747 HEALTH CENTER JOBS including

177 ENTRY-LEVEL and **381** SKILLED JOBS for community residents

400 OTHER JOBS IN THE COMMUNITY

$83,722,515 DIRECT HEALTH CENTER SPENDING

$59,418,165 COMMUNITY SPENDING

$ 7 Million STATE AND LOCAL TAX REVENUES

$17 Million FEDERAL TAX REVENUES

SAVINGS
to the health system

22% LOWER COSTS FOR HEALTH CENTER MEDI-CAL PATIENTS

$135 Million SAVINGS TO MEDI-CAL

$199 Million SAVINGS TO THE OVERALL HEALTH SYSTEM

ACCESS
to care for vulnerable populations

112,677 PATIENTS SERVED

401,865 PATIENT VISITS

29,590 patients are CHILDREN AND ADOLESCENTS

83,086 patients are ADULTS

92% of patients are LOW-INCOME (Below 200% of the Federal Poverty Level)

69% of patients identify as an ETHNIC OR RACIAL MINORITY

Since 2012:

22,719 patients gained INSURANCE COVERAGE

COMPREHENSIVE COORDINATED CARE

70,584 patients received **MEDICAL CARE**

18,876 patients received **DENTAL CARE**

22,321 patients received at least one **ENABLING SERVICE** to overcome barriers to care

3,064 patients received **MENTAL HEALTH CARE**

4,131 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

2,793 patients were diagnosed with **ASTHMA**

1,367 patients were diagnosed with **CORONARY ARTERY DISEASE**

12,634 children received **WELL-CHILD VISITS**

6,312 patients were diagnosed with **DIABETES**

9,270 patients were diagnosed with **HYPERTENSION**

35,457 patients received **IMMUNIZATIONS** and **SEASONAL FLU VACCINES**

STATE-OF-THE-ART PRACTICE

100% of health centers have installed and currently use an **ELECTRONIC HEALTH RECORD (EHR)**

100% of health centers are currently participating in the Centers for Medicare and Medicaid Services (CMS) **EHR INCENTIVE PROGRAM "MEANINGFUL USE"**

67% of centers recognized as **PATIENT-CENTERED MEDICAL HOMES**

QUALITY HEALTH OUTCOMES

75% 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 2016 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2016 IMPLAN Online

CAPITAL LINK
Driving Successful Health Center Growth

For more information, visit us online:
www.caplink.org

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REFERENCES AND DATA SOURCES

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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 2016 IMPLAN Online.
5. Comprehensive Coordinated Care: Bureau of Primary Health Care, HRSA, DHHS, 2016 Uniform Data System.
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Summary of 2016 Total Economic Activity

Stimulated by Current Operations of

		Economic Impact	Employment (# of FTEs*)
Community Impact	Direct	$ 83,722,515	747
	Indirect	$ 22,646,066	136
	Induced	$ 36,772,099	264
Total		**$ 143,140,680**	**1,147**

Direct # of FTEs (employment) based on HRSA 2016 UDS state level data for FQHCs.

Summary of 2016 Tax Revenue

		Federal	State
Community Impact	Direct	$11,509,622	$3,605,274
	Indirect	$2,066,149	$1,060,356
	Induced	$3,224,862	$2,697,688
Total		**$16,800,633**	**$7,363,318**
Total Tax Impact		**$24,163,951**	

*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).

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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.

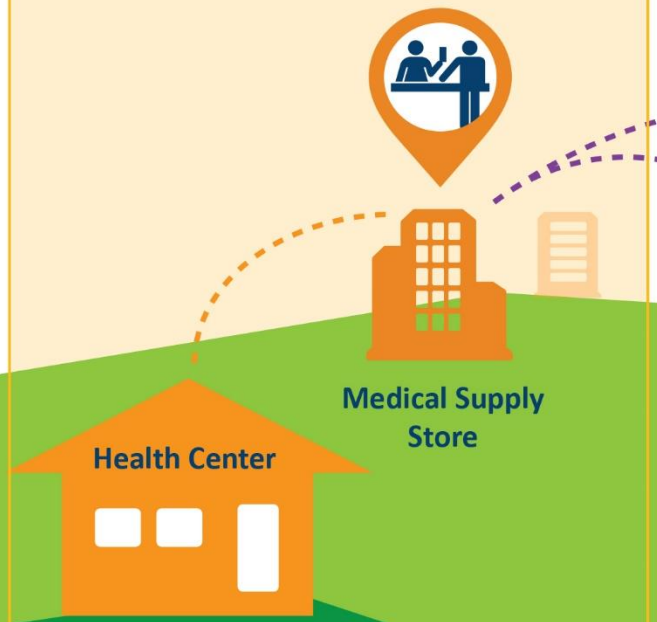
WHAT ARE DIRECT AND COMMUNITY IMPACTS?

Direct impacts result from ***health center expenditures associated with 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 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 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 a ripple effect through the entire community.

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COMMUNITY HEALTH CENTERS INCLUDED IN THIS ANALYSIS

North County Health Services
Planned Parenthood of the Pacific Southwest
Vista Community Clinic

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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