

# VALUE IMPACT of HEALTH CENTERS

## Health Center Partners of Southern California



**Four** Federally Qualified Health Centers (FQHCs) 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 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 41st District Health Centers Provide...

#### JOBS and other positive impacts on the ECONOMY



**518**  
TOTAL JOBS



**\$72,498,433**  
TOTAL ECONOMIC IMPACT  
of current operations.

**\$11 Million**  
ANNUAL TAX REVENUES



**275 HEALTH CENTER JOBS** including  
**74 ENTRY-LEVEL** and **133 SKILLED JOBS** for  
community residents  
**243 OTHER JOBS IN THE COMMUNITY**

**\$41,698,308**  
DIRECT HEALTH CENTER SPENDING  
**\$30,800,125**  
COMMUNITY SPENDING

**\$ 4 Million**  
STATE AND LOCAL TAX REVENUES  
**\$ 7 Million**  
FEDERAL TAX REVENUES

#### SAVINGS to the health system



**22%**  
LOWER COSTS FOR HEALTH  
CENTER MEDI-CAL PATIENTS



**\$69 Million**  
SAVINGS TO  
MEDI-CAL



**\$132 Million**  
SAVINGS TO THE OVERALL  
HEALTH SYSTEM

#### ACCESS to care for vulnerable populations



**60,979**  
PATIENTS  
SERVED

**26%**  
FOUR-YEAR  
PATIENT GROWTH

**205,298**  
PATIENT  
VISITS

**14,299**  
patients are  
**CHILDREN AND**  
**ADOLESCENTS**  
**46,680**  
patients are  
**ADULTS**

**88%** of patients are  
**LOW-INCOME**  
(Below 200% of the  
Federal Poverty Level)  
**75%** of patients  
identify as an  
**ETHNIC OR RACIAL**  
**MINORITY**

Since 2012:  
**8,906**  
patients gained  
**INSURANCE**  
**COVERAGE**

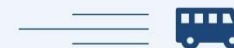
## COMPREHENSIVE COORDINATED CARE



**25,963** patients  
received **MEDICAL CARE**



**12,426** patients  
received **DENTAL CARE**



**4,901** patients received at least one  
**ENABLING SERVICE** to overcome  
barriers to care



**1,294** patients received  
**MENTAL HEALTH CARE**



**2,481** 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



**969** patients were  
diagnosed with  
**ASTHMA**



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



**4,628** children received  
**WELL-CHILD VISITS**



**2,235** patients were  
diagnosed with  
**DIABETES**



**3,407** patients were  
diagnosed with  
**HYPERTENSION**



**8,859** 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"**



**50%** of centers recognized as  
**PATIENT-CENTERED MEDICAL HOMES**

## QUALITY HEALTH OUTCOMES



**80%** of health centers met or exceeded at least one  
**HEALTHY PEOPLE 2020 GOAL FOR CLINICAL  
PERFORMANCE**

  
CLINICAL QUALITY  
MEASURES



  
IMPROVED HEALTH  
OUTCOMES



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### REFERENCES AND DATA SOURCES

1. Access to Care for Vulnerable Populations: Bureau of Primary Health Care, HRSA, DHHS, 2016 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 2016 IMPLAN Online.
5. Comprehensive Coordinated Care: Bureau of Primary Health Care, HRSA, DHHS, 2016 Uniform Data System.
6. Preventive Care and Chronic Disease Management: Bureau of Primary Health Care, HRSA, DHHS, 2016 Uniform Data System.
7. Quality Health Outcomes: Calculated by Capital Link based on 2016 Uniform Data System information and relevant Healthy People 2020 targets found at <https://www.healthypeople.gov/2020/data-search>.

### Summary of 2016 Total Economic Activity

Stimulated by Current Operations of

|                  |              | Economic Impact      | Employment (# of FTEs*) |
|------------------|--------------|----------------------|-------------------------|
| Community Impact | Direct       | \$ 41,698,308        | 275                     |
|                  | Indirect     | \$ 9,986,324         | 81                      |
|                  | Induced      | \$ 20,813,801        | 162                     |
|                  | <b>Total</b> | <b>\$ 72,498,433</b> | <b>518</b>              |

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

### Summary of 2016 Tax Revenue

|                         |              | Federal             | State              |
|-------------------------|--------------|---------------------|--------------------|
| Community Impact        | Direct       | \$4,878,141         | \$1,656,241        |
|                         | Indirect     | \$767,216           | \$589,778          |
|                         | Induced      | \$1,627,570         | \$1,617,165        |
|                         | <b>Total</b> | <b>\$7,272,927</b>  | <b>\$3,863,184</b> |
| <b>Total Tax Impact</b> |              | <b>\$11,136,111</b> |                    |

\*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.**

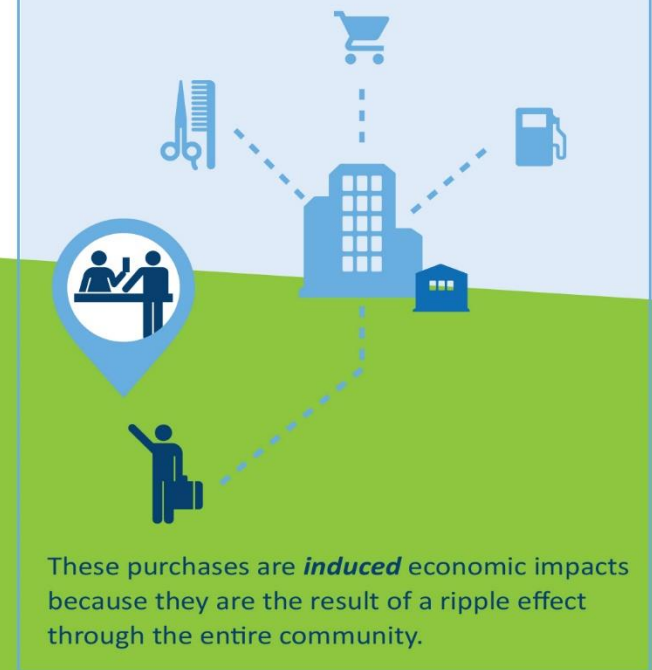
A health center purchases medical devices from a local medical supply store.



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.



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.





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### COMMUNITY HEALTH CENTERS INCLUDED IN THIS ANALYSIS

Borrego Health  
Community Health Systems, Inc.  
North County Health Services  
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](http://www.caplink.org).