

# Communicating Health Center Impact

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*Exploring the Value & Impact and COVID-19 Analysis*



**Jonathan Chapman**, Chief Project Officer

**Jen Saber**, Director of Data & IS

*VIA & COVID-19 Webinar*

January 27, 2021

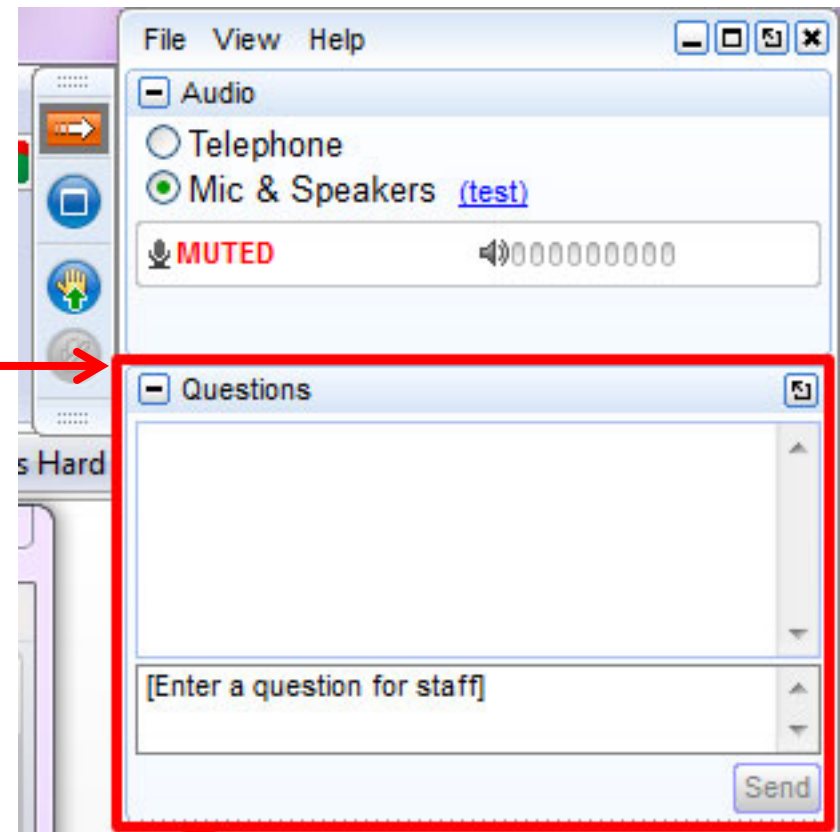
# Agenda



- How to Submit Questions during our Session
- About Us
- Why Measure Value & Impact
- Value & Impact Analysis
- COVID-19 Analysis
- Q&A

# How to Submit Questions during our Session

Type a question for presenters into the text box at the bottom of the questions panel and click “SEND”



- Launched in 1995, nonprofit, HRSA national cooperative agreement partner
- Offices in CA, CO, FL, MA, NC, TX, and WV
- **Over \$1.2 billion** in financing for over **235** capital projects
- We help health centers:
  - **Plan for Sustainability and Growth** - Market assessments; new service line feasibility; scenario modeling; business planning and forecasts; understand costs of existing and new services; plan for collaborations, mergers and acquisitions.
  - **Access Capital** - Tools, resources, training; direct one-on-one assistance to leverage capital from a variety of sources
  - **Improve and Optimize Operations and Financial Management** - Provide analytics, tools and training in using comparative data to improve performance
  - **Articulate Value** - Assess value and impact of health centers on communities, the health system and the economy

# Why Measure Value & Impact?



- Justifying Funding Support
  - Payers
  - Policymakers (federal, state, local)
  - Foundations/Donors
- Educating and Engaging Community Stakeholders
  - Including Board Members and other partners
- Helping Supporters Tell the Story (Secondary Impact)

# **Value & Impact Analysis**

# Value & Impact Analysis Individual

## The Value and Impact of XYZ Community Health Center

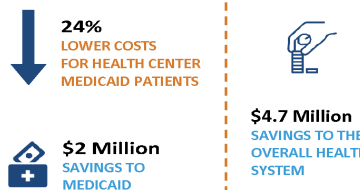
Health centers provide tremendous value and impact to the communities they serve, including **JOB**s and **ECONOMIC STIMULUS SAVINGS** to Medicaid, and **ACCESS** to care for vulnerable populations.

This report highlights [XYZ Community Health Center]'s 2019 contributions and savings.

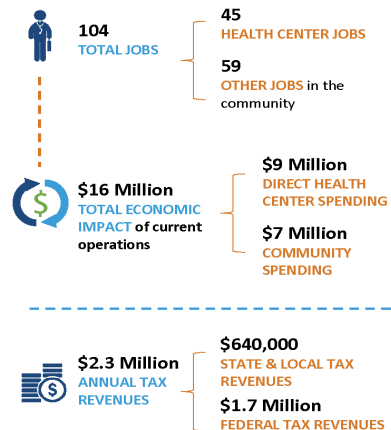
### Key Data Points

*For communication to important audiences.*

#### SAVINGS TO THE SYSTEM



#### ECONOMIC STIMULUS



#### CARE FOR VULNERABLE POPULATIONS



Capital Link prepared this Value & Impact report using 2019 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2019 IMPLAN Online.

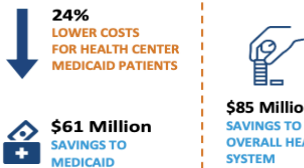
# Value & Impact Analysis Aggregate

## The Value and Impact of XYZ Primary Care Association

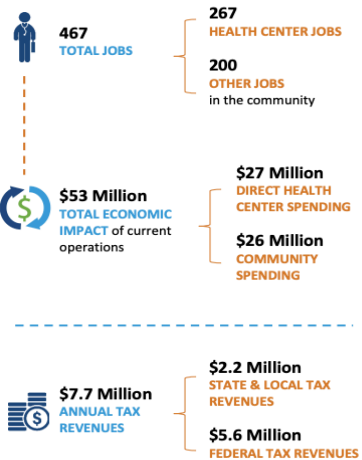
Two XYZ Primary Care Association health centers provide tremendous value and impact to the communities they serve, including CARE FOR VULNERABLE POPULATIONS, SAVINGS TO THE SYSTEM, ECONOMIC STIMULUS, and STATE-OF-THE-ART PRACTICES and INTEGRATED CARE with a focus on MANAGING CHRONIC CONDITIONS, PREVENTIVE CARE, and QUALITY HEALTH OUTCOMES.

This report highlights their 2019 savings and contributions.

### SAVINGS TO THE SYSTEM



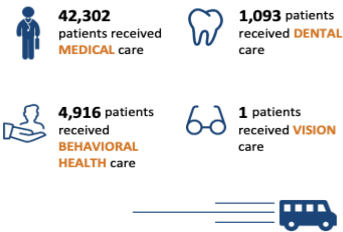
### ECONOMIC STIMULUS



### CARE FOR VULNERABLE POPULATIONS



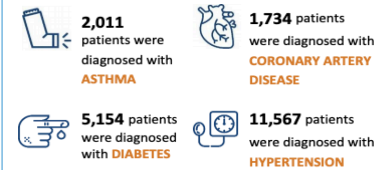
### INTEGRATED CARE



**1,389** patients received at least one **ENABLING SERVICE** to overcome barriers to care

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

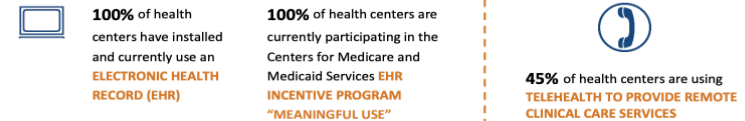
### MANAGING CHRONIC CONDITIONS



### PREVENTIVE CARE



### STATE-OF-THE-ART PRACTICES



### QUALITY HEALTH OUTCOMES

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



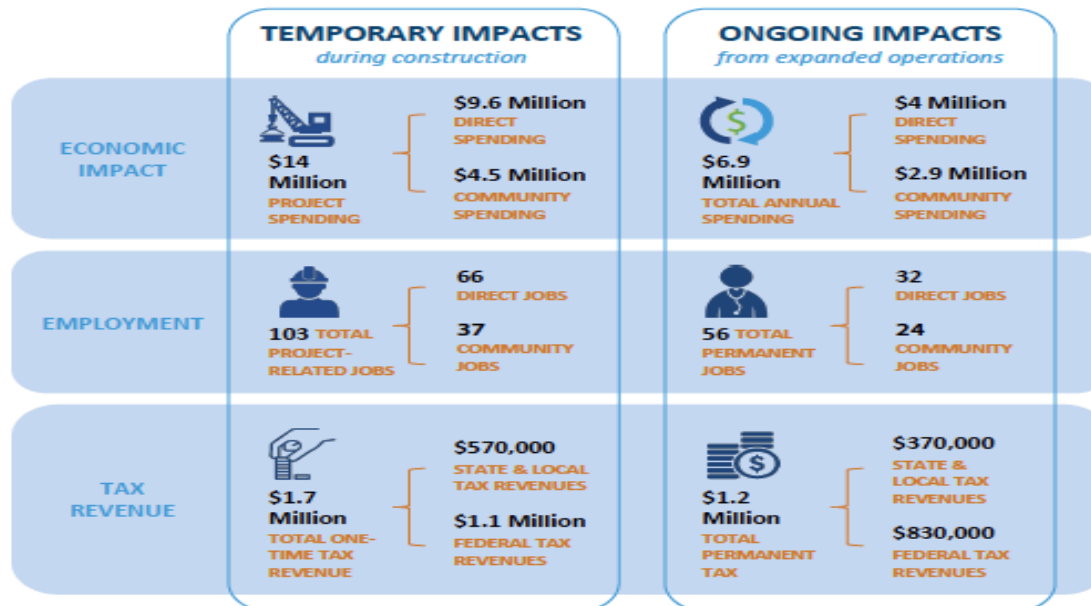
Capital Link prepared this Value & Impact report using 2019 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2019 IMPLAN Online.



# Value & Impact Analysis Capital Project

## Capital Project Value & Impact XYZ Community Health Center

As health centers like XYZ Community Health Center embark on a capital project, significant **economic revitalization** occurs in their communities in the form of **TEMPORARY IMPACTS** during construction and **ONGOING IMPACTS** post construction due to the increase in capacity.



Capital Link prepared this Value & Impact report using 2018 health center audited financial statements and Uniform Data System information. Economic impact was measured using 2018 IMPLAN Online.

### **Capital Link Proprietary Database**

- Capital Link's reports use information generated from our proprietary database of over 14,000 health center audited financial statements, incorporating approximately 85% of all health centers nationally in any given year.
- Additionally, the database contains all UDS data elements as provided to us (an NTTAP) by HRSA each year.

### **Industry Research** (*Savings to the Health System and Medicaid*)

- 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.

### **Economic Modeling – IMPLAN Online**

- The Minnesota IMPLAN Group (MIG), an economic modeling firm, developed the IMPLAN (IMPact analysis for PLANning) software system.

# Economic Impact

## *How is it calculated?*



- IMPLAN 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.
- What are Direct, Indirect, and Induced 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 also be induced, resulting from purchases of local goods and services at a household level made by employees of the health center and suppliers.

# Economic Impact Examples

## *Direct, Indirect, and Induced*

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

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.

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

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.

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.**

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.

# Value & Impact Analysis

## *Where do I share?*



- Specific audience(s)
- Social Media
- Email
- Your Website
- Annual Report
- Presentations
- For Value & Impact Analysis samples and more information, please visit our website at:
  - <https://www.caplink.org/data-products/v-i-report>



## **Julie Minardi**

*Director of Government Affairs, Health Center Partners of Southern California*

# Guest Speaker



## **Madison Hall**

*Health Care Access Coordinator for South Carolina Primary Care Association*

# COVID-19 Analysis



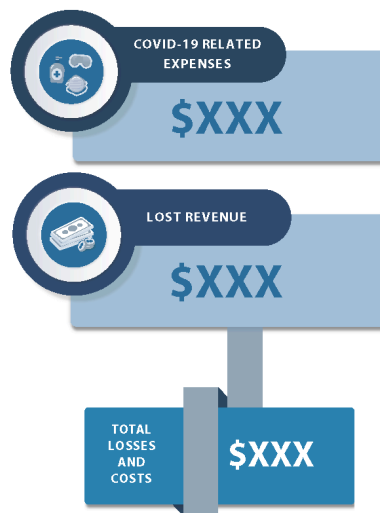
- The COVID-19 Analysis illustrates the potential financial impact of the COVID-19 pandemic on your health center.
- The analysis highlights the potential health center revenue losses based on the decline in patient visits due to COVID-19.
- It also features a summary of the emergency funding your center has been able to access during the pandemic.

# COVID-19 Analysis

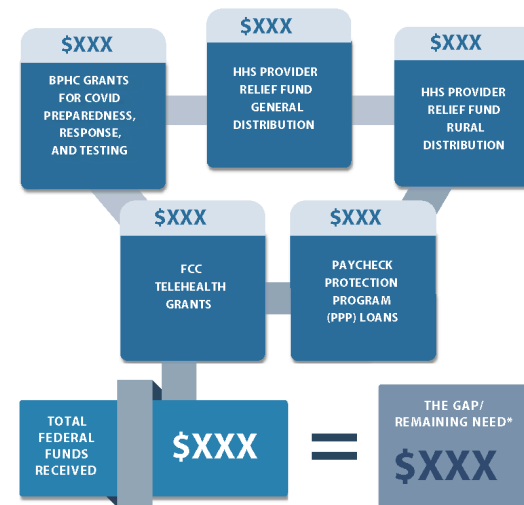
As a result of the COVID-19 pandemic, the nation's more than **XXX** Federally Qualified Health Centers (FQHCs) experienced a **X%** decline in patient visits between **Month and Month Year**, as patients complied with stay-at-home orders. They pivoted quickly to providing care virtually, with **X%** of visits delivered via telehealth. However, the loss in patient visits severely impacted health centers' revenue, jeopardizing their financial viability even as they continue to play a critical role in the pandemic fight. The data below highlight FQHCs' net projected losses from **Month Year through Month Year**, after taking into account critical federal support made available **through Month Year**.

**COMING SOON!**

### FQHCs' Projected Losses and Costs



### COVID-19 Relief Funding Received



TOTAL LOSSES AND COSTS: \$XXX - TOTAL FEDERAL FUNDS RECEIVED: \$XXX = THE GAP/ REMAINING NEED\*: \$XXX

### Impact on FQHCs

To address the funding gap, health centers nationally have been forced to close sites...



Without additional support to cover the identified shortfall through June 2021, many health centers sites will remain closed, and...



### Additional Impact on Communities

Health center closures, and job and revenue losses ripple through local economies compounding the crisis in communities that can least afford it...



### Total FQHC and Community Impact



# COVID-19 Analysis



## Financial Impact of COVID-19 on Federally Qualified Health Centers

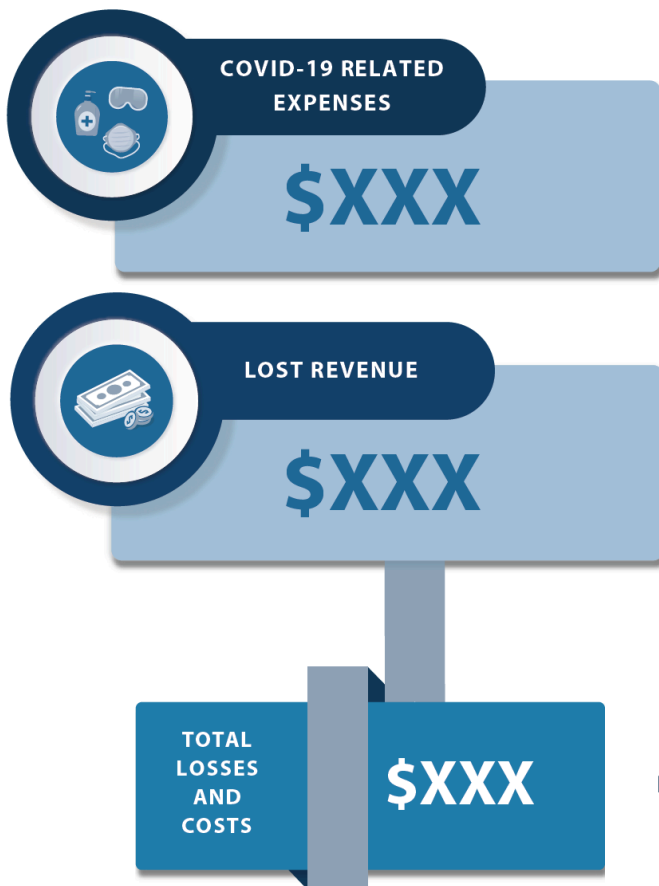
NATIONAL ESTIMATE: Month Year - Month Year



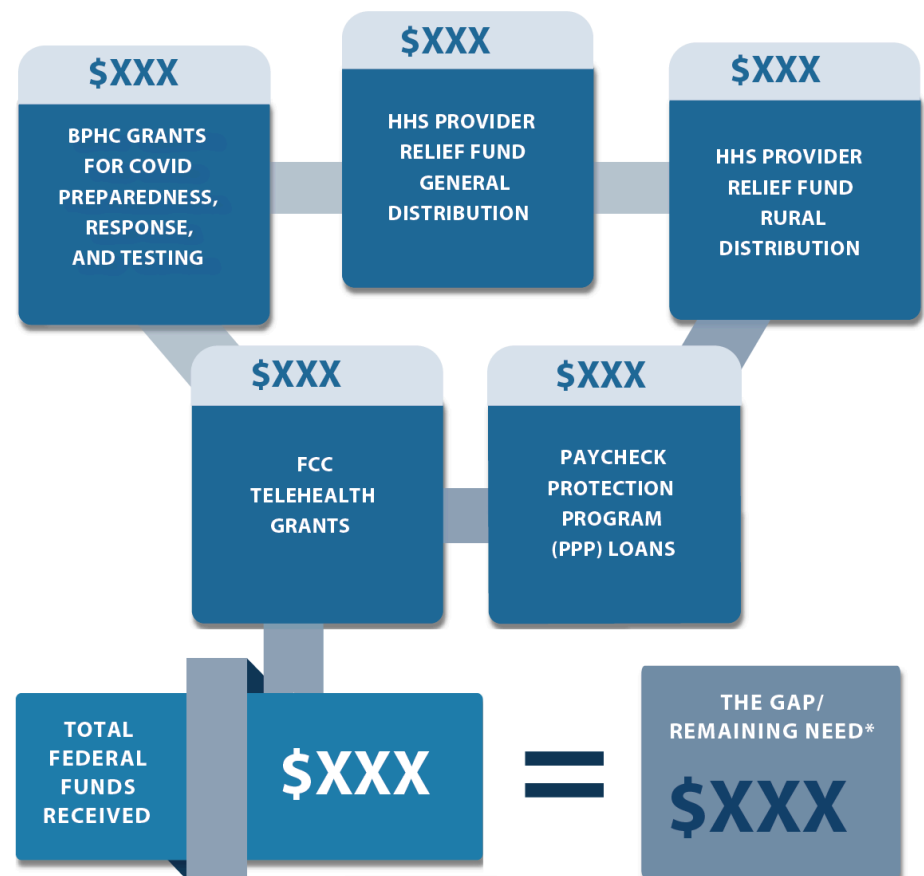
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# COVID-19 Analysis

## FQHCs' Projected Losses and Costs



## COVID-19 Relief Funding Received



# COVID-19 Analysis

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Health center closures, and job and revenue losses ripple through local economies compounding the crisis in communities that can least afford it...



## Total FQHC and Community Impact



*\*This estimate assumes that all PPP Loans will be forgiven, which may not ultimately be the case.*

# COVID-19 Analysis

## *Data Sources*



### **Capital Link Proprietary Database**

- Audited financial statements of FQHCs (both Section 330s and Look-Alikes) as reported by fiscal year.
- Uniform Data System (UDS) reports as submitted annually by FQHCs by calendar year to the Health Resources and Services Administration (HRSA).

### **Economic Modeling – IMPLAN Online**

- The Minnesota IMPLAN Group (MIG), an economic modeling firm, developed the IMPLAN (IMpact analysis for PLANning) software system.

### **HRSA Data Warehouse**

- Amount of COVID-19 grants issued to each National FQHC.
- Health Center COVID-19 Survey, including weekly responses from health centers.

### **U.S. Department of Health & Human Services (HHS) Data Warehouse**

- Provider Relief Fund (PRF) General Distribution and Rural Distribution.

### **Small Business Administration Paycheck Protection Program (SBAPPP)**

- Survey response collection from health centers in multiple states by Capital Link.

### **COVID Related Expenses**

- Data collected from health centers in multiple states by NACHC and Capital Link.

# COVID-19 Analysis

## *Where do I share?*



- Specific audience(s)
- Social Media
- Email
- Your Website
- Annual Report
- Presentations
- For COVID-19 Analysis samples and more information, please visit our website at:
  - <https://www.caplink.org/data-products/covid-19-impact-report>



## **Martin Carty**

*Policy Senior Manager for Oregon Primary Care Association*



**Thank You and Q&A**

# Contact Us

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