
CapitalLink

# Early Phases of Capital Planning

## Fall Webinar

September 24, 2025

**Presenters:**

**Ann Marie Grimberg, M.Ed | Project Consultant**

**Jerusalem Getnet, MHA | Project Consultant**

# About Capital Link

CapitalLink

## Founded in 1995 | Nonprofit

- HRSA National Cooperative Partner
- Supporting health centers & nonprofits with capital, operational, and strategic planning
- National leader in facility, financial, and operational strategies

### OUR VISION

We believe in a just future in which every individual is treated with dignity and respect and has access to quality healthcare, regardless of their ability to pay.

### OUR MISSION

By fostering a culture of trust, collaboration, and respect, we support health centers to deliver high quality healthcare. We are dedicated to amplifying health center impact by providing comprehensive support for sustainability, growth, and resiliency through resources, technical assistance, and innovative solutions that help health centers leverage their assets, articulate their value, and deliver patient-centered care that meets the highest standards. We pursue excellence with humanity.

# Disclosure

## Funded With Support From

**Health Resources and Services Administration (HRSA)**

Capital Link is a HRSA National Training and Technical Assistance Partner (NTTAP).

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For more information, please visit www.HRSA.gov.

# Our Work in Action

## Partners in Health Care Impact Through Data, Strategy, and Capital

## Our Impact & Reach

- **30+** Years of Service
- **1400+** Health Centers & PCAs Supported Nationwide
- **$1.6B** Financed
- **115,000+** Hours Assisting Health Centers
- **280+** Health Center Capital Projects
- **50+** PCAs and HCCNs and Regional Consortia

# About Capital Fund

CapitalFund

***Community Development Financial Institution (CDFI)***

Capital Fund partners with community health centers to drive growth through strategic capital - helping expand care, improve access and strengthen impact.

Since their founding, they've provided $261 million in financing to health centers nationwide, through commercial loans and New Markets Tax Credit transactions for projects totaling $763+ million.

| | | | |
|---|---|---|---|
| Direct Loans | New Market Tax Credit Program | Underwriting Services | LoanPLUS Loan Program |

# Presenter

**Ann Marie Grimberg, M.Ed**
**Project Consultant**

# Webinar Objectives

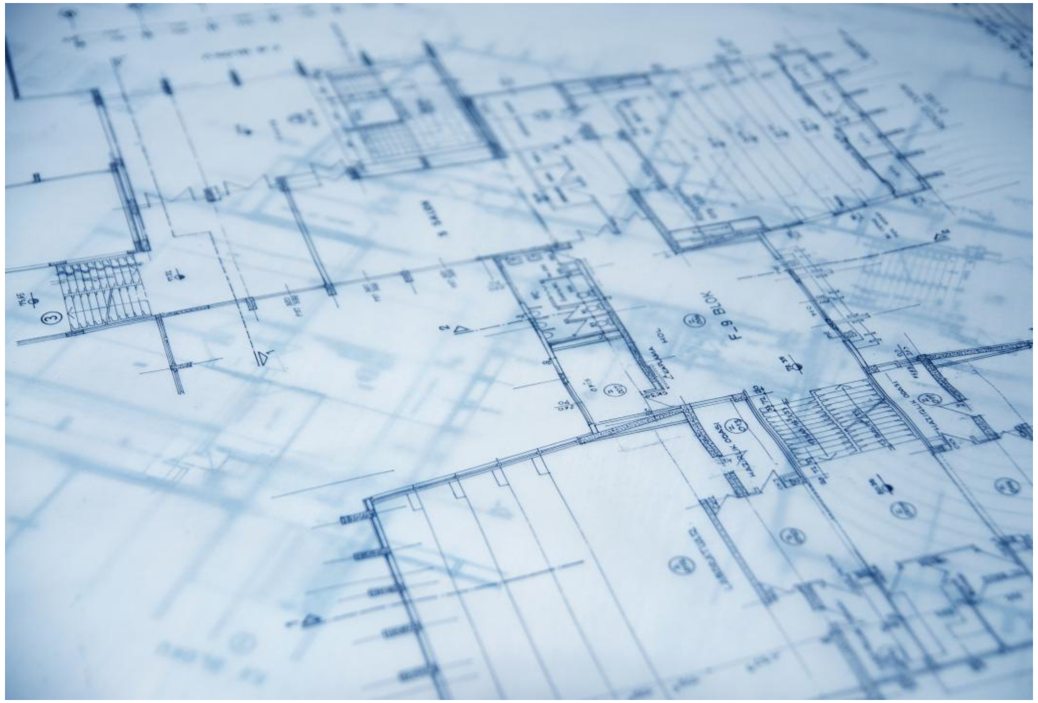
- Provide an Overview of Capital Planning
- Describe Strategies to Consider Throughout This Process
- Provide Examples of Lessons Learned
- Explanation of the Small Group Learning Process with Capital Link

# Overview of Capital Planning

# What is Capital Planning?

Strategic process for preparing for major investments in:

- Physical infrastructure
- Equipment
- Long-term facility needs

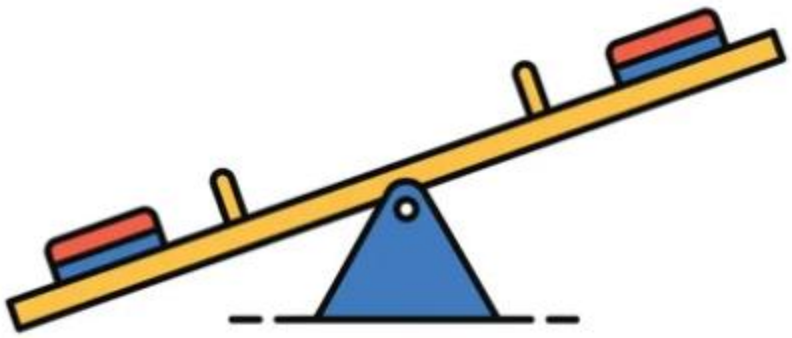


# Things to Keep in Mind..

- Importance of having a project plan
- Recognition that capital planning takes a tremendous amount of time and energy
- Focus of this webinar and subsequent trainings will be on capital planning as it relates to a new build-out or remodeling an existing space
- Some aspects may be applicable to maximizing your space
- Consider Mobile Health Units as another option if not ready for a major build or remodel

# Reality of Capital Projects

- Be realistic about what you want to do and what you can afford
- Most of the capital project process is in the pre-planning/prep work
- Just because the build-out is done or renovation is complete, does not mean patients will come



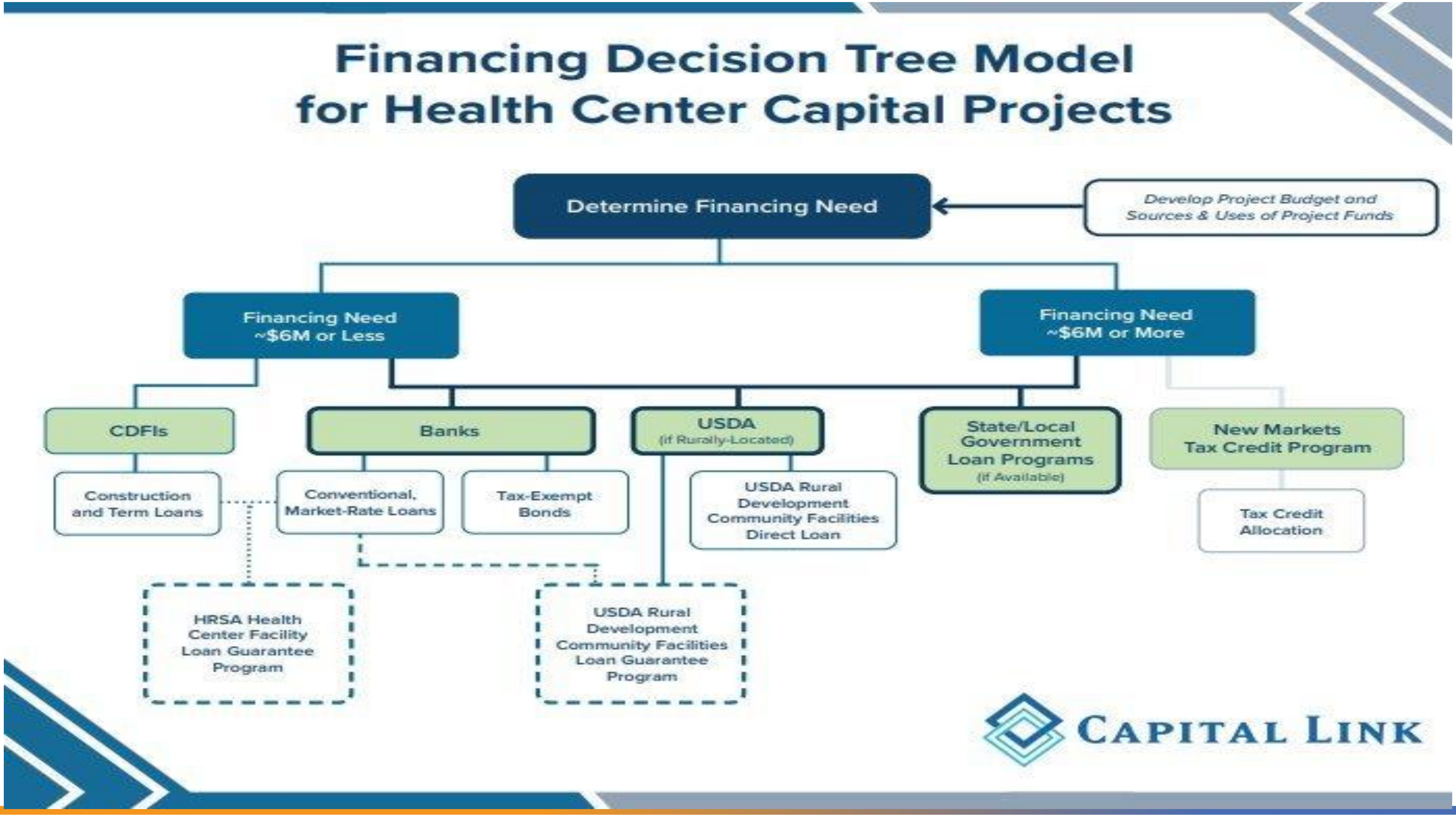
# Thoughts to Consider Before Beginning

- Is a bigger space needed, or can more be done to optimize existing space?
- Do you have a facilities plan?
- How many years do you have in the current building?
- What are the demographics of the area? Are they changing? How is this affecting building costs (increase in rent, high cost for repairs)
- What are the gaps/barriers you're trying to fill/fix?
- What is your level urgency with this build/renovation?

# Initial Organizational Work

- Utilize organizational resources and build upon them using a "facilities planning" lens
  - Patient surveys
  - Staff Surveys
  - Referrals
  - Waiting lists
  - Examine availability of appointments especially for new patients
- Get a sense of how much money you need to raise, how long that will take, and what your debt capacity is

# Early Financing Considerations



# Timeline for Capital Planning

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**1**
- Board Information
- Leadership Input
- Staff Needs

**2**
- External Scan
- Internal Assessment
- Evaluate Data
- Survey Board & Leadership
- Survey Staff & Patients

**3**
- SWOT Analysis
- Decision-Making
- Service Lines
- New Build, Lease, Buy
- Board Approval

**4**
- Staffing Plan
- Forecasting
- Design/ Architect
- Finance

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# Lessons Learned from Capital Planning

# Lessons Learned

- Ensure consistency with how the space/building looks on the inside and outside
- First floor is prime real estate (optometry and pharmacy)
- Incorporate safety and security into your plans
- Elevators can be a challenge

# Desert Sage Health Center: Idaho


- $22m project, rural health center, utilizing 31675 sq ft.
- 18 exam rooms, 2 procedures rooms, **3 drive-through exam stalls,** 8 behaivoral health offices, 8 dental offices and pharmacy
- Sold portion of the 11-acre empty parcel they used for project to local credit union who then ended up participating in NMTC financing for the clinic

# Winn Community Health Center- Louisiana

- $18.6m project, rural health center, utilizing 86684 sq ft

- Exam rooms, pharmacy, dental, optometry, physical therapy, commercial kitchen

- Almost no building codes or zoning restrictions which is a benefit of small-town development

- Received large loan from a CDFI at comparable interest rates to a bank and kept relationship with bank but did not pay extra interest

# Small Group Training Opportunity

# What is a Small Group Training?

***Small Group Peer Learning***

Exchange expertise and capital development challenges

***Real-World Examples***

Best practices from Capital Link's experience

***Learning Format***

Virtual webinars

***Individualized Planning (Homework):***

Sessions include exercises and resources

# Small Group Training Details

**For Health Centers:**

- Participants for this training should be health centers **planning or anticipating a capital project** in the next **1-5 years**
- Four interactive learning sessions will provide practical direction and tools for **planning a capital project**
- One-hour learning sessions will be held **October – November 2025** and conducted via webinars.

*All trainings are offered at no cost to participants*

# Poll: Where is Your Organization Located?

- East Coast or Atlantic (EST)
- Central (CST)
- Mountain (MST)
- Pacific (PST)
- Hawaii (HST) or Alaska (AKST)

# Small Group Training Topics

**Strategic Planning: Active Preparation**

**Market Assessment: Identify Opportunities**

**Operational Assessment & Readiness**

**Space Planning: Planning for Facility Development**

# Poll: What Interests You Most?

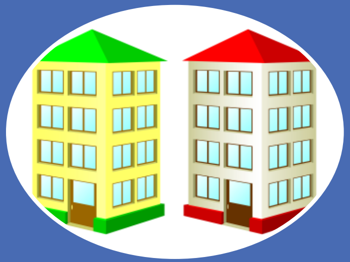
**Strategic Planning**

**Market Assessment**

**Operational Assessment & Readiness**

**Space Planning**

# Who Should Participate?



Health centers expanding/ renovating in 1-5 years

Cohort Size:
15-20
Health Centers

Health Center Staff:

Executive,
Clinical,
Financial,
Outreach

# Poll: What is your role in the organization?

- CEO
- COO/ Operations
- CFO/ Finance
- CMO/ Clinical
- Department or Program Director
- Administration

# Prepare Your Application

Submit application by 10/10/2025

Assemble a Learning Collaborative Team

Next Steps

Organize your project information

Provide financial audits/UDS reports

# Poll: Where are you in your Capital Planning Process?

- Starting to consider a potential project
- A project has been decided, but no timeline is in place
- Early planning; 2-5 yr. timeline
- Planning underway; construction in 1-2 years
- No imminent projects; just curious

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## How Can This Small Group Training Benefit Your Health Center?

# Health Center Benefits

- Step-by-Step Overview of Capital Planning
- Resources & Clarification on Capital Financing Options and Criteria
- Guidance on Lender Expectations
- Capital Link & Capital Fund are often the "First to Hear" of Capital Related Resources and Opportunities
- Peer Learning Exchange

# Capital Development Timeline

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- **Assessment**
  - Internal
  - External
- **Strategic Plan**
  - Mission, Vision, Values, Pillars
  - Strategic Priorities
  - Decision-Making Filters
- **Program Plan**
  - Established
  - Enhanced
- **Operational Plan**
  - Organizational
  - Clinical
- **Staffing Plan**
  - Functional Teams
  - Required Skills
- **Facility Plan**
  - Required spaces
  - Optimal layout(s)

# Decision-Making Filters

| | | |
|---|---|---|
| Reflection | 1 | Does our plan reflect the values of our community and our organization? |
| Flexibility | 2 | Can I use the spaces in this plan in multiple ways in the same day? ...same month? |
| Adaptability | 3 | Do these spaces allow us to respond effectively to routine, surge and crisis situations? |
| Continuity | 4 | Does this plan reduce patient and staff stress in such a way as to support retention and optimize outcomes? |
| Alignment | 5 | Does our plan work to align our facility with our preferred model of care and optimal operational processes? |

# Financial Health Metrics

| | Metric | Why This Is Important |
|---|---|---|
| 1 | Operating Margin | Measuring stick of your business model; margins typically small but need to be positive |
| 2 | Bottom Line Margin | Is performance dependent upon large capital grants and/or other sources of non-operating revenue? |
| 3 | Personnel-Related Expense | Consumes 70-75% of budget; key driver of financial performance |
| 4 | Days Net Patient A/R | Financial management starts with collecting your money efficiently |
| 5 | Days Cash on Hand | Is there enough liquidity to keep operations running smoothly? |
| 6 | Physician Productivity (visits) | Productivity is the basis for revenue generation |
| 7 | Mid-Level Productivity (visits) | Productivity is the basis for revenue generation |
| 8 | Dental Provider Productivity (visits) | Productivity is the basis for revenue generation |

# Operational Health Metrics

| | Metric | Why This Is Important |
|---|---|---|
| 9 | **Medical Provider Productivity (patients)** | Becomes more important in measuring capacity of providers |
| 10 | **Medical Team Productivity** | Who are your teams? How do they perform? |
| 11 | **Cost (Revenue) Per Visit** | How are your visit costs changing over time? |
| 12 | **Cost (Revenue) per Patient** | How are patient costs changing? |
| 13 | **Medical Support Staff Ratio** | How strategic is the staffing the medical teams? |
| 14 | **Non-Clinical Staff Ratio** | Non-clinical employees support revenue and efficiency |
| 15 | **Visit/Patient Growth Rates** | Are visits growing faster than patients? Is demand growing? |

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# Performance Snapshot

# Performance Snapshot


[Capital Link-Performance Evaluation Profiles]

# Financial Dashboard

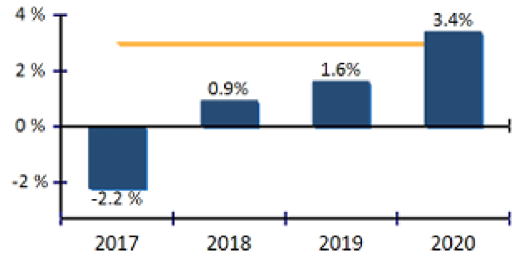
## Financial Dashboard

XYZ Health Center

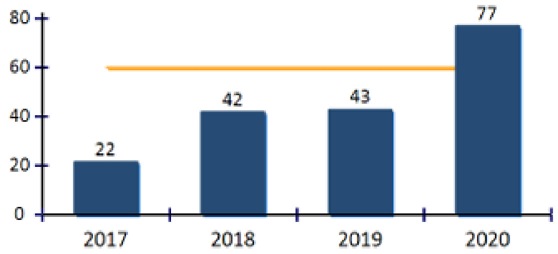
2018 - 2021

Capital Link Benchmark

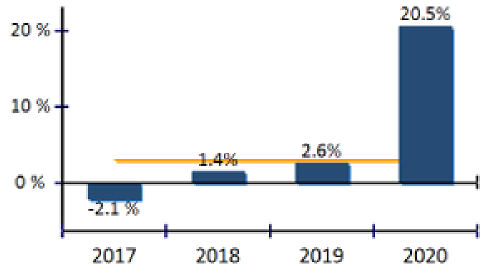
### Operating Margin



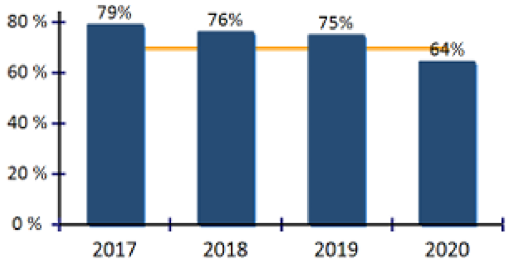

### Days Cash on Hand



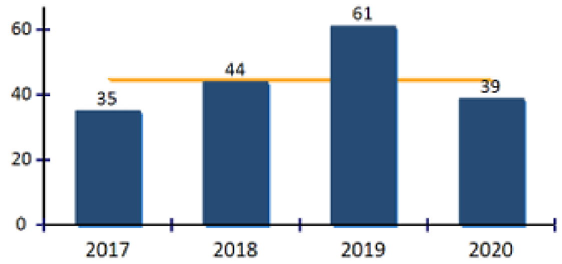

### Bottom Line Margin




### Personnel-Related Expense as a % of Operating Revenue




### Days in Net Patient Receivables




| Key Financial Metrics | Target | 2018 | 2019 | 2020 | 2021 | State FQHCs Median 2021 | National Median 2021 |
|---|---|---|---|---|---|---|---|
| Operating Margin | > 3% | -2.2% | 0.9% | 1.6% | 3.4% | 1.4% | 3.8% |
| Bottom Line Margin | > 3% | -2.1% | 1.4% | 2.6% | 20.5% | 3.6% | 5.3% |
| Personnel-Related Expense as Percentage of Operating Revenue | < 70% | 78.9% | 76.2% | 74.8% | 64.2% | 71.6% | 71.1% |
| Days Cash on Hand | > 60 Days | 22 | 42 | 43 | 77 | 110 | 98 |
| Days in Net Patient Receivables | < 45 Days | 35 | 44 | 61 | 39 | 28 | 36 |

Benchmark Unmet

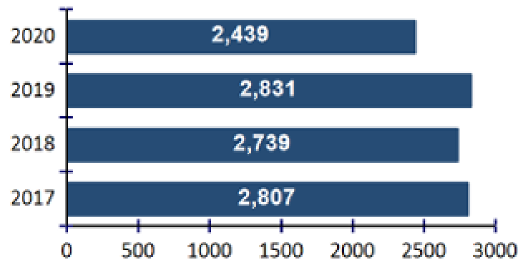
# Productivity Dashboard

## Productivity: Visits Dashboard

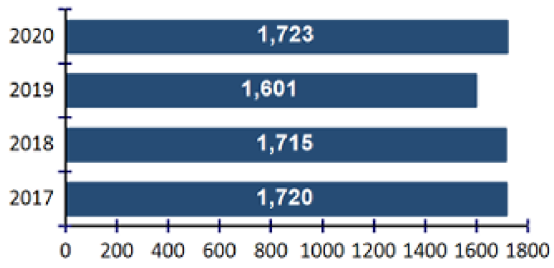
XYZ Health Center

2018 - 2021

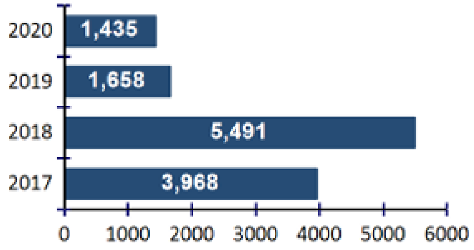
Physician Visits per Physician FTEs



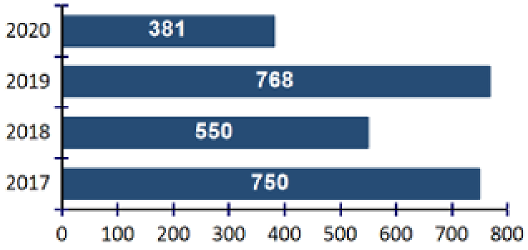

Non-Physician Visits per Non-Physician Provider FTEs



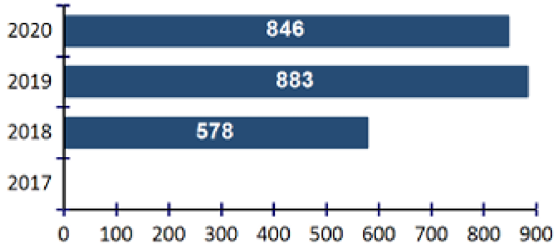

Dental Visits per Dental Provider FTEs




Mental Health Visits per MH FTE




Substance Use Disorder Visits per SUD FTEs




| Key Productivity Metrics | 2018 | 2019 | 2020 | 2021 | State FQHCs Median 2021 | National Median 2021 |
|---|---|---|---|---|---|---|
| Physician Visits per Physician FTE | 2,807 | 2,739 | 2,831 | 2,439 | 2,322 | 2,479 |
| Non-Physician Provider Visits per Non-Physician Provider FTE | 1,720 | 1,715 | 1,601 | 1,723 | 1,881 | 2,204 |
| Dental Visits per Dental Provider FTE | 3,968 | 5,491 | 1,658 | 1,435 | 1,166 | 1,250 |
| Mental Health Visits per Mental Health Provider FTE | 750 | 550 | 768 | 381 | 277 | 475 |
| Substance Use Disorder Visits per Substance Use Disorder FTE | - | 578 | 883 | 846 | 847 | 661 |

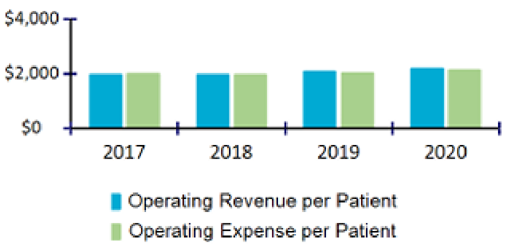
# Operations & Utilization Dashboard

## Operations & Utilization Dashboard

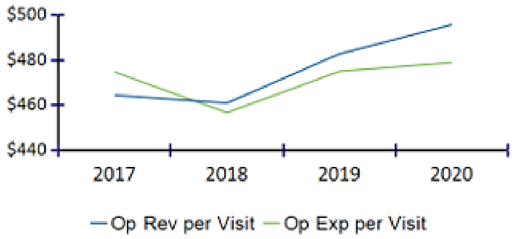
XYZ Health Center

2018 - 2021

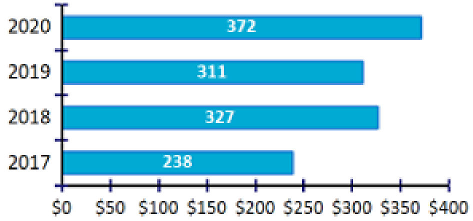
Operating Revenue & Expense per Patient



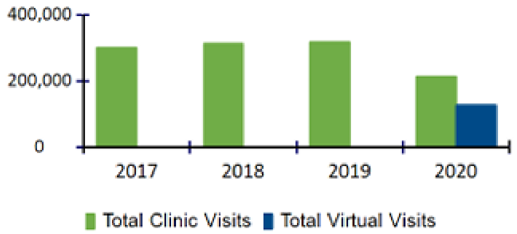

Operating Revenue & Expense per Visit



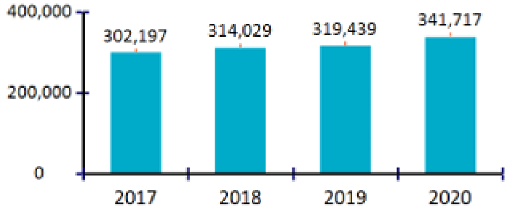

330 Grant Dollars per Uninsured Patient




Total Clinic and Virtual Visits




Total Visits




| Key Operations & Utilization Metrics | 2018 | 2019 | 2020 | 2021 | State FQHCs Median 2021 | National Median 2021 |
|---|---|---|---|---|---|---|
| Operating Revenue per Patient | $1,959 | $1,979 | $2,074 | $2,207 | $1,489 | $1,168 |
| Operating Expense per Patient | $2,002 | $1,961 | $2,041 | $2,132 | $1,410 | $1,119 |
| Operating Revenue per Patient Visit | $464 | $461 | $483 | $496 | $323 | $271 |
| Operating Expense per Patient Visit | $475 | $457 | $475 | $479 | $315 | $258 |
| Total Clinic Visits | 302,197 | 314,029 | 319,439 | 213,454 | 53,840 | 34,916 |
| Total Virtual Visits* | - | - | - | 128,263 | 30,298 | 6,912 |
| Total Visits | 302,197 | 314,029 | 319,439 | 341,717 | 80,078 | 45,606 |
| 330 Grant Dollars per Uninsured Patient | $238 | $327 | $311 | $372 | $1,869 | $1,059 |

* Virtual Visits as defined by HRSA were not captured in the UDS until 2019

# Payer Mix Dashboard

## Payer Mix Dashboard

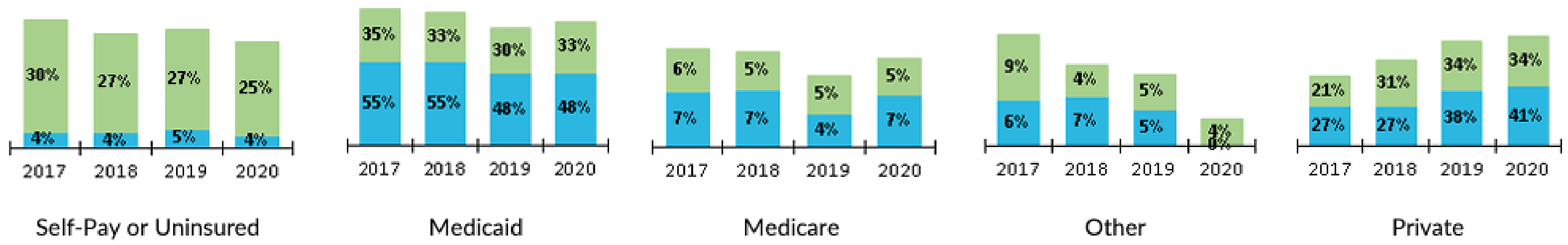
XYZ Health Center

2018 - 2021

% Of Patients

% Of Collection Revenue

**Patient and Collection Revenue by Payer Service**




| Payer Mix | 2018 | 2019 | 2020 | 2021 | State FQHCs Median 2021 | National Median 2021 |
|---|---|---|---|---|---|---|
| Self-Pay Patients as Percentage of Total Patients | 30% | 27% | 27% | 25% | 11% | 18% |
| Self-Pay Collections as Percentage of Total Collections | 4% | 4% | 5% | 4% | 4% | 6% |
| Medicaid Patients as Percentage of Total Patients | 35% | 33% | 30% | 33% | 42% | 42% |
| Medicaid Collections as Percentage of Total Collections | 55% | 55% | 48% | 48% | 51% | 59% |
| Medicare Patients as Percentage of Total Patients | 6% | 5% | 5% | 5% | 12% | 10% |
| Medicare Collections as Percentage of Total Collections | 7% | 7% | 4% | 7% | 15% | 11% |
| Other Publicly Insured Patients as Percentage of Total Patients | 9% | 4% | 5% | 4% | 0% | - |
| Other Public Collections as Percentage of Total Collections | 6% | 7% | 5% | 0% | 1% | 0% |
| Privately Insured Patients as Percentage of Total Patients | 21% | 32% | 34% | 34% | 23% | 21% |
| Private Insurance Collections as Percentage of Total Collections | 27% | 27% | 38% | 41% | 22% | 15% |

# Planning & Next Steps

# Upcoming Sessions

**Overview and Introduction**
- ✓ September 25, 2025, 1-2pm ET

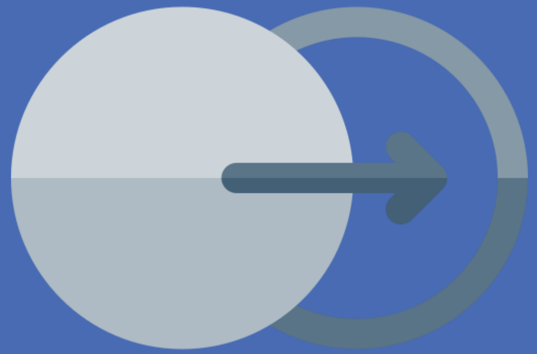
**Strategic Planning – Active Preparation**
- ✓ October 14, 2025, 1-2pm EST

**Market Assessment– Identify Opportunities**
- ✓ October 21, 2025, 1-2pm ET

**Operational Assessment & Readiness**
- ✓ October 28, 2025, 1-2pm ET

**Space Planning – Planning for your Facility Development**
- ✓ November 4, 2025, 1-2pm ET

**All webinars and most referenced tools and resources will be available.*



# We would love your feedback on today's webinar!

CapitalLink

# THANK YOU


# Resources

Capital Link's entire library of resources can be found here:


# Contact Us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