

Health Center Stories:

Spectrum Health Services, PA

This summary describes how Spectrum Health Services (SHS) planned and financed a new facility, describing the capital project structure, financing and impact. Located in Pennsylvania, SHS is building a new 36,000 square foot facility on Haverford Avenue in West Philadelphia. Housing 27 medical exam rooms, 6 dental operatories and administrative offices, the project represents a substantial clinical capacity expansion compared to the 9,500 square feet building currently occupied by the Haddington Health Center, which will relocate and become the Spectrum Community Health Center. The new state-of-the-art, energy efficient facility will allow SHS to provide affordable primary care services and a medical home for the residents of the West Philadelphia area.

About Spectrum Health Services

Spectrum Health Services, Inc. (SHS) is a non-profit community health agency whose mission is to provide comprehensive primary care health services, health education and social services to low-income Philadelphians. Organized in 1967, during the first seventeen years of its existence, SHS provided family planning services under the banner Better Family Planning, Inc.

In 1984, Spectrum Health Services' Haddington Health Center commenced delivery of primary care health services having received designation as a Federally Qualified Health Center (FQHC) by the U.S. Department of Health and Human Services. The agency's name was subsequently changed from Better Family Planning to Spectrum Health Services to reflect its new mission. Spectrum also offers services through its North Philadelphia center at 1415 N. Broad Street.

From 1984 to 1988, the number of patients served at the Haddington Health Center grew dramatically. In addition to family planning, new services offered included prenatal, pediatric, and adult health care. Key support services included social services, nutrition supplements via the Women, Infants and Children (WIC) program. In 1988 prenatal case management and home visiting services were implemented. With the exception of the WIC program, the Haddington Health Center currently offers these services as well as HIV-related services and a dental service program for low income, uninsured residents. Continuity of care is provided through relationships with Children's Hospital, Hospital of the University of Pennsylvania, Mercy Hospital, and Pennsylvania Hospital.

In 1991 SHS established the first school-based health program in a Philadelphia middle school. The school-based program was called the Sulzberger Personal Examination Center (SPEC), offering primary health care services such as physical examinations, immunizations, and treatment of acute conditions to registered students. Although funding for the program ended in 2000, SPEC was unique in its emphasis on meeting the psychosocial needs of students.

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The Capital Project: Spectrum Community Health Center

In June 2007, Spectrum Health Services purchased a facility at 52nd & Haverford Avenue, formerly known as the Nelson Medical Group, and designated this location as the site for the new “green” Spectrum Community Health Center. The energy sustaining features will include geo-thermal, solar, and water source heat pump systems while providing a more user friendly and patient-oriented facility.



A rendering of the new facility

The new location is close enough to the Haddington Health Center that the existing patient base should have little difficulty in transferring and staff will not have to travel farther to work. It is located on a major bus line and will be accessible from all over the city. The opening of this new facility, planned for July 2013, will result in significant future growth for SHS and will enable Spectrum Health Services to better fulfill its mission to provide an affordable, welcoming medical home to the underserved population of West Philadelphia.

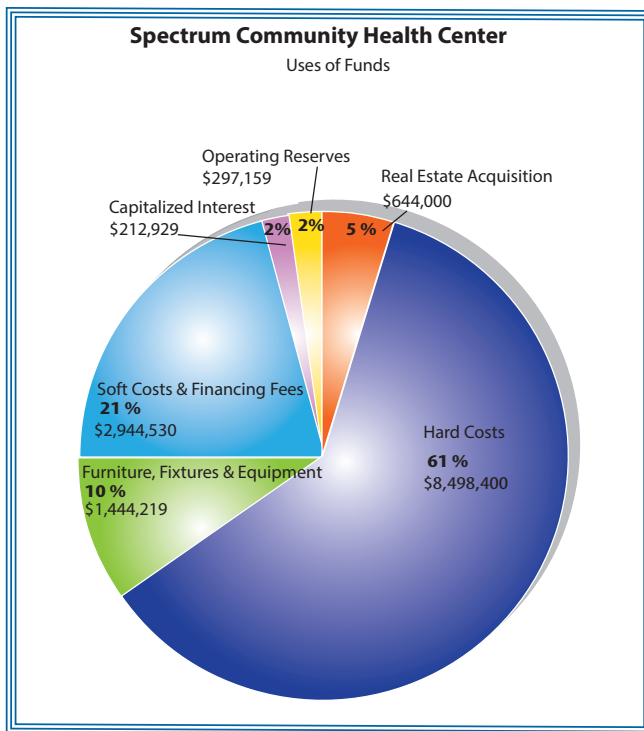
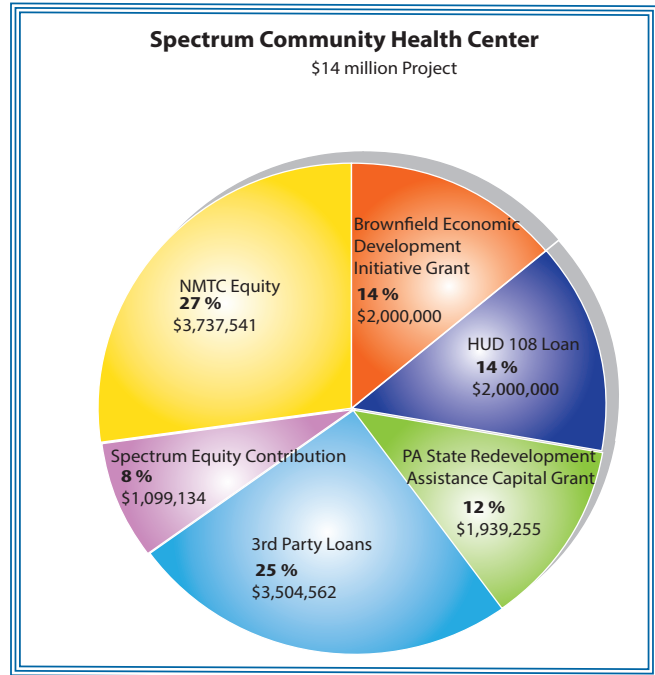


A ground-breaking ceremony was held in July, 2012

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Project Funding/Financing

The \$14 million project was funded using numerous sources, including a \$2 million grant from the City's Brownfields Economic Development Initiative (BEDI), a \$1.7 million Redevelopment Assistance Capital Program grant from the Commonwealth of Pennsylvania, and loans of \$2.4 million. A New Markets Tax Credit (NMTC) transaction was structured to complete the funding, adding equity. The chart to the right shows the sources of funds for the project.



The uses of funds for the capital project are shown in this chart to the left.

Community and Economic Impacts

The project will create temporary construction jobs and up to 70 new permanent positions at the health center, most of which will be filled by residents (Medical Assistants, Dental Assistants, Billers, Patient Service Representatives, Medical Records Techs, Lab Techs). After completion, the new health center expects to serve an additional 17,000 patients through approximately 60,000 annual visits.

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Community and Economic Impacts (continued)

Although the project is not part of a formal revitalization plan sponsored by local government and/or local economic development entities, SHS hopes to provide healthcare services to the students and staff that will be housed in the \$55 million, 100,000 square foot Philadelphia Youth Study Center that will be constructed on the South East corner of 48th & Haverford Ave., a few blocks from the new site. The Youth Study Center, along with the possible relocation of the headquarters for the Philadelphia Police Department to 4601 Market Street, will greatly revitalize the service area for the new health center. With the addition of these large institutions, SHS will have significant opportunities to offer affordable and accessible primary, dental and behavioral health services to residents living in the community and to individuals working in the area. The charts below show the impact of SHS's expansion on the community.

	2010 (1 year prior to project start)	2016 expanded operations (5 years after project start)
Number of Patients Served	10,589	27,239
Number of Patient Visits	28,554	91,676
Patient Revenues	\$3,434,105	\$12,159,704
Total Operating Revenue	\$5,718,559	\$14,191,689
Total Operating Expenditure	\$5,547,786	\$13,168,908
Direct Employment (FTEs)	67	133
Additional Jobs	27	53
Total Economic Impact	\$9,709,233	\$22,419,792

2012 Capital Project	
Total Project Cost	\$14,185,656
Direct Employment	87
Construction Jobs	59
Total Economic Impact	\$23,478,485

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