

Health Center Stories:

Whittier Street Health Center, MA

Whittier Street Health Center, MA completed a new, 78,000 square foot facility that doubled its clinical operations. Founded in 1932, WSHC offers comprehensive family health care, dental care, mental health services and low-cost pharmacy services to one of the most impoverished areas of Boston. Responding to the need to expand access to primary care services and address health disparities in its service area, WSHC began planning the \$36.6 million project in 2006, engaging Capital Link three years ago to assist management with planning and implementing the project.

Health Center Background

Whittier Street Health Center (WSHC) is a Federally Qualified Community Health Center (FQHC) that provides high quality, primary health care to community residents, many of whom are impoverished or low-income. Originally founded as a well baby clinic in 1932, WSHC is now the predominant health safety net provider in the Lower Roxbury neighborhood in the City of Boston. In addition to primary health care, WSHC provides urgent care, behavioral health services, dental health care, and eye care to more than 10,000 individuals annually. WSHC also provides a range of support services including outreach, health education, benefits enrollment, and translation services as part of its mission to make health care accessible to all without regard for a patient's ability to pay for services.

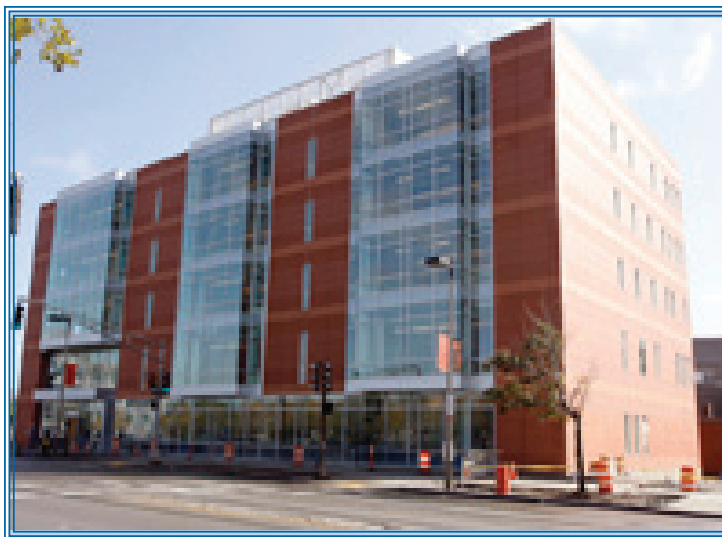
Whittier Street's service area experiences substantial health disparities. A staggering 68 percent of WSHC's patients, over the age of 25, have a diagnosis of diabetes, high blood pressure, asthma or obesity. Twenty-three percent of them have two or more of these diagnoses. Area children face serious health risks related to violence, obesity and asthma.

WSHC is one of only three health centers in the northeast United States to participate in the Center for Disease Control/Health Resources Services Administration funded National Cancer Dissemination Demonstration Project and the National Cancer Collaborative and has also received funding for the purpose of improving the model of care for diabetes.

The Capital Project

While the recent health care reform in Massachusetts has done much to increase access to health insurance and services, especially for underserved populations such as WSHC serves, it has increasingly taxed the primary care capacity across the state. When the health center began planning an expansion in 2006, it had 37,799 patient visits per year, already over capacity for the facility it leases from Northeastern University, which is designed for 36,000 patient visits per year. By 2010, the health center exceeded 62,000 patient visits.

WSHC originally operated in a 30,000 square foot, leased clinical facility located at 1125 Tremont Street in Boston. With the Tremont Street space configuration, the health center could only reach 6.1% of its primary service area, insufficient for the needs of its neighborhood.



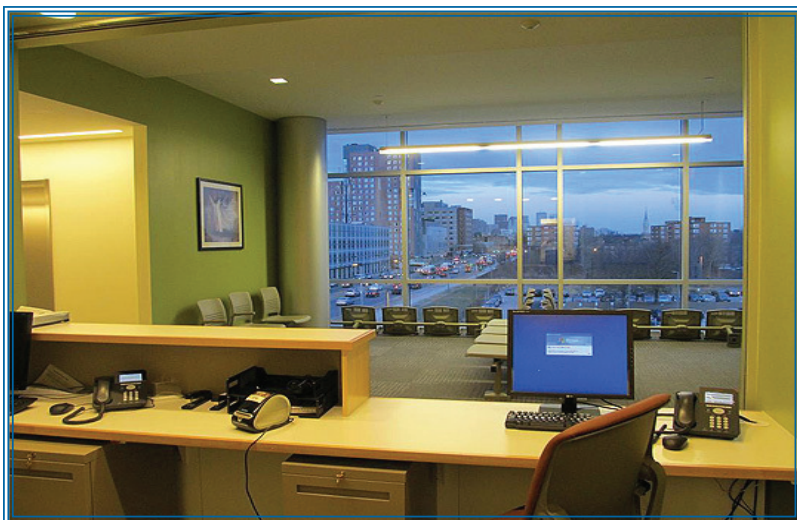
Whittier Street's new facility opened in January, 2012.

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The new facility, completed in January, 2012, gives WSHC its first permanent home and capacity for more than 100,000 patient visits by 2015. It also provides space for the co-location of the Dana-Farber Cancer Institute, Whittier Pharmacy and a physical therapy office. It was built in the U.S. Green Building Council's LEED Rating System Silver Standard and incorporates advanced health information technology.

Many exciting programmatic expansions have been made now that WSHC has a permanent home. There is more space for group visits so the health center can continue to build on the successes of the Centers of Excellence in diabetes, cancer survivorship, substance abuse recovery, men's health, the new Centering Pregnancy program and other wellness initiatives. WSHC has also expanded its relationship with Dana-Farber Cancer Institute to provide first-of-its-kind cancer prevention, treatment and survivorship services in a community health center. Eye care services and urgent care have expanded significantly. There is also space for community education collaboration: GED classes, health education, arts therapy, and a safe place for youth.



An interior view of Whittier Street's new facility.

Source: WSHC and Boston.com

Project Financing/Funding

The \$37.7 million facility was financed with a \$25 million combined New Markets Tax Credit transaction, long-term debt, proceeds from the sale of WSHC's leasehold interest in the 1125 Tremont Street property, equity generated from a capital campaign, and a \$12 million "Facilities Investment Program (FIP) capital grant provided by the Health Resources Services Administration as part of the American Recovery and Reinvestment Act (ARRA). This funding approach will ensure that the permanent debt component is not overly burdensome to the health center's operating budget.

Capital Link conducted a market assessment to clarify WSHC's patient base, created staffing and facility plans, developed pro-forma financial forecasts through 2015 to support operational stability and identified the most advantageous financing structure. Capital Link then helped procure sources of project capital, including the New Markets Tax Credit transaction through Enterprise Community Investment, Inc. and Citi Community Capital, long-term debt, bridge financing and a loan guarantee from the Health Resources and Services Administration (HRSA). Capital Link also assisted the health center with its application for Facilities Improvement Program funding.