

VALUE IMPACT of COMMUNITY HEALTH CONNECTION

**TOTAL 2017
ECONOMIC IMPACT
\$31,492,857**

Federally Qualified Health Centers such as **Community Health Connection** provide tremendous value and impact to their communities including JOBS and ECONOMIC STIMULUS in local communities; SAVINGS to the health care system; ACCESS to care for vulnerable populations.

JOBS and other positive ECONOMIC STIMULUS



116
TOTAL JOBS



\$12,698,537

JOBS IMPACT
of current operations.

\$1,794,320

ANNUAL TAX REVENUES



74 HEALTH CENTER JOBS

Including **10 ENTRY-LEVEL** and **37 SKILLED JOBS** for community residents

42 OTHER JOBS IN THE COMMUNITY

\$6,865,009

DIRECT HEALTH CENTER SPENDING

\$5,833,528

COMMUNITY SPENDING

\$440,978

STATE AND LOCAL TAXES

\$1,353,342

FEDERAL TAX REVENUES

SAVINGS to the health system



24%

LOWER COST FOR HEALTH
CENTER PATIENTS



\$17 Million

SAVINGS TO
THE HEALTH SYSTEM

ACCESS to care for vulnerable populations



13,091
PATIENTS
SERVED

30,454
PATIENT
VISITS

4,016
patients are
**CHILDREN AND
ADOLESCENTS**

9,075
patients are
ADULTS

99% of patients are
LOW-INCOME
(Below 200% of the
Federal Poverty Level)

86% of patients
identify as an
**ETHNIC OR
RACIAL MINORITY**

COMMUNITY IMPACT

Community health centers provide patient-centered, high quality, cost-effective care to vulnerable populations. Health centers serve 1 in 7 Medicaid beneficiaries, almost 1 in 3 individuals in poverty, and 1 in 5 low-income, uninsured persons. Nationally, two-thirds of health center patients are members of racial or ethnic minorities, which places health centers at the center of the national effort to reduce racial disparities in health care¹.

Recent studies show that, on average, each patient receiving care at a health center saved the health care system 24%, annually⁴. With 13,091 patients served by Community Health Connection in 2017, the estimated annual savings is \$17 million at \$1,263 saved per patient⁵.

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.

REFERENCES AND DATA SOURCES

1. Economic and Employment Impacts: Calculated by Capital Link using 2016 IMPLAN Online.
2. Savings to 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.
3. Access to Care for Vulnerable Populations: Bureau of Primary Health Care, HRSA, DHHS, 2017 Uniform Data System.
4. Richard et al. *Cost Savings Associated with the Use of Community Health Centers*. Journal of Ambulatory Care Management, Vol. 35, No. 1, pp. 50-59, January/March 2012.
5. Ku et al. *Strengthening Primary Care to Bend the Cost Curve: The Expansion of Community Health Centers Through Health Reform*. Geiger Gibson/RCHN. Community Health Foundation Research Collaborative. Policy Research Brief No. 19. June 30, 2010.

Summary of 2017 Total Economic Activity

Stimulated by Current Operations of

		Economic Impact	Employment (# of FTEs*)
Community Impact	Direct	\$ 6,865,009	74
	Indirect	\$ 1,958,765	14
	Induced	\$ 3,874,763	28
	Total	\$ 12,698,537	116

Direct # of FTEs (employment) based on HRSA 2017 UDS state level data for FQHCs.

Summary of 2017 Tax Revenue

		Federal	State
Community Impact	Direct	\$918,791	\$171,313
	Indirect	\$149,692	\$77,758
	Induced	\$284,859	\$191,907
	Total	\$1,353,342	\$440,978
Total Tax Impact		\$1,794,320	

*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.

