

## Health Center Stories:

### *Moses Lake Community Health Center, WA*

This summary describes Moses Lake Community Health Center's (MLCHC's) expansion efforts highlighting the capital project planning, financing, and estimated impact. MLCHC is responding to an increase in demand by consolidating the existing complex of buildings at its Quincy, Washington, location into one larger centralized facility, expanding its capacity by 8,900 square feet. The facility is scheduled to be finished by April 2014, with completion of the entire project, including parking lots and landscaping, by June 2014.

#### **About Moses Lake Community Health Center**

MLCHC is a Federally Qualified Migrant and Community Health Center providing out-patient medical, dental, pharmacy, outreach, WIC, and maternity support services to residents of Grant County, WA at clinics located in two communities: Moses Lake and Quincy. MLCHC has served the Moses Lake community since 1978 and opened operations in Quincy in 2002. MLCHC's mission is to provide high quality, compassionate, and comprehensive primary health services for the entire family, with a special focus on migrant and seasonal farm workers, the uninsured, underinsured, and others who have difficulty accessing care.

In 2012, MLCHC's Quincy facility served 30,276 patients. Twenty-nine percent of adult patients had no health insurance and 43.3 percent were Medicaid/CHIP recipients. Ninety-six percent earned 200 percent or below the federal poverty level (FPL). Fifty-nine percent were Latino and 8,257 were agricultural workers.



**A rendering of the MLCHC Quincy clinic currently under construction.**

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### Moses Lake Community Health Center Capital Project

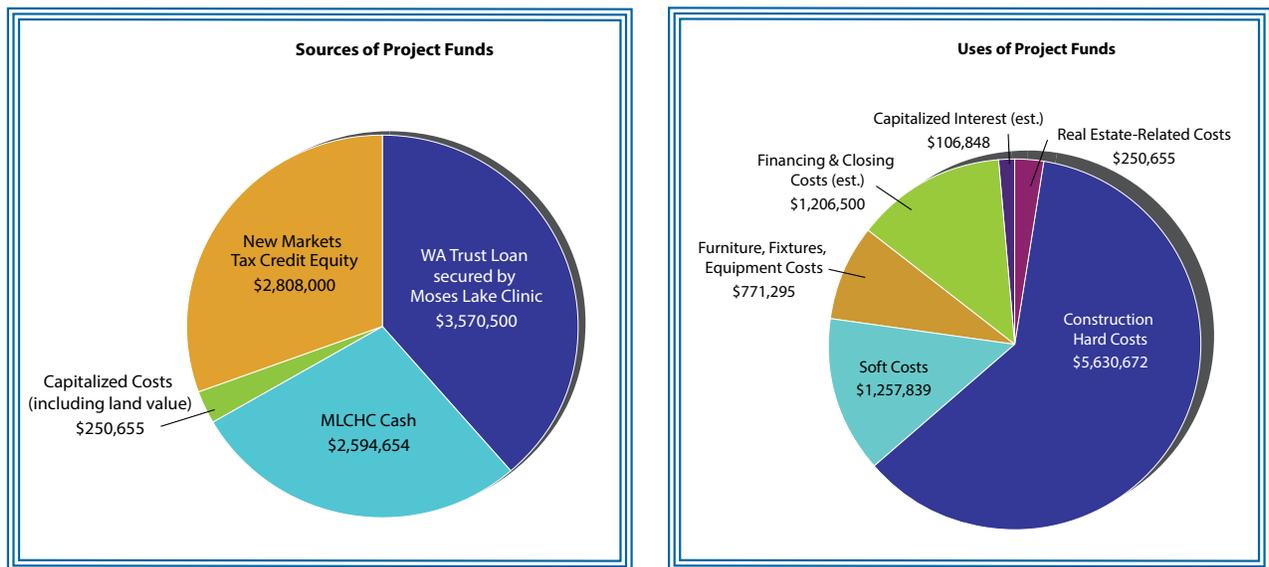
MLCHC's decision to expand the Quincy clinic is in response to the population growth in both the county and the market areas, which are projected to remain above the state wide average, and the anticipated increase in demand for primary care resulting from health reform. It is estimated that the Quincy market area will experience a demand of over 14,000 additional visits over the next five years and that the market share of Medicaid and uninsured patients will grow from approximately 47 percent to 60 percent.

The scope of the project is to build a new 22,387 square foot facility that will consolidate all existing medical and dental functions that are currently offered in a complex of three modular buildings. This represents an 8,900 square foot capacity expansion over the current facility. The new one-story building, scheduled to be completed by April 2014, will house 24 medical exam rooms, one procedure room, and seven dental operatories. The existing modular clinic will remain open during construction then later removed and converted into parking lots.

### Project Financing

MLCHC is financing the estimated \$9.2 million project utilizing a New Markets Tax Credit (NMTC) structure, which will generate approximately \$2.8 million in additional equity capital. In addition, MLCHC is investing approximately \$2.6 million of its own cash equity and is receiving an approximately \$3.5 million loan from its current bank, Washington Trust Bank, which is secured by the main clinic in Moses Lake.

The capital project sources and uses of funds are illustrated below:



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#### Impact

Capital Link uses an integrated economic modeling and planning tool called IMPLAN (IMpact analysis for PLANning) to assess the “multiplier effect” of each health center’s business operations, job creation, and likely future growth. Economic activity can be calculated in terms of direct, indirect, and induced impact. Direct benefits flow from expanded operations, new facilities, and hiring. Indirect benefits come from local purchases. Induced benefits occur from spending resulting from new household income as all local industries grow.

Prior to the expansion, MLCHC contributed over \$19.3 million annually directly to the local economy, plus additional indirect and induced economic impact of approximately \$9.7 million. After completion of the project, the direct economic impact is estimated to be over \$24.8 million annually, an increase of over \$5.5 million. Additional indirect and induced economic impact is expected to be just under \$10 million annually by 2018.

This project is anticipated add approximately 12 permanent Full-Time Equivalent (FTE) employees by 2018 with the expansion of services being offered. The chart below shows the additional impact of MLCHC’s expansion on the community.

	2012 (prior to project start)	2018 (projected)
Number of Patients Served	30,276	33,973
Number of Patient Visits	104,358	122,519
Total Operating Revenue	\$20,080,514	\$23,509,092
Total Expenses	\$19,309,204	\$23,044,258
Permanent Direct Employment	206.08	218.85
Indirect and Induced Employment	77.6	92.7
Total Economic Impact (Direct, Indirect and Induced)	\$29,082,636	\$34,708,203

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