



CAPITALink



A Quarterly Resource Bulletin from Capital Link

Winter 2019

Message from the CEO

This year we are so excited to be celebrating the 25th anniversary of the founding of Capital Link and its predecessor affiliate, [Community Health Center Capital Fund](#) (Capital Fund). Established in 1994, Capital Fund originally served health centers in Massachusetts.

By the late 1990s, through the leadership of Capital Fund, the Massachusetts League of Community Health Centers, NACHC and the primary care associations in Illinois, North Carolina and Texas—and with financial support from HRSA’s Bureau of Primary Health Care—[Capital Link](#) was founded as a national training and technical assistance resource for health centers seeking capital financing. Today, both Capital Link and Capital Fund continue to support the community health center movement through a range of technical assistance and lending programs nationally.

To celebrate our silver anniversary, we will be including a special Anniversary Highlight article in each 2019 issue of *Capital Ink* featuring various milestones and accomplishments throughout our 25-year history. Don’t miss the first 25th Anniversary Highlight in this issue.

This issue also provides an update on two programs that serve as invaluable sources of financing for health centers – the HRSA Loan Guarantee Program and the New Markets Tax Credit Program – as well as information on our latest Learning Collaboratives.

As always, this latest issue of *Capital Ink* also offers a federal update, health center highlights, and a complete list of our upcoming trainings and webinars. We hope to see you at the NACHC Policy & Issues Forum at the end of the month!

Warm Regards,
Allison Coleman, CEO



Federal Update

Below is a selection of recent health policy and regulatory news and information relevant to health centers and PCAs. For regular updates, subscribe to Capital Link's [blog](#), or access NACHC's [blogs](#) and HRSA's health center [webpage](#).

HRSA Announces the Availability of \$50 Million in New Access Points (NAP)

The purpose of the Health Center Program NAP funding opportunity is to provide operational support for new service delivery sites under the Health Center Program. Organizations can apply for up to \$650,000 per year. Applications are due via Grants.gov by Tuesday, March 12, at 11:59 pm ET, and to HRSA's Electronic Handbooks by Thursday, April 11, at 5:00 pm ET. HRSA expects to make approximately 75 awards this September. For more information, please visit the [NAP technical assistance webpage](#).

Senate HELP Committee Hearing & Bills Address Health Center Funding

In January, Senate HELP Committee Chairman Lamar Alexander (R-TN) and Ranking Member Patty Murray (D-WA) introduced legislation to extend health center funding, as well as several other health-related programs. The bill provides five years of level funding for the Community Health Centers Fund, National Health Service Corps, Teaching Health Centers Graduate Medical Education program, the Special Diabetes Program at the National Institutes of Health, and the Special Diabetes Program for Indians. [Click here](#) to read Senator Alexander's press release upon introduction of the bill, and visit the [HC Advocacy blog](#) to read more about recent efforts to support health center funding. On a related note, on January 29th, the Committee held a hearing entitled "Access to Care: Health Centers and Providers in Underserved Communities". The hearing included four health center witnesses who spoke to the importance of extended funding for health centers, the National Health Service Corps, and the Teaching Health Center program. Watch the recording [here](#). Also in January, bipartisan legislation – the Community Health Improvement, Modernization, and Excellence (CHIME) Act – was introduced by Senators Roy Blunt (R – MO) and Debbie Stabenow (D – MI). CHIME would provide long-term funding for health centers, extending the Community Health Centers Fund (CHCF) for an additional five years and increasing funding steadily over time to \$5.0 billion in 2024. Read more [here](#).

School-Based Health Center Capital Program Awards

On February 1, HRSA announced \$11 million in awards to 120 school-based health centers across the U.S. as part of the fiscal year 2019 School-Based Health Center Capital (SBHCC) Program. View the complete list of award recipients. The purpose of this funding opportunity is to increase access to mental health, substance abuse, and childhood obesity-related services in operational school-based health centers by funding minor alteration/renovation (A/R) projects and/or the purchase of moveable equipment. Award recipients may visit the [SBHCC Program TA page](#) for more information. Learn more [here](#).

New and Noteworthy

25th Anniversary Highlights

Much has changed since 1994, when Allison Coleman became the first staff member of Community Health Center Capital Fund, the Massachusetts-based precursor to Capital Link. Perhaps the most important change is our broader focus. Twenty-five years ago, we were founded with the mission of developing a capital financing program for Massachusetts health centers. Now, operating through two national organizations, much of our work still is capital project focused, but we offer many more services too. The following comparison illustrates how we started and where we are today.

Then

INTRODUCING...CAPITAL LINK

Capital Link is a new national nonprofit organization dedicated to assisting health centers in planning and obtaining financing for building and equipment projects. Capital Link provides a range of technical assistance services to help health centers:

- Plan feasible and affordable capital projects
- Assess debt capacity and equity needs
- Evaluate financing options
- Prepare viable applications and financing proposals for the Bureau of Primary Health Care's Loan Guarantee Program or other financing programs, and
- Close successful financing transactions

The Capital Link initiative has received start-up support from the Bureau of Primary Health Care and was founded by the National Association of Community Health Centers, the Community Health Center Capital Fund and the Primary Care Associations in Massachusetts, Illinois, North Carolina and Texas. In order to advance its mission, Capital Link works in partnership with Primary Care Associations, consultants and other entities interested in improving access to capital for health centers.



Now

Established through the health center movement, Capital Link is dedicated to strengthening health centers—financially and operationally—in a rapidly changing marketplace.

Capital Link is a national, non-profit organization that provides an extensive range of services to community health centers and Primary Care Associations (PCAs) customized according to need. By providing sector-specific comparative data, training, tools, and hands-on expertise, Capital Link helps health centers to:

- Plan for sustainability and growth
- Access capital
- Improve and optimize operations and financial management
- Articulate value

To date, we've partnered with 45 PCAs and 15 regionally-based California consortia to support capacity-building programs that strengthen the financial and operational performance of their members.

Capital Link's seasoned staff has provided technical assistance to more than two-thirds of health centers nationally to assist them in planning and financing capital projects, leveraging over \$1.1 billion for 231 health center projects totaling over \$1.45 billion.



The HRSA Facilities Loan Guarantee Program

Originally authorized by Congress in 1997 through an appropriation, the HRSA Loan Guarantee Program (LGP) offers loan guarantees for the construction, renovation, and modernization of medical facilities operated by health centers. Authorized under Part A of Title XVI of the Public Health Service Act, the guarantee can cover up to 80% of the principal amount of loans made by non-federal lenders. In 2018, Congress appropriated new funds for the program, enabling HRSA to update and modernize it to provide guarantees for almost \$900 million in loans to health centers going forward.

The purpose of a loan guarantee is to enhance the health center's credit profile, reducing the lender's risk and allowing it to lend to health centers under more favorable terms than would have been possible otherwise. For some centers, a loan guarantee could mean the difference between getting a "yes" versus a "no" from a lender, while for others, it may allow the lender to offer a lower interest rate, a longer fixed-rate term, or a higher loan-to-value ratio.

We expect that HRSA will announce the launch of the updated and expanded program at [NACHC's Policy & Issues Forum](#) (P&I) in DC. While the details of the new program are still being finalized, Capital Link will be working closely with HRSA over the coming months to provide a range of trainings and assistance on the program to health centers and lenders.

Capital Link will hold two informal informational sessions to introduce the program to health centers at the P&I:

Could the HRSA Facilities Loan Guarantee Program Benefit Your Health Center?

Thursday, March 28, 2019, 9:00 a.m. – 10:00 a.m. Park Tower Room 8210
Presenter: Allison Coleman, CEO, Capital Link

Thursday, March 28, 2019, 3:00 p.m. – 4:00 p.m. Park Tower Room 8210
Presenter: Jonathan Chapman, Director of CHC Advisory Services, Capital Link

We will also provide trainings at several upcoming regional NACHC and State PCA conferences.

In addition to offering trainings on the LGP, with support from HRSA, Capital Link can directly assist a limited number of health centers with preparing program application materials. Funding for this assistance is limited, so if you are interested, please contact Jonathan Chapman at jchapman@caplink.org as soon as possible.

Please continue to check Capital Link's [website](#) and HRSA's [LGP webpage](#) for new information on the program as it becomes available.

NMTC Allocation Awards Expected this Spring

The U.S. Department of the Treasury's Community Development Financial Institutions Fund recently reported that the announcement of allocations for the calendar year (CY) 2018 NMTC Program application round will occur this spring. Community development entities (CDEs) who are awarded these allocations will be actively seeking near-term health center expansion or renovation projects to finance. ***If your health center needs additional funding for a project, NMTC financing could be the answer – and you should start preparing***

now!

Intended to stimulate investment and economic growth in low-income urban neighborhoods and rural communities, NMTC financing is a critical source of low-cost capital and equity for health center facility projects—often securing approximately 20-22% of total project costs. However, obtaining credits from a CDE with an allocation is a highly-competitive and complex process! Health centers must demonstrate a high level of project readiness and clearly communicate the merits of their projects to CDEs with allocation. Moreover, the process of structuring and closing an NMTC transaction is complex.

Capital Link and our lending affiliate [Capital Fund](#) have extensive knowledge of NMTC financing, together leveraging \$670 million in NMTC financing for health centers to date. For more information about NMTC financing for health centers, access our free resources [here](#) on our website.

We welcome the opportunity to explore whether your project might be eligible for NMTC financing. Please contact Jonathan Chapman, Director of Community Health Center Advisory Services, at jchapman@caplink.org.

Learning Collaboratives: Free with HRSA Support

Capital Link's [Learning Collaboratives](#) are designed to help increase the capacity of health centers in a peer-to-peer learning format. Conducted through a series of webinars, virtual discussions, and in-person meetings facilitated by Capital Link, our Collaboratives are focused on topics such as planning and financing capital development projects or forming non-traditional partnerships with organizations to address Social Determinants of Health. Learning Collaboratives are offered free of charge with support from the Health Resources and Services Administration.

Upcoming and current Learning Collaboratives include:

Capital Projects: Planning, Financing, Completing

Designed to assist health centers that anticipate the need for a capital project during the next one to five years, this learning collaborative will provide practical direction and tools for planning, financing, and completing a capital project. Through a series of monthly interactive learning sessions conducted between March and September 2019, participating health centers will be provided with guidance to successfully navigate the process of building or renovating facilities. To facilitate these learnings, Capital Link will provide a variety of valuable tools and resources, both publicly available and Capital Link-developed, throughout the collaborative. Learn more [here](#).

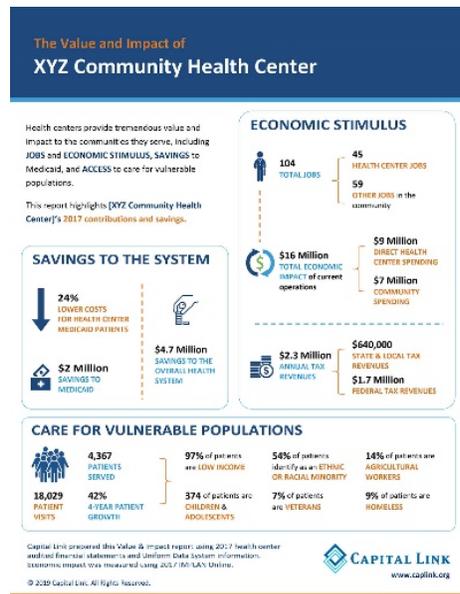
Capital Expansion for Health and Housing Partnerships

This past December, CSH (Corporation for Supportive Housing) and Capital Link launched a second cohort of this learning collaborative for health centers interested in expanding their health services in collaboration with housing facilities. These facility collaborations are aimed at addressing gaps in a community's housing and health infrastructure and provide opportunities to advance health centers' engagement in social determinants of health. Learn more [here](#).

For more information on our Learning Collaboratives, please contact Jonathan Chapman, Director of Community Health Center Advisory Services, at jchapman@caplink.org.

Resources

Value & Impact Reports



With the current challenges facing health centers – funding uncertainties, increased competition, proposed changes to Medicaid and the need to reduce costs – health centers need to engage with their community leaders, legislators, funders, and payers to demonstrate the value and impact they have on the communities they serve and the nation as a whole.

Capital Link has a newly-redesigned, customized [Value & Impact infographic report](#) to help you share your health center's contributions. [Statewide](#), [congressional district](#) and [capital project](#) infographic reports are also available.

This report illustrates the story of your health center along the following domains:

1. Employment and economic stimulus, using economic modeling software
2. Savings to Medicaid
3. Access to quality care for vulnerable populations

For more information, contact Jennifer Saber, Director of Data and Analysis, at jsaber@caplink.org.

Capital Funding for Rural Healthcare

This topic guide is designed to serve both as an introduction to capital funding for rural healthcare organizations and as a reference that collects the “best of the best” resources: selected documents, organizations, tools, funding opportunities, news items, events, and program examples. It brings together resources for running successful capital campaigns and provides information on current capital funding needs of rural hospitals, clinics, and other providers of healthcare services. This guide also lists federal, state, and foundation funders that are interested in supporting capital projects.

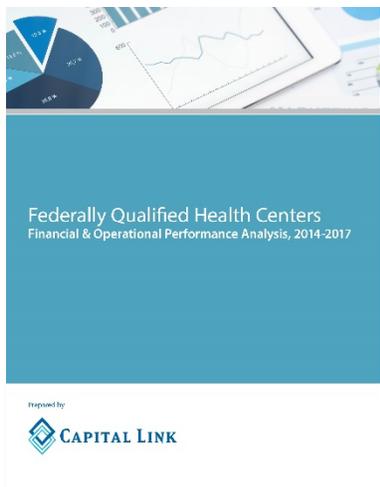
For questions or comments about this guide, or for assistance with using it, please contact Jana Reese at funding@ruralhealthinfo.org. Capital Link's Mark Lurtz and Jonathan Chapman contributed their time and expertise to ensure that the guide is as useful and up-to-date as possible for health centers. Access it [here](#).

New Community Health Center Chartbook with the Latest State and National Data

NACHC's [Community Health Center Chartbook](#) is a comprehensive collection of important research findings on community health centers and provides a detailed picture of the Health Center Program, including data on capital plans and needs from Capital Link. The chartbook provides insights on health center patients, services, quality, cost-effectiveness, access, the

challenges health centers face meeting demand for care, and –for the first time ever – a new section dedicated solely to telehealth services. Click [here](#) to check out the Chartbook.

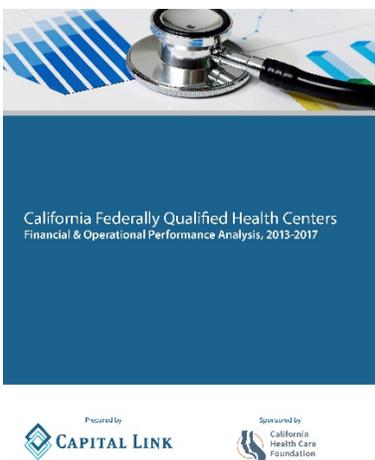
Coming Soon...



Federally Qualified Health Centers Financial and Operational Performance Analysis, 2014-2017

Spring 2019

This report provides an aggregate financial and operational profile of Federally Qualified Health Centers nationally from 2014 to 2017, including new information on urban and rural health centers. By presenting multi-year trends, the analysis offers a framework for identifying financial strengths, challenges, and opportunities for performance improvement. Prepared with support from the Health Resources and Services Administration.



California Federally Qualified Health Centers: Financial & Operational Performance Analysis, 2013-2017

Spring 2019

Supported by the California Health Care Foundation, this analysis provides an updated statewide, multi-year financial and operational profile.

Health Center Highlights

Capital Link regularly profiles health centers that have successfully completed their expansion plans. These health center stories are available on our [website](#). The next story will feature PrimeCare Community Health in Chicago, IL.

We want to congratulate [La Clínica de La Raza](#) on closing financing on their La Clínica Vallejo expansion project in downtown Vallejo, CA. The project will transform a 1950s era department store into a new health center facility with co-located medical, behavioral, dental, and optometry

services. The space will also include conference rooms, break rooms, and administration offices. Capital Link is proud to have provided support in obtaining the financing for this project.

Congratulations to [Georgia Mountains Health Services](#), GA for closing financing on a recently completed clinic expansion project. Our affiliate [Community Health Center Capital Fund](#) provided a direct loan for the project.

[The Floating Hospital](#), NY also recently closed financing on a new clinic headquarters, which included a \$7.5 million NMTC allocation from Capital Fund.

Upcoming Events

Capital Link regularly attends industry conferences to exhibit, conduct trainings, and present information related to capital development to health centers and primary care associations. Below are a few of our next scheduled events. Learn more [here](#).

Presentations

NACHC Policy & Issues Forum 2019

March 27-30, 2019

Washington, DC

Strategic Planning: A Realistic Approach During Rapid and Significant Change (PThE2)

Thursday, March 28th, 10:30 a.m.-12:30 p.m., Thurgood Marshall East

Presenters: [Jonathan Chapman](#), Director of Community Health Center Advisory Services, Capital Link; Gary Campbell, Chief Executive Officer, Johnson Health Center

As health care evolves due to rapid changes in technology, demographics, reimbursement, and policy, community health centers have increasing expectations in collaborations, operations, and of course improving patient outcomes and care. In order to reasonably consider and respond to all these opportunities and responsibilities, adequate time and resources for strategic planning may not appear to be available or a priority. Led by a health center CEO and Capital Link, this session will share not only the significance and benefit of planning but also provide realistic tools and experiences for all health centers considering, beginning, or refining their strategic planning process.

Need Training Resources? We've Got You Covered (T3-4)

Friday, March 28th, 1-1:30 p.m., Exhibit Hall C

Presenters: [Allison Coleman](#), Chief Executive Officer, Capital Link; Kristine Gonnella, Director, Training and Technical Assistance, National Nurse-Led Care Consortium (a PHMC Affiliate); Ted Henson, Director, Health Center Performance and Innovation, NACHC

Did you know that there is a national online clearinghouse for all training and technical

assistance resources available to health centers? National Cooperative Agreement (NCA) organizations have developed a clearinghouse of training and technical assistance resources to support and enhance health center operational performance. The Health Center Resource Clearinghouse provides a one-stop shop for publications, webinars, and toolkits to promote health center excellence. Join NACHC staff and our partner NCA organizations for a demo of the newly launched site and dialogue about opportunities for further enhancements.

***SPECIAL EVENT* Could the HRSA Facilities Loan Guarantee Program Benefit Your Health Center?**

Thursday, March 28, 9-10 a.m., Park Tower Room 8210
Presenter: Allison Coleman, CEO Capital Link

Thursday, March 28, 3-4 p.m., Park Tower Room 8210
Jonathan Chapman, Director of CHC Advisory Services, Capital Link

Come hear the details regarding this newly-launched, greatly expanded program to assist health centers with their capital needs. Capital Link staff members will also be available to discuss your individual health center's project and technical assistance needs. We will hold two informal information sessions at the P&I.

NACHC Cultivating Health Center Operations (CHCO)

April 10-11, 2019
Kansas City, MO

Utilizing HRSA's Loan Guarantee Program to Acquire Low-Cost Capital for Facility Needs

Thursday, April 11, 2019, 1:30 p.m. – 2:30 p.m.
Presenter: Allison Coleman, CEO, Capital Link

During this session, attendees will learn about HRSA's greatly-expanded and streamlined Loan Guarantee Program. The program is intended to assist health centers in accessing capital to expand and modernize their physical facilities—and in so doing, provide greater access to care for patients and augment service offerings, including primary medical care, integrated dental and behavioral health, substance use services, vision, pharmacy and enabling services. At this session, you will learn how to prepare for and apply to the program, as well as how to access available technical assistance resources to assist with the planning and application process.

Webinars

Using Financial and Operational Data to Plan for Growth

Wednesday, March 20, 2019 2-3 p.m. ET
Presented by [Tony Skapinsky](#), Project Consultant, Capital Link

Register [here](#).

About Capital Link

Capital Link is a national, non-profit organization that has worked with hundreds of community health centers and Primary Care Associations (PCAs) for 25 years to plan for sustainability and growth, access capital, improve and optimize operations and financial management, and articulate value. Established through the health center movement, Capital Link is dedicated to strengthening health centers—financially and operationally—in a rapidly changing marketplace. For more information, visit us at www.caplink.org, and connect with us on [Facebook](#), [LinkedIn](#), [Twitter](#), and our [blog](#).

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