

Health Center Stories

PrimeCare Community Health, IL

This summary describes PrimeCare Community Health, Inc.'s expansion efforts in Chicago, IL, highlighting the capital project planning, financing, and estimated community impact of a new \$8 million health center capital project.

About PrimeCare

PrimeCare is a Federally Qualified Health Center (FQHC) providing medical, dental, and behavioral health services at six locations in the urban, western region of Chicago, IL. PrimeCare offers a range of primary medical, dental, and behavioral health care including substance abuse services.

Established in 1992, PrimeCare was the product of a collaborative vision between Saint Elizabeth Hospital and community partners. PrimeCare's first clinic (PrimeCare West Town) was, and still is, located on the Saint Elizabeth's campus. PrimeCare has maintained a strong collaborative relationship with the hospital, serving as its primary care residency site.

In 2017, PrimeCare served 20,103 patients, 96 percent of which earned less than 200 percent of the Federal Poverty Level (FPL). Thirteen percent of PrimeCare patients were uninsured and 58 percent were Medicaid/CHIP recipients.



Artist rendering of PrimeCare's new facility, currently under construction, in northwest Chicago, IL.

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Capital Project Description

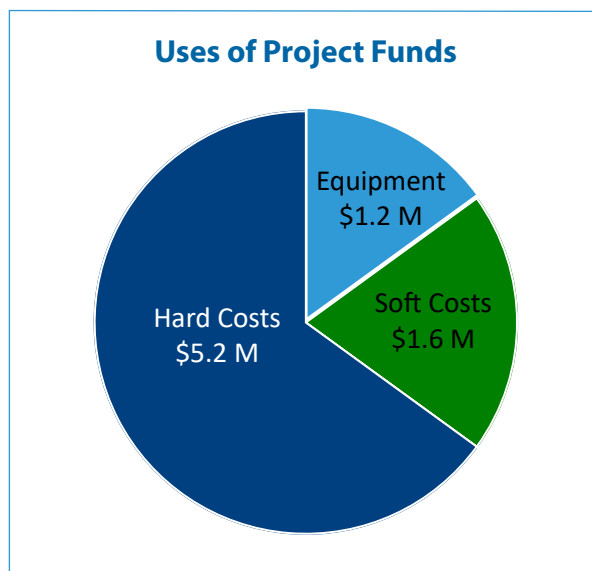
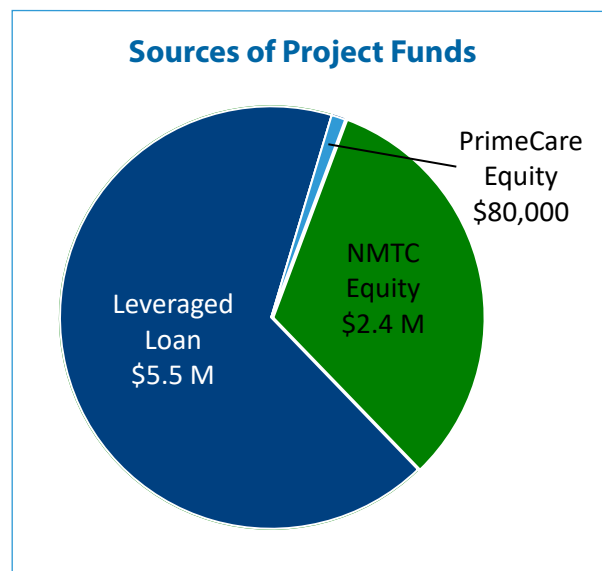
PrimeCare purchased and is in the process of renovating a property that will serve as the new home to its current Portage Park clinic, as well as its administrative offices. The new facility is located in a densely-populated urban area of northwest Chicago. The need for the expansion and relocation project is demonstrated by a huge unmet demand for health services in this area of the city. PrimeCare’s Portage Park clinic reached its full capacity some time ago.

Once renovated, the 16,000-square-foot health center facility will allow for a substantial increase in the number of exam rooms from five to 23, and add four dental operatories. The new site will also include space for comprehensive behavioral health services as well as services for substance-use disorders and medication-assisted-treatment for opioid use disorders.

By 2025, the project is expected to allow PrimeCare to serve an additional 8,400 patients and 22,000 additional patient visits per year.

Project Financing

PrimeCare financed the \$8 million project utilizing a New Markets Tax Credit (NMTC) structure. Capital Link’s loan affiliate Community Health Center Capital Fund and another Community Development Entity provided PrimeCare with NMTC allocations that generated \$2.4 in equity capital. Financing also included a leveraged loan and the health center’s own equity investment. 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.

In 2017, prior to the expansion project, PrimeCare contributed over \$12.9 million annually directly to the local economy, plus additional indirect and induced economic impact of approximately \$11.1 million for a total of \$24 million. The projected direct economic impact due to the expansion of services, is estimated to be approximately \$18.4 million annually by 2025. Additional indirect and induced economic impact is expected to be \$16.1 million annually for a total economic impact of close to \$34.6 million annually by 2025.

This project is also anticipated to add approximately 20 permanent Full-Time Equivalent (FTE) employees by 2025 with the expansion of services being offered.

The chart below shows the additional impact of PrimeCare’s expansion on the community.

	2017 Pre-Project	2025 Projected
Number of Patients Served	20,103	28,513
Number of Patient Visits	63,895	85,817
Total Operating Revenue	\$12,962,192	\$18,517,729
Total Expenses	\$12,890,151	\$18,384,622
Permanent Direct Employment	138	158
Total Economic Impact (Direct, Indirect, and Induced)	\$24,006,169	\$34,574,552

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