



A Quarterly Resource Bulletin from Capital Link | Fall 2019

Message from the CEO

As the health center community awaits news on Congress's progress toward fixing the Health Center Funding Cliff, we are inspired by the persistence and dedication of health centers in continuing to serve patients in the midst of this uncertainty.

The value and impact of health centers is tremendous, and this issue provides information about how patients are benefitting from health centers, drawing on recently released analyses.

As we continue to celebrate our silver anniversary year, this issue's *25th Anniversary Highlights* article also notes how the impact of Capital Link and Capital Fund has grown along with the health center sector we serve.

Also in this issue are newly released resources, health center highlights, and a list of our upcoming trainings and webinars.

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 Ink's [blog](#), access NACHC's [blogs](#), and HRSA's health center [webpage](#).

Congress Works to Prevent Government Shutdown and Extend CHC Funding

Late September, the House [passed a continuing resolution](#) to keep the federal government open through November 21. The short-term spending bill passed by the House of Representatives also extends funding for the Community Health Center Fund, National Health Service Corps, and Teaching Health Center program through November 21. The roughly two-month extension now awaits a vote in the Senate later this week before heading to the President's desk to be signed into law. [Click here to read more](#) about Congress' effort to extend key mandatory and discretionary funding for health centers through November

New Access Points Awardees Announced by HRSA

September, 2019, [HRSA awarded more than \\$50 million to fund 77 health centers across 23 states, Puerto Rico, and the Commonwealth of the Northern Mariana Islands](#). New Access Points (NAP) funding provides operational support for new organizations to become Health Center Program grantees and for existing health centers to establish new service delivery sites.

HHS Awards \$107 Million to Support Health Center Quality Improvement

August, 2019 – [HHS announced nearly \\$107 million in Quality Improvement Awards \(QIAs\)](#) to 1,273 health centers across all U.S. states, territories, and the District of Columbia. Have questions about your QIAs? [Visit the QIAs webpage](#) to learn more about fiscal year (FY) 2019 award categories and criteria.

Service Area Competition Notice of Funding Opportunity Released for May 1 Starts

August, 2019 - HRSA released the FY2020 Service Area Competition (SAC) Notice of Funding Opportunity, HRSA-20-019, for service areas with a May 1, 2020, project period start date (current project period end date is April 30, 2020). Current award recipients should refer to box 6 of the most recent Notice of Award to obtain their project period end date. Applications are due in Grants.gov by 11:59 p.m. ET on Monday, October 21, and in HRSA's Electronic Handbooks (EHBs) by 5:00 p.m. ET on Wednesday, November 20. Technical assistance (TA) materials are available on the [SAC TA webpage](#).

HHS Awards over \$85 Million to Help Health Centers Expand Access to Oral Health Care

September 2019, HRSA awarded over [\\$85 million](#) to 298 health centers to expand their oral health service capacity through new infrastructure enhancements. These investments are the first by HRSA to solely focus on oral health infrastructure and will enable HRSA-funded health centers to provide new, or enhance existing, oral health services. View the awards [here](#).

USDA Announces Nearly \$12 Million in Funding to Improve Public Facilities in 17 States, Benefiting More Than 200,000 Rural Americans

USDA Rural Housing Service Administrator Bruce W. Lammers announced that the U.S. Department of Agriculture (USDA) is investing almost [\\$12 million in 41 community facilities projects](#) that will benefit 214,000 Americans (PDF, 134 KB) in rural communities in 17 states.

View the Community Facilities Direct Loan Program Guidance Book for Applicants [here](#).

Notice of Allocation Availability for 2019 NMTC Program Released

On September 4th the US Department of the Treasury's Community Development Financial Institutions Fund released a Notice of Allocation Availability for the calendar year 2019 New Markets Tax Credit Program. \$3.5 billion in tax credit allocation authority is available in this round. The application deadline is October 28, 2019. Certified Community Development Entities will be applying and are seeking eligible projects for their pipelines. Health centers that are interesting in obtaining NMTC financing should contact Jonathan Chapman (jchapman@caplink.org) as soon as possible.

New and Noteworthy

The Importance of Demonstrating FQHC Value and Impact

Newly released reports show that patients are benefitting from the changing landscape of community health centers. Monitoring this data is essential for FQHCs to maintain financial sustainability, as it justifies funding support, educates stakeholders, and helps narrate a health center's story.

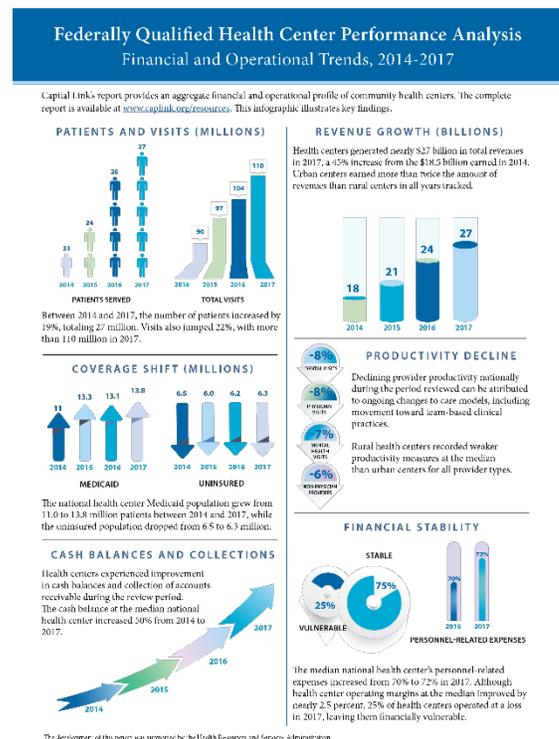
Capital Link's just released FQHC Financial and Operational Performance Analysis [report](#) and [infographic](#) highlight health center strengths, challenges, and opportunities for performance improvement between 2013 and 2017.

According to our report, health centers generated nearly \$27 billion in total revenues in 2017, a 45% increase from 2014. During the review period, the number of patients served nationally increased 19%, totaling 27 million. Visits also jumped 22%, with more than 110 million in 2017.

A [survey](#) by The Commonwealth Fund reports FQHCs made substantial strides in access to care, technology, and innovation between 2013 and 2018. Expanding access to timely care has been shown to reduce emergency department visits, increase patient satisfaction, and reduce unmet medical need.

In terms of advancing technology, nearly all health centers now use an electronic health record (99% vs. 93% in 2013), and the percentage of health centers leveraging technology to improve care has increased. More health centers are also now engaged in innovative models of care – the proportion of health centers recognized as a patient-centered medical home rose substantially (84% vs. 35% in 2013).

According to the [2019 Fact Sheet](#) by the National Association of Community Health Centers (NACHC), FQHCs serve over 13 million people in poverty, 1.4 million homeless patients, and more than 385,000 veterans per year. In addition to providing necessary care to America's most underserved communities, NACHC reports that FQHCs also save the health care system \$24 billion annually. At \$2.09 per day, the health



center average daily cost per patient is lower than physicians (\$3.06) and they save more than \$2,300 per Medicaid patient.

25th Anniversary Highlights: The Impact of Capital Link and Capital Fund

Back in 1992, when the idea first hatched for developing a company providing assistance to health centers for capital expansion projects, there were about 575 health centers nationally serving about 6.8 million patients. Fast forward to now: there are almost 1,400 corporate entities serving more than 28 million patients.

The scope of health centers serving communities has expanded, and so has Capital Link and Capital Fund's impact. To date, Capital Link and Capital Fund have provided assistance to more than 900 health centers, helping them deploy \$3 billion in federal capital grants and directly assisting centers in planning and leveraging \$1.2 billion in financing for hundreds of capital projects totaling more than \$1.5 billion.

Today, 25 years after its inception, Capital Link continues to provide training and technical assistance to health centers related to capital development and growth planning, with a strong emphasis on developing financially strong, viable health centers.

The HRSA Health Center Facility Loan Guarantee Program - Updates

Originally authorized by Congress in 1997, 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, or other benefits.

While the details of the new program are still being finalized, HRSA is now accepting applications from health centers. Capital Link is working closely with HRSA to provide a range of trainings and assistance on the program to health centers and lenders. Access the slides and recordings of our recent webinars:

HRSA LGP applications are now being accepted. Interested health centers should contact LGProgram@hrsa.gov. Visit <https://bphc.hrsa.gov/programopportunities/loan-guarantee-program.html> for details or contact Capital Link for assistance.

Health Center Capital Project Financing Sources:

HRSA's Loan Guarantee Program and NMTC
[Slides](#) | [Recording](#)

Demystifying HRSA's Loan Guarantee Program:

Two-part webinar series sponsored by NACHC:

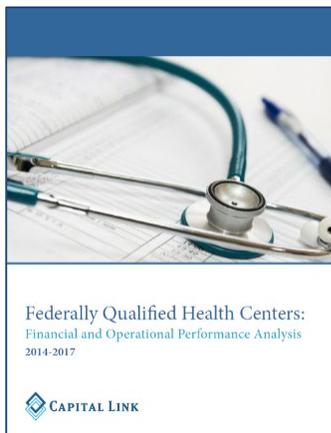
Part I: HRSA's Loan Guarantee Program Explained
Presenter: Allison Coleman, CEO
[Slides](#) | [Recording](#)

Part II: HRSA's Loan Guarantee Program Q&A
Presenters: Allison Coleman, CEO, and Capital Link Health Center Advisory Services team members
[Slides](#) | [Recording](#)

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

Resources

The following is a list of recently released industry-related resources for health centers and PCAs. For a comprehensive collection of health center industry-related resources, tools, and information, visit the Health Center Resource Clearinghouse at www.healthcenterinfo.org.



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

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. [Click here](#) to download.

Prepared with support from the Health Resources and Services Administration.



Performance Benchmarking Toolkit - UPDATE

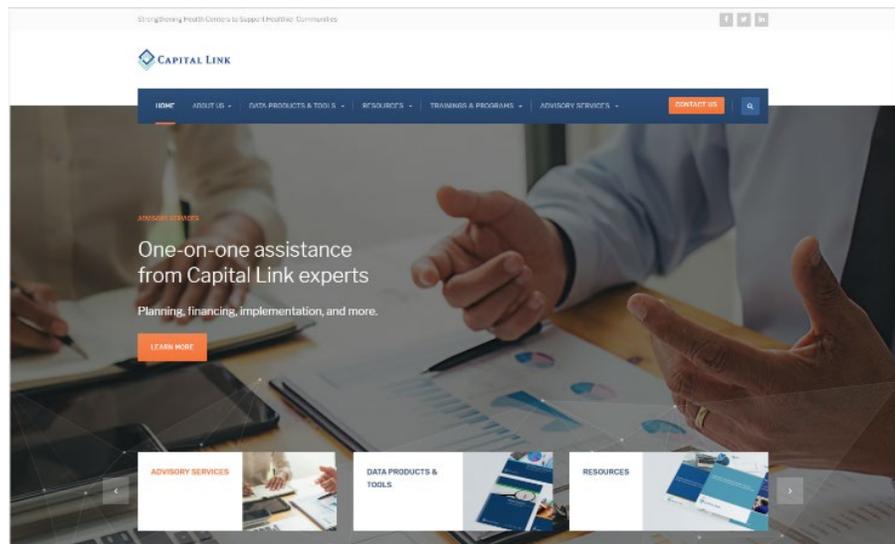
Our just-updated toolkit provides guidance in applying data analysis tools to help health centers more effectively track performance, understand key drivers, and incorporate operational insights for financial sustainability.

[Click here](#) to download the toolkit.

Visit Our New Website!

Our revamped website is now live, providing useful resources in an updated, easy-to-use format. Check out our new look here:

www.caplink.org



A Guide for Rural Health Care Collaboration and Coordination

[This new HRSA publication](#) describes how rural hospitals, health centers, public health departments, and other organizations can work together to identify health needs in their community and develop partnerships and strategies to address those needs.

National Association of Community Health Centers (NACHC) 2019 Fact Sheet

An updated [report](#) of the demographics of the 29 million health center patients across the country.

Changes at Community Health Centers, and How Patients Are Benefiting

Summary of the [results](#) of the Commonwealth Fund National Survey of Federally Qualified Health Centers from 2013–2018.

Coming Soon:

Preparing for a Capital Project: Are You Ready? A Guide for Health Center Staff and Boards

This soon-to-be updated publication provides guidance on evaluating health center readiness to begin the capital development process, with the goal of being prepared for funding opportunity when they arise.

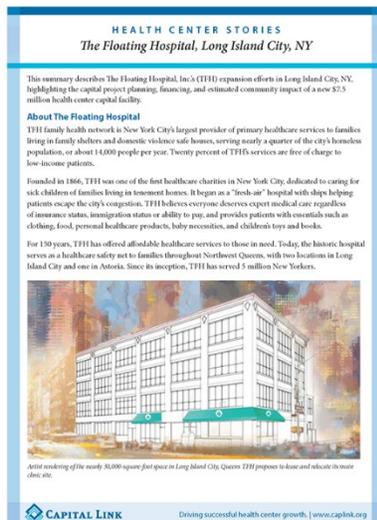
Health Center Highlights

Capital Link regularly profiles health centers that have successfully completed their expansion plans. These health center stories are available on our [website](#). To provide health centers with insight into the facility expansion and performance improvement processes, Capital Link regularly profiles health centers that have successfully completed capital development and operational transformation projects.



Care Resource Community Health Center

On July 9, 2019, Community Health Center Capital Fund (Capital Fund) completed \$10.7 million in New Markets Tax Credit (NMTC) financing and provided a \$2 million direct loan to support [Care Resource Community Health Center's](#) \$32.8 million expansion of its main facility in Miami, FL. The project will allow Care Resource to serve an additional 52,000 patients with 98,000 additional visits by the end of 2026, and create an additional 257 full-time staff positions.



The Floating Hospital, Long Island City, NY

With 70% of [The Floating Hospital](#) patients considered homeless and 96% low income, this project will expand efforts to provide affordable health care to those in need. Set to be completed by July 2019, the new 29,500 square foot facility is almost twice the size of the current site.

This expansion will allow The Floating Hospital to serve a projected 22,000 patients by 2026, compared to 12,000 in 2017. The renovated health center will provide space for 166 full-time employees, in addition to creating 112 construction jobs.



PrimeCare Community Health, Inc., Chicago, IL

[PrimeCare Community Health, Inc.](#), in Chicago, IL, is also undergoing a substantial renovation project. 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.

Once renovated, the 16,000-square-foot health center facility will allow for a notable increase in the number of exam rooms from five to 23, and add four dental operatories. By 2025, the \$8 million project is expected to allow PrimeCare to serve an additional 8,400 patients and 22,000 additional patient visits per year.

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

2019 NWRPCA/CHAMPS Annual Primary Care Conference

October 5-8, 2019 | Seattle, WA

The Role of Place in Optimizing Team-Based Care

October 5, 10:30 AM -12:00 PM

Presenter: Cindy Barr, Capital Link

South Carolina Primary Health Care Association Annual Conference

October 11-13, 2019 | Columbia, SC

Innovative Approaches to Using Data to Demonstrate Value: Part A

October 12, 2019, 8:30 - 10:00 AM

Presenter: Jonathan Chapman, Chief Project Officer, Capital Link

Innovative Approaches to Using Data to Demonstrate Value: Part B

October 12, 2019, 10:15 - 11:45 AM

Presenter: Jonathan Chapman, Chief Project Officer, Capital Link

Managing Innovative Technology Trends in a Cost-Effective Way
October 12, 2019 1:30-3:00 PM
Presenter: Jennifer Saber, Capital Link

Moving Toward Value-Based Reimbursement
October 12, 2019 1:30 - 3:00 PM
Presenter: Jonathan Chapman, Chief Project Officer, Capital Link

Illinois Primary Care Association 2019 Annual Leadership Conference

October 16-18 | Lake Geneva, WI

Predictive Analytics and Business Intelligence
October 17, 8:45-10:00 AM
Presenter: Jonathan Chapman, Chief Project Officer, Capital Link and
Andrew Hamilton, Chief Informatics Officer, AllianceChicago

Financing Your Community Health Center's Capital Project
October 18, 9:00 - 10:15 AM
Presenter: Jonathan Chapman, Chief Project Officer, Capital Link

2019 Annual California Primary Care Association Conference

October 17-18 | San Diego, CA

Community Health Center Evolution: What a Long Strange Trip It's Been
October 18, 10:30 AM - 12:00 PM
Presenter: Allison Coleman, CEO, Capital Link, with Anita Addison, La Clinica de la Raza,
and Bobbie Wunsch, Pacific Health Consulting Group

Opportunity Finance Network Conference 2019

October 20-23 | Washington, DC

The New, Improved HRSA Health Center Facility Loan Guarantee Program
October 22, 2019, 4:15-5:30 p.m.
Moderator/Interviewer: Anne Dyjak, Primary Care Development Corporation
Panelists: Allison Coleman, Capital Link; Matt Kozar, HRSA Bureau
of Primary Health Care; Nancy Lager, Primary Care Development Corporation

NACHC 2019 Financial Operations Management/IT (FOM/IT) Conference

October 24-25 | Chicago, IL

Looking Into That Crystal Ball: Preparing for Tomorrow with Today's Information
October 25, 3:30 – 5:00 PM
Presenter: Jonathan Chapman, Chief Project Officer, Capital Link

Webinars

Capital Link offers webinars designed to offer useful information for health centers on a wide range of topics. The webinars have no charge, but participation is limited. Access complete descriptions of the webinars [here](#) and recordings of past webinars [here](#).

“Are You Ready?” Essential Preparation Activities to Move Your Capital Project Ahead

Is your health center considering building new facilities, renovating existing space, or purchasing new equipment? Proactive organizations set goals early and plan for the future carefully, achieving the wonderful by-product of being ready to build should a funding opportunity arise. This session will cover essential steps to prepare your project for success, including incorporating facilities goals in your strategic plan, understanding your patient base and community trends, analyzing your current operations to determine the space you need, and ensuring your center is financially sound before proceeding. We'll also describe resources available to help you plan.

Presenter: Jonathan Chapman, CPO, Capital Link

Date: Tuesday, October 22, 2019, 2:00 -3:00 p.m. ET

[Register Now!](#)

Health Centers as Assets in their Community: Assessing Your Environment (Market Assessment)

This session is designed to provide attendees with a tour of the range of research resources available for health centers to assess market opportunities (many of them are free for all to use). We will review techniques for how to determine the size and location of the low-income, uninsured and under-served population, estimate the level of unmet need, and translate this information into workforce needs and a preliminary capital project budget. This session will also take a broader view in exploring how to determine where community gaps are within a service area with respect to the Social Determinants of Health, identifying types of assets in a community that support health and wellness.

Presenter: Adrienne Cooksey, Associate Project Consultant, Capital Link; and Jose Fonseca, Associate Project Consultant, Capital Link

Date: Tuesday, November 12, 2019, 2:00 - 3:00 p.m. ET

[Register Now!](#)

Recordings of recent webinars are also available:

NNOHA Oral Health Infrastructure: Brick and Mortar Expansion

[Recording](#) | [Slides](#)

As part of the 2019 HRSA Oral Health Infrastructure funding, NNOHA is offering a series of four webinars on various infrastructure enhancements for new or enhanced integrated oral health services. The first webinar of the series focuses on brick and mortar expansion.

Looking at PACE....An Opportunity for Community Health Centers

[Recording](#) | [Slides](#)

Co-presented by Capital Link and The Galway Group, this session will also provide attendees with an overview of the resources and technical assistance services available to support health centers through this complex but valuable implementation process.

Proactive Scenario Planning: Modeling Financial Implications

[Recording](#) | [Slides](#)

This webinar discusses capital project planning scenarios in a changing environment and demonstrates top-line financial implications of potential changes to reimbursement policies and Medicaid payments, and how the changes impact capital projects, using a tool Capital Link has developed.

Facilitating Change: Working Together, Engaging Others and Motivating for Change

[Recording](#) | [Slides](#)

Health centers are undergoing tremendous changes: considering shifting to value-based payment models; continuing to implement and optimize technology; creating data-driven quality improvement programs; and developing and enhancing multi-disciplinary care teams. This webinar provides strategies for leading change in your health center, including how to develop strong teams to implement new initiatives, and communicate and gain commitment to increase the probability for stakeholders to accept and increase your organization's capacity to change.

Health Center Capital Project Financing Sources: HRSA's Loan Guarantee Program and New Markets Tax Credits

[Recording](#) | [Slides](#)

This session describes the Health Resources and Services Administration's (HRSA's) greatly-expanded and streamlined Health Center Facility Loan Guarantee Program. We also discuss the benefits of New Markets Tax Credits.

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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