

ECONOMIC IMPACT ANALYSIS

***“Colorado
Community Health
Centers provide almost
a quarter of a billion
dollars to Colorado’s
economy.”***

– Annette Kowal, CEO, CCHN

***The Value of
Community
Health Centers
to Colorado***

**colorado
communityhealth
network**

quality care • quality investment

THE PROBLEM

Many people in Colorado struggle to find or maintain access to basic primary health care services. People who lack primary health care services are at greater risk for poor health outcomes and are more likely to use more expensive emergency room care. Research demonstrates that access to primary health care can reduce avoidable hospitalizations, help to manage chronic conditions, and lead to less serious episodes of illness.¹

Community Health Centers (CHCs) are an essential element of Colorado’s primary health care system. This document describes how Colorado’s CHCs increase access to health care and provide value to the communities they serve. Colorado CHCs provide care to one in 12 Coloradans, one in four uninsured Coloradans, and one in eight persons living below 200 percent of the federal poverty level (FPL).

AN EXISTING SOLUTION

CHCs are federally designated health centers that provide comprehensive primary health care to patients regardless of their ability to pay for services. CHCs are located in high need areas, are governed by community boards, and operate as nonprofits or public agencies with a mission to provide health care to low income, working families.⁷ CHCs provide care to approximately 400,000 Coloradans in more than 50 counties and employ more than 2,800 Coloradans. From 2000 to 2006 CHCs expanded services to 115,000 new patients.⁸

CHCs are supported by the federal government through grants administered by the Bureau of Primary Health Care. However federal support, on average, accounts for only 19 percent of a CHC’s revenue. Another 53 percent of revenue comes from third party payers such as Medicaid, Medicare, and private payers, and the remaining 28 percent comes from a variety of sources including state, local, and foundation support.⁹

Colorado in Brief

4.7 million people (3.5 million persons age 18 and up; 1.2 million age 0 to 17).²

21% of adults (742,537 persons age 18 and up) have no ongoing source of primary health care.³

768,000 people have no health insurance.⁴

1,125,095 people⁵ are living at or below 200% FPL.⁶

THE VALUE OF CHCS TO THE COMMUNITY¹⁰

Communities with CHCs have healthier newborns, fewer hospitalizations, and fewer visits to the emergency room.¹¹ Nationally, CHCs are rated as the most successful program of the U.S. Department of Health and Human Services. Most recently, the White House has rated CHCs as “effective,” which is the highest rating a federal program can achieve.¹²

Additionally, a CHC in the community means healthier people, an increase in jobs, and more money (through salaries) that can go back into the community. Because of the CHCs that exist in Colorado, 5,542 residents have jobs and more than \$211 million in income is generated by those employees. While CHCs directly employ the equivalent¹³ of 2,789 people, an additional 2,753 jobs are created in other business industries in communities because CHCs exist. For example, someone must supply the CHC with medical equipment, the CHC employees need food, and someone must provide clean linens to the CHC. Income earned by all of these employees is fed back into the Colorado economy through purchasing goods and services.

Colorado Community Health Centers provide care to approximately 400,000 Coloradans in more than 50 counties and employ more than 2,800 Coloradans.

CONCLUSION

CHCs are an existing, viable, and practical solution to increasing health care services, income, and jobs for low income, working families of Colorado. Colorado CHCs have a history of more than 40 years of operation. Investing in CHCs is essential to keeping Colorado’s communities healthy and strong.

Community Health Centers are good economic investments that provide high quality primary health care available to all. For CHCs to grow and remain viable there must be federal support, state support, local support, and most importantly community support.

The additional dollars of income generated by the presence of Community Health Centers ranges from \$167,967 in the Central Mountains to \$13,364,054 in Denver and \$8,077,035 in suburban Denver annually.

¹ The Centers for Disease Control National Center for Health Statistics, fact sheet “NCHS Data on Health Insurance and to Care.”

² Colorado Department of Public Health and Environment (CDPHE), *2005 Colorado Health Information Dataset (COHID)*.

³ CDPHE, *Year 2010 Health Objectives for the Nation: State Summary Behavioral Risk Factor Surveillance System Data for 2005*.

⁴ Colorado Health Institute, *2005 Profile of the Uninsured*.

⁵ The percent of persons living at or below 200 percent of the Federal Poverty Level (FPL) reported by Claritas *Selected Demography Data* in 2004 was applied to the 2004 state population reported from CDPHE’s *COHID*.

⁶ U.S. Department of Health and Human Services, 2007 FPL guidelines, \$41,300 per year for a family of four.

⁷ CHC or Federally Qualified Health Center guidelines and requirements can be found at <http://www.bphc.hrsa.gov>.

⁸ U.S. Bureau of Primary Health Care, 2000 and 2006 Uniform Data System reports for Colorado.

⁹ Data calculated from 2006 Uniform Data System financial reports for Colorado, U.S. Bureau of Primary Health Care.

¹⁰ This report was developed using the IMPLAN system of data analysis. For more information on IMPLAN, go to <http://www.implan.com/>.

¹¹ National Association Community Health Centers, *A Nation’s Health at Risk II: A front row seat in a changing health care system*, August 2004, <http://www.nachc.com/research/>.

¹² ExpectMore.gov, <http://www.whitehouse.gov/omb/expectmore/>.

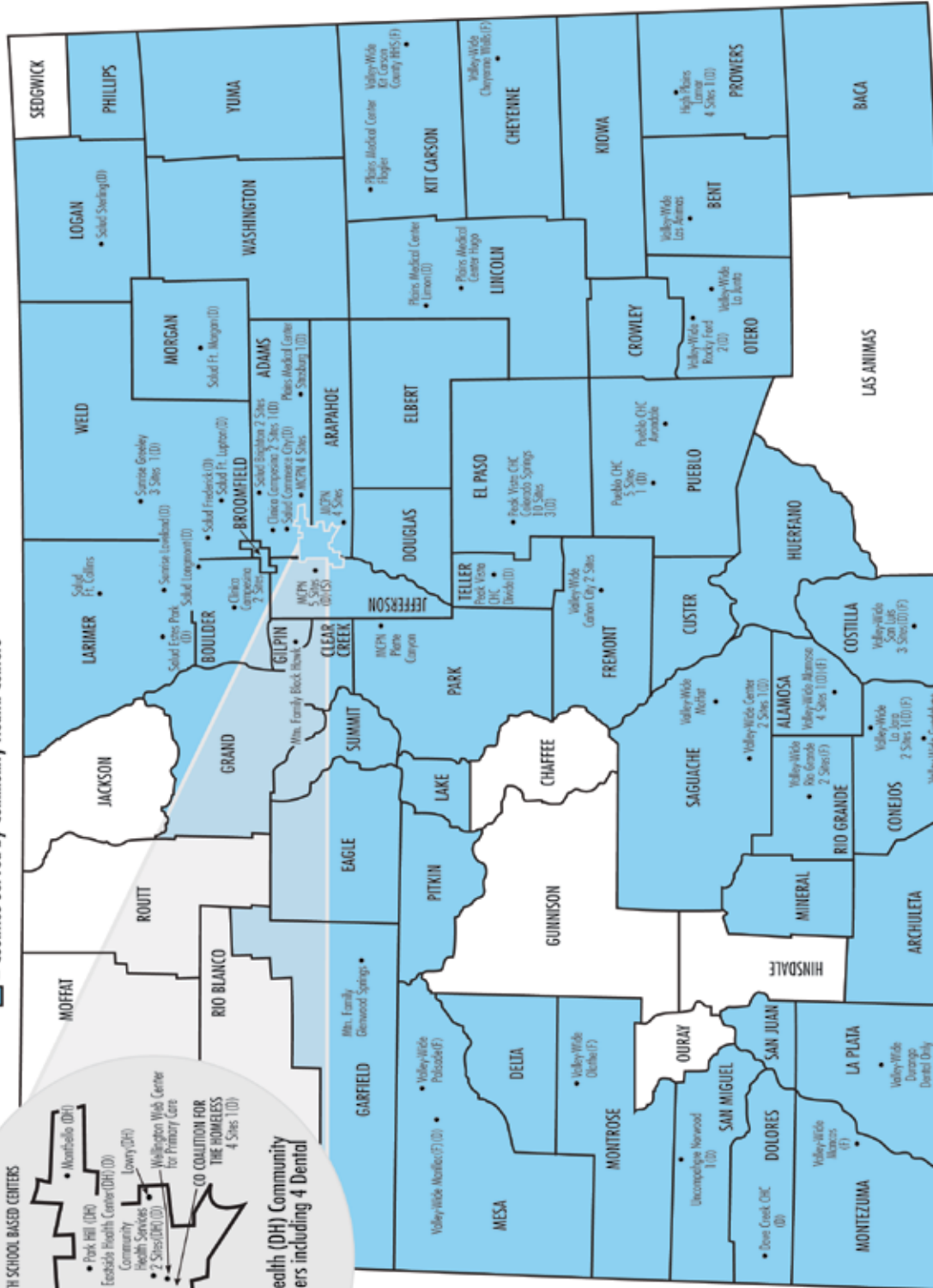
¹³ CHCs report the number of Full Time Equivalents (FTEs) employed in the Uniform Data System. FTEs are a way to measure a worker’s involvement in a job or project: an FTE of 1.0 means that the person equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is only half-time.

MAP OF COLORADO'S COMMUNITY HEALTH CENTERS

COLORADO'S COMMUNITY, MIGRANT, SCHOOL BASED & HOMELESS HEALTH CENTERS

(D) = Dental Services Available (S) = School Based Health Center, limited services (F) = Farmworker Site, limited services

■ = Counties Served by Community Health Centers



22 Denver Health (DH) Community Health Centers including 4 Dental

CO SOLUTION FOR THE HOMELESS

WELLS

- Wells Community Health Center (D)
- Wells Community Health Center (S)
- Wells Community Health Center (F)
- Wells Community Health Center (F)

WAGNER

- Wagner Community Health Center (D)
- Wagner Community Health Center (S)
- Wagner Community Health Center (F)
- Wagner Community Health Center (F)

WAGNER

- Wagner Community Health Center (D)
- Wagner Community Health Center (S)
- Wagner Community Health Center (F)
- Wagner Community Health Center (F)

WAGNER

- Wagner Community Health Center (D)
- Wagner Community Health Center (S)
- Wagner Community Health Center (F)
- Wagner Community Health Center (F)

Homeless Services available at

- Colorado Coalition for the Homeless
- Denver Health
- MCN
- Peak Vista CHC
- People's Clinic
- Pueblo CHC

Migrant Services available at

- High Plains CHC
- Pueblo CHC
- Salud FHC
- Sunrise CHC
- Valley-Wide

ECONOMIC IMPACT OF COMMUNITY HEALTH CENTERS IN COLORADO, BY REGION

Region	# of CHC Sites	CHC Patients	CHC Salaries	Additional Dollars of Income Generated by CHCs	CHC FTEs*	Additional Jobs Generated by CHCs
Boulder / Broomfield	4	29,944	\$10,482,332	\$4,160,207	202	93
Central Mountains	3	2,333	\$462,280	\$167,967	15	8
Denver	26	111,977	\$33,672,952	\$13,364,054	899	412
Suburban Denver	20	76,078	\$20,351,430	\$8,077,035	451	207
Northeast Plains	6	12,730	\$3,975,925	\$1,927,287	65	38
Northern Front Range	8	49,377	\$17,689,208	\$7,020,458	301	138
Northern Mountains	1	5,368	\$2,027,560	\$725,842	34	19
Pikes Peak	12	37,235	\$11,739,920	\$4,659,316	289	132
Pueblo	6	17,959	\$8,134,111	\$3,228,250	181	83
San Luis Valley	15	25,332	\$5,151,958	\$2,200,898	169	96
Southeast Plains	8	13,959	\$3,745,186	\$1,400,437	93	52
Southwest	5	11,715	\$2,509,877	\$1,034,713	78	43
Western Slope	4	2,105	\$644,905	\$401,434	12	7
Colorado	118	396,382	\$120,587,645	\$90,107,430	2,789	2,753

* FTE means Full Time Equivalent. A Full Time Equivalent is a way to measure a worker's involvement in a job or project; An FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is only half-time.

* The Colorado-wide statistics for additional dollars of income and additional jobs is more accurate than the regional numbers. However, the statewide numbers are not the total of the regional data and in fact are larger than the sum of the regional data. The regional data are tallies of Colorado's 64 counties. The county data do not reflect all of the real variations among counties. The regional tallies reflect the average economic impact for each county based on whether the county is designated Urban, Rural, or Frontier (from Census designations). A value of the economic impact for the average urban, rural, and frontier counties was then determined. All urban counties were awarded the same urban economic impact, all rural the same rural economic impact, the frontier counties the same frontier economic impact.

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