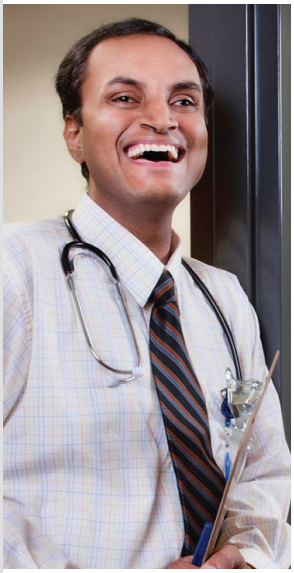
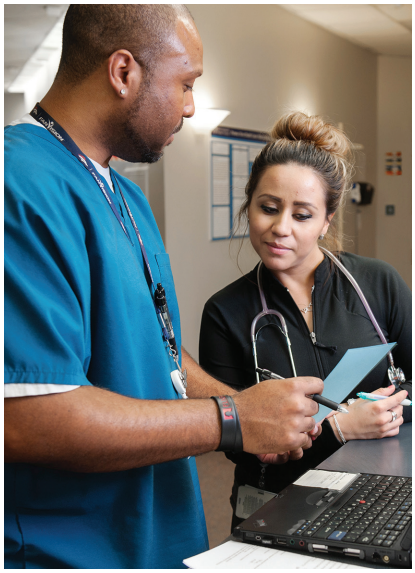




Colorado Community Health Centers

Strengthening Colorado's Health and the Economy

COLORADO
COMMUNITY HEALTH NETWORK
Access for All Colorado

August 2018

Colorado Community Health Centers Contribute to the State's Overall Health and the Economy

In 2016, Colorado Community Health Centers (CHCs):

- Strengthened Colorado's economy by contributing about $1.2 billion in economic activity, including $583 million in direct operating expenditures in local economies, and additional economic activity totaling $644 million.
- Directly generated 5,353 full-time jobs and supported an additional 4,426 jobs in other businesses.
- Contributed approximately $177 million in total tax revenue, including $46 million in state and local taxes, and $131 million in federal taxes.[1]
- Brought $114 million in federal grants to Colorado.[2]
- Delivered high quality, comprehensive primary health care to more than 1 in 8 people in Colorado, who live in 61 of the state's 64 counties.

Investing in Colorado Community Health Centers is an investment in the economic development of communities and counties across Colorado.

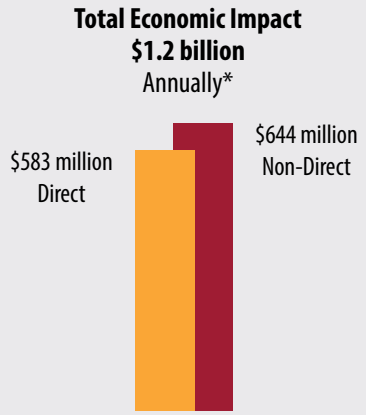
Colorado's 20 Community Health Centers have a plan to provide a health care home for more than one million low-income uninsured and medically underserved Coloradans. That plan is called Access for All Colorado.

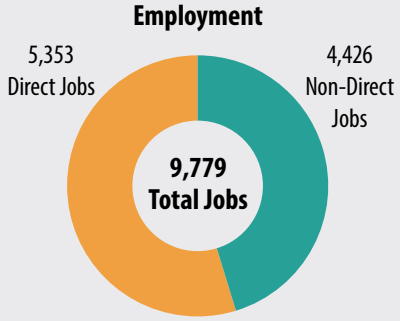
The Value of CHCs to Colorado Communities: Economic Impact

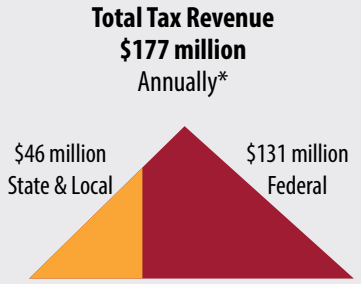
In 2016, CHCs generated jobs for a total of 9,779 Colorado residents, directly employing 5,353 and supporting an additional 4,426 jobs in other businesses.[3] CHCs:

- Are among the largest employers in local communities, including in many of the state's most economically challenged areas.
- Directly help local economies by purchasing goods and services from local businesses. CHC employees also spend their paychecks with local businesses.
- Engage in building and remodeling projects, acting as catalysts for economic revitalization by attracting investment and other businesses to local communities.
- Attract and retain more residents, businesses, and employment by adding to the economic activity in communities.

Colorado Community Health Centers
Economic Impact, 2016







*numbers rounded

[1]The tax impact values show the amount of revenue generated for governments from employee compensation, proprietor income, indirect business taxes, households, and corporations as tallied in the economic analysis provided by Capital Link.

[2]2016 Uniform Data System.

[3]CHCs report in the Uniform Data system the number of people as Full Time Equivalents (FTEs) employed. Full-Time Equivalent (FTE) of 1.0 means that the person is equivalent to a full-time worker. In an organization that has a 40 hour work week, a person who works 20 hours per week (i.e., 50 percent time) is reported as "0.5 FTE." FTE is also based on the number of months the employee works. An employee who works full time for four months out of the year would be reported as "0.33 FTE" (four months/12 months).

Colorado CHCs Support Other Businesses

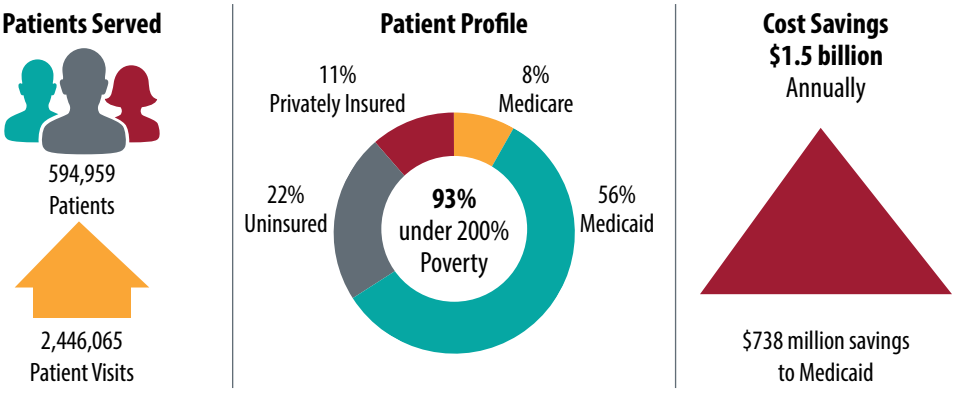
Health Center: The health center makes expenditures for services (including salaries) and goods, such as purchase of chairs from a local furniture store.

Indirect Effects: The furniture store in turn purchases supplies from an office supplies store and a truck from a car dealer to make deliveries.

CHC: The health center, the furniture store, the office supplies store and the car dealership all hire staff and pay them salaries to help run the various businesses. These employees spend their income on everyday purchases.

Colorado Community Health Centers

Community Impact, 2016



Summary of 2016 Total Economic Activity

Stimulated by 20 of Colorado Community Health Centers' Operations

	Economic Impact	Employment (Number of FTEs)
Direct	$582,912,194	5,353
Indirect	$208,498,636	1,351
Induced	$435,314,743	3,075
Total	**$1,226,725,573**	**9,779**

In 2016, the Federal Poverty Level (FPL) for a family of four was $24,250, and 200% of FPL for a family of four was $48,500.

Colorado CHCs Provide Care to many of the state's most vulnerable residents[4]		
	CHC Population	State Population[5]
Under 100% Poverty	70%	9%
Under 200% Poverty	93%	23%
Uninsured	22%	10%
Medicaid	56%	16%
Medicare	8%	13%

The Value of CHCs to Colorado Communities: Health Care

CHCs:

- Provide a health care home to more than 740,000 Coloradans.[6]
- Are locally governed by patients of the clinic and other community members.
- Specialize in providing care to the whole family.
- Provide comprehensive primary health care, including medical, dental, behavioral health, and pharmacy.
- Help people manage chronic health conditions.
- Are actively engaged in pursuing national Patient Centered Medical Home recognition.

A study found that Colorado Medicaid clients who use CHCs are one-third less likely than Medicaid clients of other providers to have an emergency room visit, an inpatient hospitalization, or a preventable hospital admission.[7] Another national study found that CHCs demonstrate equal or better performance on select quality measures, despite serving patients who have more chronic disease and socioeconomic complexity.[8]

CHCs save the health care system approximately $1.5 billion in Colorado each year. [9, 10] This statistic, however, does not include all of the cost savings that CHCs bring to the overall health care system. For example, it does not quantify the number of emergency room (ER) visits that don't happen because CHC medical and dental staff treated patients with acute needs that could be cared for at CHCs rather than in ERs. It also doesn't quantify the savings that are generated due to the CHC cost-effective model that includes extended hours, same-day appointments, open access, after-hours answering services, and more.

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[4] 2016 Uniform Data System, including data for all 20 Colorado Health Center Program grantees.

[5] The Henry J. Kaiser Family Foundation, *State Health Facts*, https://www.kff.org/statedata/?state=co.

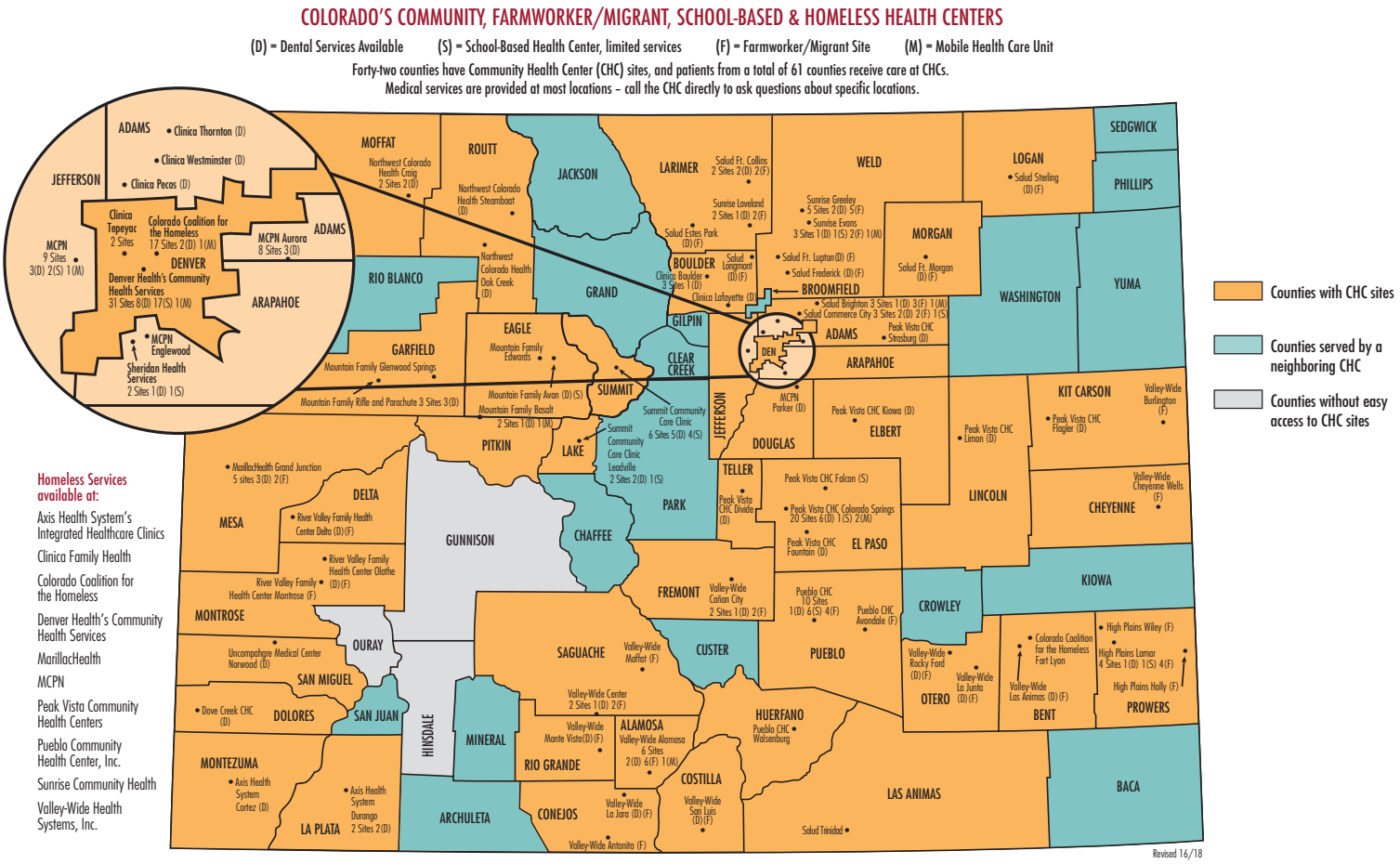
[6] A health care home is a patient's usual source of primary health care to prevent sickness, manage acute and chronic illness, and reduce the need for avoidable emergency room visits and hospitalizations. Many patients who don't visit their CHC every year do return to it when they need health care services. For the 18-to-24 month period reported to CCHN as part of 2016 data, CHCs provided a health care home to more than 740,000 Coloradans. In 2017, the 12 month patient total was 625,755; the 18-24 month total was 790,000.

[7] Jennifer Rothkopf et al., "Medicaid Patients Seen At Federally Qualified Health Centers Use Hospital Services Less Than Those Seen By Private Providers," *Health Affairs* 30:7 (July 2011).

[8] L. Elizabeth Goldman, MD, MCR, et.al., "Federally Qualified Health Centers and Private Practice Performance on Ambulatory Care Measures," *American Journal of Preventive Medicine* Vol. 43, Issue 2, pages 142-149.

[9] Ku et al., *Strengthening Primary Care to bend the Cost Curve: The Expansion of Community Health Centers Through Health Reform*, Geiger Gibson/RCHN Community Health Foundation Research Collaborative, Policy Research Brief No. 19, June 30, 2010.

[10] NACHC, *Community Health Centers: The Local Prescription for Better Quality and Lower Costs*, page 3, March 2011, http://www.nachc.com/client/documents/A%20Local%20Prescription%20Final%20brief %203%2022%2011.pdf.



List of Colorado Community Health Centers Included in this Analysis

- Axis Health System's Integrated Healthcare Clinics
- Clinica Family Health
- Clínica Tepeyac
- Colorado Coalition for the Homeless
- Denver Health's Community Health Services
- Dove Creek Community Health Clinic
- High Plains Community Health Center
- MarillacHealth
- Metro Community Provider Network
- Mountain Family Health Centers
- Northwest Colorado Health
- Peak Vista Community Health Centers
- Pueblo Community Health Center, Inc.
- River Valley Family Health Center
- Salud Family Health Centers
- Sheridan Health Services
- Summit Community Care Clinic
- Sunrise Community Health
- Uncompahgre Medical Center
- Valley-Wide Health Systems, Inc.

How Economic Impact is Measured

Using IMPLAN, integrated economic modeling software, this analysis applies the "multiplier effect" to capture the direct, indirect, and induced economic effects of Community Health Center business operations and capital project plans. IMPLAN generated multipliers by geographic region and by industry combined with a county/state database. It is widely used by economists, state and city planners, universities, and others to estimate the impact of projects and expenditures on the local economy. This analysis was conducted using 2015 IMPLAN Online.

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About CCHN

The Colorado Community Health Network (CCHN) represents Colorado's 20 Community Health Centers that together are the backbone of the primary health care safety-net in Colorado. Since its inception in 1982, CCHN has made significant strides in ensuring that Colorado's low-income residents have access to affordable, high-quality primary health care. CCHN is committed to educating policy makers and stakeholders about the unique needs of Community Health Centers (CHCs) and their patients, providing resources to ensure that CHCs are strong organizations, and supporting CHCs in maintaining the highest quality care.

About Capital Link

Capital Link is a non-profit organization that has worked with hundreds of Community Health Centers and Primary Care Associations for over 18 years to plan capital projects, finance growth, and identify ways to improve performance. Capital Link provides innovative consulting services and extensive technical assistance with the goal of supporting and expanding community-based health care. For more information, visit www.caplink.org.

August 2018