

Building Healthy, Strong,  
and Vibrant Neighborhoods  
Oct 21, 2015 3:00 pm Eastern Time

Speakers:

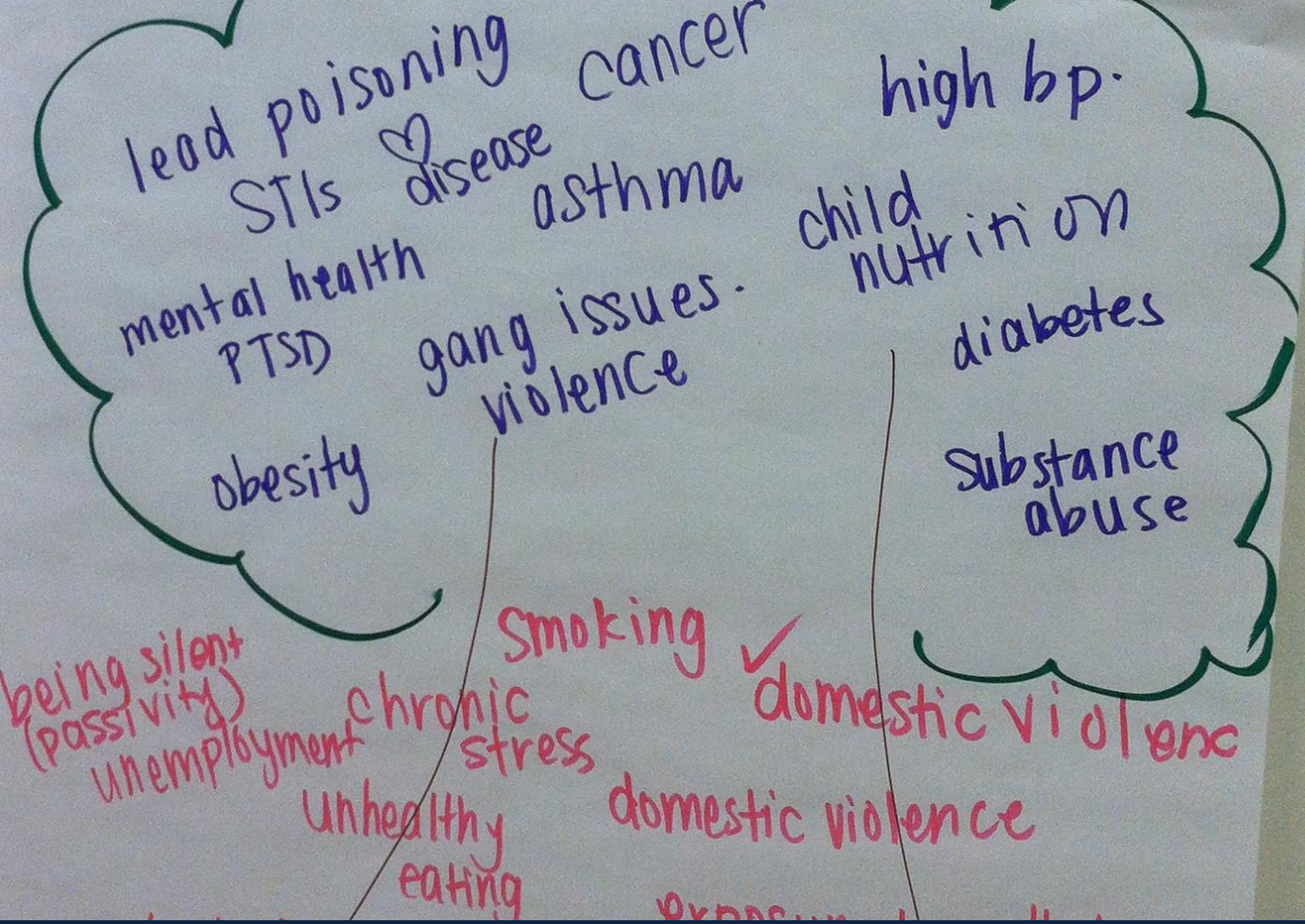
Anne Dyjak, Primary Care Development Corporation

Barry Keppard, Metropolitan Action Planning Council

Frances Sheehan, Brandywine Health Foundation

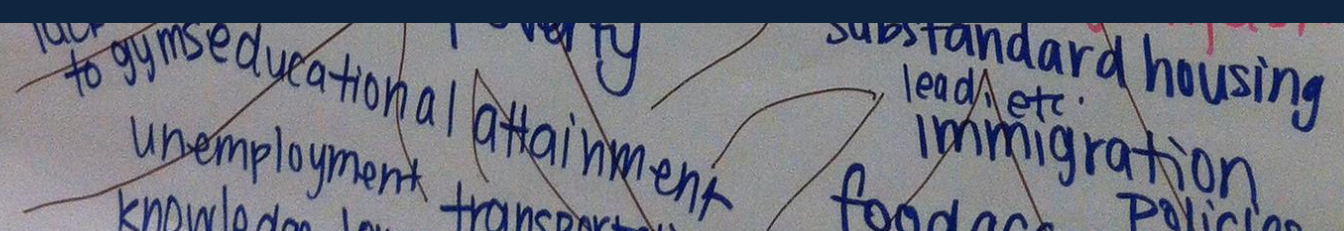
long-term impacts

mental health



# COMMUNITY DEVELOPMENT + HEALTH

HEALTH AND COMMUNITY DEVELOPMENT: LEVERAGING RESOURCES AND OPPORTUNITIES FOR COLLECTIVE IMPACT











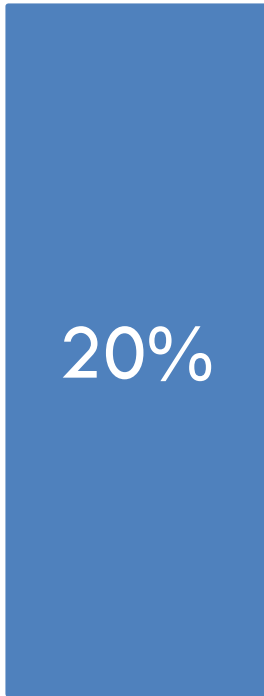
**Health begins where we live, learn, work and play –  
our Community**

Healthcare



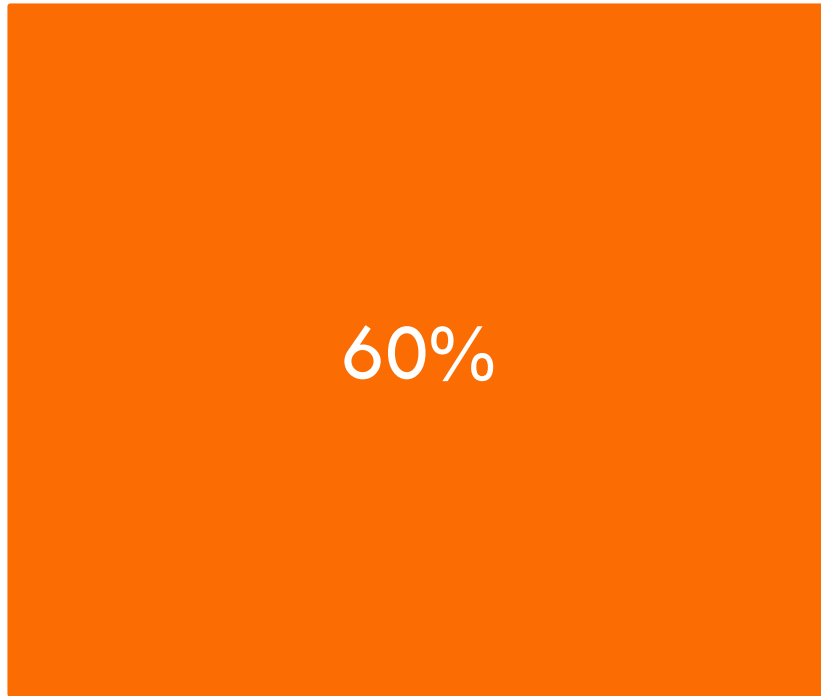
20%

Genetics



20%

Social, Environmental, Behavioral Factors

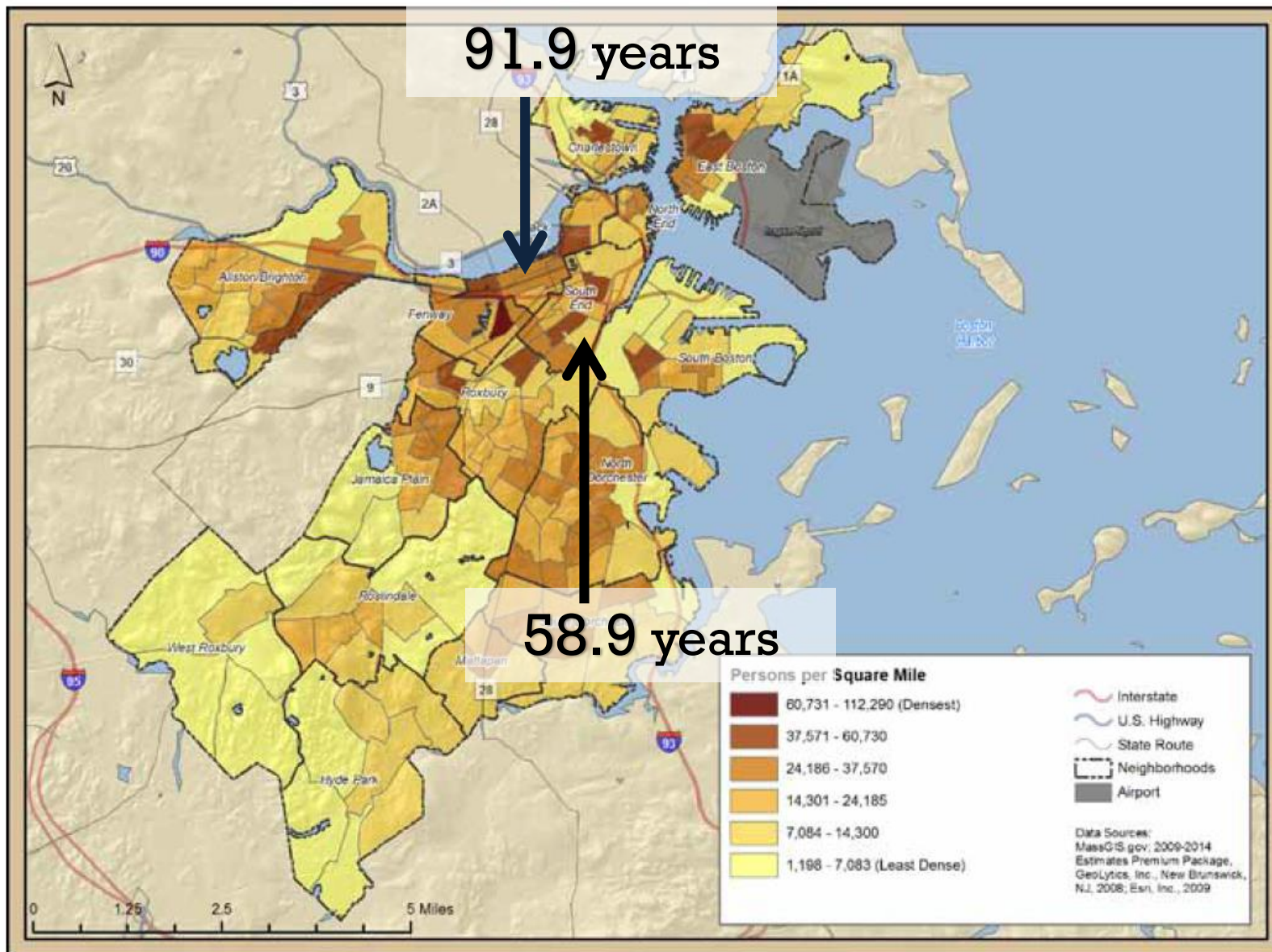


60%

# What determines health?



## Life Expectancy by Census Tract, Boston - 2003-2007



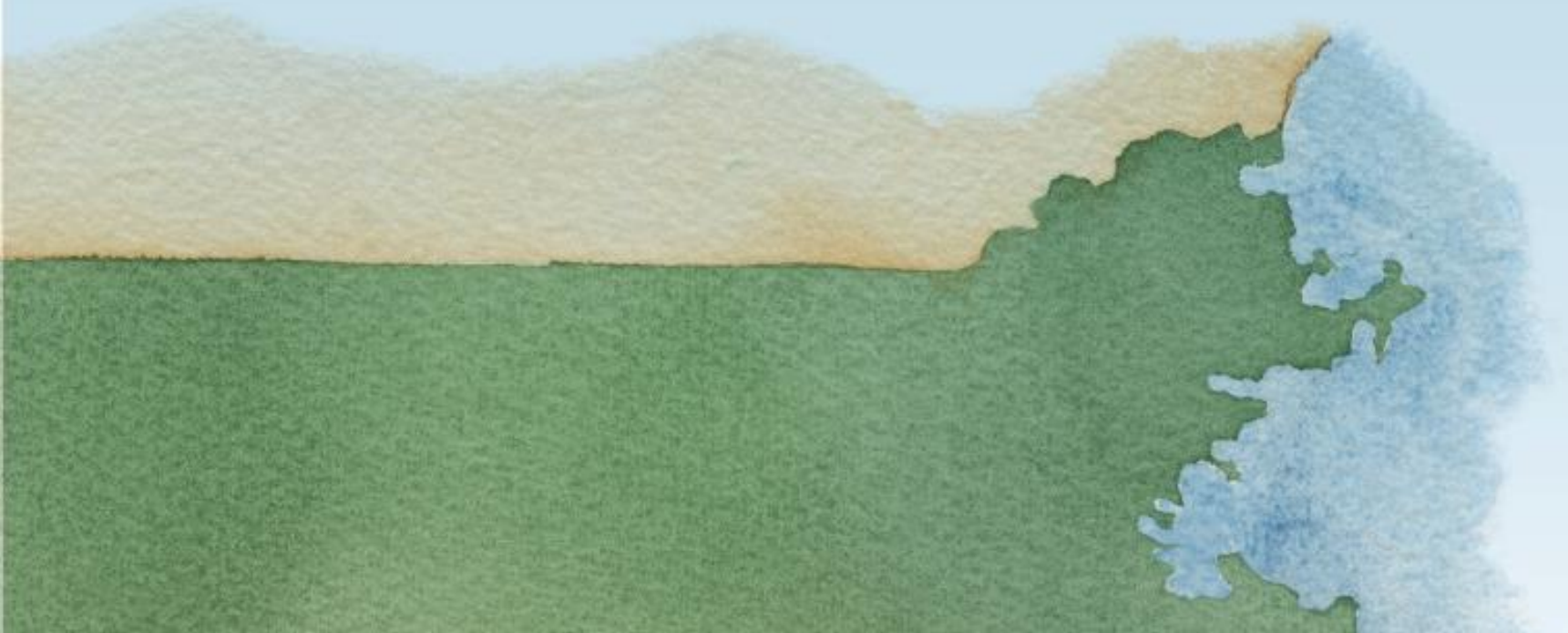
Based on slide by M. Super Church, CLF Ventures

Source: Social Capital and Health Outcomes Technical Report, Center on Human Needs, Virginia Commonwealth University, September 2012.

# THE MASSACHUSETTS COMMUNITY INVESTMENT TAX CREDIT

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Providing a 50% state tax credit for donations to support  
high-impact community development.





**Physical Development  
and Community  
Planning**



**Economic  
Development**

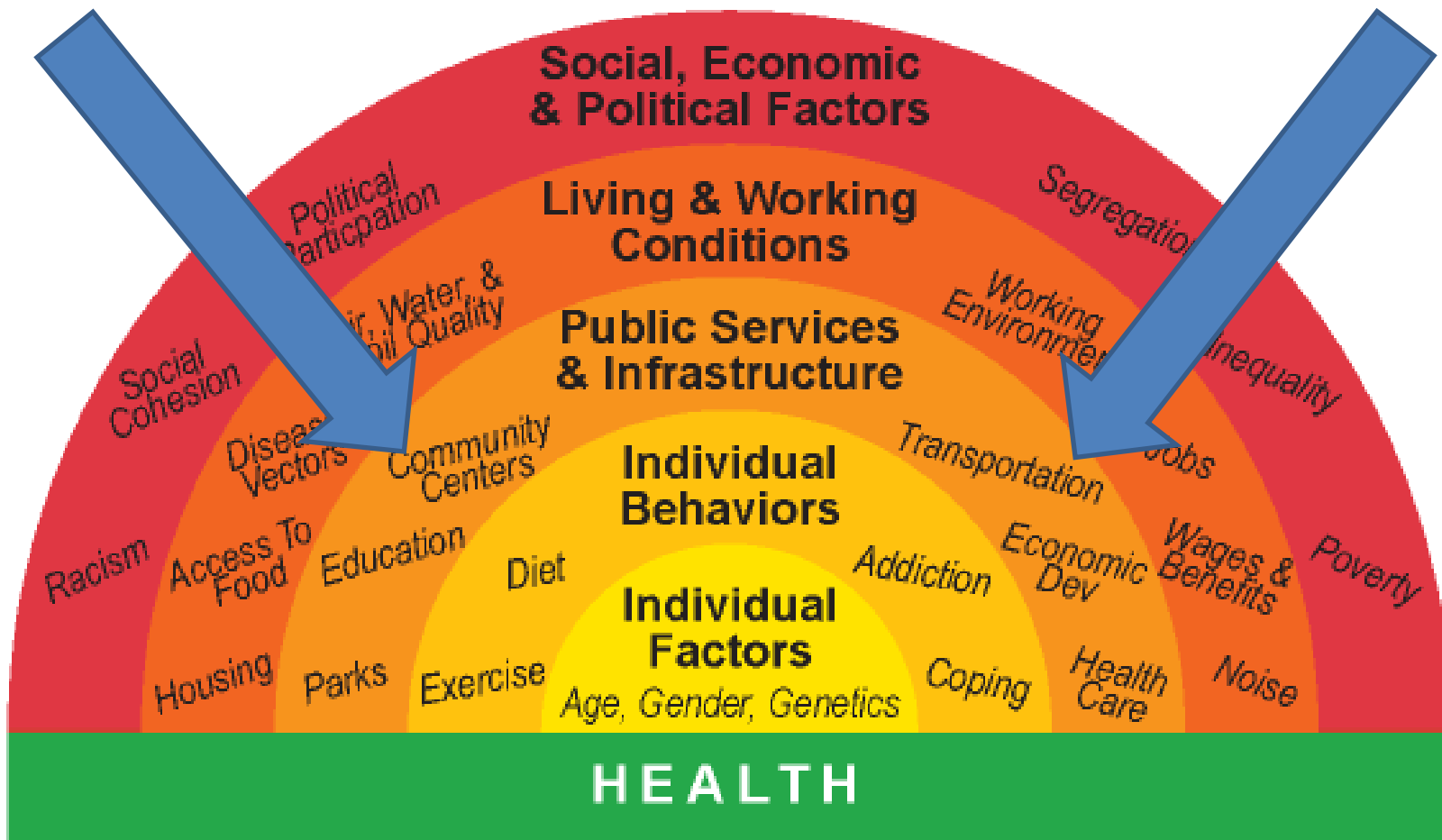


**Asset Development**



**Community Organizing,  
Building, & Empowerment**











## **Economic Development**

***Activities  
Promoting  
Financial  
Stability***



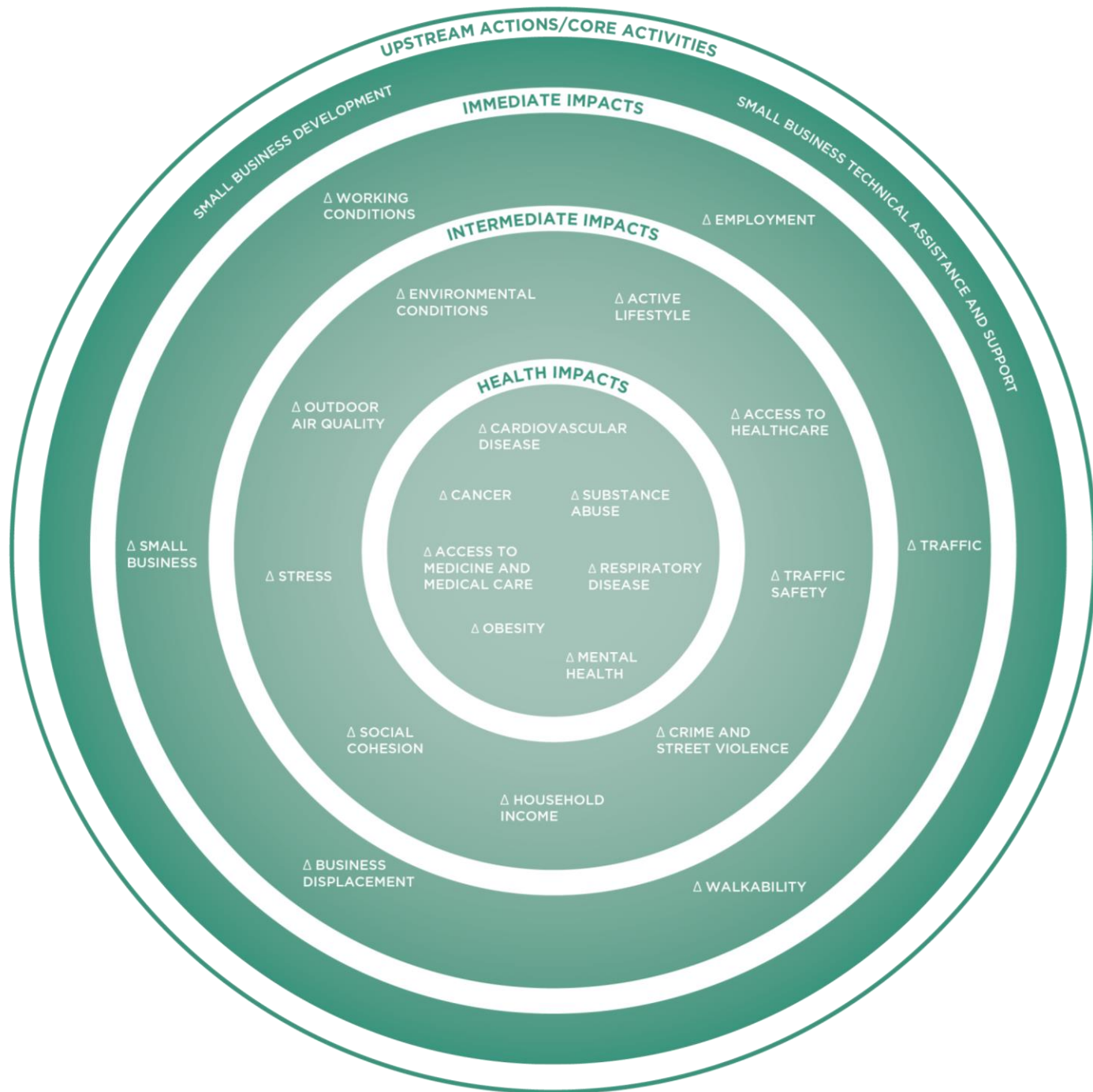
# Small Business Development

Small Business  
Technical  
Assistance





# Economic Development



# Housing Stability

*Resident Services,  
Homeownership Assistance,  
Property Maintenance*

# Financial Stability

*Financial Education,  
Tax Preparation,  
Budget Counseling*

# Employment Stability

*Workforce Training,  
Career Counseling,  
Continuing Education*

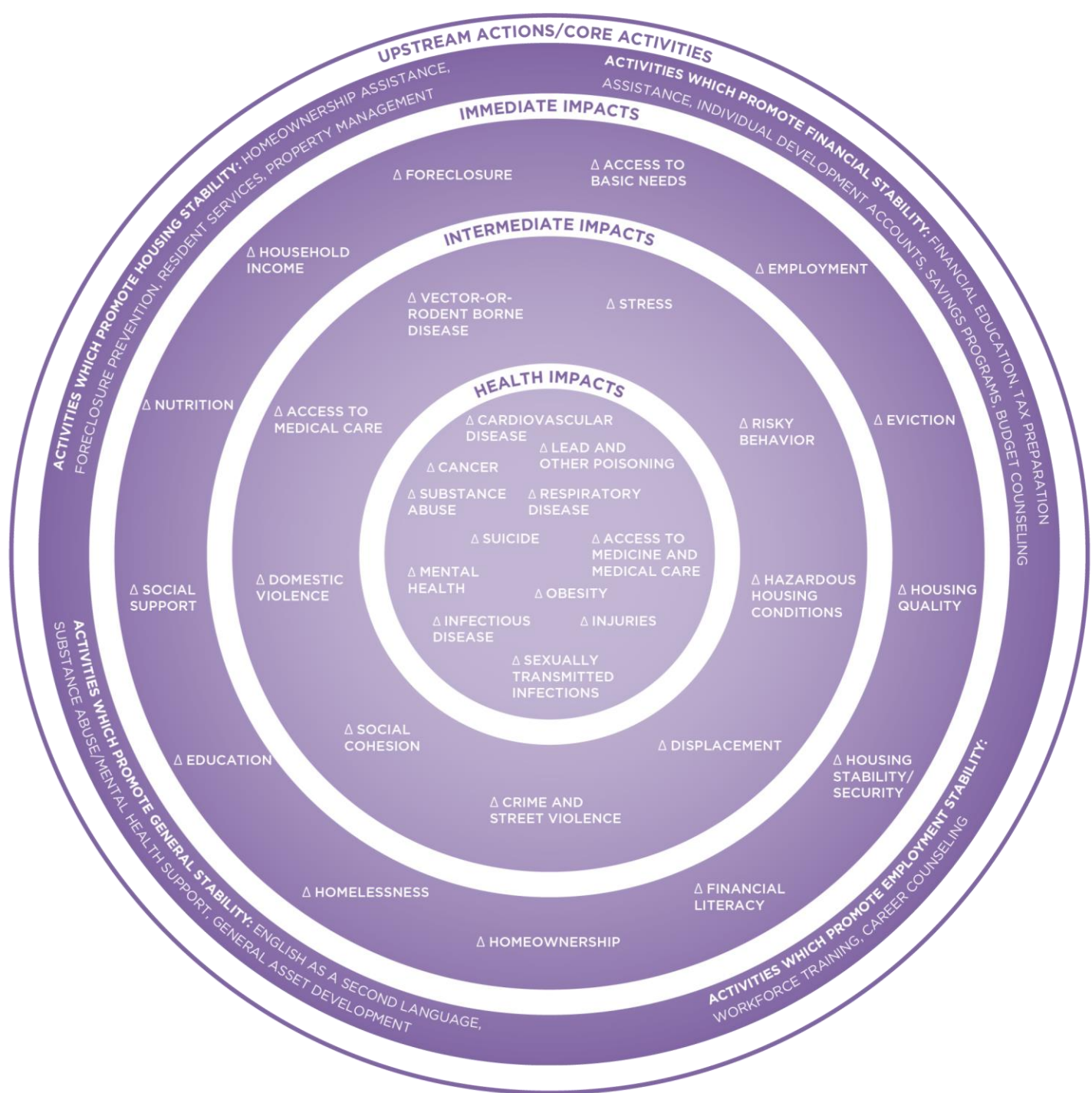
# General Stability

*Mental and Substance Abuse  
Support  
ESOL Courses*





# Asset Development





**Community  
Organizing,  
Building, &  
Empowerment**

***Youth  
Programs***



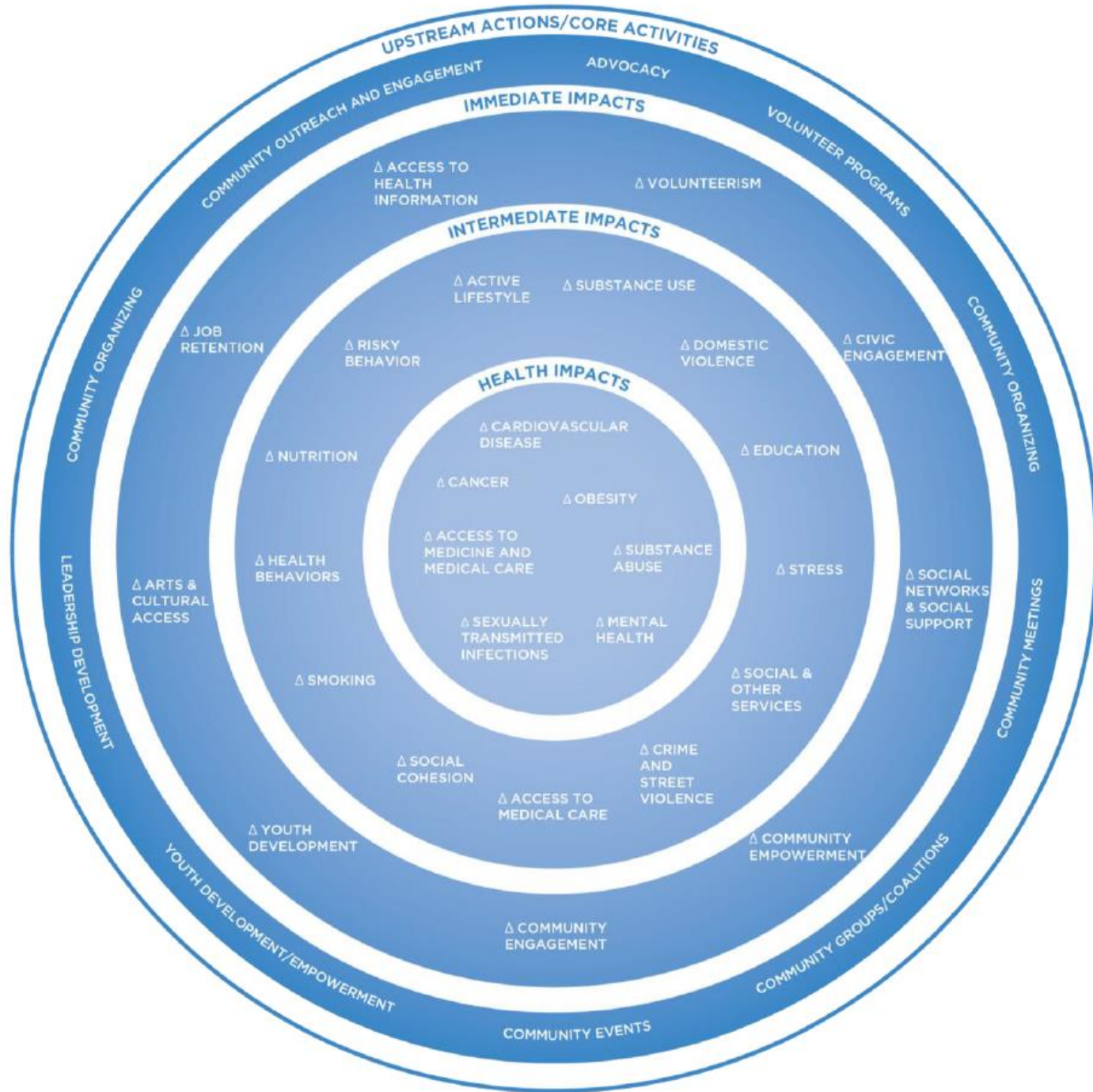


Community  
Organizing  
and Advocacy

Civic Engagement,  
Leadership  
Development, and  
Youth Programs



# Community Organizing, Building, & Empowerment





1. **Promote the relationship** between community development work and health outcomes
2. Consider use of **evidence-based approaches** that increase positive health behaviors as well as community cohesion
3. Connect with organizations working in the **field of public health**
4. Connect with **Community Health Workers (CHWs)**
5. Ensure that **Physical Development** is health promoting
6. Track **additional metrics** related to health

**Recommendations:**

**Community Development + Health**



**Health begins where we live, learn, work and play –  
our Community**





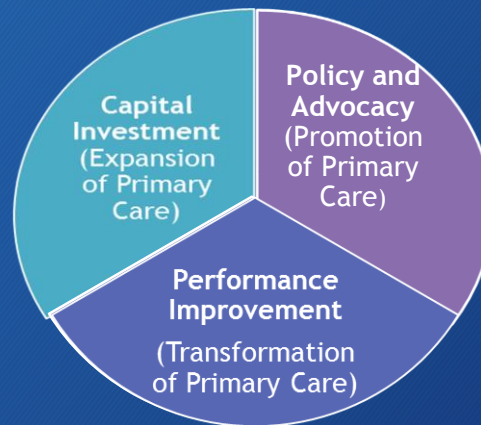
# PRIMARY CARE DEVELOPMENT CORPORATION



- Founded in 1993
- Nonprofit Community Development Financial Institution (CDFI)
- Mission: to expand and transform primary care in underserved communities to:
  - improve health outcomes
  - reduce disparities
  - lower health costs



- Mission is executed through multi-disciplined approach
  - Capital Investment: Patient capital where no access or not affordable
  - Performance Improvement: Capacity building & transformation
  - Policy Affairs: Advocacy for systemic change



# Community Development Financial Institutions (CDFIs)

- Certified by the US Treasury CDFI Fund
- Roots in social & economic justice movement 1960-70s, access to responsible and affordable capital
- Mission-driven financial institutions that take a market-based approach to supporting economically disadvantaged communities
- Generate economic growth and opportunity in distressed, low income communities
- Provide capital & development services, leverage federal dollars alongside private sector capital

# Community Health Centers (CHCs)

- CHCs include Federally Qualified Health Centers (FQHCs) designation by US DHHS, Health Resources Services Administration
- Roots in social justice movement 1960s, access to primary care
- Safety net system, urban & rural economically disadvantaged communities
- Generate economic growth and opportunity in distressed, low income communities
- Provide comprehensive care, regardless of ability to pay



# From the perspective of...

- Traditional lenders Community Health Centers typically have...
  - Non-traditional business models
  - High concentration of uninsured patients (markets)
  - High A/R balances, low turnover rates
  - FQHC reliance on HRSA operating grants

*Now, add Delivery and Payment reform and the risk increases during this period of experimentation and transition*

# Health Care Reform and Health Centers

## Current

Pay for volume

Care in hospitals

MDs solo

Care in Silos integration

Limited data

Targeted disease specific educ.

Treatment of chronic disease

## Reform

Pay for Performance or value based

Care in communities

Care Teams

Collaboration, inter-discipline

Expectation to manage populations with data

Proactive and systematic patient education

Early, comprehensive healthy care

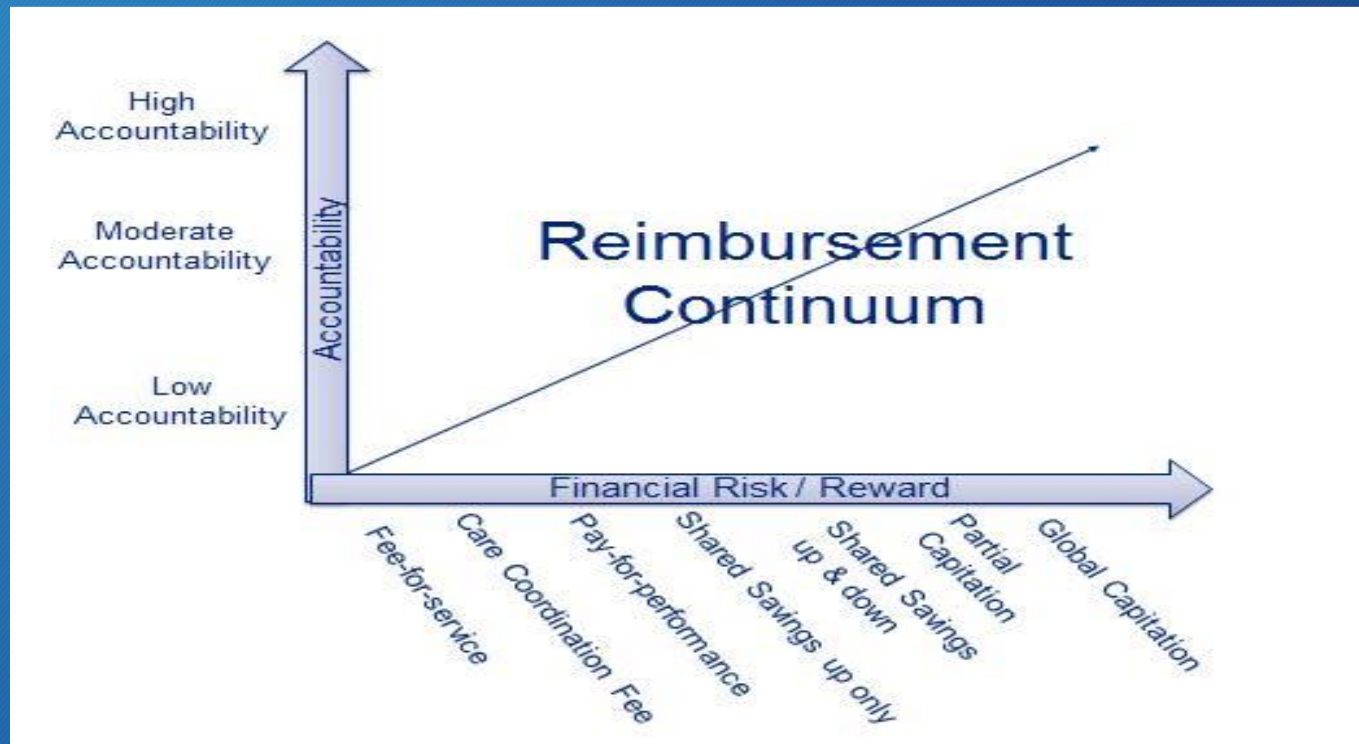


# Payment Reform

- Traditional Revenue Model: Some mix of...
  - Fee for Service
  - Capitation
  - Compensated Care (330 grants, etc.)
- Payment Reform:
  - Medicaid reform projects in 7-8 states
  - State/Payer incentive payments
- Key performance metrics:
  - Reduced hospital (re-)admissions
  - Improved health outcomes
- Conclusion:
  - Revenue tied to Performance
  - Outcome measurement essential
  - Data Capacity / Usage



# Value Based Payment Reimbursement Continuum





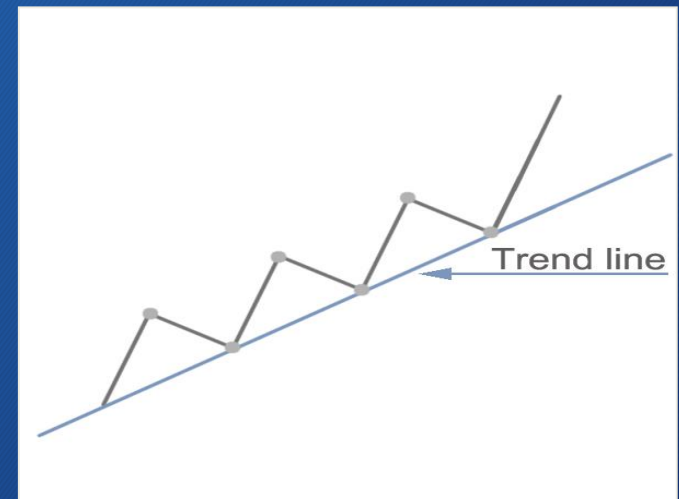
# Future CHC Model

- Projected revenue model
  - Cost component
  - Added premium for quality
  - Quality measured as meeting predefined outcomes
- Formal / Informal partnerships with other organizations
  - Integration of care
  - Community based comprehensive services (incl social determinants)
  - Medical Home requirements
  - Integration of services (referrals, residencies, etc.)



# National Trends

- Staffing
- Consolidation/merger
- Expansion (including interstate)
- Vertical integration
- Delivery reform
- Revenue Model in Flux
  - Impact of ACA
  - Payment reform
  - HRSA capital and operational grants





# CHCs Need CDFI Support

- Expansion
  - New Sites
  - New Services
  - New Geographies
- Integration
  - Medical, Dental, Family, etc.
  - Behavioral Health
  - Supplemental Services (Ex. Radiology, Podiatry, Optometry, P/T, etc.)
  - Co-location with affordable housing, school, community services
- Non-real estate
  - Mobile Vans
  - Tele-health
  - Infrastructure investment; staffing, systems, inter-operability, measurement



# Community Based Integration Examples

- Community health center partnerships
  - Affordable housing
  - Public schools
  - Fresh food supermarkets
  - Addiction services
  - Nutrition & exercise
  - Domestic violence
- Co-locations, referrals, agreements to collaborate and provide services
- Recognition that environment, habits, and poverty affect health

# Primary CDFI Tools

## ➤ Short-term

- Loans
  - Bridge (grants, fundraising)
  - Pre-development
  - Site acquisition
  - Construction
  - Equipment
  - Working Capital

## ➤ Long-term

- Loans
  - Leasehold Improvements
  - Permanent Financing
  - Business Acquisition
  - Redevelopment
  - Expansion & Growth
- New Markets Tax Credits
- Bonds
- Capacity building TA



# CDFI Capitalization

- Government: Federal, state, local grants & loan funds
- Bank: Lower cost loans
- Foundation: Low cost, flexible PRIs & grants

# Philanthropic Impact Investments in CDFIs

- **Capital investments (PRIs)**
  - **Lower cost, flexible capital for loan funds**
  - Credit enhancement - support continued investment (higher risk during sector transition to new models, integration)
- Research & development for innovation
- Advocacy for systemic changes, funding for integration
- Capacity building services for planning & implementation

# Questions?

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Primary Care Development Corporation**

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**[www.pcdc.org](http://www.pcdc.org)**



# Health Funding Meets Community Development in a Pennsylvania Steel Town

Frances Sheehan, President & CEO  
Brandywine Health Foundation  
October 21, 2015





**Brandywine Health & Housing Center**  
**Coatesville, Pennsylvania**  
**Opened April, 2008**

# City of Coatesville

- Pop.: 13,134
- Unemployment: 6.4% (PA: 7.8%)
- % below Poverty level : 33.4% (PA: 12%)
- Household Income \$ 33,518 (PA \$ 50,228)





# Brandywine Health Foundation

- Founded in 2001
- \$14 million in grants and scholarships
- Brought FQHC and behavioral health services for children to Coatesville
- Developed Brandywine Health & Housing Center
- Provided \$600K 10-year anniversary grant to new Public Safety Training Facility for all first responders in county
- Incubated and launched Coatesville Youth Initiative
- Brought Youth Mental Health First Aid curriculum to school district: 4 year study underway
- Launching collaborative, community-based Parks & Playground Project

# Housing/Services Sandwich

48,000 sq. ft./4 floors/2 entrances





**First Floor:**  
ChesPenn Health  
Services' Coatesville  
Family Health Center







Primary Care  
Dental Services  
Prenatal Care  
On-Site Pharmacy  
Integrated Behavioral  
Health Services  
Public Health  
Programming  
McNeil Children's Library



4<sup>th</sup> Floor:  
Child Guidance Resource Centers  
Human Services Inc.  
Kay Conference Room



## 2<sup>nd</sup> and 3<sup>rd</sup> Floors

24 units of affordable senior housing

Community room with kitchenette

Computer room

On-site laundry

Supportive services





Immunization Clinics  
Annual Block Party  
Walking Team  
Job Creation



Successful  
alignment of  
multiple  
funding streams



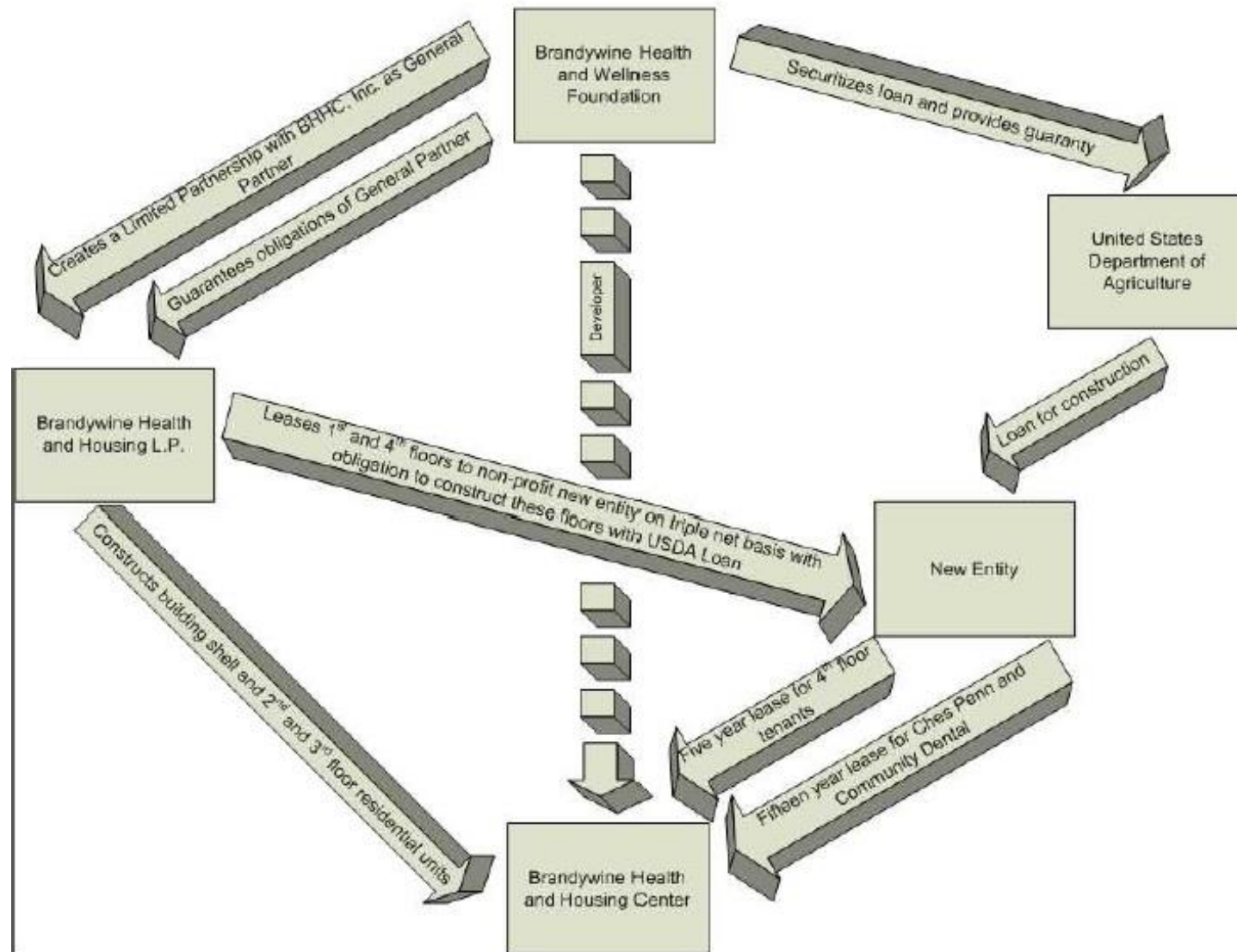
Total Project Cost:

\$13,295,758

Funding Source	Amount
Pennsylvania Housing Finance Agency (LIHTC equity)	\$ 3,507,070
PennHOMES (also PHFA)	\$ 720,000
Fed Home Loan Bank-Affordable Housing Program	\$ 300,000
Chester County Community Development Block Grant	\$ 1,762,842
Coatesville Redevelopment Authority	\$ 1
Pennsylvania Dept. of Community Development	\$ 820,000
Community Lenders CDC	\$ 1,500,000
USDA Community Facilities Loan Program	\$ 3,000,000
Individuals, foundations, businesses (Closing the Gap)	\$ 1,685,845
Total	<b>\$13,295,758</b>



# Structure To Obtain USDA Loan



## Further Reading:

- **The Brandywine Center**

Robert Wood Johnson Foundation report “Collaboration to Build Healthier Communities”

- **Nonprofit Centers (general)**

Tides Foundation study “Measuring Collaboration: the Benefits and Impacts of Nonprofit Centers”



- Explore new tools to measure the health impact of community investments,
- Learn about strategies for fostering partnerships between philanthropy and the community development sector, and
- Network to support cross-sector collaboration.

*Sponsored by the Robert Wood Johnson Foundation*



- More webinars on this topic?
- New topics you want to tackle or learn more about?
- Innovative work that you want to share?
- A question you want to pose to your colleagues?

Contact us at [equity@gih.org](mailto:equity@gih.org)