

# STIMULATING LOCAL ECONOMIES AND IMPROVING HEALTH

#### **Overview**

Community health centers across the country not only provide vital primary care, behavioral health, and dental services in areas of great need, but also revitalize local economies in distress. Many of the nearly 1,300 health centers across the nation are the largest small businesses employers in their areas. Collectively, these health centers add 200,000 jobs to the US economy and 100,000 jobs in affiliated industries, such as construction, information technology, consulting, real estate, transportation, and telecommunication.", iii

### The nation's community health centers provide \$40 billion in revenue and generate \$5 billion in taxes. iv, v

Health centers generate \$30 billion in cost savings to the health care system through averted and avoidable hospital and other health care utilization. vi, vii Additionally, a national and local study by Capital Link has shown that for every dollar of federal funding invested in health centers, \$11 is generated in total economic activity through increased spending on related health service expenses, food services, transportation, construction and more. viii Finally, health centers have majority consumer boards, a feature unique among health care providers; local residents and patients guide the health center's vision, ensuring local buy-in, reinvestment, and collaboration.

#### **Our Work**

Founded over 40 years ago, HRHCare is one of the nation's largest Federally Qualified Health Centers (FQHC) with 43 health centers throughout the Hudson Valley, New York City, and Long Island serving over 225,000 patients. HRHCare directly employs over 2,000 people and supports over 500 jobs in other local industries via contracts and utilization of local services. Our footprint generates an economic impact of nearly \$200 million and contributes over \$30 million in local, state, and tax revenue.ix

## **HRHCare Case Study: Suffolk County**

In 2014, at the request of the NYSDOH and Local County Officials, HRHCare transitioned seven countyrun primary care centers into HRHCare health severe budget cuts and impending closures, which would have left 60,000 patients without a source of care and 500 employees at these sites without jobs.x Instead, HRHCare assumed facilities, and optimized operations standards that HRHCare must meet as an FQHC. In the transition saved an additional \$3 million and provided enhanced health services to

HRHCare and health centers as economic

#### Appendix

i http://nachc.org/wp-content/uploads/2015/06/US16.pdf

ii https://bphc.hrsa.gov/about/healthcenterprogram/index.html

 $iii \ http://nachc.org/wp-content/uploads/2015/06/Cost-Effectiveness\_FS\_2015.pdf$ 

 $iv\ http://www.saveourchcs.org/client/12.14\%20Policy\%20Advocacy\%20Briefing.pdf \\v\ http://www.caplink.org/images/stories/Resources/reports/Infographic-National-Health-Center-Impact-2015.pdf \\vi\ http://www.caplink.org/images/stories/Resources/reports$ 

vii Studies show that, when compared with other providers, health centers are responsible for lower total costs of care per patient for Medicaid and Medicare, saving \$414 per

Medicaid patient and \$297 - \$1,210 for Medicare. viii http://nachc.org/wp-content/uploads/2015/06/Cost-Effectiveness\_FS\_2015.pdf

ix Site HRHCare Caplink survey

x See HRHCare 2015 UDS data on employees and patients

xi https://www.hrhcare.org/hrhcare-assumes-leadership-of-three-suffolk-county-community-health-centers/

xii http://nyshealthfoundation.org/our-grantees/grantee-profile/hudson-river-healthcare