

# Kansas

#### **NMTC Allocatee**

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## HealthCore Clinic, Inc.

HealthCore Clinic, Inc. (HCC) is a federally qualified health center (FQHC) that provides integrated health services to residents in northeast Wichita, Kansas. HCC was founded in 2009 by community members who recognized rising health disparities and an unmet need for healthcare services for the uninsured population, and took action to raise initial capital to open the health center. The Wichita area has a high percentage of individuals not currently served by a health center, poor health outcomes, and few providers that deliver the complement of physical, behavioral, and dental services in an integrated platform. The center offers a variety of medical and social programs, such as services to uninsured children to improve the unusually high infant mortality rate in Wichita; a "strengthening families" program providing services to families with a history of substance use; and refugee support to perform outreach to the 1,000+ refugees from the Democratic Republic of Congo. HCC primarily serves individuals with incomes 200 percent below the Federal Poverty Line (80 percent of its patients are at or below 100 percent Federal Poverty Line). Nearly 35 percent of its patients are uninsured, and 75 percent are racial or ethnic minorities. Among the target population, 59.2% are covered by Medicaid and 23.2% are uninsured.

In the last five years, Wichita has lost two non-FQHC safety-net clinics, leaving HCC as the only health center in the area to offer primary care, mental health, and other social services in an integrated delivery model. Initially, HCC planned to complete the project in multiple phases. The first phase began with funding from HCC's operating funds. However, once construction started, it became apparent that the contractor was not performing in line with the contract and the budget. Construction was halted as HCC contemplated next steps, and the health center was left with a crater in the ground, a pile of steel left by the contractor, and the need for additional funds to replenish its reserve and complete the project.

With \$9 million in New Markets Tax Credits (NMTC) allocation from the Primary Care Development Corporation and \$1 million in NMTC allocation from Capital One CDE, construction got under way in mid-2016. HCC will use the NMTC allocation to renovate and expand its existing building, adding 32,600 square feet to increase clinical and behavioral health space, and add new dental services.

With the availability of NMTC financing, HCC is able to undertake construction of the entire project. As a result of this patient capital, the organization filled the project funding gap, allowing for the completion of the project at one time, instead of proceeding in phases. At capacity, HCC expects to serve 16,900 patients, including 12,000 new patients, at the expanded health center.

## Community Profile

#### Wichita, KS

Poverty Rate 29.3%

Median Income 50.7%

Compared to AMI

**Unemployment Rate** 31.4%

#### Project Highlights

- Investor: Capital One Bank N.A
- Co-Allocatee: Capital One Community Renewal Fund, LLC
- NMTC: \$10M
- Jobs: 25 construction jobs, 101.5 permanent healthcarerelated jobs
- Medically-Underserved Area and a Health Professional Shortage Area (as designated by HRSA)