



# HPOE *Live!* Webinar Series 2014

**The presentation  
will begin shortly.**

# Hospitals Building Healthier Communities: Investing Outside Institutional Walls

## HOSPITALS BUILDING HEALTHIER COMMUNITIES

Embracing the anchor mission

by David Zuckerman  
with contributions from Holly In Spalko, Steve Dutt, and Ted Howard

The Democracy Collaborative at the University of Maryland  
March 2012

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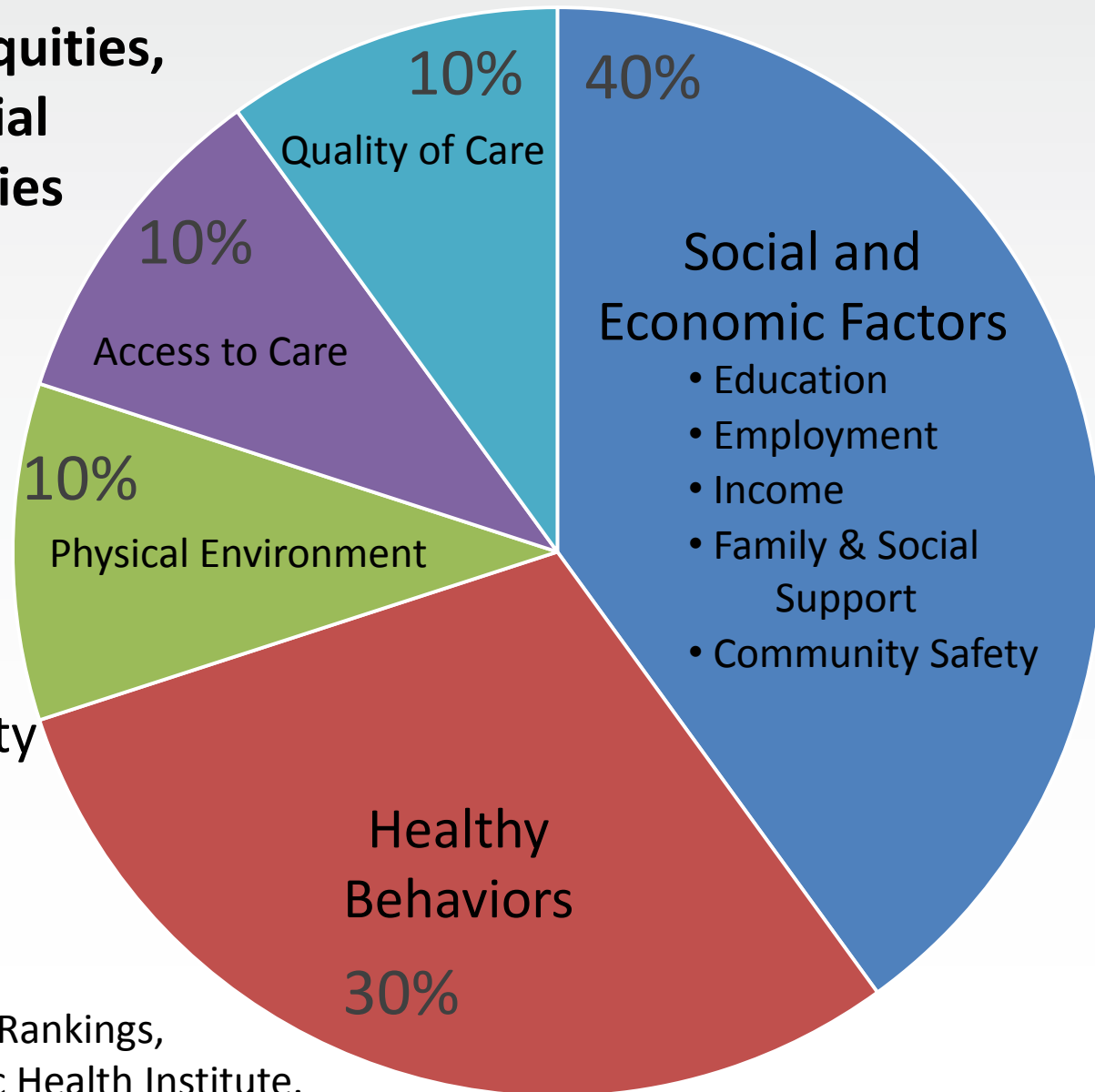
[www.Community-Wealth.org](http://www.Community-Wealth.org)

# Social Determinants of Health

To address health inequities, you must address social and economic inequities

- 33% of Americans are “working poor”

- 20% of Americans under 18 live in poverty



**Social and Economic Factors**

- Education
- Employment
- Income
- Family & Social Support
- Community Safety

**Healthy Behaviors**

30%

10%

Quality of Care

10%

Access to Care

10%

Physical Environment

# Place Matters



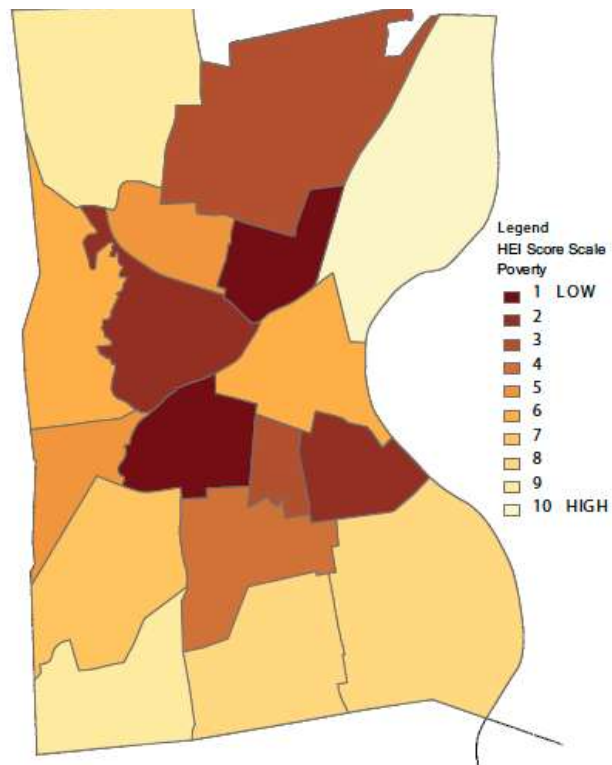
Source: Prepared by Woolf et al., Center on Human Needs, Virginia Commonwealth University using Evans BF, Zimmerman E, Woolf SH, Haley AD. Social Determinants of Health and Crime in Post-Katrina Orleans Parish: Technical Report. Richmond, VA: Virginia Commonwealth University Center on Human Needs; 2012.

Source: Prepared by Woolf et al., Center on Human Needs, Virginia Commonwealth University using Centers for Disease Control and Prevention, National Center for Health Statistics, CDC WONDER Online Database, released January 2013, Data are compiled from Compressed Mortality File, 1999-2010 Series 20 No. 2P 2013.

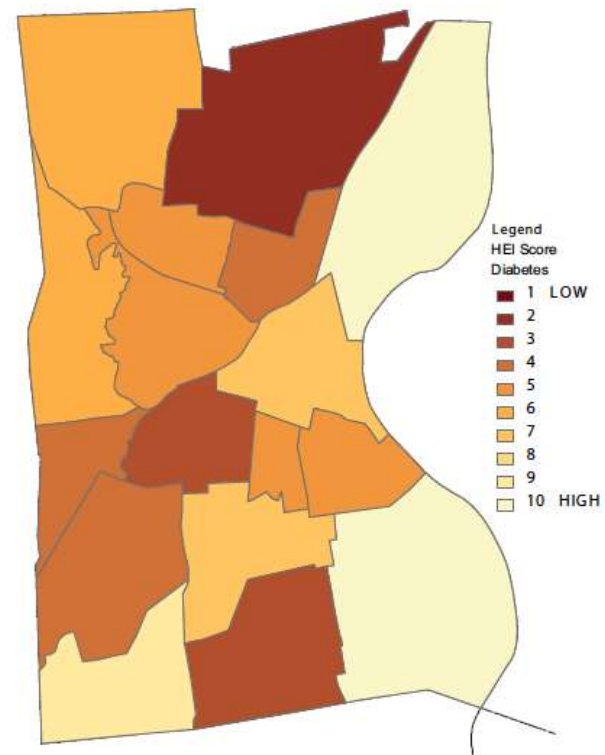
# Making the Connection

## Hartford, Connecticut 2012 Community Health Needs Assessment

Map 2. HEI Poverty Score by Neighborhood



Map 7. HEI Diabetes Score by Neighborhood



**“There are several strong and moderate correlations with cardiovascular health, the top being education and economic security.”**

# CONTINUUM OF WEALTH-BUILDING STRATEGIES

INDIVIDUAL



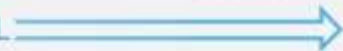
COMMUNITY



GOVERNMENT



BROADENING OWNERSHIP OVER ASSETS AND CAPITAL



Family Wealth Building	Shared Equity	Community/Worker Ownership	Public Ownership or Investment
Individual Development Accounts	Community Land Trusts	Anchor institutions (eds, meds, churches, museums, libraries)	Municipal enterprise
Microenterprise	Limited Equity Cooperatives	ESOPs or worker cooperatives	State & local venture investments
Family Self-Sufficiency Program	Deed restriction (inclusionary zoning)	Credit unions	Public pension fund ETIs (economically targeted investments)
"Baby Bonds" & child savings accounts	Mixed ownership (Market Creek)	Community corporations	Public leases: land & transit development
Earned Income Tax Credit volunteer assistance programs	Program-Related Investments	CDC or CDFI direct ownership	Stock warrants in exchange for granting tax breaks (fair exchange)
Alternatives to predatory lending	CDC/CDFI equity investments or joint ventures	Social enterprises	Trustee ownership (e.g., Alaska Permanent Fund)
Nonprofit financial education programs	Community benefits agreements	Commons-based enterprises (e.g., Wikipedia, Creative Commons licenses)	



Hospitals

Harlem Hospital Center



**Universities**

**University of Maryland, College Park**





**Local Government**

**Baltimore City Hall**



**Municipal Utilities**

**Valmont Power Plant (Boulder, CO)**



**Cultural Institutions**

**New Mexico Museum of Space History**



**Faith-based Institutions**

**Calgary United Methodist Church**

# What are Anchor Institutions?

- “Sticky capital”
- Economic engine: employer and purchaser
- Vested interest in surrounding communities
- Typically nonprofit or public

## TYPES OF ANCHORS

**Hospitals**



**Universities**



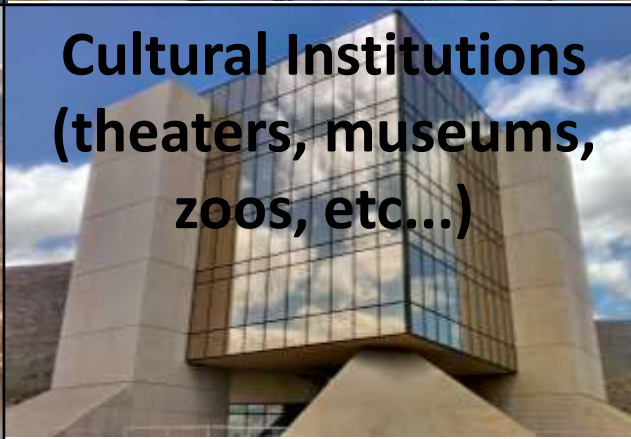
**Local Government**



**Utilities**



**Cultural Institutions  
(theaters, museums,  
zoos, etc...)**



**Faith-based  
Institutions**





**Hospitals**

**Harlem Hospital Center**

# Economic Impact of Hospitals

	<b>Nationally</b>
Number of Hospitals (nonprofit, for-profit, and state and local government)	4,973
Nonprofit Hospitals (Percentage of total)	58%
Employment	5.5 million
Annual Procurement	\$342 billion in goods and services
Investment Portfolios/Endowments (conservatively)	\$400 billion

# “Rethinking How We Do Business”

“Community and healthcare leaders are discovering that hospitals can help heal entire cities through economic development... healthcare systems can create jobs and wealth...And we can earn the trust and goodwill of our neighbors.”



**Tom Zenty**  
*CEO, University Hospitals  
System  
(May 2013)*



# ANCHOR MISSION DASHBOARD

COMMUNITY BENEFIT

## ECONOMIC DEVELOPMENT



EQUITABLE LOCAL & MINORITY HIRING

EQUITABLE LOCAL & MINORITY BUSINESS PROCUREMENT

VIBRANT ARTS & CULTURAL DEVELOPMENT

THRIVING BUSINESS INCUBATION

AFFORDABLE HOUSING

SOUND COMMUNITY INVESTMENT

## HEALTH, SAFETY & ENVIRONMENT



HEALTHY COMMUNITY RESIDENTS

SAFE STREETS & CAMPUSES

HEALTHY ENVIRONMENT

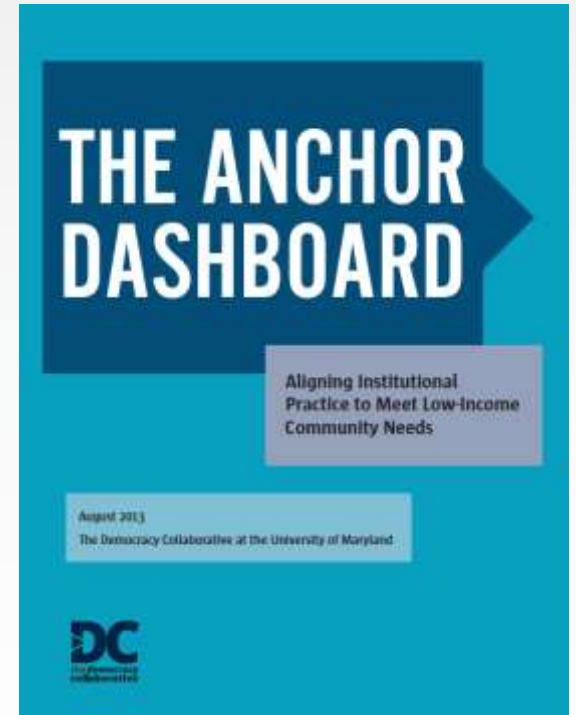
## COMMUNITY BUILDING & EDUCATION



STABLE & EFFECTIVE LOCAL PARTNERS

FINANCIALLY SECURE HOUSEHOLDS

EDUCATED YOUTH



[community-wealth.org/indicators](http://community-wealth.org/indicators)

For more information:

[www.Community-Wealth.org](http://www.Community-Wealth.org)

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**University Hospitals**

Cleveland, Ohio

# **Hospitals Building Healthier Communities: Investing Outside Institutional Walls**

## **University Hospitals as an Anchor Institution**

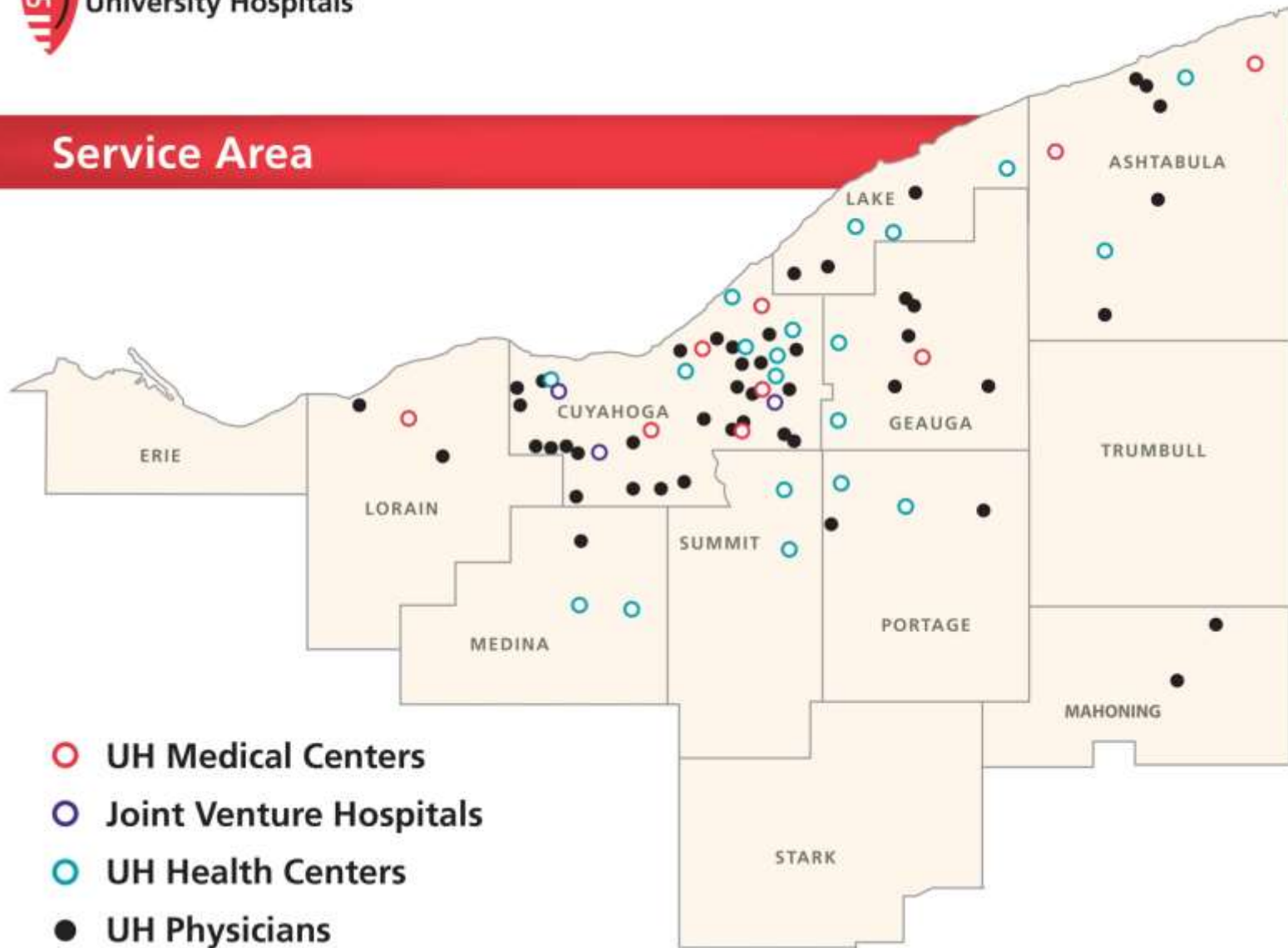
Heidi Gartland

Vice President, Government & Community Relations

# University Hospitals



## Service Area



# University Hospitals Anchor Strategies

- Neighborhood Revitalization
- Local and Minority Purchasing
- Multi-Institution, City and Regional Partnerships
- Community Investment
- Capacity Building

# Neighborhood Revitalization

- Greater University Circle Initiative
- Targeted investment to benefit local community and regional economy



# Vision 2010

- Vision 2010 Capital Expenditure:
  - \$1.2 billion over five-year period
- Construction activity generated:
  - Employment
  - Wages, Salaries, Benefits
  - Retail Sales
  - Hospital Jobs

# Vision 2010 – Local and Minority Purchasing

- Purchasing Goals:
  - Women-Owned Businesses
  - Minority-Owned Businesses
  - City of Cleveland Residents
  - Local Contracts
- Third party oversight and voluntary project labor agreement (PLA)



# Vision 2010 - Projects

**1 to 4 on University Hospitals Case Medical Center campus,**  
University Circle, 11100 Euclid Ave., Cleveland

**1. Quentin & Elisabeth Alexander Neonatal Intensive Care Unit**

\$27 million project  
Opened spring 2009  
The state-of-the-art facility was ranked fourth in the country in U.S. News & World Report's most recent rating of children's hospitals.

**2. Center for Emergency Medicine**

\$41 million project  
Opening spring 2011  
Replaces the old, 22,000-square-foot emergency department with a 60,000-square-foot facility designed to support 80,000 annual visits.

**3. UH Cancer Hospital**

\$250 million freestanding hospital  
Opening May 2011  
Designed to unite all cancer services, currently in seven locations on the Case Medical Center campus, in a single, 375,000-square-foot location. Will house 120 beds and be expandable to 150 beds. University Hospitals Case Medical Center currently offers 60 to 75 beds for cancer patients.

**4. Parking garage**

\$30 million project  
Opening late 2010

**5. UH Ahuja Medical Center**

\$298 million freestanding hospital at Chagrin Highlands  
Opening early 2011  
Phase one includes a 144-bed, eight-story hospital and a 60,000-square-foot medical office building. The campus eventually could accommodate two more hospital towers and an additional office building.

**6. Concord Health Center**

\$29 million project  
Opened July 2009

**7. Geneva Health Center**

\$3.6 million office building adjacent to University Hospitals Geneva Medical Center  
Completed November 2008

**8. Medina Health Center**

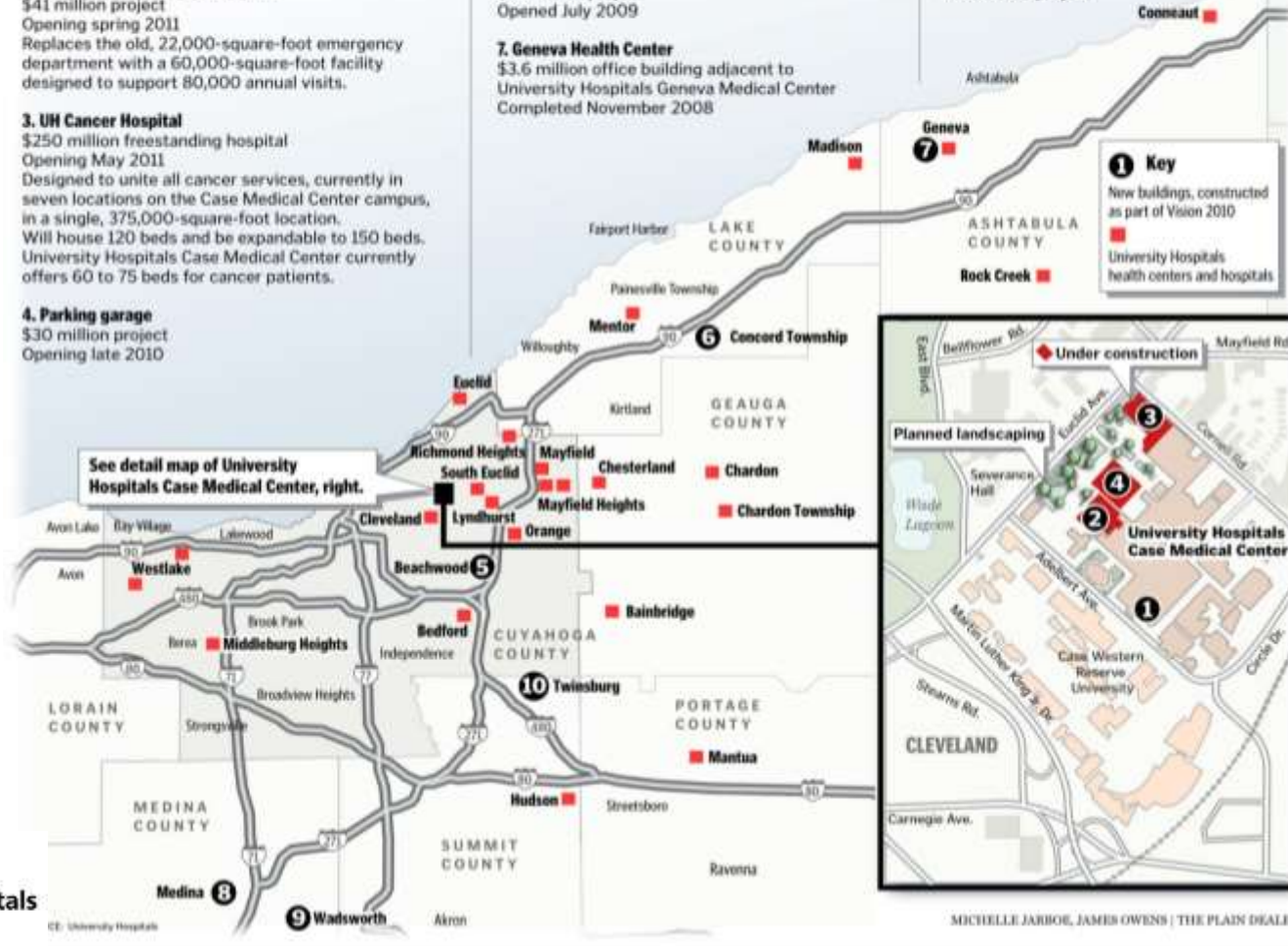
\$10 million project  
Opened spring 2010

**9. Sharon Health Center**

\$3 million project  
Opened in 2009

**10. Twinsburg Health Center**

\$18 million project  
Opened fall 2007, the earliest of any Vision 2010 project



# Multi-Institution, City and Regional Partnerships

- Greater Circle Living
  - \$750,000 investment
  - Employer-assisted housing program
  - In collaboration with other University Circle anchor institutions



# Community Investment

- Evergreen Cooperatives
  - \$1.25 million investment
  - Multi-institutional, business co-development strategy
  - Job creation for neighborhood residents
  - Promotes local sourcing



# Capacity Building

- NewBridge Cleveland Center for Arts & Technology
  - Job training and skill development
    - Adult programming – Healthcare
    - Youth programming – the Arts
  - Targets neighborhood residents
- Health-Tech Corridor

# Capacity Building – Post Vision 2010

- “Culture Change” – shifting mindset of senior leaders
- Local purchasing
- Supplier diversity
- Institutional diversity

# Capacity Building – Post Vision 2010

- Supplier recruitment
  - Leveraging spending power of UH
  - Owens & Minor
  - Future projects



# Thank You! – Questions?

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**HPOE/ACHI Population Health:  
Hospitals Building Healthier Communities  
Bon Secours Health System**





BON SECOURS HEALTH SYSTEM

strategic quality plan  
2013-2015

## OUR charism

The charism of Bon Secours is to bring God's **healing, compassion** and **liberation** to people in need. Special attention is given to those who are poor, sick or dying by helping to alleviate their suffering and bringing them a message of hope and assurance that there is a God who loves them.

### bring our communities to wholeness

- Improve Health Locally and Globally  
✓ *Leading health indicators improved*
- Build Partnerships for Population Health  
✓ *Partnerships and At-Risk contracts existing in each local system*

### ensure our care is extraordinary

- Optimize Patient and Resident Care Experience  
✓ *Top decile in "Would Recommend"*
- Provide Unparalleled Palliative Care  
✓ *Every local system adopts best practice*

### transform our health delivery

- Integrate Wellness, Medical Homes, and Continuum of Care  
✓ *Primary care market share exceeds FY12 acute market share*
- Create Sustainable Operating Margins  
✓ *4% or greater operating margin*



### express our Catholic identity

- Model and Advocate Social Justice  
✓ *Issues of access, care for the poor, and healthy community needs are addressed proactively*
- Cultivate Competent and Confident Ministry Leadership  
✓ *Top decile on key engagement culture questions*

### liberate our people's potential

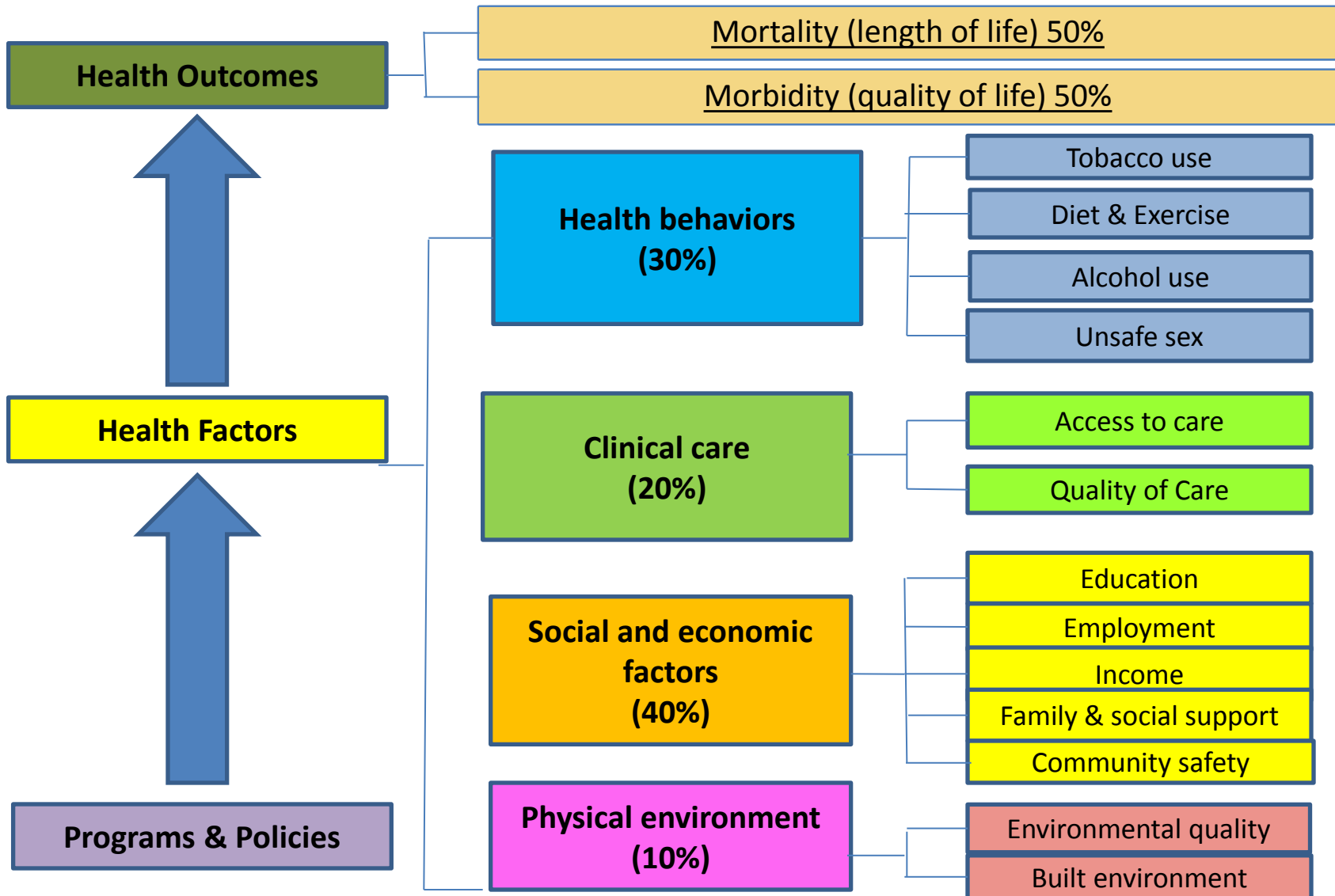
- Engage Those Who Serve With Us  
✓ *Top decile performance on engagement*
- Foster Employee Well-being (Body, Mind, Spirit)  
✓ *Improve Personal Health Assessments*

## a healthy community

A healthy community is a **good place to live for all residents**. The rich diversity of cultures and capacities of the community are celebrated and mobilized, with a particular concern for those who are **poor, marginalized and dying**, to create physical and social environments that promote **families, nurture youth and support senior citizens**. Individuals have the opportunity to fully participate in defining **holistic well-being** and assuming responsibility for the development of their innate potential.

building healthy communities

# Population Health

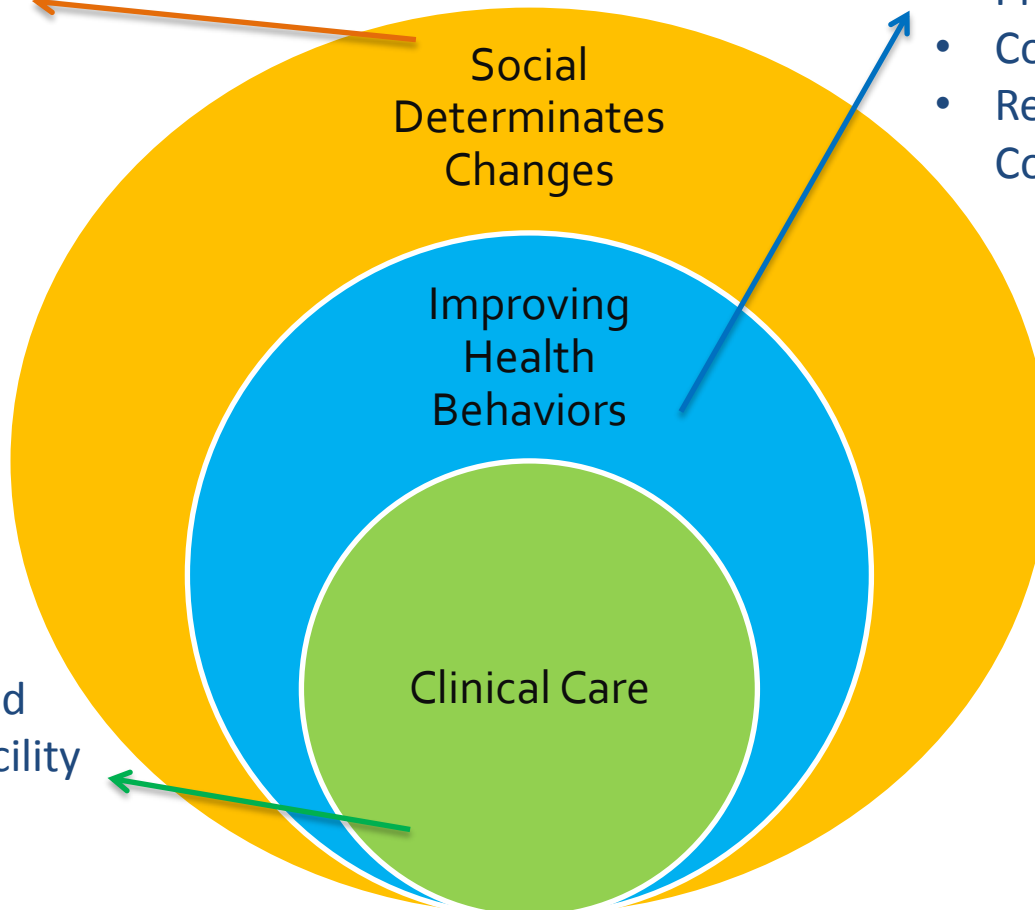


building healthy communities

# Population Health: Individual - Groups - Community

Long Horizons

- Housing
- Schools
- Economy



- Programmatic Services
- Complementary Staff
- Resource Assistance & Coordination

- Patient Centered
- Primary and Facility Care
- Pharmacology

building healthy **communities**

# Healthy Community Model

Within a defined neighborhood:

- Recognize and develop assets of the community
- Build relationships, develop community leaders and work from community's agenda (empowerment)
- Foster collaboration and partnerships across gov't agencies, organizations and businesses



# Integrated Emphasis



# Outcomes

- Economic opportunities
- Affordable housing and safe, walkable streets
- Vibrant expressions of faith and community
- Improved health status
- Successful education and training
- Availability for recreation and cultural arts

# Community Jobs for Health

Economic opportunities

Affordable and safe housing

Improved health status

Vibrant faith expression

Vibrant recreation & arts

Improved health status

Wellness/Life Coach

Dietician

Community Health Worker



# Micro – Enterprise Opportunities

Economic opportunities

Affordable and safe housing

Improved health status

Vibrant faith expression

Vibrant recreation & arts

Economic Opportunities

Bakeries/Markets

Supplier to Anchor

Artisan shops

# Operation ReachOut – Baltimore



# Operation ReachOut Southwest

- A community-driven coalition taking a comprehensive and multi-dimensional approach to neighborhood revitalization.
- Has created and is implementing a comprehensive social, economic and physical development reinvestment strategy.
- With participation from over 200 residents and local stakeholders, the coalition completed a comprehensive revitalization plan in 1998.
- The plan includes a vision statement and desired outcomes and strategies in each of six issue areas: economic development, education, health, physical planning, public safety, and enriching activities for youth and seniors.

# Operation ReachOut Southwest

- 1997** Bon Secours & Community Leaders Decided to Develop a Community Improvement Plan  
Opened Family Support Center & Women's Resource Center
- 1999** Began Youth & Adult Employment Programs
- 2003** Our Money Place Opened

## **Aggregate Accomplishments**

- 640+ Units of Housing Completed
- 750+ People Obtained Employment
- 1,100+ Credit Union Accounts Opened
- More than 1 million square feet of vacant land improved

# BS Community Works

- Family Resource Center
  - GED preparation
  - Child care services, Maryland Family Network
  - Parenting skills, formerly incarcerated men
- Financial Assistance and Planning
- Job training, readiness
  - Computer skills
  - Clean and Green landscaping services
  - Pipeline for entry level hospital services

# Richmond's East End

## Background

- Over 30% of the households' income is below the poverty level.
- Approximately 34% of households make less than \$15,000 per year.
- Armstrong High School has an on-time graduation rate of 60.3%.
- Densely concentrated public housing - four public housing communities are within one square mile, containing 1,352 public housing units. Creighton Court alone has 504 units.
- The neighborhood has significant pockets of blighted and vacant structures; approximately 14% vacant housing units.

# Richmond – East End

- Respond to CHNA
- Capacity building
- Community visioning
- Community Support Committee
- Community Advisory Boards
- Healthy community liaisons



# Richmond's 7<sup>th</sup> District: A Closer Look

- Establishes a bold and inclusive plan for future development in the neighborhood—an “East End Vision”
- Key Priorities of the 2010 Charrette
  1. Grocery Store
  2. Fitness Center
  3. Library/Enrichment Center
  4. Medical Office Building



# Richmond's 7<sup>th</sup> District: Opportunity to Build on Assets

- Historic charm, vibrant community associations, scale, and walkability
- Church Hill North revitalization
  - Choice Neighborhood planning
  - Anchor institution—expansion and workforce development
  - Affordable housing
- New Martin Luther King, Jr. Middle School
  - Construction underway
- Community Transformation and Economic Development
  - SEED Program
  - Business start-ups
  - Available housing
  - Historic

# Supporting East End Entrepreneurship Development (SEED)

- Provides capital to locally-owned businesses
- Partnership with L.I.S.C.
- \$150,000 commitment/\$50,000 per year over three years
- \$108,500 awarded to eight businesses to date



## Sterling Innovators Market

- Location of Produce Market
- Microenterprise classrooms
- Greenhouse
- Roof Garden
- Green Energy Design

## Sterling Land Trust, Greenville, SC

- The developer that “never leaves” the community, with a board made up of a majority of residents from the community.
- Mission includes revitalization through
  - historic preservation; housing and affordable home ownership;
  - economic and commercial development at various levels; and
  - neighborhood empowerment.

# **Hospitals Building Healthier Communities: Investing Outside Institutional Walls**

**Cathy Rowan**

**Director, Socially Responsible Investments**

**CHE Trinity Health**

**March 19, 2014**

# Overview

- Definition of community investing
- Vehicles for community investments
- How community investing works
- CHE Trinity Health's Community Investment Program
- Getting started

# CHE Trinity Health

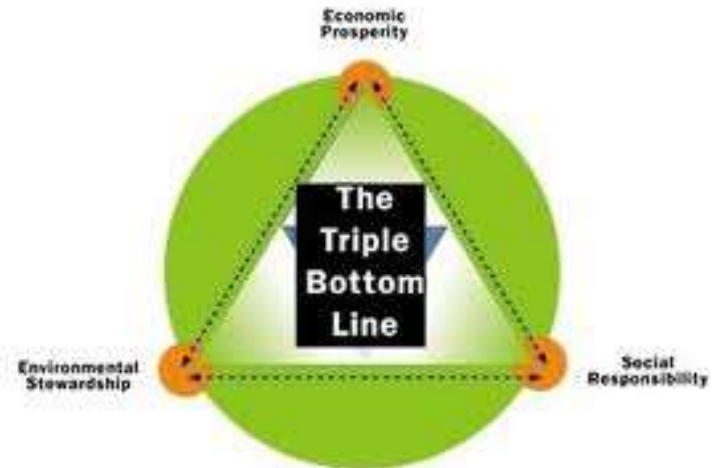
- Formed in 2013 by the consolidation of Catholic Health East and Trinity Health.
- Serves people and communities in 21 states.
- Committed to those who are poor and underserved in its communities and known for its focus on the elderly.
- Almost \$1 billion returned to communities annually in the form of charity care and other community benefit programs.
- Over \$34 million in community investments.

# CHE-Trinity Health's Socially Responsible Investing (SRI) Program

Begins with an ethical premise that investment decisions are made not solely for financial advantage.

Imagines a triple bottom line: returns that produce positive

- **Financial impact**
- **Social impact**
- **Environmental impact**



# Community Investing: An SRI Strategy

## **Key elements:**

- A focus on marginalized areas or communities that conventional financial markets don't reach.
- A focus on enabling the delivery of explicit social benefits.
- A financial product available for investment that can be managed in terms of risk and return.

## **Community investments enable:**

- Affordable housing and supportive housing
- Community facilities
- Job creation
- Business start-up and growth
- Charter schools
- Access to health care
- Transit-oriented development
- Healthy food production and provision



# What are vehicles for community investment?

## Community Development Financial Institutions (CDFIs):

- Provide credit and financial services to underserved markets and populations
- Attract capital from individuals, institutions, foundations and banks.

## US Treasury-certified CDFI:

- Non-governmental organization
- Has a primary mission of promoting community development
- Primarily serves one or more targeted areas
- Maintains accountability to its defined target market

## Types of CDFIs;

- Community Development Banks
- Community Development Credit Unions
- Microenterprise Development Loan Funds
- Community Loan Funds

# How Does Community Investing Work?



# CHE Trinity Health's Community Investment Program

**Goal: To place 1% from the operating portfolio into community investments.**

**Invest through loans to Community Development Financial Institutions (CDFIs) that provide access to affordable, responsible financing products and services to low-income, low-wealth and other disadvantaged people and communities.**

- Mortgage financing for homebuyers
- Financing for the rehabilitation of affordable rental housing
- Financing for special needs housing
- Financing for the building and rehabilitation of community facilities
- Loans to small and microenterprise businesses
- Financial services needed by low-income households and businesses
- Healthy foods financing

# Examples of Borrowers

## **Mercy Loan Fund**

Provides acquisition, construction, bridge, permanent or pre-development financing for housing to individuals and families earning <80% and often <50% of average median income in 32 states.

## **Corporation for Supportive Housing**

Provides financing and technical assistance to enable communities to create permanent housing and services to prevent and end homelessness.

## **National Housing Trust Community Development Loan Fund**

Provides bridge and pre-development financing to mission-aligned developers working to preserve and improve affordable multifamily housing properties.

# Examples of Borrowers

## **Chicago Community Loan Fund**

Finances and provides technical assistance to community development organizations in metropolitan Chicago for affordable housing, social service and economic development initiatives that benefit low to moderate income neighborhoods and families

## **Ohio Finance Fund**

Healthy Food Financing Initiative to lend to projects in low-income communities in Ohio that lack access to healthy food.

## **Opportunity Resource Fund**

Provides loans for the creation of affordable housing, foreclosure prevention, job creation, commercial space renovation and community development activities to benefit Michigan communities.

# Finance Fund: Helping to renovate and expand the only licensed child care center in Noble Co., OH



# Nonprofit Finance Fund: Mortgage loan to finance the construction of a new, 51-bed family shelter.



# Corporation for Supportive Housing: Predevelopment loan for new building providing 40 units of permanent supportive housing to homeless and at-risk parenting youth in Chicago.





# Getting started...

- Look to your organization's mission and traditions to create an investment plan with social impact.
- Explore community investing products. Resources:
  - US SIF Foundation <ussif.org>
    - Membership association for professionals, firms, institutions and organizations engaged in sustainable & responsible investing
    - Engages in research on community investing
  - Opportunity Finance Network <ofn.org>
    - A national network of CDFIs
    - Web site has a “CDFI locator” and a directory of member profiles.
  - <socialfunds.com> also as a community investment search engine.
- Develop strategic partnerships with CDFIs, affordable housing developers and faith-based institutional investors in your area.

# Thank You! - Questions?



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- Strategies for health care transformation
- Reducing health care disparities
- Reducing avoidable readmissions
- Managing variation in care
- Implementing electronic health records
- Improving quality and efficiency
- Bundled payment and ACOs
- Others

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