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New Report: Louisiana's Community Health Centers Boost State, Local Economies

As outlined in a new Capital Link analysis, Louisiana's Community Health Centers generated a \$653 million economic stimulus and saved the healthcare system over \$800 million in 2017.

Baton Rouge, LA – A new analysis conducted by Capital Link, a Boston-based non-profit consulting group, shines new light on the tremendous economic impact that Louisiana's Community Health Centers have on the economy. Among the report's findings:

- In 2017, 34 Community Health Centers generated a \$653 million economic impact, a result of \$352 million in direct health center spending coupled with \$301 million spending in the community.
- Health centers saved the Medicaid program \$584 million and saved the overall healthcare system over \$800 million.
- In 2017, health centers employed 2,968 individuals and spurred the creation of 2,243 additional jobs in the community.

As this report demonstrates, while Community Health Centers are known for providing high quality preventive and primary health care to patients, they also work to stimulate economic growth and generate cost savings for both urban and rural communities across Louisiana. By steering patients away from the emergency room and emphasizing the importance of preventive care, health centers are able to efficiently meet the needs of patients and generate cost savings. Health centers have been shown to treat patients at a lower cost to Medicaid and save the safety-net program hundreds of millions of dollars. In fact, health centers are able to treat Medicaid patients at 24% lower cost than other private and non-profit healthcare organizations.

Aside from money saved, Community Health Centers spur economic growth by creating jobs. From employees with advanced clinical and administrative expertise to those just beginning their career path, health centers offer opportunities for all candidates who are passionate about serving their community.

"This report has confirmed what we already know: Community Health Centers are a win-win for our state," said Gerrelde Davis, Executive Director of the Louisiana Primary Care Association. "For over 40 years, health centers have served on the frontlines of public health, working to improve the health and well-being of patients – all while saving taxpayer money."

Thirty-four Community Health Centers were included in this analysis. Economic numbers were derived using health center audited financial statements and statistics as reported on the 2017 Uniform Data System. An integrated economic modeling software called IMPLAN was used which applies the "multiplier effect" to capture the direct, indirect, and induced economic effects of health center business operations.

IMPLAN generates 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.

The report was created by Capital Link and funded by the Louisiana Primary Care Association for use by its members.

[Access the full report here.](#)

About the Louisiana Primary Care Association

The Louisiana Primary Care Association (LPCA) represents 34 federally funded, private, non-profit and public Community Health Centers (and 2 Look-Alikes) across Louisiana that serve over 426,000 patients annually. LPCA promotes community-based health services through advocacy, education, and collaboration with community partners. Our goal is to ensure that every Louisianan has access to affordable, quality, primary care services. For more information, visit www.LPCA.net.

About Capital Link

Capital Link is a non-profit organization that has worked with hundreds of health centers and primary care associations for over 20 years to plan for sustainability and growth, access capital, improve and optimize operations and financial management, and articulate value. They provide an extensive range of services, customized according to need, with the goal of strengthening health centers – financially and operationally – in a rapidly changing marketplace. For more information, visit www.caplink.org.

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