

Swope Health

4141 N. Martin Luther King Jr. Boulevard, Kansas City, MO 64130

Key Project Information

- Total NMTC Allocation: \$14,000,000
- LEGF NMTC Allocation: \$11,000,000
- Closing Date: March 18, 2022
- Census Tract: 29095007802
- Distress Criteria: MFI 55.26% AMI; Poverty Rate 24.00%; Unemployment Rate 1.39x

Project Description

LEGF's NMTC allocation financed the new construction of an approximately 32,000 square foot Program for the All-Inclusive Care for the Elderly ("PACE") KC Adult Wellness Center within a severely distressed census tract in Kansas City, Missouri (the "Project"). The Project is the first PACE program in Missouri, and will serve as the headquarters for the Sponsor's Day center, health clinic, and administrative functions. The building will include clinical space with five exam rooms, a laboratory, storage, and a clinical staff workroom, as well as a day center, with a full-service dining room and serving kitchen, rehabilitation gym, computer lab, library, low stimulation and memory care room, and outdoor recreation space. Further, the building includes administrative space, with offices, open cubicles, and a 20-person conference room.

Permanent Job Creation

The Project created 110 new full-time equivalent positions with a weighted average wage of \$30.00/hr. All jobs are considered as quality jobs, 46% accessible to low-income persons, and 46% filled by low-income community residents. All of the employees will be part of the established training and advancement programs offered by Swope Health. Swope Health benefits from a 53-year history of employing people who live near its health clinics. Through outreach at a variety of annual career and job fairs, such as those offered for their students by Kansas City Public Schools, Metropolitan Community College and the University of Missouri at Kansas City (UMKC) Swope is able to maintain a pipeline of talent within the low-income communities surrounding our clinics. With the UMKC School of Dentistry and medical residency programs at University Health, Swope works to recruit students by offering fellowships and other opportunities to learn about community health through immersive and real-world learning.

Community Goods and Services

The project serves 350 patients annually, approximately 315 low-income patients (90%), 350 medicare patients (100%), and 200 minority patients (57%). Nationally, 90% of PACE enrollees are dually eligible Medicare / Medicaid beneficiaries, 9% are Medicaid only beneficiaries, and less than 1% are Medicare only or private pay members. By regulation, PACE is designed to serve the low-income, high cost, high need population in their service area. PACE programs operate in a highly regulated environment to ensure the highest quality of care at all times. PACE KC will have a dedicated Quality Assurance department with a Director of Quality, compliance officer, quality auditor, quality support specialist, contract specialist, and health plan manager to ensure regulatory and quality standards are maintained.

But For Statement

LEGF's NMTC allocation filled the gap in financing to allow the project to move forward. As an FQHC, Swope relies on reimbursements to cover its operating costs. These reimbursements do not provide sufficient cash flow to support the construction of new facilities or capital expenditures. Therefore, Swope was unable to utilize traditional debt to finance capital projects. The NMTC financing was aggregated with capital campaign dollars and a loan bridging capital campaign funds to allow the project to proceed. Without the favorable financing provided by NMTCs, this project would be unable to move forward.

Community Alignment

In order to determine the Project's alignment with the goals and priorities of the community, the 2022-2027 Kansas City, MO Community Health Improvement Plan (the "CHIP") was reviewed. The CHIP was developed by the Kansas City, MO Health Department and was approved by the Kansas City Health Commission in April, 2021. The data and information in the CHIP helps to better educate health department staff, government officials, and the community about Kansas City's local health status and needs, as well as to develop policy and operational priorities, allocate community resources, and plan for action to improve health. The CHIP identified the following priorities:

1. Increase public health capacity for residents of KCMO
2. Increase local funding for public health with a priority focus on BIPOC communities
3. Increase federal funding for public health in KCMO

The Project states that Missouri ranks 50th in the nation in public health spending with \$6.08 per capita. The CHIP outlines an objective to support the efforts of community members who are implementing public health solutions appropriate to the needs and wants of their community. The Project will increase access to healthcare for seniors. Further, the Sponsor projects that the resident demographics of the zip code 63130, home to Swope Health Central and the proposed Project location, are majority-minority, with 19,000 of the 20,000 residents identifying as BIPOC. Further, the Project is expected to serve 100% low-income community residents with 75% of individuals expected to be low-income persons, increasing access to care for this disadvantaged population.

The CHIP also prioritizes working with FQHCs to renew and increase the health levy in an effort to increase local funding in public health for the residents of Kansas City. Further, the CHIP identified increasing federal, state, and local funding for public health in KCMO as a priority as well. The CHIP lists Swope Health Centers as a partner in both of these instances. Both the city and the state are working in tandem with the Sponsor in order to meet their public health-related goals and priorities as established in the CHIP.