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# AHA RURAL HEALTH CARE

# LEADERSHIP CONFERENCE

FEBRUARY 19-22, 2023

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Advancing Health in America



# Leveraging Rural Multi-Sector Partnerships to Accelerate Equitable, Health-Supporting Investments and Community Voice

Ruth Thomas-Squance, MPH, PhD  
Build Healthy Places Network  
Feb 19th 2023



Build Healthy  
Places Network

# The Build Healthy Places Network

We are the national center at the intersection of **community development and health**, leading a movement to accelerate investments and speed and spread solutions for building healthy and prosperous communities.



Engage



Educate



Synthesize

# Objectives

- Outline the role of place as a driver of health
- Make the case for Health - Community Development partnerships
- Introduce the Rural Playbook for Healthcare Investment
- Explore strategies and cross cutting themes
- Share case studies
- Outline a pathway 5 -step for multi -sector partnership





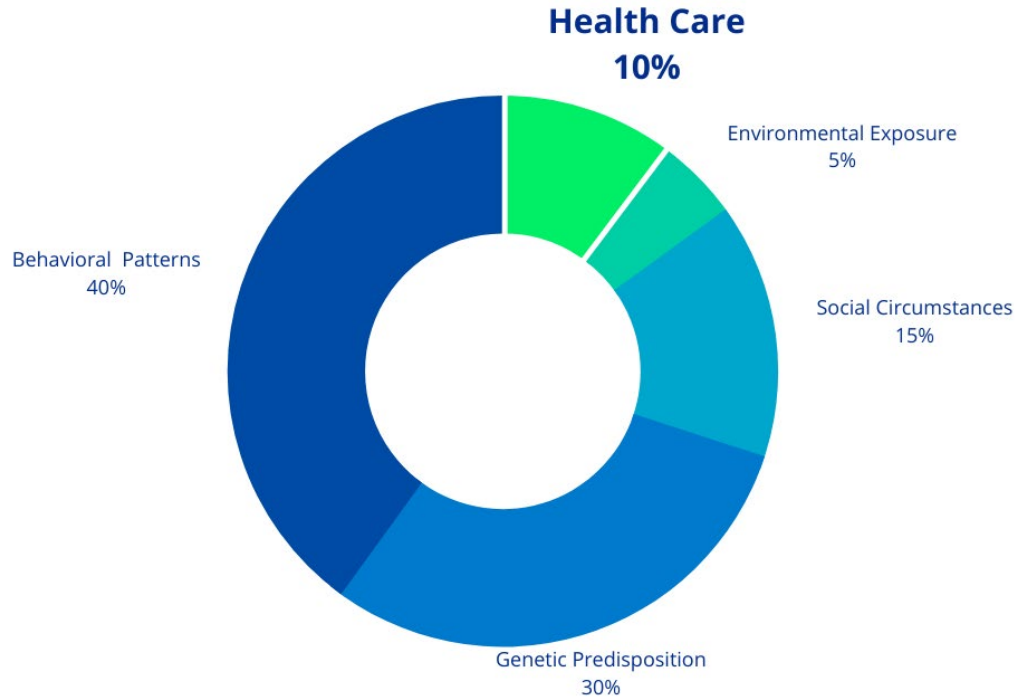
# Healthcare Spending

**\$4 trillion  
per year**

- >80% of costs are due to chronic disease
- Most chronic disease is preventable
- Most chronic disease happens to low -income people in low -income places



# CONTRIBUTIONS TO PREMATURE DEATH

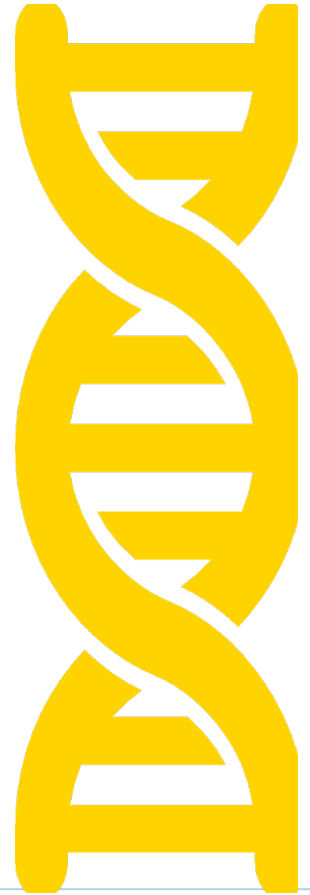


McGinnis MJ, Williams-Russo P, Knickman JR.  
*Health Affairs* 2002

# Health Happens in Neighborhoods

# Community Development creates health in neighborhoods

48314 >





# Vital Conditions for Well Being



Thriving Natural World



Basic Needs for Health & Safety



Humane Housing



Meaningful Work & Wealth



Lifelong Learning



Reliable Transportation



Belonging & Civic Muscle



## Equitable Long-Term Recovery and Resilience

### *All people and places thriving, no exceptions*

The Federal Plan for Equitable Long-Term Recovery and Resilience (Federal Plan for ELTRR) lays out an approach for federal agencies to cooperatively strengthen the vital conditions necessary for improving individual and community resilience and well-being nationwide.

While the Federal Plan for ELTRR is presented on [health.gov](https://health.gov), it is inclusive of health and non-health sectors and was developed by a large Interagency Workgroup made up of representatives from across the



<https://health.gov/our-work/national-health-initiatives/equitable-long-term-recovery-and-resilience>

# Needs are not Drivers

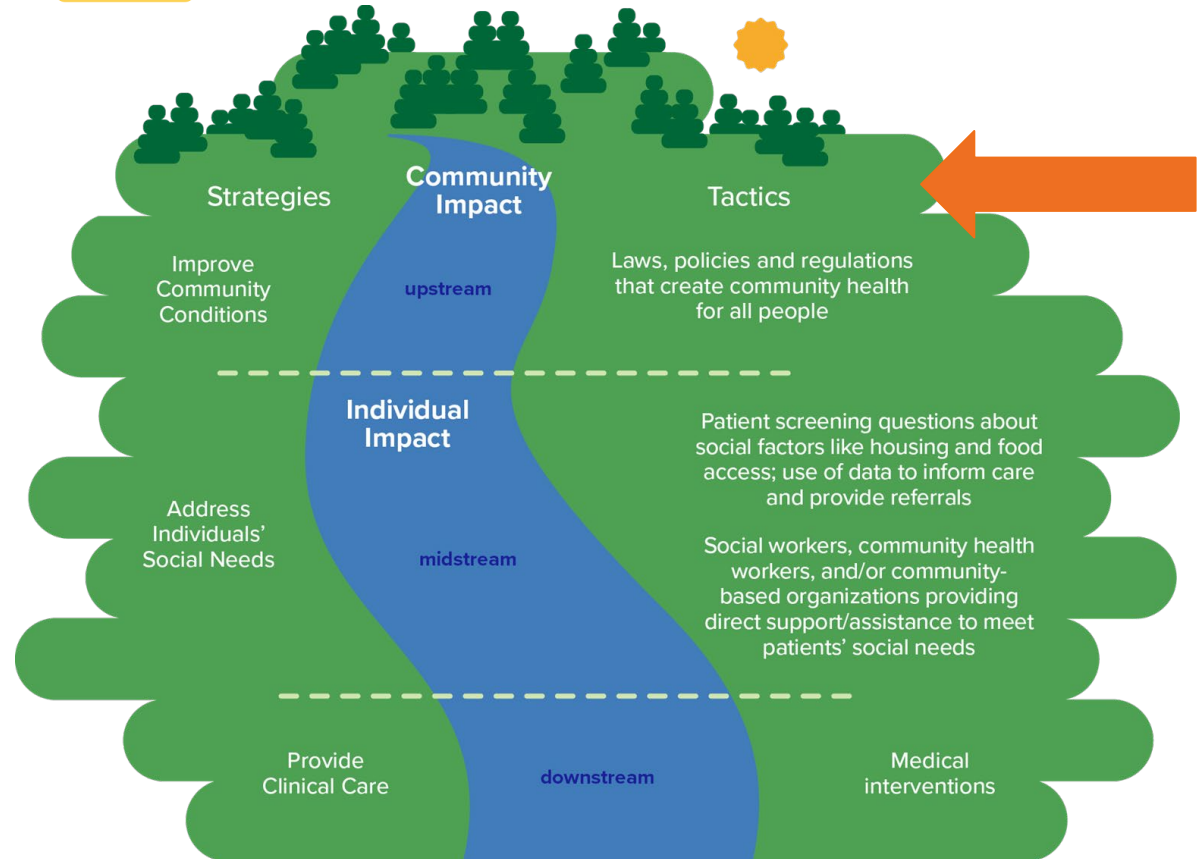


Social needs interventions act at the level of an **individual** person's needs of individuals.

Social Determinants or Drivers of health impact at the **community** level.

Many health entities conflate the two.

Different strategies and different tactics.



# Particular Challenges for Rural Healthcare



- Shrinking and aging populations
- Changing Business model: value-based care & focus on prevention
- Hospital closures - over 100 just in last 9 years
- Workforce recruitment and retention

# Partnerships to address drivers of health inequities

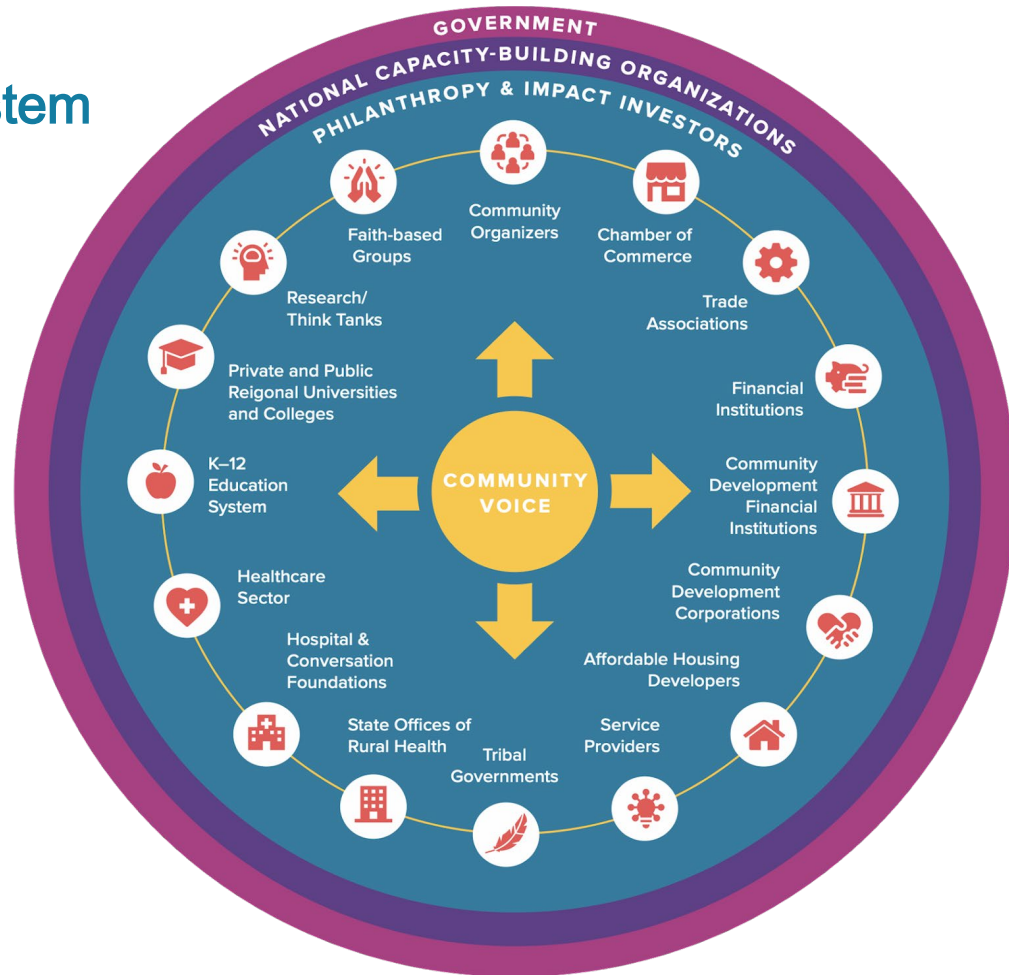


# Why Multi-Sector Rural Health Partnerships?

- Interconnectedness and close-knot ties.
- Utilizing informal networks to bridge formal sectors
- Allows leverage of strengths from natural networks that thrive in rural areas
- Facilitates combined efforts to address the challenges in attracting capital
- Small investments can make big impacts
- Allows for community knowledge to drive solutions

# Rural Health Partnership Ecosystem

- Community Leaders
- Local Government
- Health
- Community Development Sector
- Comm Dev Financial Institutions (CDFIs)
- Business



**Community Development** is building wealth, economic development, and prosperity in neighborhoods



**Healthcare** is increasingly investing in creating health and well-being in neighborhoods



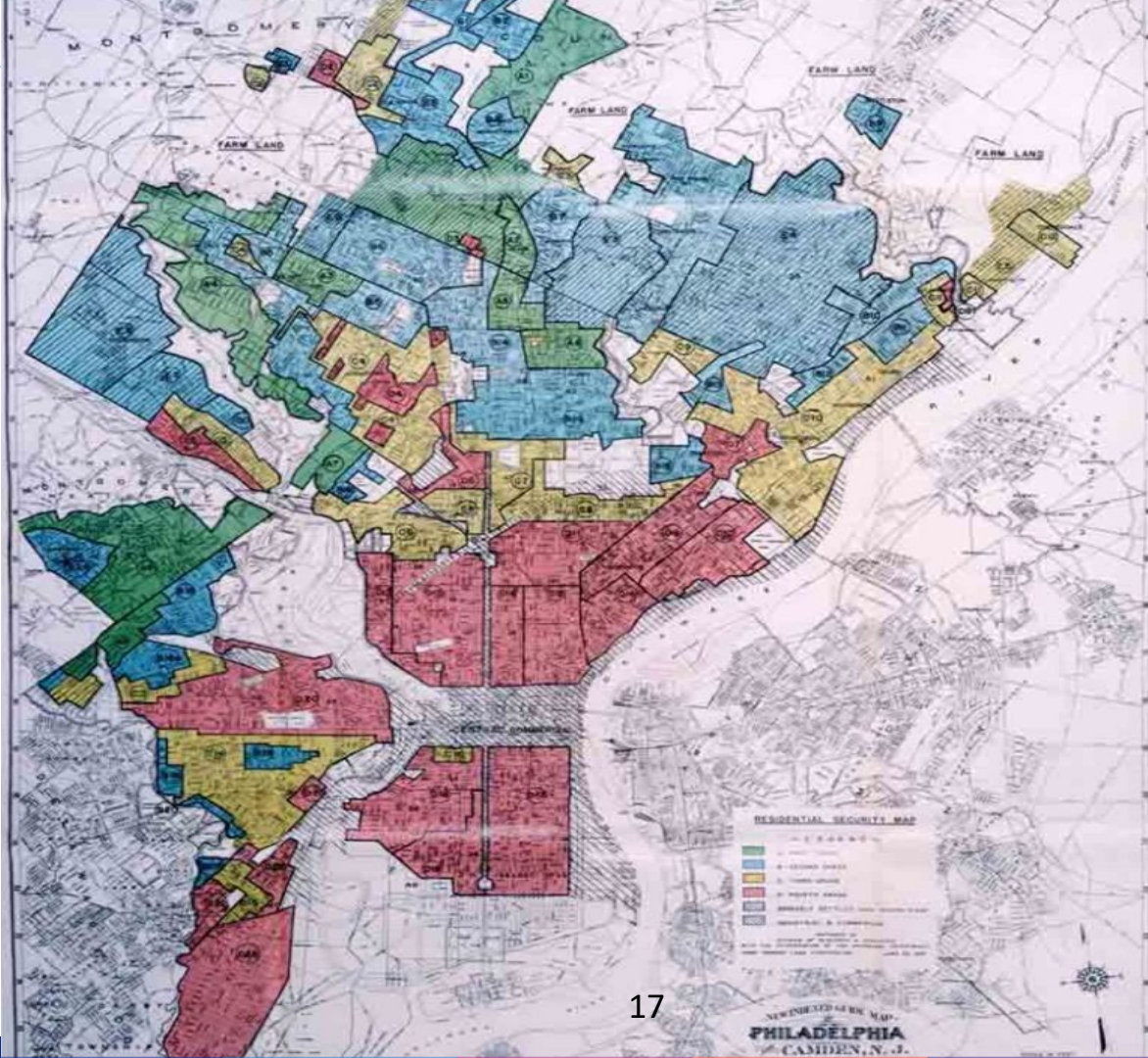


# COMMUNITY DEVELOPMENT - PRESENT -

## Anti-Redlining Legislation:

Community Reinvestment  
Act of 1977  
(CRA)

*Philadelphia,  
1949*



# Not just 'historical'

Redlining and discriminatory practices today actively impact the built environment and shape population health

## Wells Fargo Sued by Black Borrower for Refinance 'Redlining'

- Bank accused of pushing many Black homeowners into foreclosure
- Senators have called on regulators to probe company practices

*The New York Times*

Home Appraised With a Black Owner: \$472,000. With a White Owner: \$750,000.

*The Washington Post*  
Democracy Dies in Darkness

**BUSINESS**

## Berkshire Hathaway-owned lender settles redlining case for \$24 million

The Department of Justice says the agreement with Philadelphia-based Trident Mortgage resolves discrimination claims in three states



# CDFIs

Community Development Financial Institutions



# CDCs & Housers

Community Development Corporations



National Church Residences

Visit [BuildHealthyPlaces.org](http://BuildHealthyPlaces.org)'s **Partner Finder** for leading CDFIs and CDCs in your community

# Impact and value of MSCs

## Key impact areas

- Leveraging key community, sector and institutional assets and expertise
- Collective vision that can create a common “why” and “to what end”
- Data across sectors paints a holistic picture of need and opportunity
- Shared dialogue promotes collaboration
- Short term wins can be sustained through investment and policy change



## Key growth areas

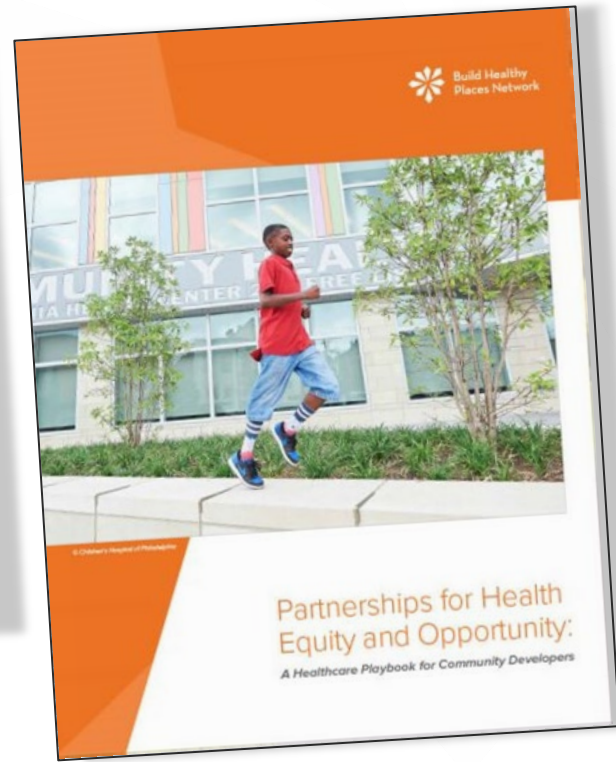
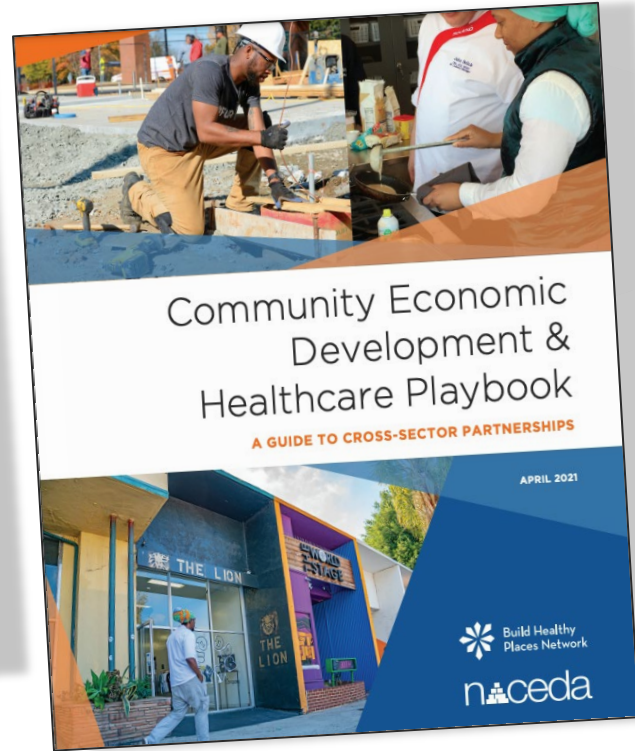
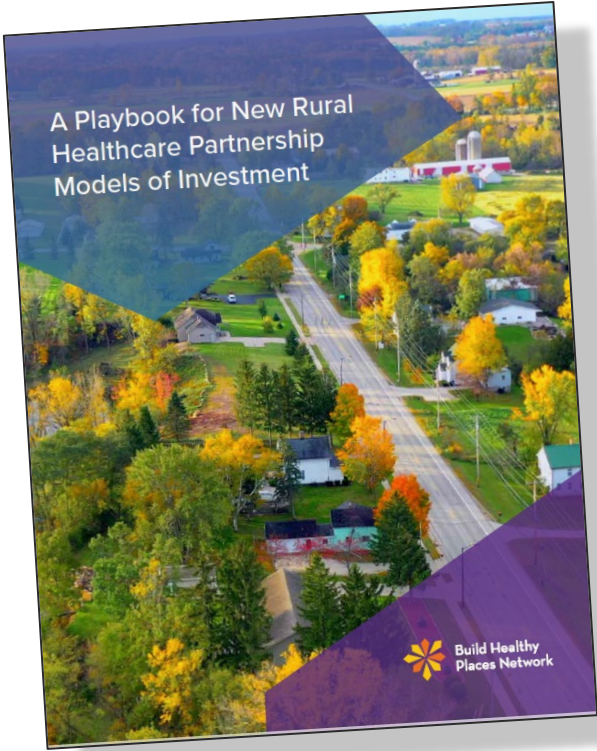
- Deepening commitments to equity, belonging and civic engagement
- Moving beyond transactional projects to transformational investments
- Strengthening accountability and shared risk/benefit
- Advancing sustainability efforts



# Community Investment: Opportunities for Healthcare

- Influential partner in efforts to build healthy prosperous and resilient communities
- Employers, consumers of goods and services
- Sources of critical community health data insights
- Retain and support vibrant communities







## A Primer for Multi-Sector Health Partnerships in Rural Areas and Small Cities

*A tool to guide cross-sector collaborations between the community development, finance, public health, and healthcare sectors to support partnerships in rural areas and small cities.*

This primer aims to assist multi-sector approaches that increase community-centered investments to support opportunities for all individuals to live long, healthy lives, regardless of their income, education, race or ethnic background. Acknowledging the unique opportunities and challenges to working in rural areas and small cities, we recognize the importance of incorporating resources that reflect these realities creating freedom for locally generated solutions to accelerate through innovative partnerships.

# Rural Playbook Development

**Rural  
Roundtable**

**Rural Primer**

**National Advisory  
Committee**

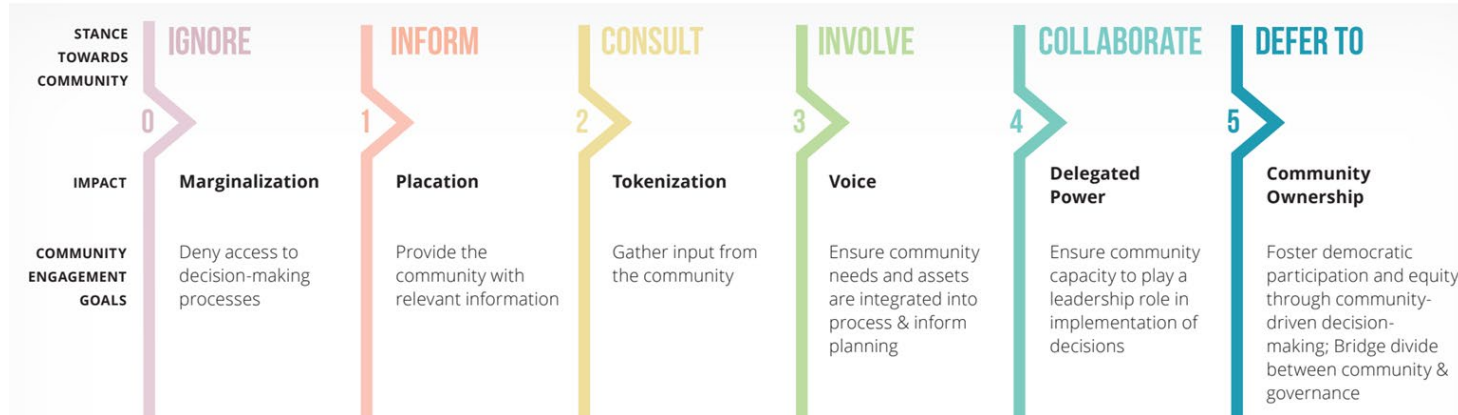
**Key Informant  
Interviews**



# Inclusion and Community Engagement

- Build Trust and Social Capital
- Center Community Voice in Defining Problems and Crafting Solutions
- Reflect on Systemic Biases and Exclusionary Systems
- Incorporate Civic Muscle and Belonging Chart a Pathway from Community Engagement

## THE SPECTRUM OF COMMUNITY ENGAGEMENT TO OWNERSHIP



# Playbook case studies highlighted

## *4 Central Strategies for Successful Rural Partnerships*



### **Strengthening Economic Opportunity and Workforce Support**

e.g. workforce development, housing, access to childcare



### **Strengthening Infrastructure to Support Healthcare Access**

e.g. healthcare delivery support in the form of co-location, community hubs for health, transportation, and telehealth



### **Supporting Local Control**

e.g. community ownership, land trust, food sovereignty, policy changes



### **Increasing Resources**

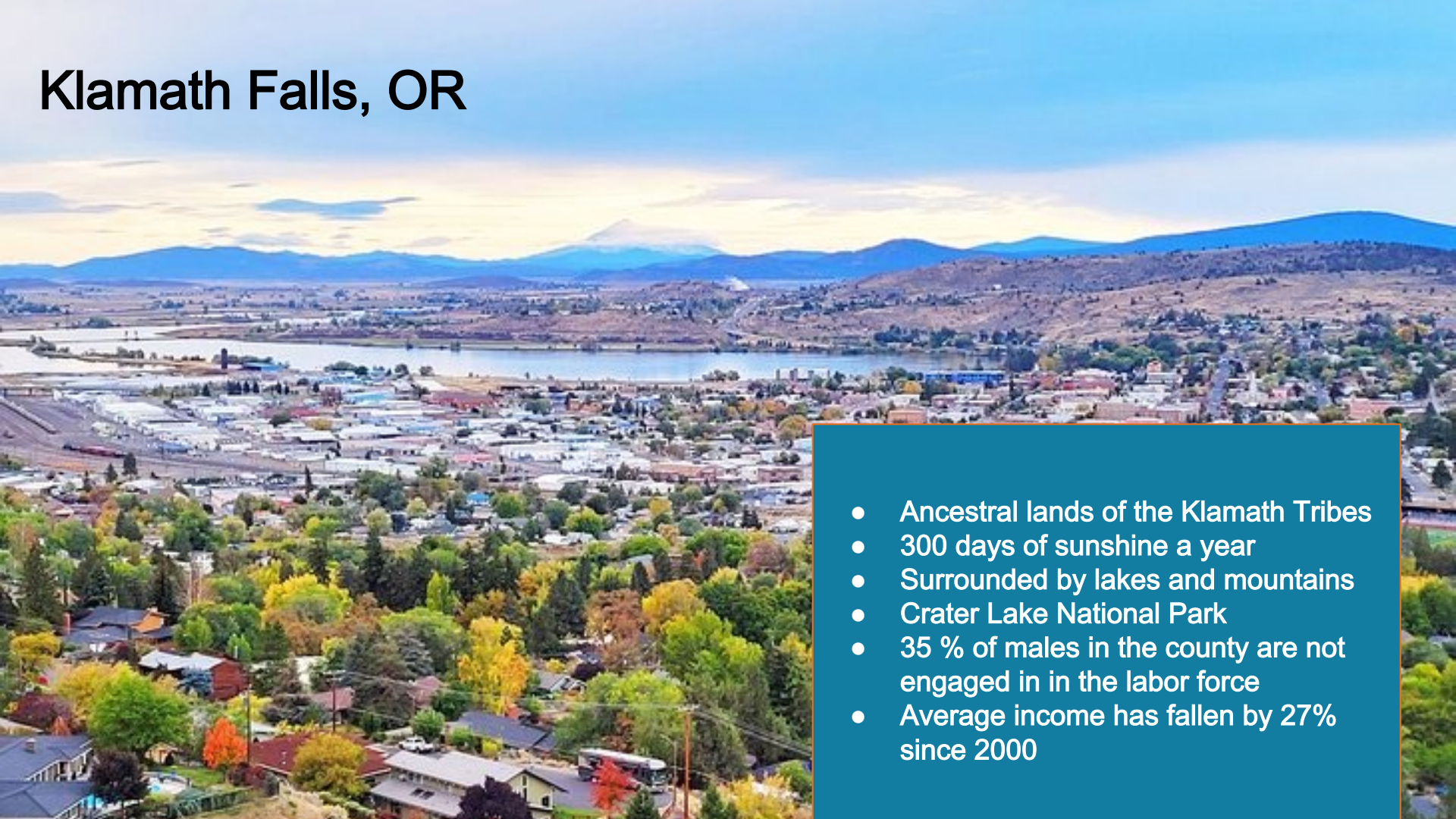
e.g. capital, funding, government resources



# Strengthening Economic Opportunity and Workforce



# Klamath Falls, OR



- Ancestral lands of the Klamath Tribes
- 300 days of sunshine a year
- Surrounded by lakes and mountains
- Crater Lake National Park
- 35 % of males in the county are not engaged in in the labor force
- Average income has fallen by 27% since 2000

## Sky Lakes Medical Center & Klamath Works (Oregon)



Klamath Works Services Campus, a social hub that will include job training and interrelated social services

“Cooperation is a force multiplier where any dollar or work-hour goes further.”

Paul Stewart, past president and CEO of Sky Lakes Medical Center,



Hospital banded together with other local organizations to create non-profit, Klamath Works!



Hospital provided land (including land swap), seed capital, and used social capital to support fundraising efforts



**KLAMATH WORKS**  
*Inc.*

**SITE**

**Stiles St.**

**S 6th Street**

**Owens St.**

# Key Takeaways

- Data across sectors paints a holistic picture of need and opportunity
- Collective vision that can create a common “why” and “to what end”, helping healthcare see the value of multi-sector partnerships
- Leveraging key community, sector and institutional assets and expertise: together formed the non-profit Klamath Works!
- Moving beyond transactional projects to transformational investments
- ➡ Note on equity and inclusion of all groups



So, how do we actually build these partnerships?



# Five-Step Path to Multisector Rural Partnerships

1

Understand  
Your Why

2

Make  
Commitments

3

Assess

4

Map and  
Network

5

Build Your  
Partnership



# Supporting Local Control



## SUPPORTING LOCAL CONTROL

# Saint Alphonsus Health System and LEAP Housing Trust (Idaho)



Land trust allows residents to own their home, gain equity, and maintain affordability.



Ensuring expanded developments in rural areas align with the community's values.



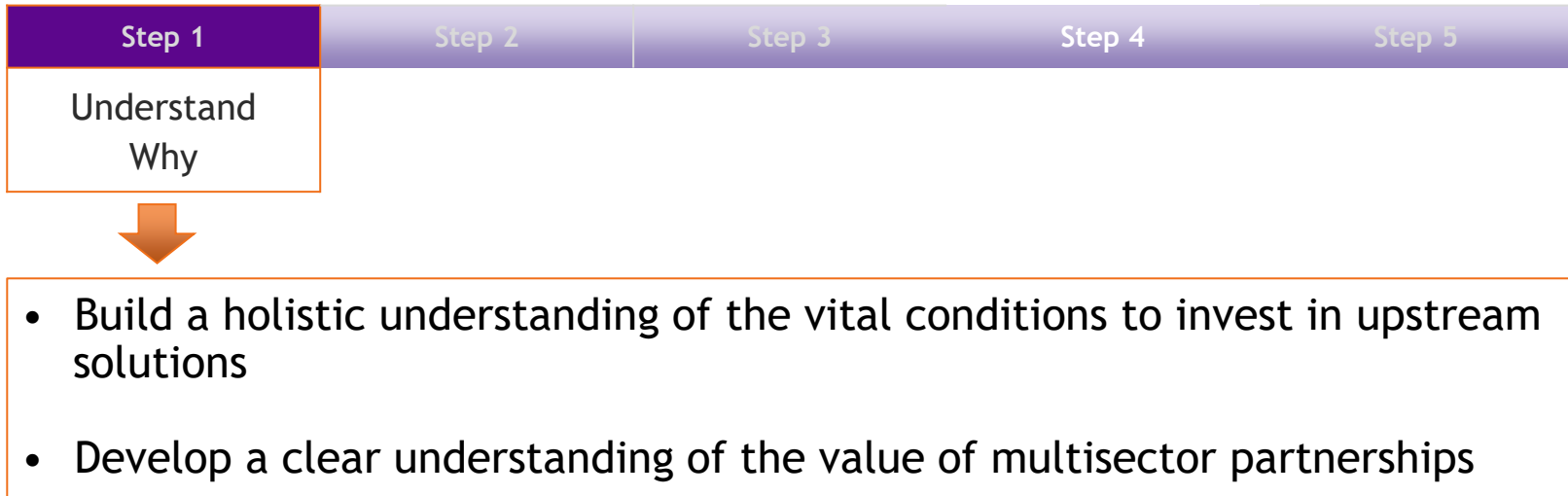
First investor in land trust that helped attract additional funds

“We bring data for the head and stories for the heart.”

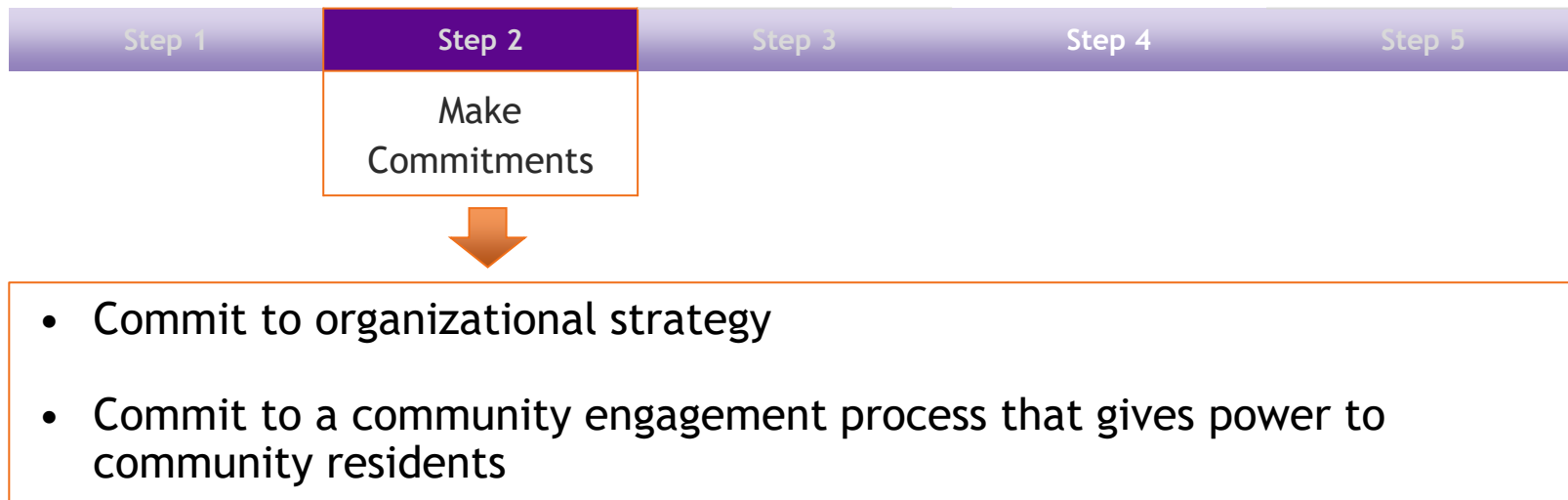
*Rebecca Lemmons, St. Alphonsus, Regional Manager for Community Health and Well Being*



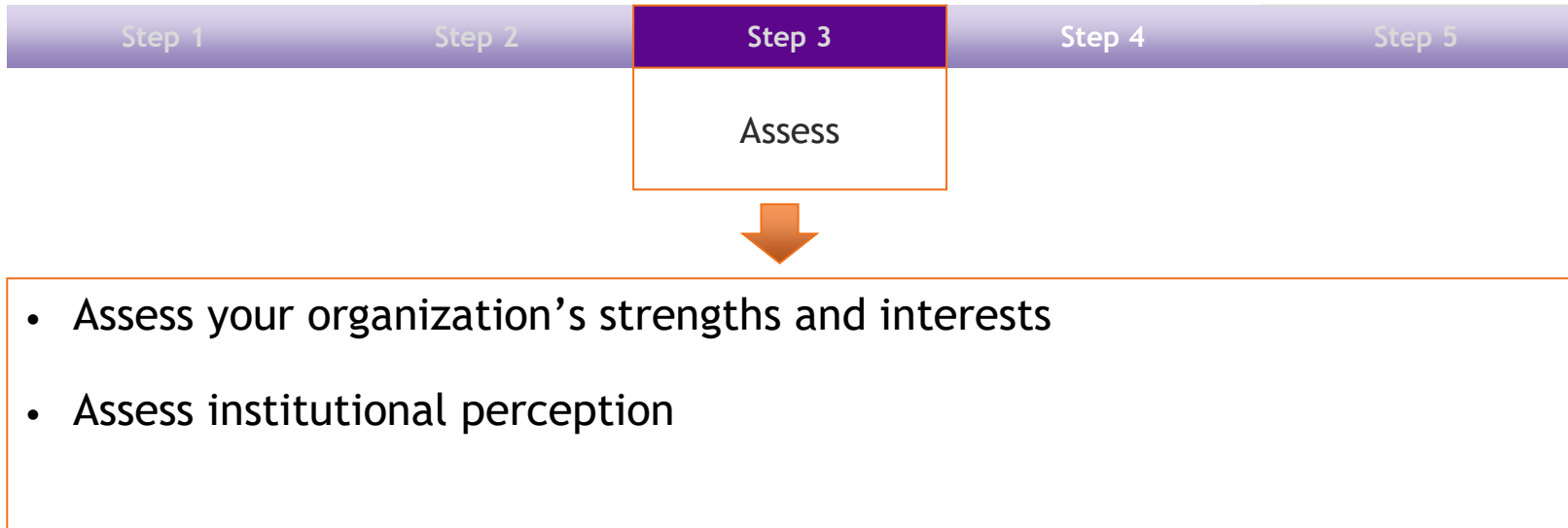
# Five-Step Path to Multisector Rural Partnerships



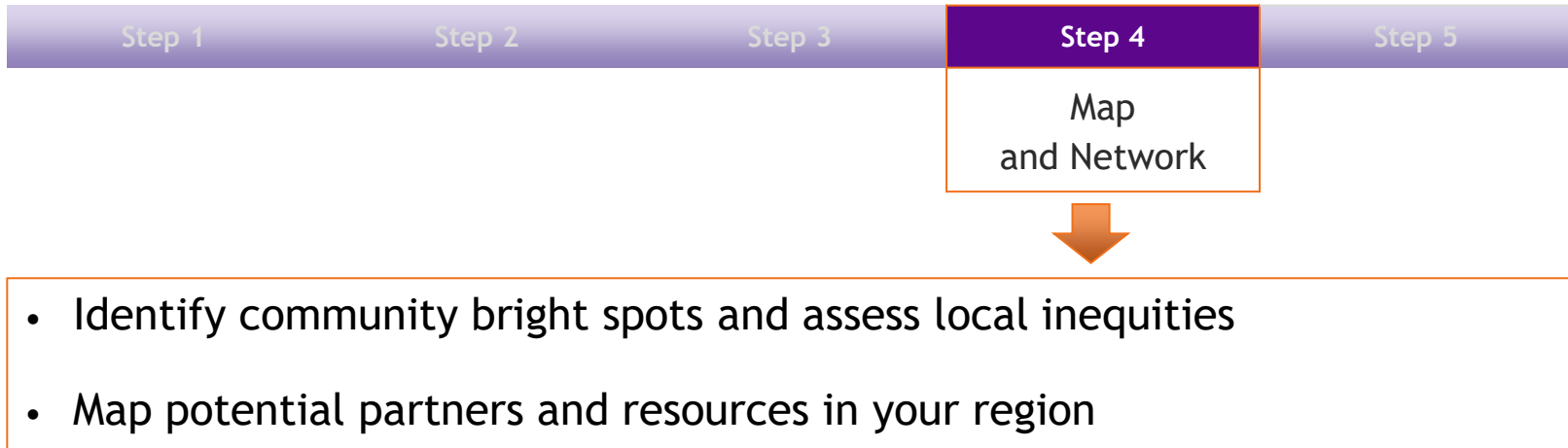
# Five-Step Path to Multisector Rural Partnerships



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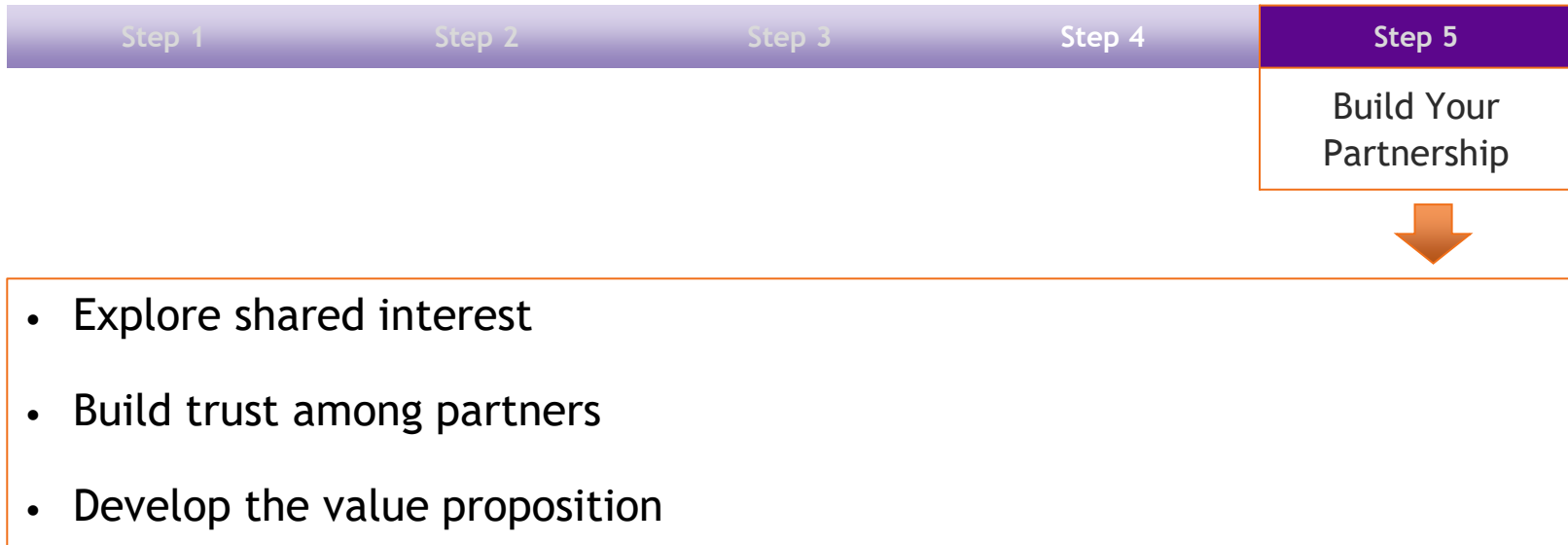


# Five-Step Path to Multisector Rural Partnerships





# Five-Step Path to Multisector Rural Partnerships



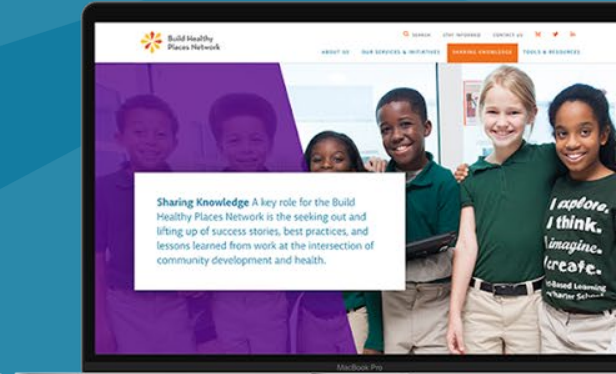
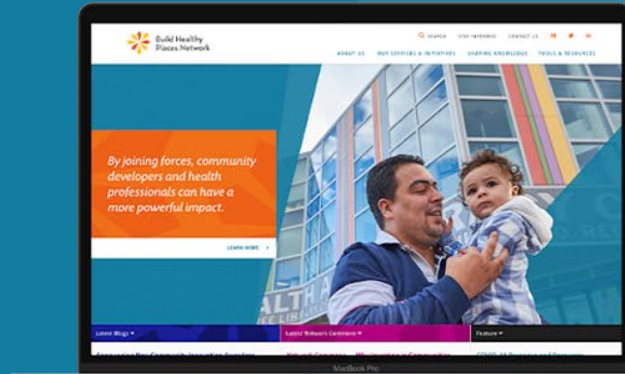
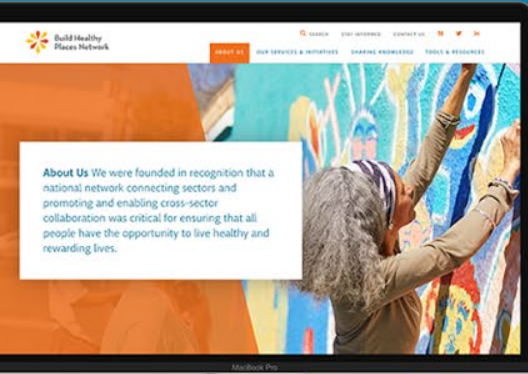
# COI - Cost Of Inertia or what happens if we do nothing?

*“Health inequities account for approximately \$320 billion in annual health care spending signaling an unsustainable crisis for the industry. If unaddressed, this figure could grow to \$1 trillion or more by 2040.”* Deloitte Insights June 2022

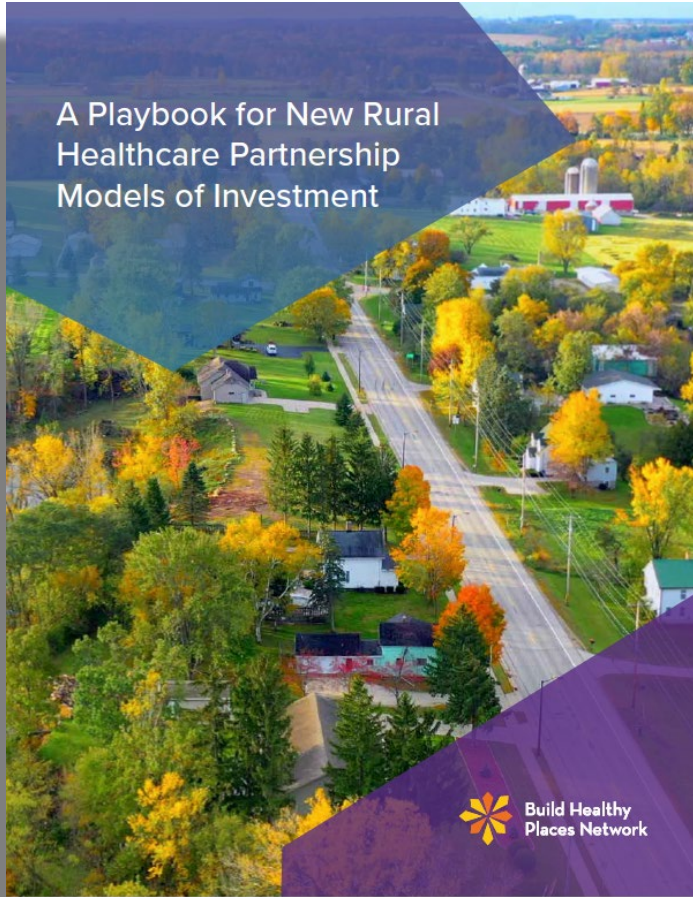


# The Build Healthy Places Network Website

BuildHealthyPlaces.org



A Playbook for New Rural  
Healthcare Partnership  
Models of Investment



Download Here



# Community Investment: Opportunities for Healthcare

- Influential partner in efforts to build healthy prosperous and resilient communities
- Employers, consumers of goods and services
- Sources of critical community health data insights
- Retain and support vibrant communities





# Mackinac Straits Health System

Karen Cheeseman, President and CEO

# Mackinac Straits Health System

- Critical Access Hospital
- 15 Beds
- Outpatient Surgical Services
  - 2 surgical suites, 1 procedure room
- Oncology Services
  - 6 chair infusion center
- Rural Health Clinics
  - 11 primary care providers
- 5 offsite physician office practices
- Specialty services
  - Orthopedics, spine, gastroenterology, podiatry, ophthalmology, pain management, and cardiology
- Retail pharmacy services

# Funding History

## Mackinac Straits Health System

- Our journey began with 3-5 days of cash on hand.
- 2007- Mackinac Straits Hospital Authority was converted to a 501(C3) Corporation.
- We secured \$12.2 million USDA Direct Loan and a \$25 million USDA guaranteed loan to build the new hospital and tribal health facility.
- 2011- secured a \$5.5 million USDA loan to build the Evergreen Living Center, a 48 bed private room nursing home.



# Funding History

## Mackinac Straits Health System

- 2012 secured a \$200,000 USDA loan to build a connector from the hospital to Evergreen.
- 2013 secured a \$3 million USDA loan to complete surgery center.
- 2014 refinanced loans with USDA on a 37 year direct loan program through Mackinac Straits Area Health, a parent 501(C3) corporation, created to meet USDA guidelines.
- 2021 affiliation with MyMichigan Health.

# Funding Success

## Mackinac Straits Health System

Strategy and engagement for funding:

- Board of Trustees
- Mackinac Straits Health Foundation
- Local City and County officials
- Tribal engagement
- State and Federal
- Lobbyist support
- Ongoing USDA communications local, state, and federal levels

# Funding Barriers

## Mackinac Straits Health System

- Naysayers at various phases of the projects.
- Lobbyist expense.
- Ups and downs during funding requests.
- Recent denials 2019-2020 with Medical Office Building USDA funding.

# Continued Funding Success

## Mackinac Straits Health System

- Our journey continues..... most recently we have achieved 100 days of cash on hand.
- \$12M in funding secured with the State of Michigan in the fall of 2022.
- Funds will be utilized to construct a Medical Office Building and Surgical Services with a focus on spinal robotics.

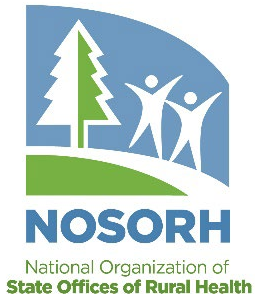
# Mackinac Straits Health System

Questions

Closing Remarks

# Rural Health Capital Resources Council

## National Organization of State Offices of Rural Health



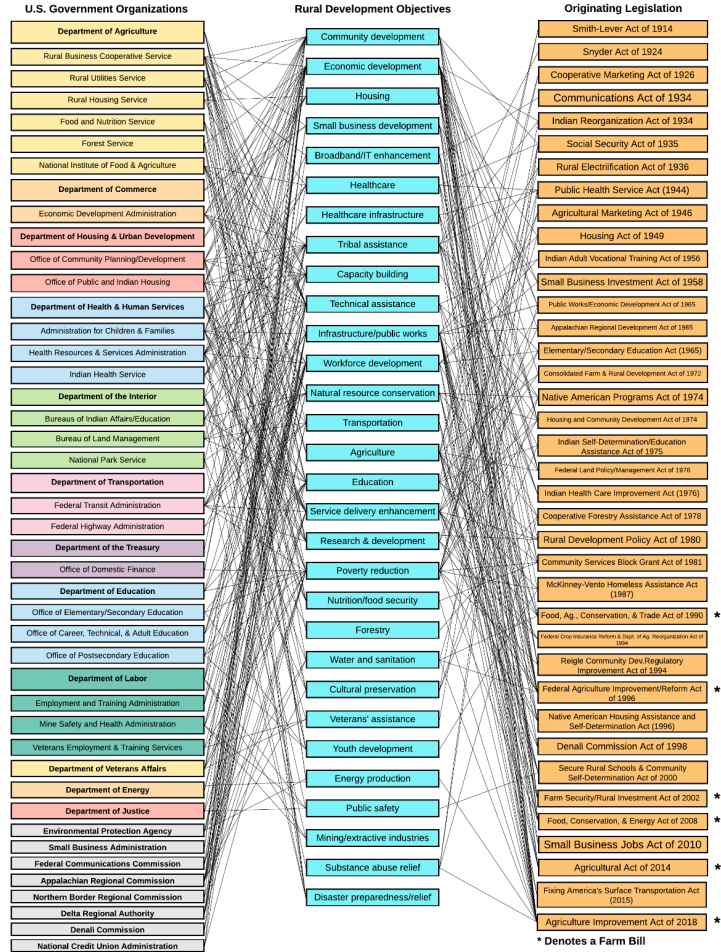
*Kristin Juliar, Project Consultant*

*February 19, 2023*



# Federal Development Assistance for Rural and Tribal Communities

While USDA is technically charged with directing federal rural policy, programs that promote rural and tribal development are spread widely throughout the government. No comprehensive and integrated strategy exists. As shown below, the array of legislation, directives, and programs meant to help these communities leads to significant confusion and fragmentation.



# Capital Resources

Reimagining rural policy: Organizing federal assistance to maximize rural prosperity

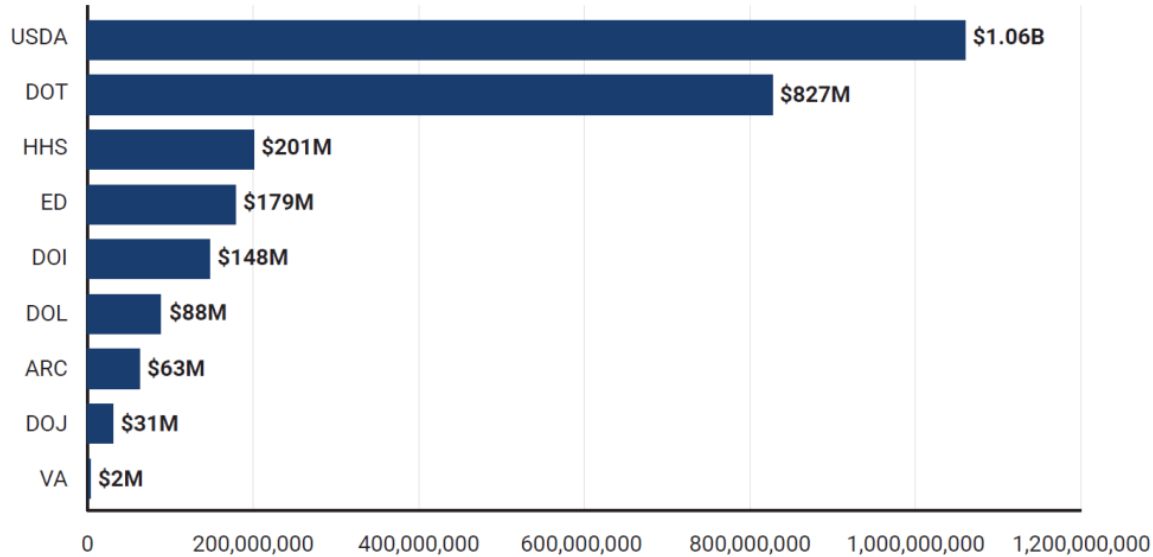
*Brookings analysis of the 2019 Catalog of Federal Domestic Assistance*

<https://www.brookings.edu/research/reimagining-rural-policy-organizing-federal-assistance-to-maximize-rural-prosperity/>

\* Denotes a Farm Bill

Departments, offices, and sub-agencies

Independent Agencies



## FY2019 Grant Spending On Rural-exclusive Development Programs, By Agency

*Source: Brookings analysis of USA Spending data*

<https://www.brookings.edu/research/reimagining-rural-policy-organizing-federal-assistance-to-maximize-rural-prosperity/>

*Reimagining rural policy, Organizing federal assistance to maximize rural prosperity, Anthony F Pipa and Natalie Geismar, November, 2020*



*The “TRIC” to  
Fostering Shared  
Economic  
Prosperity in Rural  
America”, Investing  
in Rural Prosperity*

Daniel Paul Davis  
and Andrew  
Dumont, Federal  
Reserve, 2021



<https://www.stlouisfed.org/community-development/publications/invest-in-rural>

# Rural Health Capital Resource Council and Center

- Designed by the Federal Office of Rural Health Policy to build on work of the White House Interagency Council
- Directed by the National Organization of State Offices of Rural Health
- Council members from federal agencies, AHA, Anchor Hospital Network, Community Development Finance Institutions, philanthropy, Federal Reserve, membership organizations, state and local rural health
- Goal is to increase access to capital resources for rural health infrastructure and community health needs

# National Organization of State Offices of Rural Health

## Membership Association 50 State Offices of Rural Health:

- Information Dissemination, Collaboration, and Technical Assistance
- Key conveners, anchors of information and trusted source of support for rural
- Cooperative agreement with Federal Office of Rural Health Policy

## Activities

Institutes – Primary Care, Grantwriting, Data, Leadership, Community Development

Rural Health Capital Resources Council and Center

Regional Partnership Meetings and Annual Meeting

National Rural Health Day  
<https://www.powerofrural.org/>



# What are State Offices of Rural Health

*Federally funded since 1991, the purpose of the SORH Program is to*

- Assist states in strengthening rural health care delivery systems by maintaining a focal point for rural health in each state.*
- Link small rural communities with state and federal resources to develop long-term solutions to rural health programs.*

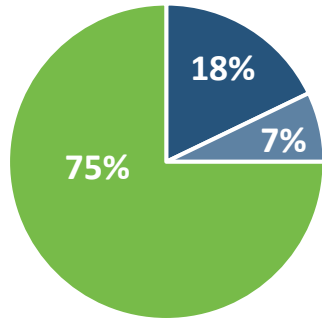
# What are State Offices of Rural Health

- State Offices of Rural Health are in every state
- Funding from the Federal Office of Rural Health Policy, with extensive state and local matching funds
- Located in state agencies (health, agriculture), universities or are nonprofit organizations
- Flex Grant – Provides funding to support quality and financial improvement for critical access hospitals
- SHIP Program – Funding for valued based care improvement – software/hardware, training, equipment, ACO engagement

# State Offices of Rural Health Involvement in Capital Resources Infrastructure/Services and/or Social Determinants of Health

## Examples of involvement

### Survey of SORHs – 28 Respondents



■ Not involved in such a project, but recently explored or considered it

89% are interested in learning more about capital resources



**Creating, securing funding, and managing a revolving loan fund**



**Partnerships within the states**

Bonding Authorities

Economic & Community Development

Broadband Funding



**Collaborations**

Outreach and training on capital resources

Structuring and leveraging funds

Statewide

# Suggestions from State Offices of Rural Health

- Rural health organizations benefit from tailored, collaborative efforts
- Multi-sector approaches require shared language – lenders are not rural health experts; SORHs are not bankers
- Rural facilities often have limited capacity – for leveraging funds, project development, project management, reporting
- SORHs can advise other agencies and organizations about rural health facilities and rural community needs

# Rural Health Capital Resource Center and Council

<b>Goal</b>	<b>Improve access to rural healthcare and build healthy rural communities by increasing access to needed capital resources</b>
<b>Strategies</b>	<ol style="list-style-type: none"><li><b>1. Convening:</b> Create a multi-sector Council and Center infrastructure for on-going communication, strategic planning, and program development</li><li><b>2. Training and Technical Assistance:</b> Create toolkits, joint training programs, peer learning and technical assistance to support multi-sector rural health capital resource programs at the national, state, regional and local level</li><li><b>3. Build on Strengths:</b> Increase understanding and participation in existing multi-sector, collaborative policies, projects, and models that increase capital resources for rural health.</li></ol>



# Rural Health Capital Resource Center and Council

## ***Training with Council Partners***

- AHA Rural Health Conference
- Community Catalysts – with USDA and the LOR Foundation, February 22, 2023, 4 pm Eastern on the role of a dedicated community in bringing project ideas to a funded reality
- Master Class in Rural Health Capital Resource Development
- Training state rural and community development leaders and staff on rural health
- Training rural health leaders on capital resources
- Creating a Toolkit on developing RH Capital Resource collaborations at the state level

## ***Website resources on Capital Resources for Rural Health***

*<https://nosorh.org/rural-health-capital-resources-council-project/>*

Rural Health  
Capital  
Resource  
Center and  
Council Master  
Class  
April – May  
2023

- Capital Resources 101 – Basics of financing programs available for rural health infrastructure and community health needs
- Content from experts in the field on building partnerships, project development, and stacking finances
- Understanding how Community Development Finance Institutions, federal agencies, philanthropy and local resources can bring a project from the idea phase to implementation
- Building state and local capacity to increase access to capital resources to benefit rural health
- Rural health community *learning together* with community development and capital resource organizations

# Rural Health Capital Resources

## Information on Key Programs for Rural Health

- Community Development Finance Institutions – Opportunity Finance Network  
<https://www.ofn.org/cdfi-locator/>
- Housing and Urban Development:  
<https://www.hudexchange.info/programs/cdbg/>
- State Councils of Foundations – example Minnesota Council of Foundations  
<https://mcf.org/members>
- Rural Information Hub  
<https://www.ruralhealthinfo.org/topics/capital-funding#cdfi>
- <https://nosorh.org/rural-health-capital-resources-council-project/>

# Rural Health Capital Resources USDA

## SDA Rural Development

### [Community Facilities Direct and Guaranteed Loans and Grant Program](#)

Public entities such as municipalities, counties, and special-purpose districts, as well as nonprofit corporations and tribal governments in rural areas with populations of up to 20,000

Grant Maximum:  
Up to 75% of the project cost  
Loan Maximum:  
Up to 100% of appraised value

Construction, expansion, renovation, or equipment for essential community facilities

### [Economic Impact Initiative Grants](#)

Public bodies, federally-recognized tribes, and nonprofit organizations in eligible rural areas

Up to 75% of eligible project costs. Grants typically do not exceed \$25,000.

Development of essential community facilities in areas of extreme unemployment and severe economic depression

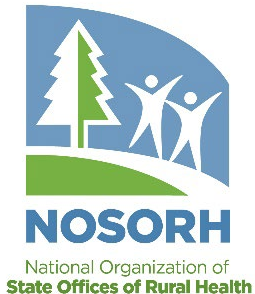
### [Rural Economic Development Loan and Grant Program](#)

Local businesses, including healthcare facilities, can apply through local utilities in towns with a population under 50,000 residents.

Up to \$300,000 for grants and \$2,000,000 for loans

Construction, equipment

For more information on the RHCRC  
and Master Class  
<https://nosorh.org/rural-health-capital-resources-council-project/>



*Kristin Juliar, Project Consultant*

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*February 19, 2023*

