

# Primary Care Services at SNHD

**BUSINESS PLAN PRESENTATION**

# Business Concept

**Primary Care services at the Health District,  
along with dental and mental health  
services offered 5 days/week at SHND  
main facility**

- ▶ These new services will enhance SNHD's scope of services to the community as well as contributing to the development and quality of public health and health care practitioners in the area.

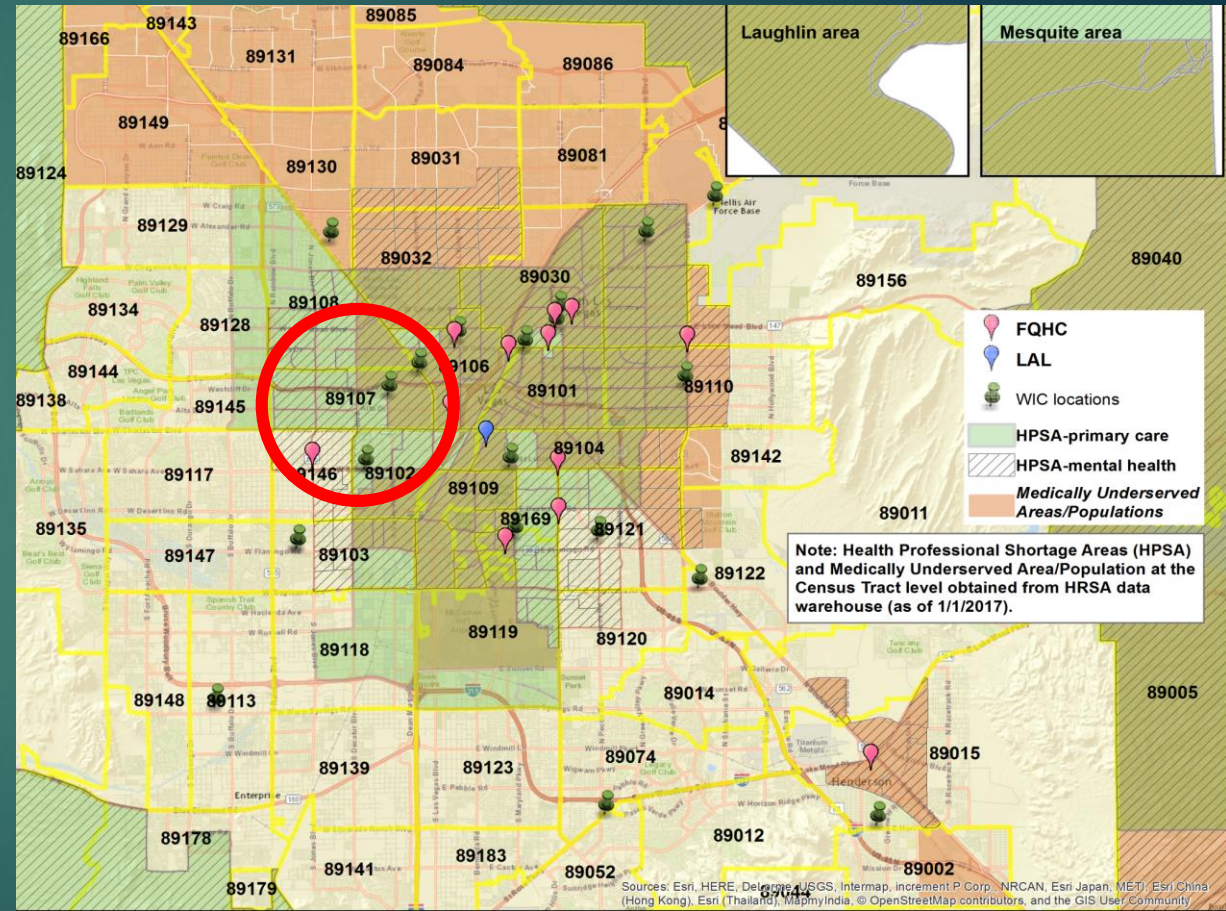
# Opportunities

- ▶ A large segment of the county's population is uninsured, or underinsured.
- ▶ Limited access to primary care in Clark County.
- ▶ There is a large number of Clark County residents who already receive immunizations, and other public health services at SNHD, who could eventually benefit from the addition of primary care services at SNHD main facility

# Clinical Care Market Summary

## Zip code 89107 and seven adjacent Zip code areas

- ▶ In this area, there are 139,594 low income residents
- ▶ Of these, 7,169 (5.1 % of this population) patients are enrolled in Community Health Centers



# Existing Federally Qualified Health Centers in Clark County

2017 Data

Health Center	Population Served
Nevada Health Center	44,154
1 <sup>st</sup> Person	3,144
First Med	4,506
Hope Christian	1,750
<b>Total Population Served</b>	<b>53,554</b>

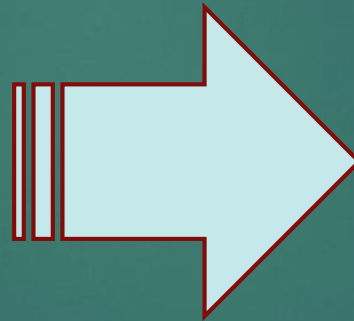
- 756,000 people (36% of Clark county population) are below the 200% Federal Poverty Level
- 143,000 are uninsured

# FQHC Financial Incentives

- ▶ HRSA New Access Point Grant
  - ▶ \$650,000 year one, with an opportunity to apply for a similar 2<sup>nd</sup> year funding
- ▶ Enhanced Medicaid Reimbursement
- ▶ Malpractice Insurance, annual savings (~\$400,000)
- ▶ Access to additional HRSA Health Centers targeted grants

# SNHD Health Center Staffing Positions & Costs

Year 1		
Position	FTE	Salary + Fringe
MD (Fam Pract)	0.6	136,320
APRN Family	1	133,480
APRN Pediatrics	0.2	26,696
Medical Assistant	1	49,768
Admin Assistant	1	49,768
Eligibility staff	1	49,768
<b>Grand Total</b>	<b>4.8</b>	<b>445,800</b>



Year 5		
Position	FTE	Salary + Fringe
MD (Fam Pract)	2	454,400
APRN Family	2	266,960
APRN Pediatrics	0.6	26,696
Medical Assistant	3	149,304
Admin Assistant	2	99,536
Eligibility staff	1	49,768
Clinical Social Worker	1	99,400
<b>Grand Total</b>	<b>11.6</b>	<b>1,146,064</b>

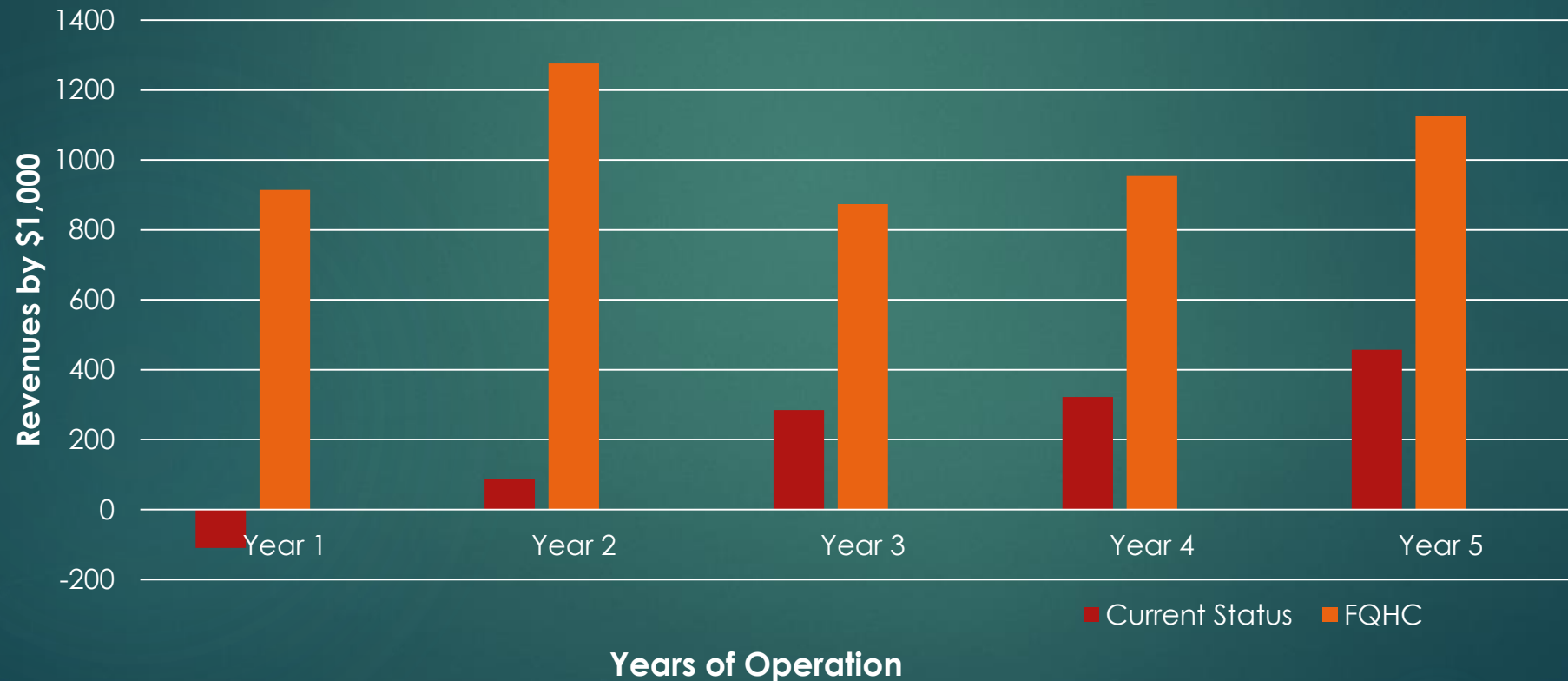
# FQHC 5 Year Cash Flow Projection

Total Patients	1,200	2,500	3,500	4,300	5,000
% of Uninsured Patients	35%	35%	35%	35%	35%
Revenue from Operations	226,000	480,000	659,000	810,000	942,000
Medication Margin	109,000	227,000	328,000	403,000	438,000
Lab Revenues	0	116,000	167,000	205,000	223,000
Total Revenues	335,000	823,000	1,154,000	1,418,000	1,603,000
<i>Less: Staffing Costs</i>	445,800	735,000	869,000	1,096,000	1,146,000
<b>Operations Margin</b>					
<b>SubTotal</b>	<b>(110,800)</b>	<b>88,000</b>	<b>285,000</b>	<b>322,000</b>	<b>457,000</b>
<b>FQHC Benefits, Including Medicaid Fee Enhanced</b>					
FQHC Grant	650,000	650,000			
Cost Savings from current Malpractice Insurance deferral	400,000	400,000	400,000	400,000	400,000
Additional Revenues from MCAID Enhanced Reimbursement	64,000	138,000	189,000	232,000	270,000
Subtotal FQHC Benefits	1,114,000	1,188,000	589,000	632,000	670,000
<b>Total Cash Flow</b>	<b>1,003,200</b>	<b>1,276,000</b>	<b>874,000</b>	<b>954,000</b>	<b>1,127,000</b>



# Financial Plan

## Expected Primary Care Revenues According to FQHC Status



# Risks and Rewards

## ▶ Risks

- ▶ Recruitment and retention of medical providers
- ▶ Challenge to SNHD organizational culture
- ▶ Inability to achieve an optimal patient mix

## ▶ Rewards

- ▶ Enhanced access to care for medically underserved areas
- ▶ Reinvesting revenues margin into SNHD operations
- ▶ Enables SNHD access to additional funding sources (e.g. HRSA grants)
- ▶ Potential to expand SNHD services
- ▶ Expanded educational opportunities with community partners (colleges, universities, etc.)
- ▶ Increases SNHD ability to respond to public health threats

# Key Issues

## ▶ Near term

- ▶ Board of Health agreement to allow SNHD apply for the HRSA New Access Point grant.
- ▶ If not approved, no access to over \$1M annually in federal funds for the next two years
- ▶ \$670,000 minimum annual cost outlay (malpractice insurance savings, and Enhanced Medicaid Reimbursement)

## ▶ Long term

- ▶ Need additional space for primary care and dental services.
- ▶ Reduced SNHD ability to properly deploy these services.



**QUESTIONS?**