

May 3, 2018

Commissioner Susan Fletcher Commissioners Court Collin County Administration Building 2300 Bloomdale Rd., Suite 4192 McKinney, TX 75071

## Dear Commissioner Fletcher:

Thanks for the time you spent with us recently on the Federally Qualified Health Center (FQHC), the first one of which we are building in McKinney. We wanted to provide a summary and update on the project. Independent Bank's history of community involvement dates back 30 years. In 2011 however, our decision to focus on solving problems with sustainable solutions led us to consider a Federally Qualified Health Center (FQHC) to address one of Collin County's biggest challenges, access to affordable healthcare.

After exhaustive research, confirmed by the feedback of community organizations, local businesses, and health care providers, we were certain that we could address the lack of access to quality affordable primary medical, dental, and behavioral care for Medicaid, as well as uninsured populations.

We believe that if we partner with the hospitals, local businesses, the City of McKinney, Collin County, and residents, we can continue to improve the delivery of first-class health services in a way that is financially sustainable and scalable in other communities throughout the county.

The Family Health Center (FHC) at Virginia Parkway is the long-awaited result. FHC is a public-private partnership managed by Community Healthcare Center of Wichita Falls. The clinic vision is to create a sustainable model for patient-centered community health including primary medical, primary dental, and primary behavioral.

This vision is especially important when considering the scarce resources available for treatment for many of the underserved. Collaborative relationships between hospitals and federally qualified health centers can benefit both provider types by allocating scarce resources effectively and efficiently to lift the health status of a community and decrease hospital losses.

- FQHCs are particularly effective at addressing access issues that would otherwise lead to patients seeking care at the ED for noncritical health needs.
- Medicaid patients who receive care at a health center are 19% less likely to use an emergency department.
- Investments in community health centers have been shown to reduce costs for local health care systems and provide economic benefits for surrounding communities.

The FHC opened as a temporary site and can serve approximately 7,000 unduplicated patients or 21,000 visits annually. Through public-private efforts, we plan to open a permanent facility that will serve 25,000 unduplicated patients or 75,000 visits annually. It will feature in-house labs, and a 340B prescription drug program to provide access to lower cost medication. Expansion programs are available to address the needs of the region once the permanent site has opened, but currently no one is turned away no matter where they come from.

The Clinic is an ideal partner to supplement what Project Access delivers across the county, and this type of partnership has worked well in cities like Waco. Our clinic operator is familiar with Project Access and is open to what the county wants, in terms of partnership and deliverables.

We've already made significant strides, are staffing up and have begun treating local residents. While we continue to bring the new operation up-to-speed, plans to construct a permanent facility are beginning to take shape. This important undertaking will require commitment from the entire community.

To date, our partners include: the City of McKinney, Independent Bank, City Square, John Deere, First United Bank, Eikon, MASS Design and a number of private philanthropists. We are able to start the project once pledges are made, as Independent Bank has agreed to fund the loan and donate the interest back. This allows us the flexibility to spread pledges over three years.

- The initial start-up capital for the permanent facility is 9 million dollars.
- We have received approximately 1.5 million dollars from private donors and a 2.5 million dollar commitment from Independent Bank.
- We are asking the City of McKinney for 2.5 million dollars.

We also envision FHC as a training facility to address the shortage of primary care doctors. Family Medicine, Nurse Practitioner and Physician Assistant residency programs and future medical school training are all part of the long-term plan.

- By 2025, demand for physicians is predicted to exceed supply by 46,000 to 90,000.
- This problem is exacerbated by the lack of residency slots in 2015, the National Resident Match Program included 41,334 applicants but only provided 30,212 positions.
- Teaching hospitals address the lack of new physicians entering the workforce by developing physicians inhouse.
- 56% of family medicine graduates practice within 100 miles of their training site.

This provides regional and local support as we attempt to reduce Medicaid readmits and provide increased medical home access. By partnering with hospitals, the FHC will provide sustainable, effective, efficient, connective solutions to address McKinney's lack of access to quality affordable primary medical and dental care for the Medicaid and uninsured populations.

The impact on the county is significant in that FQHC's address the 200% of poverty (and below) population making it less likely that increases in county indigent care and needs impact the county as the county continues to grow. It also makes the county a great place for business since the health eco-system is a key factor in decisions business owners consider when relocating.

We would like to ask the county to commit 1 million dollars to be paid over three years to help the anchor facility get completed. This allows the clinic to stabilize and grow to serve areas like Plano and Wylie much sooner, as well as bringing in other resources such as medical education. We believe it is the kind of investment that will pay dividends to the county for years to come.

Thank you for your consideration and for the great work you have already done.

Kind regards,

James Tippit

EVP / Corporate Responsibility