

Community Clinic Lifeline Grant Program



State Treasurer John Chiang

The Problem:

The White House and Congressional Republicans have put funding for health care services to vulnerable communities in their crosshairs. Whether it's repeal of the ACA, defunding of planned parenthood, or potential changes to Title X, which



provides funding for family planning and other preventive services among other potential actions, thousands of community-based clinics in California are now under threat of losing critical funding.

Nonprofit community-based clinics are the backbone of the health care safety net. One out of seven Californians are seen in community clinics and health centers every year. In many inner-city and rural communities, safety net providers are the only source of care for low-income residents. Removing this important safety net for our most vulnerable citizens has a devastating impact on our communities.

1 in 7

Californians are seen in community clinics and health centers every year

MORE THAN 80% OF COMMUNITY HEALTH CENTER PATIENTS ARE BELOW 200% OF THE FEDERAL POVERTY LEVEL.



1,237

Licensed Community Clinics in California



61%

Of Patients are between the ages of 20-64, 62% are women, 32% are children



30%

Of Medi-Cal beneficiaries are enrolled in community clinics

What is the Help II Loan Program?

The Help II Loan Program provides low interest rate loans to California's nonprofit small or rural health facilities. Loans can be used to purchase or construct new facilities, remodel or renovate existing facilities, purchase new equipment or furnishings and refinance existing debt. The \$20 million proposed one-time grant comes from principle and interest payments that have accrued the last 15 to 20 years.

The Solution:

State Treasurer John Chiang proposes using \$20 million from the current Help II Loan Program Fund for a one-time emergency grant program that will help support community clinics in order to adequately serve the most vulnerable in our state.



The \$20 million will help small or rural nonprofit clinics keep their doors open and provide critical services as California lawmakers work to address the potential losses in federal health care funds.

The grants would support core operations to allow clinics to continue providing care to their patients while they develop a more long-term sustainability plan such as increasing private foundation and business support, merging with other providers, and developing public-private partnerships.

How the Grant Program Would Work



One-time, three-year core support grants to be used at the clinic's discretion to support the transition to a sustainable operating model in an era of reduced federal funding.



Eligibility: Any licensed nonprofit small or rural primary care clinic in medically underserved areas at risk of severely cutting its services or closing its doors.



Maximum grant of \$250,000 per clinic, a minimum of 80 total grants.



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