

# THE HIGHEST COST, THE GREATEST NEED

Low-income older adults — often eligible for Medicare and Medicaid — have big needs that represent the highest health care costs in the nation.

## Meeting the medical needs of our growing aging population...



**20%**

of the U.S. population is **age 65 or older**...and this number growing.<sup>1</sup>



**3 OUT OF 4**

suffer from one or more **chronic health conditions**.<sup>2</sup>



**5.7 MILLION**

Americans age 65 and over are now considered **“dual-eligible”** because they receive Medicaid in addition to Medicare.<sup>3</sup>

*[ This population has the highest health care costs per capita of any other age group. <sup>4</sup> ]*

## ...is further stressing the nation's community health centers and clinics...



Federally Qualified Health Care Centers (FQHCs) will serve an increasing percentage of aging dual-eligible patients — as well as their caregivers — in the years to come. **Are FQHCs ready for them?**



More than 70% of FQHC patients have incomes below 100% of the federal poverty level. **Many FQHCs are unprepared to meet the needs of growing numbers of insured patients while still controlling costs in the face of new care guidelines.**<sup>5</sup>

## ... as they try to adapt to new payment models.

**93% TOTAL SPENDING**

by Medicare is allocated to **fee-for-service** beneficiaries with multiple chronic conditions.<sup>6</sup>



## Affordable Care Act

The ACA promotes **transitioning to a fee-for-performance** model that aims to substantially reduce these costs while maintaining or improving quality of care.



*[ These new incentives offer an opportunity to establish and replicate care models that health centers have been slow to adopt in the past. ]*

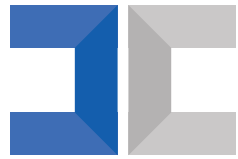
## Requiring a fresh approach...

Meeting the needs of these high-cost, high-need patients will require **integrated, community-based care**, and partnerships that **treat the “whole” person** in order to reduce readmission rates, improve overall well-being, and help FQHCs remain financially viable into the future.



*[ The ACA is positioned to reward accountable care organizations that improve patient health through coordinated care by sharing cost savings. ]*

## ...and new partners who understand FQHCs growth needs



**CAPITAL IMPACT PARTNERS**

Closing this gap requires help from organizations that understand how you can grow and expand to address the social determinants of health for our low-income, aging population.

**As your lender and partner, Capital Impact can help you make this transition.**



Through our work with the Age Strong Investment Fund, and scaling the GREEN HOUSE project model and Village to Village Network, we have demonstrated expertise creating health equity for older adults. In addition, we are the largest nonprofit lender to FQHCs nationwide with over \$750 million in financing deployed.



A nonprofit Community Development Financial Institution (CDFI), Capital Impact provides strategic financing, social innovation programs, and capacity building for organizations devoted to social change nationwide.

[www.capitalimpact.org](http://www.capitalimpact.org)

1. <http://www.capitalimpact.org/focus/dignified-aging/>

2. <http://www.cdc.gov/chronicdisease/about/multiple-chronic.htm>; <http://www.ahrq.gov/sites/default/files/wysiwyg/professionals/prevention-chronic-care/decision/mcc/mccchartbook.pdf>

3. <https://kaiserfamilyfoundation.files.wordpress.com/2013/08/7846-04-medicoids-role-for-dual-eligible-beneficiaries.pdf>

4. <https://www.ncoa.org/center-for-healthy-aging/cdsme-resource-center/fqhc-partnership-guide/learn-the-basics/what-is-a-federally-qualified-health-center-fqhc/>

5. [http://hsrc.himmelfarb.gwu.edu/cgi/viewcontent.cgi?article=1049&context=sphhs\\_policy\\_ggrchn](http://hsrc.himmelfarb.gwu.edu/cgi/viewcontent.cgi?article=1049&context=sphhs_policy_ggrchn)

6. <http://www.cdc.gov/chronicdisease/about/multiple-chronic.htm>; <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Downloads/2012Chartbook.pdf>