

On the First Anniversary of the American Recovery and Reinvestment Act  
New Report Finds Investment in Health Centers Yields Major Returns

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WASHINGTON and NEW YORK - A new report projects that federal investment in health centers under the American Recovery and Reinvestment Act of 2009 (ARRA) will generate \$3.2 billion dollars in economic activity -- an estimated return on investment of nearly \$2 for every \$1 spent. The report was issued by the Geiger Gibson/RCHN Community Health Foundation Research Collaborative at The George Washington University School of Public Health and Health Services, Department of Health Policy. Support for this analysis was provided by the United Health Foundation and the RCHN Community Health Foundation.

One year ago, on February 17, 2009, President Obama signed the ARRA into law to spur economic activity and to address the health and social consequences of the recession. The legislation provided more than 1,100 community health centers nationwide with approximately \$2 billion in funding for capital improvements, expansion and retention of personnel and services, and the adoption of health information technology through 2011. Of this amount, \$1.85 billion has been committed to date and is at work.

The factors that make a community eligible for a community health center - substantial poverty, shortages of primary care and elevated health risks - are also characteristics of communities with a lower-wage workforce and higher rates of unemployment. As a result, ARRA's health center investments provided significant relief to many of the nation's hardest hit communities. The report's authors estimate that ARRA funding will expand the provision of health center services to more than two million new patients by 2011, bringing the total served to 21 million.

ARRA's health center investments to date have moved rapidly from appropriation to actual community expenditures. This indicates that health centers are able to rapidly transform an infusion of funding into both new services and additional jobs that bolster the economy. The report's authors underscore the importance of sustained levels of operational support in order to maintain health centers' capacity to serve expanded need.

Professor Sara Rosenbaum, co-author and chair of GW's Department of Health Policy, notes that "ARRA has strengthened health centers' ability to respond to the economic crisis through both health care and job creation and retention. Achieving and maintaining these investments is crucial, both in the near-term and in anticipation of broader health reform."

"These health centers are not just a good financial investment, but a good community investment as well," said Reed Tuckson, M.D, United Health Foundation board member and executive vice president and chief of medical affairs, UnitedHealth Group. "They have been proven to be high-quality facilities, producing results that are equal to, or even better than other primary care providers when given the resources to operate effectively."

"The report shows ARRA legislation has been a tremendous success in its first year, providing significant benefits for the economy and helping to address health consequences of unemployment and the recession" said Julio Bellber, president and CEO of the RCHN Community Health Foundation. "Ongoing support is needed to sustain these achievements."

"The Economic Stimulus: Gauging the Early Affects of ARRA Funding on Health Centers and Medically Underserved Populations and Communities" is available at:

[http://www.gwumc.edu/sphhs/departments/healthpolicy/dhp\\_publications/pub\\_uploads/dhpPublication\\_C41AE130-5056-9D20-3D65728F2361CFAF.pdf](http://www.gwumc.edu/sphhs/departments/healthpolicy/dhp_publications/pub_uploads/dhpPublication_C41AE130-5056-9D20-3D65728F2361CFAF.pdf)

### **About the RCHN Community Health Foundation**

The RCHN Community Health Foundation (RCHN CHF), is a New York based not-for-profit operating foundation whose mission is to support community health centers through strategic investment, outreach, education, and cutting-edge health policy research. The only foundation in the country dedicated to community health centers, the Foundation develops and supports programmatic and business initiatives related to community health center needs, building on a commitment to the provision of accessible, high quality, community-based healthcare services for underserved and medically vulnerable populations. For more information on RCHN CHF, visit [www.rchnfoundation.org](http://www.rchnfoundation.org)

### **About the United Health Foundation**

Guided by a passion to help people live healthier lives, United Health Foundation provides helpful information to support decisions that lead to better health outcomes and healthier communities. The Foundation also supports activities that expand access to quality health care services for those in challenging circumstances and partners with others to improve the well being of communities. Since established by UnitedHealth Group [NYSE: UNH] in 1999 as a not-for-profit, private foundation, the Foundation has committed more than \$170 million to improve health and health care. For more information, visit [www.unitedhealthfoundation.org](http://www.unitedhealthfoundation.org).

### **About The George Washington University Medical Center**

The George Washington University Medical Center is an internationally recognized interdisciplinary academic health center that has consistently provided high-quality medical care in the Washington, D.C. metropolitan area since 1824. The Medical Center comprises the School of Medicine and Health Sciences, the 11th oldest medical school in the country; the School of Public Health and Health Services, the only such school in the nation's capital; GW Hospital, jointly owned and operated by a partnership between The George Washington University and a subsidiary of Universal Health Services, Inc.; and The GW Medical Faculty Associates, an independent medical practice with nearly 350 physicians in 42 clinical specialties. For more information on GWUMC, visit [www.gwumc.edu](http://www.gwumc.edu).