

NEWS RELEASE



For Immediate Release:
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PEAK VISTA ANNOUNCES PLANS FOR STIMULUS MONIES

Colorado Springs, CO, April 2, 2009--Peak Vista Community Health Centers is pleased to announce that it has received funding from the American Recovery and Reinvestment Act (ARRA) which was passed in February...good news for so many who are currently without a healthcare home in our region.

On March 2, President Obama announced the release of 126 New Access Point (NAP) grants through the Health Resources and Services Administration (HRSA) totaling \$155 million. Peak Vista was the only Community Health Center in Colorado to be funded through this ARRA funding for new Peak Vista mobile health services, a grant that was submitted December of 2007 and was on the "approved, but unfunded" list. This grant of \$1.3 million provides funding for two years and covers the staffing and operations of mobile health services during the implementation period. This new mobile unit will bring care directly to children in their neighborhoods, eliminating the transportation issue which is frequently a barrier to receiving healthcare.

On March 8, HRSA announced that it would be awarding up to \$340 million through formula allocation grants for one-time Increased Demand for Services (IDS) funding to support existing health centers. In establishing the funding allocation formula, HRSA considered the unique needs of both rural and urban, small and large health centers and recognized that the economic downturn has increased the need for health center services to grow. Basing its funding formula on several items, including the total number of patients served and the number of uninsured patients served, Peak Vista received a grant in the amount of \$776,173.00 to be paid over two years. This funding will be used to add ten new full time equivalent (FTE) positions, including provider and registration staff, which will result in 5,203 additional patient encounters.

Questions/comments about the ARRA funding to Community Health Centers include:

Why invest in healthcare...why not cut? Because now is when more people need the help. Community Health Centers are a proven high-quality, cost-effective primary health care system. Peak Vista has been providing care since 1971 and today serves 55,000 patients.

What role does state funding play? Options to balance the state budget under discussion at the Colorado General Assembly could hurt Peak Vista at the same time that patient demand is increasing. Federal stimulus funding will help Peak Vista meet the challenge, but it is essential that state funding and other revenue sources such as foundation grants and individual donations hold steady during this time.

Adding physicians stimulates our community's economy. According to the Robert Graham Center, the Family Physician is an economic stimulus – one full time family physician has an average economic impact in Colorado of \$892,177 by providing other support jobs, purchasing goods and services and generating income to other healthcare organizations such as hospitals, specialists, etc. Peak Vista will be hiring additional family physicians to support the need.

The economic downturn is creating challenges across the board. More people are losing their jobs and their health insurance coverage. Personal and governmental budgets are tight – leading the cutbacks in consumer spending and government ability to pay for services and programs. People turn to Peak Vista in these situations.

Stimulus monies are temporary. While the federal economic stimulus package contains funds for Medicaid and for Community Health Centers, these funds are temporary – they are not part of the permanent long-term budget. Economic stimulus package funds must be used very strategically to be most effective – Peak Vista must ensure stability for new positions, new services, and new sites funded through this stimulus money. We depend upon our operations plus our partners, donors and foundations to help us fill our growing gaps and maintain sustainability.

Patient load is increasing. In fiscal year 2008, Peak Vista had over \$12 million in uncompensated/unreimbursed care; our eligibility screenings for public programs went from 3,200 per month in September, 2008 to 8,100 per month by January, 2009. ARRA funding is intended to help offset costs associated with this increased demand.

Lost jobs translates into more people without healthcare benefits. According to the Colorado Springs Economic Development Corporation, our community lost 6,000 jobs in 2008 and our unemployment rate rose to 8.1%. Peak Vista continues to work towards being available to support those in need of a healthcare home.

Peak Vista Community Health Centers is a non profit, multi-specialty primary healthcare organization whose mission is to provide exceptional healthcare for people facing access barriers. Established in 1971, Peak Vista today offers outpatient medical, dental and behavioral health care to more than 55,000 residents, mostly from working families, of the Pikes Peak region. Fifteen centers at twelve sites support care. In 2006, Peak Vista established its Foundation to sustain healthcare services to those without access. To learn

more about Peak Vista or to support financially, visit www.peakvista.org or call 228-6606.

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