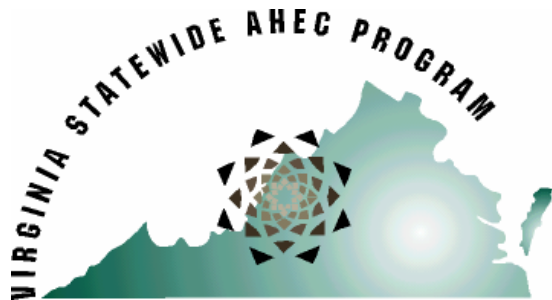


# Virginia Area Health Education Center



**Non-State Funding Report to the  
Chairman, Senate Finance Committee  
Chairman, House Appropriations Committee  
Joint Commission on Health Care  
October 1, 2004**

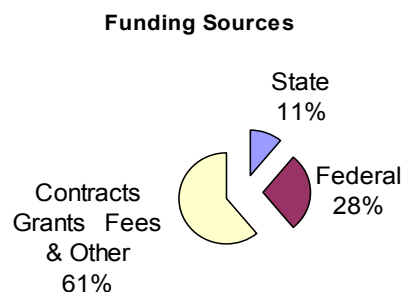
## Virginia Statewide Area Health Education Centers (AHEC) Program Non-State Funding Report October 1, 2004

**Purpose:** The Appropriations Act directed Virginia's AHEC Program to "submit a report by October 1 each year ...that documents 1) the actions taken to secure non-state funding to support AHEC activities and 2) a cash match of at least 50 percent of the funds provided by the Commonwealth."

**Background:** The Virginia Statewide AHEC Program was established in 1991 to increase access to primary care. It grew out of several recommendations from the Virginia Department of Health. As provided in Section 32.1-122.7 of the Code of Virginia, the mission of AHEC is to promote health careers and access to primary care for medically underserved populations through community-academic partnerships. This mission is accomplished by conducting programs to: 1) attract students into health careers, 2) support the community-based training of health professions students and residents, 3) recruit, support and retain health providers to underserved areas or settings that address the needs of underserved populations, and 4) promote health and prevent disease in partnership with other community organizations.

The Virginia Statewide AHEC Program is administered through a statewide advisory board and the eight individual AHECs. AHECs receive federal funding through a "Model State-Supported AHEC" cooperative agreement. The "Model" cooperative agreement from the US Department of Health and Human Services, Health Resources and Services Administration (HRSA) requires a 100% non-federal match. In FY04, the Virginia AHEC Program office at VCU received \$894,424 in federal model funding (direct & indirect) of which 75% was equally distributed among the eight (8) community AHEC centers - a 2.52% decrease from FY2003. In fiscal year 2005, the AHEC Program has experienced an additional 30% congressional cut to \$692,352.

In FY 2004, \$277,794 in designated state funds were distributed to the eight AHEC centers; the remaining \$22,206 were returned to the Virginia Department of Health to replace funds received prior to the budget cuts. The state appropriation was first decreased by 14% in FY03, and again in FY04 by 70% to \$300,000. The \$300,000 general fund appropriation shall be used for the recruitment and retention, practice support, and training of health care professionals in medically underserved or areas with medically underserved populations.



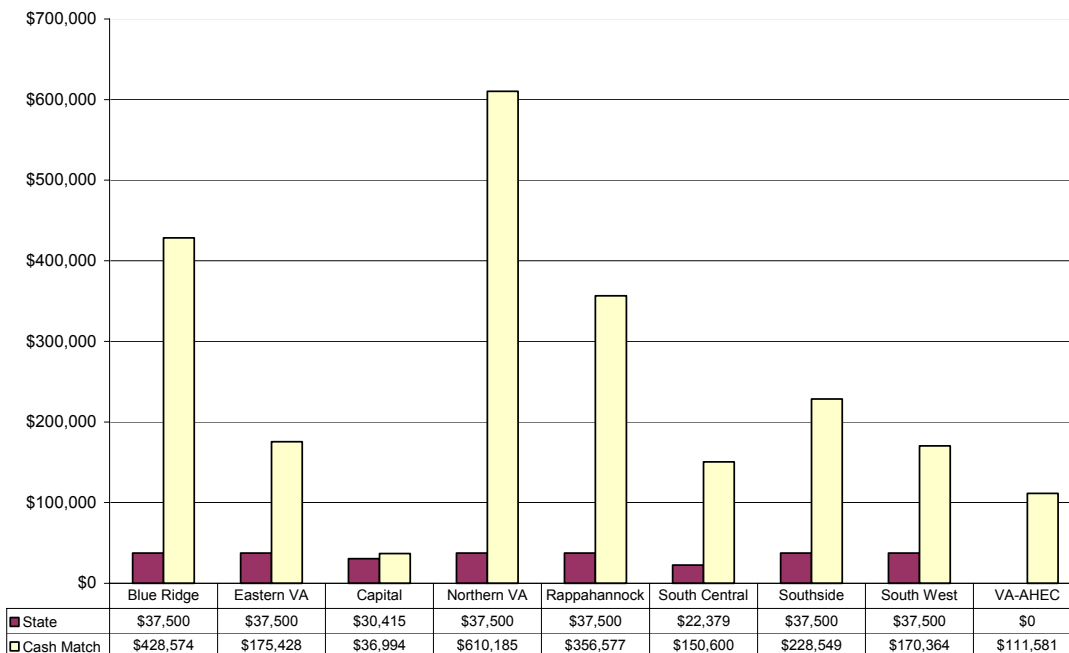
In addition, the Department of Medical Assistance Services -- to the extent permissible under federal and state laws -- entered into an agreement with the Virginia Statewide Area Health Education Centers so that qualifying funds may be used at the discretion of each center for obtaining matching non-general funds when available.

The AHEC Program Office and Centers acquired an additional \$1,557,180 in other funds through local, state and national grants, foundations, associations and fees.

## Efforts Toward and Amounts of Non-State Funding

As the local AHECs have established themselves as significant partners in meeting their community's health care workforce needs, they have correspondingly broadened their funding base. In fiscal year 2004, **the eight AHECs raised a total of \$2,546,646. This was \$1,557,180 over and above the state appropriation and federal funding. For each one dollar invested by the state, AHECs raised an additional \$2.26M – or 7.56 times the required (100%) cash match.**

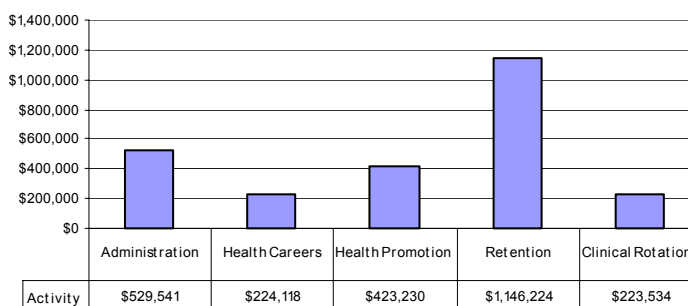
Cash Match Per AHEC Center FY2004



Funds raised were used for specific programs and came from a variety of sources such as fees for service, contracts with public and private agencies, donations and grants. Examples include Virginia Tobacco Settlement Foundation, Ryan White Title I, Mary Washington Hospital Foundation, Rockingham Memorial Hospital Foundation, HRSA Office of Rural Health Outreach, Virginia Tobacco Indemnification & Community Revitalization Project, Virginia Department of Rehabilitative Services, Virginia Office of Newcomer Services, Virginia Health Care Foundation, Northern

Virginia Medical Society, Meyer Foundation, Washington Forrest Foundation, Alleghany Foundation, UVA Telemedicine Program, HRSA Health Careers Opportunity Program, Eastern Virginia Medical School, Norton Hospital, Virginia Primary Care Association, Virginia Hospital & Health Care Association, INOVA Health System, Robert Wood

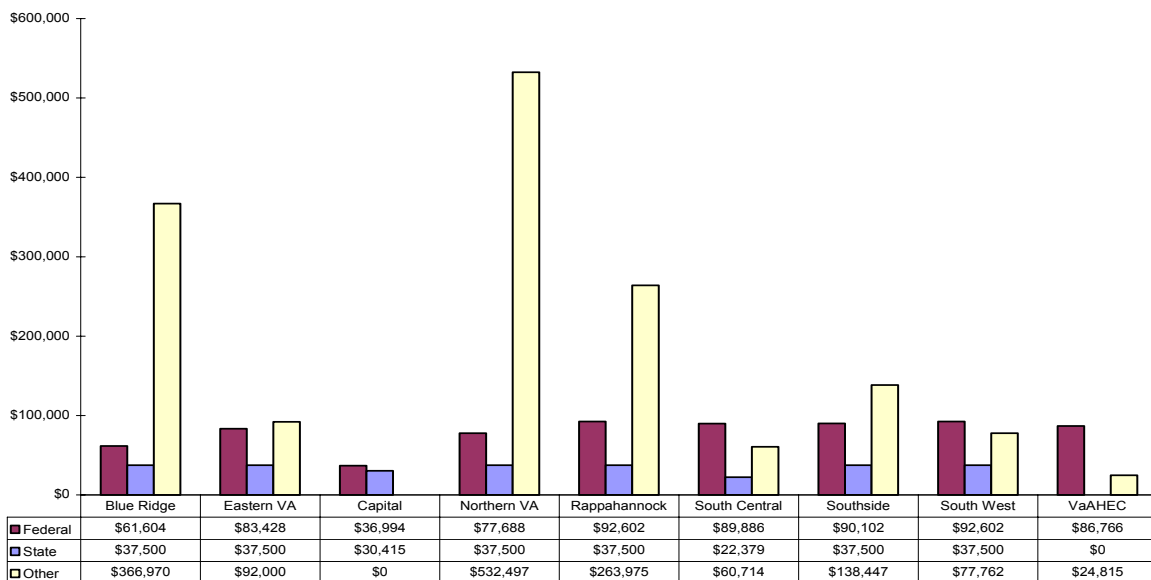
2004 Activity Distribution



Johnson Foundation *Hablamos Juntos* Initiative, Virginia Department of Health/VHAN, VDH/CDC/Bioterrorism Program and many other sources.

These funds, in turn, supported a wide variety of programs such as the use of telemedicine and other distance learning technologies; service-learning activities that involve health professions students in the provision of care for rural and urban underserved populations; women’s health, cultural competence, the appropriate training and utilization of health care interpreters; use of lay health workers to improve community health; and numerous summer institutes and K-12 programs to increase interest in health careers.

Virginia Area Health Education Centers  
Funding Sources FY 2004



The success of the Virginia Area Health Education Center Program is directly related to three factors. First, as each Center has identified and responded to its community’s needs, the community has reciprocated by investing its support. Second, successful fund raising programs take several years to develop. Proposals may be funded in the year they are written, but more often, they are funded during subsequent years. Thus, the current success represents an extended and extensive effort built over several years. The Virginia AHEC Program is now well positioned to achieve continued success. Thirdly, the state appropriation provides critical operating funds that enabled AHEC to move forward and match significant federal funding. With significant decreases from state and federal funding, AHEC relied on the state’s investment of core support. Given AHEC’s success, we believe that the investment has returned great dividends.

In order to maintain and increase its capacity to meet the Commonwealth’s health care workforce needs, and to assist its most vulnerable citizens, AHEC will continue to rely upon the same three sources of funding. The state appropriation will remain critical, for it is the cornerstone upon which the rest of AHEC’s success will be built.