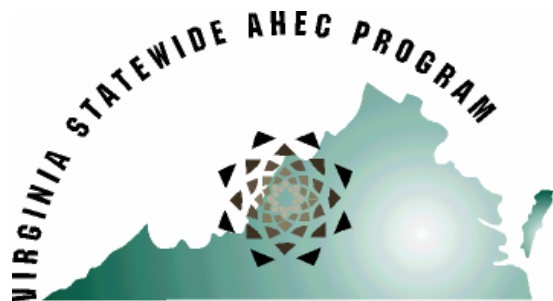


Virginia Area Health Education Center



Non-State Funding Report to the
Governor's Office
Chairman, Senate Finance Committee
Chairman, House Appropriations Committee
Joint Commission on Health Care
October 1, 2007

**Virginia Statewide Area Health Education Centers (AHEC) Program
Non-State Funding Report
October 1, 2007**

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 100 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 by developing health careers recruitment programs for students, especially the under-represented and disadvantaged; 2) support the community-based training of health professions students and residents primarily in Virginia's underserved communities; 3) provide educational and practice support systems to recruit, support and retain health providers to underserved areas or settings that address the needs of underserved populations, 4) initiate and collaborate partnerships in community health awareness and disease prevention with other community organizations by defining the health care needs of the communities to achieve a shared goal, and 5) improve access to diverse and culturally competent and sensitive health professions workforce.

The Virginia AHEC Program was developed to establish and maintain eight community-based centers to serve the Commonwealth's counties and cities. Each center is community drive, responding to local needs and guided by a local governing/advisory board. These centers are charged with strengthening the link between the academic health science centers and the community.

The Virginia Statewide AHEC Program is administered through a Statewide Advisory Board of diverse community leaders and a Program Advisory Group of the eight individual AHECs. VCU as the federal grant awardee was to maintain the required fiduciary and program responsibilities of the cooperative agreement. Emphasis was on community leadership. Over the past year, Virginia Commonwealth University (VCU) has taken a positive leadership role to assist with the overall re-structure and guidance of the Virginia Statewide AHEC Program. Under the direction of David C. Sarrett, DMD, MS, Associate Vice President for Health Sciences at VCU, the Virginia AHEC Program plans to develop a dedicated workforce of individuals to promote our programs. With the community infrastructure already in place, the Virginia AHECs are established to collaborate on many of the Governor's Health Reform Commission's recommendations.

The commission's draft report makes a number of recommendations related to workforce that coincide with the mission of the national Area Health Education Center (AHEC) program (DHHS, HRSA, Bureau of Health Professions). While Virginia has a statewide AHEC program based at VCU and encompassing eight independent community based centers, it is not mentioned in the report. The Virginia statewide AHEC program was established as part of a multiple part initiative promoted by the Commissioner of Health in conjunction with the state's medical schools and the Virginia

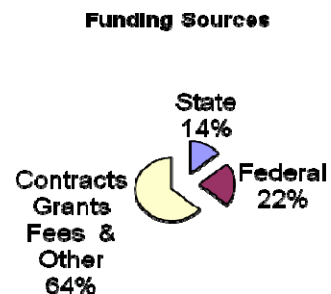
Primary Care Association (now known as the Virginia Community Health Association) to address workforce issues in the Commonwealth's underserved communities. In recent years it has not had the state or institutional leadership that results in documentable outcomes and has suffered greatly from state budget cuts. Successful efforts related to the goals in the Commission's draft report are well established around the nation and many, although not all, either key on the AHEC program or encompass the AHEC program. Well documented characteristics of these programs are clear measurable state goals for the effort and sufficient state funding to make progress on those goals.

The Virginia AHEC program has a number of laudable achievements including being a national leader in language services, being an important catalyst in telemedicine and technology services in rural areas and in exposing professional students to practice in rural and underserved communities resulting in employment in those communities.

Unfortunately this program is without sufficient state financial support to match federal funding or to capitalize on and replicate documented successes. Many of the Commission's draft goals can be supported and accomplished locally through an appropriately directed and state funded AHEC program. We applaud the Commission's recognition that Virginia must invest in "growing our own" and prevent the exportation of our graduates to other states with more comprehensive approaches. We encourage the Commission to consider investing in the AHEC program in order to accomplish those goals.

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 preferably in state appropriations. In FY07, the Virginia AHEC Program office at VCU received \$681,244 in federal model funding (direct & indirect) of which 78% was equally distributed among the eight (8) community AHEC centers.

In FY 2007 \$300,000 in designated state funds were distributed equally to the eight AHEC centers for "*the recruitment and retention, practice support, and training of health care professionals in medically underserved or areas with medically underserved populations.*" An additional \$100,000 was distributed to two AHECs – one urban Northern Virginia AHEC, one rural Southwest Virginia AHEC to "*develop and implement a statewide nursing recruitment and retention program in collaboration with nursing and health care groups.*" A separate report is available upon request.

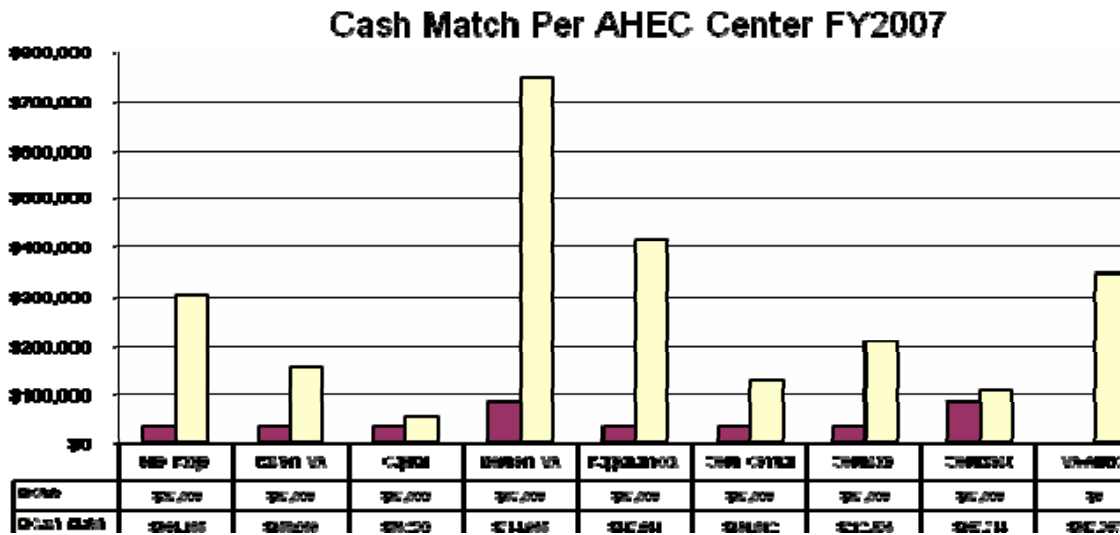


In addition, the Department of Medical Assistance Services -- to the extent permissible under federal and state laws -- entered into an agreement with the Virginia Statewide Area Health Education Centers so that qualifying funds may be used at the discretion of each center for obtaining matching non-general funds when available. The community AHEC programs were able to generate an additional \$57,815 in FY07 under this agreement.

The AHEC Program Office and Centers acquired an additional \$1,840,584 in other funds through local, state, federal and national grants, foundations, associations and fees for services.

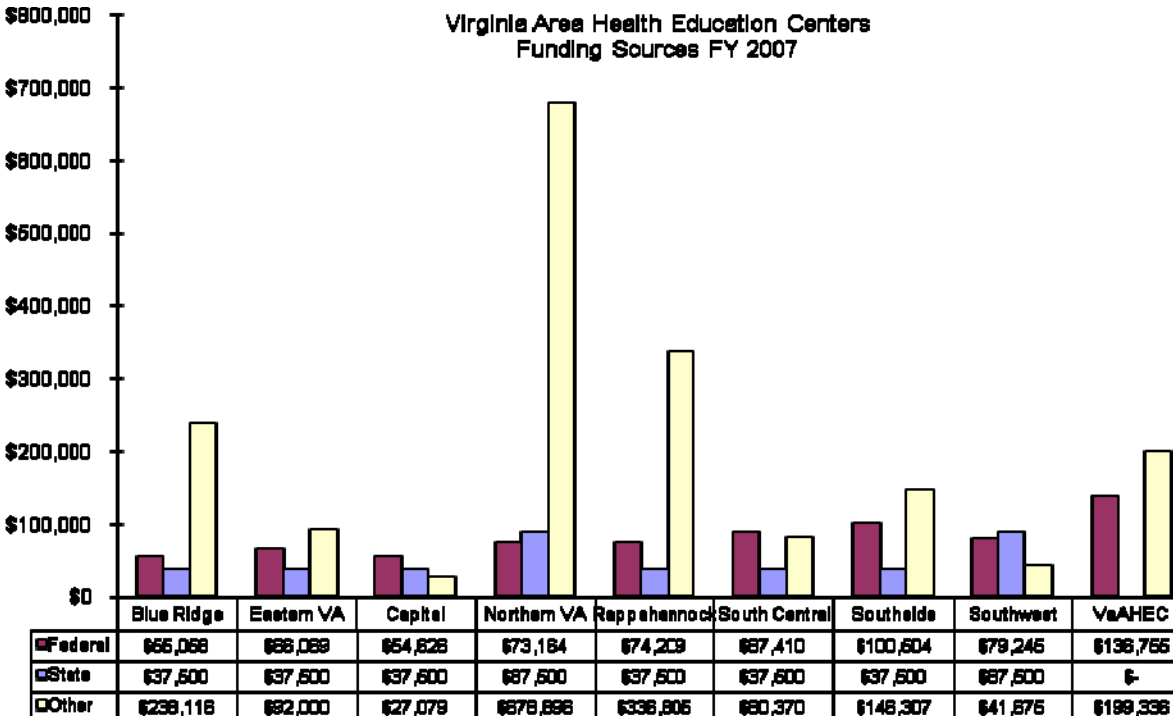
Efforts Toward and Amounts of Non-State Funding

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 2007, the eight AHECs raised a total of \$2,880,168. **This was \$1,813,505 over and above the state appropriation (\$400K) and federal Model AHEC funding (\$639,585).** For each one dollar invested by the state (\$400K), AHECs raised an additional \$6.2 M – or 620% of the required \$400K cash match.



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 Foundation, Rockingham Memorial Hospital Foundation, Virginia Department of Health, Virginia Tobacco Indemnification & Community Revitalization Project, Washington Forrest Foundation, Alleghany Foundation, Riverside Foundation, Eastern Virginia Medical School, Virginia Commonwealth University, INOVA Health System, Fairfax Health Department, State Council of Higher Education, Jefferson College of Health Sciences, Robert Wood Johnson Foundation *Hablamos Juntos* Initiative, Workforce Investment Boards 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 summer institutes and K-12 programs to increase interest in health careers.



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 well positioned to achieve 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 remains critical, for it is the cornerstone upon which the rest of AHEC's success will be built.