



Mission: To provide accessible, quality, primary and related health care services to Milwaukee residents, with our continuing emphasis on medically underserved families and individuals.

May 1, 2014

EST. 1989

**Martin Luther King
Heritage Health Center**
ADMINISTRATION
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Health Center**
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Mayor Tom Barrett
Milwaukee Common Council
City of Milwaukee
City Hall
200 East Wells Street
Milwaukee, Wisconsin 53202

Dear Mayor Barrett and Milwaukee Common Council:

Milwaukee Health Services, Inc. ("MHSI"), a Federally Qualified Health Center ("FQHC") and Safety Net provider serving the residents of Milwaukee for the past 25 years, needs assistance with overcoming the financial stress resulting from the recent economic recession and challenges resulting from the implementation of its electronic medical record systems, BCA & GE Centricity.

MHSI is at risk of severely contracting its availability of primary care services to the underserved residents of Milwaukee in order to meet the financial obligations accumulated over the past four years. The resources needed to provide primary care services have become scarce because they are needed to meet existing contractual obligations. MHSI has already reduced its workforce from 250 FTEs to 176 FTEs, and is at a point where an additional investment has the potential to stabilize and grow MHSI, resulting in the ability to add FTEs to support demand. The FTEs will increase overall MHSI employment and add desired FTEs to the local tax base. MHSI has garnered financial support from HRSA, the state Medicaid program, the managed care organizations, and the Milwaukee Health Care Partnership. We are now asking assistance from the City.

MHSI respectfully requests a loan from the City of \$900,000+, repayable over seven years from its available annual financial surplus, as it recovers from its past deficits and resumes the range of its services to historical levels and more. The investment will provide MHSI with working capital to access internal investments which will increase revenues and add highly desired jobs.

The Presentation Appendix to this letter provides descriptions of the scope and capacity of MHSI's services, the geographical area and population it serves, and financial condition of the organization. Any additional information which is needed to evaluate this request can be promptly supplied.

Thank you for your consideration of this matter.

Respectfully,

Tito Izard, M.D.
President/Chief Executive Officer

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"Your Health Is Our Business"