

**Milwaukee Health Services  
A Vital Contributor to the Milwaukee County Economy**

There are many reasons you should invest in  
Milwaukee Health Services!

Milwaukee Health Services, a "Not for Profit" Wisconsin corporation, currently operates a culturally-responsive primary health care organization in Milwaukee County, WI. A community and consumer-based board of directors governs the organization. The patients are medically underserved men, women and children who receive care regardless of their ability to pay.

***Milwaukee Health Services as an Important Economic Engine***

Milwaukee Health Services operates as an economic development engine by:

- Providing critically needed, high-quality, community-based health care to low-income residents, thereby contributing to a healthier local workforce;
- Producing goods and services;
- Offering critical entry-level jobs, training, and career-building opportunities that are community-based; and
- Serving as an anchor for attracting new businesses and investments into the community.

<b>Milwaukee Health Services' Direct Impact on the Milwaukee County Economy: 2003</b>	
• Health Center Operating Expenditures.....	\$8,648,483
• Health Center Payroll Expenditures.....	\$4,388,425
• Health Center Employees .....	118
Full-Time Equivalent Employees .....	110
<b>Milwaukee Health Services' Direct, Indirect &amp; Induced Overall Economic Impact: 2003</b>	
• Economic Output (Including Value-Added).....	\$14,724,030
Value-added (Inc. Labor Income) .....	\$8,252,503
• Employment .....	195 jobs

- In FY2003, Milwaukee Health Services injected \$8.6 million of operating expenditures into the local economy. These expenditures resulted in an overall economic impact of \$14.7 million that included \$8.3 million in Value-added spending based on increased purchasing power. In addition, Milwaukee Health Services generated 195 jobs by directly employing 118 people and indirectly creating an estimated 77 jobs as a result of its total operating expenditures.

***Invest in Milwaukee Health Services-- Invest in Milwaukee County's Future!***  
Milwaukee Health Services anticipates approximately \$XX in capital development costs over the next five years.

## IMPLAN Definition of Terms

This analysis uses the “multiplier effect”—and more specifically a complete integrated economic planning tool called IMPLAN (Impact analysis for PLANning)—to capture the indirect business effects of a health center’s business operations. IMPLAN was developed by the US Department of Agriculture and the Minnesota IMPLAN Group (MIG) and employs multipliers, specific to each county and each industrial sector, to determine total output, employment, and earnings.

- Output Multiplier: measures the increase in total output generated in a defined regional economy for each dollar spent by a given industry.
- Employment Multiplier: measures the number of jobs generated across all industries by the activity within a given industry needed to deliver \$1 million of products or services to a defined geographic area.
- Value-added (Earnings) Multiplier: measures the earnings (purchasing power) that an industry generates, through payroll and the multiplier effect, for households employed by all industries within a defined area. Value-added includes employee compensation (total payroll costs), proprietary income (payments to self-employed), other property type income (rents, royalties, dividends), and indirect business taxes (excise & sales taxes paid by individuals to businesses).

IMPLAN’s output, employment, and earnings figures are aggregated based on direct, indirect and induced economic effects:

- Direct—represents the response for a given industry.
- Indirect—represents the response by all local industries caused by “the iteration of industries purchasing.”
- Induced—represents the response by all local industries to the expenditures of new household income generated by the direct and indirect effects.

Within the field of economics, the multiplier effect is used to determine the impact of each dollar entering, impacting and eventually leaving a defined economy (i.e. “dollar turnover”). This results in increased production and expenditures, employment creation and attraction, and retention of new residents, businesses and investments. Milwaukee County multipliers are factored in to estimate the spin-off activity from the expenditures of the community health center in providing health care services.

Capital Link is a non-profit organization, headquartered in Boston, Massachusetts, that assists health centers nationally in planning and obtaining financing for capital projects. Capital Link also works with Primary Care Associations and other partners in developing and implementing local and statewide strategies for enhancing health center access to low-cost capital. For more information, go to [www.caplink.org](http://www.caplink.org).

The following are pertinent facts relative to MHSI's services to Milwaukee residents—primarily on the North side:

- MHSI serves over 20,000 patients
- MHSI services over 60,000 patient visits
- MHSI has a comprehensive program offering Primary Care, Behavioral Health, Dental, WIC, Benefit Determination, HIV/AIDS, Pharmacy and Nutritional Counseling among other services.
- MHSI has over 110 employees.
- MHSI is a positive contributor to the social and economic renaissance of ML King Drive north of North Avenue.
- MHSI is collaborating with the ML King Business Improvement District and the ML King CDC to complete and implement a plan for Redevelopment of the entire western side of the 2500 block inclusive of the health centers parking needs.
- MHSI through its Patient Assistance Program has provided access to over 3,000 prescriptions valued at \$650,000.00 for qualified patients over the past 24 months with little or no cost to the patient.
- MHSI is a “safety net provider” that seeks to minimize the Racial and Ethnic Disparities in health outcomes so prevalent today.
- MHSI has successfully recruited eight (8) new doctors to the Milwaukee area including two (2) African American males.
- MHSI is one of Milwaukee's largest General Assistance Medical Program providers serving over 4000 individuals who generate over 13,000 patient visits.

## Selected Milwaukee, Wisconsin and Target Area (North Milwaukee) Disparities

### *Target Population*

#### Race and Income Status

Data from the 2000 Census indicate that **92%** of residents in MHSI's target area are **African American**.

Approximately **43%** of the population in the service area **lives below the federal poverty level**, and an additional 25.4% live between 100% and 200% of the poverty level.

In 2002, **more than 41% of Wisconsin's African American children under age 18 were living in poverty**, compared to 6.9% of white children.

**Hispanics comprise approximately 5.5 % of the service area.**

#### Employment Status

According to a 2003 University of Wisconsin-Milwaukee study, the city of Milwaukee has the highest rate of unemployment amongst African Americans among major metropolitan areas and cities surveyed by the U.S. Bureau of Labor Statistics (USBLS).

Statistics compiled in 2001 indicated that the unemployment rate for African Americans was more than 4 times higher than the white rate of unemployment, a racial disparity which is twice the national average.

"Supplementary survey" results by the US Bureau of the Census indicate that in 2001 **white male teenagers had a lower unemployment rate (17.9%) than prime working age African American men (18.6%) in Milwaukee.**

According to a UWM study, **56.4% of working age males** in the city's "Enterprise Community" - census tracts designated as the inner city by City Hall - **were unemployed** or not in the labor force (in school, not looking for work, disabled, or in prison).

#### Gender and Age

**One-third of the service area residents are below age 15.** Within the service area, 47.2% of the total population is male, of which 35.8% is below age 15. The female population is 52% of the total area population, of which 31.3% of females are under age 15.

**Persons over age 65 constitute 6.8% of the total population and represent 5.8% of all males and 7.7% of all females.**

#### Household Structure

**In a 2003 study by the Annie E. Casey Foundation, Milwaukee ranked 6<sup>th</sup> among the nation's 50 largest cities in its percentage of teen births.**

**In Milwaukee, 35% of African American babies are born to unmarried/never married women.**

**Thirty percent of African American babies are born to women under age 18.**

#### Educational Attainment

**Wisconsin ranks last in the nation for high school graduation rates of African American students; 41% of African American students obtained a high school diploma compared to 87% of white students in Wisconsin (Manhattan Institute, 2003).**

**Among African American males under age 25 in the service area, 34.6% have obtained a high school diploma and 4% have obtained a bachelor's degree. For African American females under age 25 in the service area, the percentages are 31.8% and 5% respectively.**

#### Insurance Status

**In Wisconsin, minorities are most likely to be uninsured. Data collected from the 2000 Wisconsin Department of Health and Family Services Family Health Survey indicated that 29,000 or 13% of all African Americans in the state were uninsured.**

**Among MHSI's patients in calendar year 2002, 9.2% had no insurance.**

#### Violence

**According to a 2001 report from the Mayor's Commission on Crime, violent crime in Milwaukee is significantly higher than the rest of the state; the murder and robbery rates in the city are five times greater than the statewide rates.**

**In 2000, 79% of all homicides in Milwaukee involved a firearm. The number of teenage homicide victims doubled between 1998 and 1999, and showed continued trends toward exceeding that pace in 2000.**

#### Morbidity and Mortality Rates

**"In Wisconsin, across all ages and races, age-adjusted mortality declined by 13% from the time period of 1979-1983 to 1992-1996." However, for African Americans, during**

**the same time period, the mortality rate increased by 3% (Wisconsin Public Health and Policy Institute, October 2000).**

**The infant mortality rate in the first year of life among African Americans in Milwaukee is 3 times the rate for whites.**

#### *HIV/AIDS*

**Data from the State of Wisconsin HIV/AIDS Bureau indicate that approximately 90% of all HIV infected African Americans in Wisconsin live within a 1 mile radius of MHSI.**

Surveillance data compiled by the State and the Black Health Coalition in the time period of 1990-2001 indicate that 1,146 HIV positive African Americans live in the MHSI service area, or immediately adjacent zip codes.

#### *Maternal/ Child Health*

**In Wisconsin, infant mortality rates in 2001 for African Americans were 18.6 per 1,000 compared to 5.1 per 1,000 for whites as reported by the Wisconsin Division of Public Health.**

**18% of African American babies are born preterm, and 13.2% of African American children are born with low birth weight, compared to 5.9% and 9.7% for whites respectively.**

Division of Public Health data indicate that **23.8% of African American mothers in the central city of Milwaukee initiated prenatal care in the 2<sup>nd</sup> trimester, and 9.2% initiated prenatal care by the third trimester, or never received care at all.** These statistics are compared to 79% of all Milwaukee County mothers who engaged in prenatal care within the first trimester of pregnancy.

Data compiled by the City of Milwaukee Health Department indicates that in MHSI's service area, **3.89% of mothers receive no prenatal care, and 15.01% of mothers deliver low birth weight babies,** compared to 1.83% and 9.61% of all city residents.

**In MHSI's service area, 22.51% of mothers smoked during pregnancy compared to 15.5% of all pregnant women in the city.**

**Births to women under age 20 in the service area account for 28.57% of all births, compared to 19.31% of all births in the city.**

#### *Lead Poisoning*

**Wisconsin Division of Public Health data from 2002 indicate that less than 60% of Medicaid and WIC enrolled children in Milwaukee County have been screened for lead poisoning.**

### *Asthma*

According to data compiled by the Black Health Coalition for the time period 1994-1998, **African Americans in Wisconsin have the highest rate of hospitalization for asthma. African Americans are 4 times more likely to be admitted than whites (553 per 100,000 compared to 89 per 100,000).**

### *Heart Disease and Stroke*

**In Wisconsin, mortality due to heart disease was 322 per 100,000 for African Americans and 261 per 100,000 for whites in the timeframe 1994-1998.**

The City of Milwaukee Health Department's Community Health Survey indicates that in the MHSI service area, **self report of hypertension amongst African Americans age 18-64 is 1.5 times higher than the rate of self-reported hypertension amongst non-Hispanic whites.**

### *Diabetes*

**Death rates from diabetes are 2.3% higher for African Americans in Wisconsin than for whites.**

**Self report data from the City Department of Public Health indicate that 12% of African Americans age 18-64 in Milwaukee report having diabetes, compared to 5% of non-Hispanic whites. Among those 65 and older, 28% of African Americans report having diabetes compared 20 percent of non-Hispanic whites.**

### *HIV/AIDS*

**In Wisconsin the Division of Public Health reported in 2003 that African Americans account for 28.8% of all known AIDS cases, and 32.8% of all HIV infections, despite being represented at only 5.6% of the total population.**

**37.8% of pediatric AIDS patients in Wisconsin are African American and 41.8% of pediatric HIV infections are amongst African American children.**

### *Mental Health/Substance Abuse*

**African Americans in Wisconsin had the highest inpatient hospitalization rates for psychiatric problems and for substance abuse problems, according to data collected by the Wisconsin Division of Public Health.**

**Depression is also diagnosed more frequently amongst African Americans in Wisconsin.**