



SOUTH CAROLINA OFFICE OF
RURAL HEALTH

Investment. Opportunity. Health.

Rural Health Capital Presentation

Graham Adams, PhD
Chief Executive Officer

June 13-14, 2022



Who we are



The South Carolina Office of Rural Health is a non-profit organization with a mission to close the gap in health status between rural and urban communities. SCORH has been promoting investment, opportunity and health within rural communities since 1991.



About SCORH



Like its peer organizations in each state, the South Carolina Office of Rural Health is the sole organization in South Carolina that is federally designated to address the health needs in rural communities. SCORH works with local, state and national partners to:

- increase access to quality health care,
- improve the social determinants that contribute to a community's overall health, and
- connect available resources across the state with local needs in rural communities.



History of the SC Rural Health Revolving Loan Program

- The Rural Health Revolving Loan Program (RHRLP) was established in 1997 to assist rural health care facilities and providers in accessing affordable capital to meet their financial needs.
- Construction/renovation, equipment, lines of credit and debt consolidation
- Historically lent to rural health safety-net providers (small, rural hospitals, CAHs, FQHCs, Rural Health Clinics, rural dentists, etc)
- Considerable flexibility in setting rates/terms to best meet the needs of rural providers (often participate in blended funding packages with local lenders, USDA, etc)
- We evaluate the medical need of the project along with borrower's ability to repay



History of the SCORH Health Revolving Loan Program

- In 1997, SCORH received a \$900,000 USDA RBEG Grant
- In 2001, the Robert Wood Johnson Foundation Southern Rural Access Program awarded \$481,000 in seed capital
- In 2005, the SCORH received an additional \$500,000 from the Robert Wood Johnson Foundation and a \$500,000 USDA IRP loan
- In 2008, the SCORH received \$167,000 from a Congressional earmark and \$500,000 from The Duke Endowment
- In 2019, the SCORH Board allocated \$500k of Revolving Loan Fund assets to be used for social determinant projects



Loan Approval Process

- In-house Revolving Loan Program Specialist markets and underwrites potential loans
- Three step review/approval process:
 - Internal staff review
 - External committee review
 - SCORH Board Executive Committee makes final decisions
- We can typically execute a loan in about one month
- We often take a 2nd or 3rd position to encourage local lenders to participate



Revolving Loan Program Current Status

- 347 Loans Leveraged \$136 million leveraged
- 19 Current In-house Loans \$1.7 million
- Loan Requests in Pipeline \$430k
- Jobs Created/Saved 856



Current Status

- As South Carolina has seen a rapid alignment of small, rural hospitals and rural practices being absorbed by large health systems, the requests for our loans has slowed
- Additionally, when interest rates are low and capital is readily available, we get fewer requests
- SCORH is evaluating how to potentially restructure the program to be more relevant in today's rural health landscape
- “How can we leverage our fairly modest funds to have the greatest good?”
- We don't have enough to make a significant difference on any social determinant
- How do we leverage the current massive federal investments in rural communities?



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CONTACT US

Graham Adams, PhD
Chief Executive Officer
adams@scorh.net

Social:

 @SCORH
 @scruralhealth
 @scruralhealth

Website:
scorh.net

Address:
107 Saluda Pointe Drive
Lexington, SC 29072

Phone:
803-454-3850

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