



**Embargoed until**  
Tuesday, November 17, 2015

**For more information, contact:**  
Janet Firshein, 301-280-5701  
jfirshein@burness.com

## **Vital Healthcare Capital Launches \$30 Million Social Impact Loan Fund Supporting Better Care for People with Complex Needs in Low-Income Communities**

### ***Financing For Providers Developing Better Care Models and Quality Frontline Healthcare Jobs***

New York, NY -- [Vital Healthcare Capital](#) (V-Cap), a social impact lender, today announced a new \$30 million fund to support better integrated care for at-risk people such as frail seniors, people with disabilities, at-risk youth, and individuals with behavioral health needs. A diverse group of leading impact investors -- *Atlantic Philanthropies*, the *Ford Foundation*, *JPMorgan Chase Foundation*, *MetLife*, *Dignity Health*, and *Bank of America* -- have banded together to make this new source of capital available during a period of fast-moving change in how health care is delivered and paid for.

"V-Cap is a financial partner for healthcare providers that are building better care for the most vulnerable, and better jobs for the frontline healthcare workforce," said Steven Weingarten, CEO of V-Cap. "Our system of care has all too often been fragmented, expensive, and dehumanizing – especially for people with complex needs. We provide flexible financing to creative provider organizations, enabling them to innovate, grow, and develop high-performing health care."

V-Cap will deploy those funds as flexible loans to healthcare providers such as community clinics, mental and behavioral health providers, senior care providers, community hospitals, and special needs health plans. V-Cap loans will support better integrated health care that improves health and disease management, and develops quality jobs for frontline healthcare workers. All V-Cap loans will focus on low-income communities.

V-Cap is distinguished by its diverse consortium of investors, pulling together some of the nation's largest philanthropies and community development-focused institutions with expertise in health care and workforce development.

"The changes in how health care is paid for and delivered are tumultuous, but create opportunities for provider organizations to invest in better models of care for people with complex needs. It's exciting to see this terrific mix of funders that have pooled resources to create a new financial partner for dynamic healthcare providers serving the most vulnerable," said Deborah Bachrach, a partner at Manatt, Phelps & Phillips, LLP, and a member of V-Cap's Board.

V-Cap expects to support 10-20 high-performing healthcare organizations with its new funds, and is currently considering proposed transactions. V-Cap's pipeline of potential borrowers includes a health center focused on care for the homeless, a senior care provider expanding mental health services, and a mental health organization developing respite centers for mental health crisis care.

St. John's Well Child and Family Center, a federally qualified health center based in South Los Angeles, is one of the pioneering providers that inspired V-Cap's formation. "We're growing and changing constantly to meet the needs of a community struggling to overcome poverty. Providing good jobs is part of making our community healthier," said Jim Mangia, CEO of St. John's. "We need a non-traditional lender that is committed to what we do, because our future financing needs won't necessarily fit into conventional boxes. V-Cap offers a new source of strategic capital for better health," he said.

V-Cap is uniquely focused on financing borrowers that develop quality jobs as they transform healthcare delivery. V-Cap seeks investments that improve not only the quantity, but also the quality of jobs. "The growing job categories in health care are the frontline jobs that have the potential to have the biggest impact on helping people avoid health crises and avoidable hospitalizations," said Kavita Patel, MD, a V-Cap Board member and Fellow and Managing Director in the Engelberg Center for Health Care Reform at the Brookings Institution. "It's important that those jobs be well valued in our emerging healthcare system."

V-Cap is uniquely positioned to provide flexible financing to mission-driven healthcare providers. While it can provide facilities financing – traditionally the focus of community development finance – it can also provide business and bridge lending, and financing for non-traditional use of loan proceeds to meet the evolving needs of a transforming healthcare sector. V-Cap funds will help providers that are typically underserved by banks and other traditional capital sources to invest in new systems, services, technology, and facilities.

Over the next five years, V-Cap plans to grow to a \$100 million revolving loan fund to support projects that show promise in improving health care and health employment.

### **About Vital Healthcare Capital**

V-Cap, founded in 2014, aims to help transform the healthcare delivery system in ways that support providers who serve at-risk populations, helping them innovate in ways that deliver better care while creating quality frontline healthcare jobs in low-income communities. For more information, visit [vitalcap.org](http://vitalcap.org).