

Ravenswood Dental Clinic Redwood City Proposal

Project Overview

Introduction

The District is considering a long-term lease of the 525 Veterans property to Ravenswood. Under the lease, Ravenswood would carry out extensive tenant improvements to convert the existing offices to a dental clinic. The District would pay most or all of the cost of these alterations through a tenant improvement allowance. Ravenswood would pay monthly rent, but the amount would not likely cover the tenant improvement allowance.

Rational

In San Mateo County there are significant oral health disparities among its residents, with the burden of oral disease being particularly high among racial and ethnic minorities, those with lower income, with less education, and those without dental insurance. Recent data show that eight percent (8%) of San Mateo County residents lack any form of health insurance and roughly one-third of seniors (33%) lack coverage that pays for routine dental care. For those unable to access even basic dental care, the consequences can be dramatic. Studies have repeatedly documented connections between poor oral health and a variety of serious medical conditions, such as diabetes and heart disease. Other consequences of untreated decay include severe pain, infections, speech difficulties, tooth loss, missed workdays and more.

Background

Sequoia Healthcare District identified accessible and affordable oral health services for their most economically-challenged residents as a high priority and sought a partnership with Ravenswood Family Dentistry to convert the District Offices at 525 Veterans Blvd to a dental clinic. Ravenswood embarked on an analysis of Need, estimate of construction costs, and the funding requirement which are presented below:

Need

A Need and Feasibility study was completed in June 2023 and provided information to help identify and evaluate Ravenswood Family Health Network's (RFHN) facility and service options for the Redwood City Family Dentistry Clinic. The study outlined major findings from research on, and analysis of, current and future dental patient markets, utilization trends, and oral health disparities in Sequoia Healthcare District (SHD).

- Key Study Findings
 - Less than 30% of District residents had an annual dental visit in most zip codes. The largest utilization decreases were among residents of North Fair Oaks (94063) and Redwood City (94061) zip codes. Only 27.9% or 5,776 Medi-Cal members from both zip codes had an annual dental visit in 2022 (vs. 38.7% in 2018). This also means that

14,895 or 72.1% of SHD Medi-Cal members from these zip codes did not visit a dentist in 2022.

- In 2022, most of the 8,793 adults in the SHD enrolled in San Mateo County's Access and Care for Everyone (ACE) did not have health coverage. ACE dental benefits are limited to urgent or emergency care for adults. 60% of ACE members live in the 94063 NFO and 94061 RWC zip codes. A significant share of ACE members are unauthorized immigrants and/or working poor uninsured adults whose incomes are too high to qualify for Medi-Cal.
- The projected patient market for the Redwood City Family Dentistry Clinic is comprised of RFHN's primary target population of any person in a household with income at or below 200% of the federal poverty level (FPL). The 200-400% FPL population is also included as a secondary target population because many of the residents in this income range are eligible for dental insurance or assistance through Medi-Cal, ACE, and other programs.

Funding Requirement

An investment of up to \$5.5M (Plus an annual cost escalation factor) to cover construction, furniture, fixtures, and equipment, and soft costs (architect, permits, fees, insurances, and contingency). *Notes:

- Budget is Preliminary based on simple set of construction assumptions
 - Final cost after Bidding can be greater or lesser
 - Guaranteed Maximum Price at contract signing w/ General Contractor reduces risk of cost overruns
 - Supply & Labor Market conditions can be unpredictable, volatile
 - Bidding to be done AFTER Construction Permit has been issued to reduce unknown factors, minimize contingencies, allowances & change orders.
- Estimated Bidding timeframe – Late Spring 2024

Conclusions

Investing in a new dental clinic presents an important opportunity for both Ravenswood and Sequoia Healthcare District to fill a widening gap in oral health services, reduce health disparities among its residents, and make a profound, positive impact in the oral health landscape. This opportunity is, however, not without its risks and challenges. The clinic must achieve balance between access to dental care regardless of ability to pay and financial feasibility and sustainability and its establishment and development should be aligned with the health priorities of both entities.