



FEDERAL RESERVE BANK OF PHILADELPHIA

Economic and Community Advisory Council

December 15, 2017, Meeting Summary

The Federal Reserve Bank of Philadelphia's Economic and Community Advisory Council (ECAC) convened in December for its third and final meeting of 2017. The council, which consists of national and regional leaders from the business, philanthropic, academic, and community development sectors, met to discuss economic and business trends and ways to leverage members' resources and expertise to affect positive change. This council meeting was hosted by outgoing chair Madeline Bell, the President and CEO of the Children's Hospital of Philadelphia (CHOP). The meeting's discussion focused on the topics of health care and public health, and the effects that public health issues have on people's financial well-being both inside and outside the Third Federal Reserve District.

The meeting began with a presentation from Madeline Bell and Peter Grollman, CHOP's senior vice president of government affairs and community relations. They discussed current pressing issues in the field of health-care delivery, including changes in federal health insurance policies and the exciting new innovations in medical technology being implemented and deployed by CHOP's staff. They also discussed challenges in the labor market for health-care professionals, noting a labor shortage in specialized fields partially due to increased tuition costs.

They also highlighted CHOP's commitment to deepening engagement with the community and to extending partnerships with community organizations throughout the city. One prominent example of these efforts is the South Philadelphia Community Health and Literacy Center. Opened in May 2016, the Center is a joint venture by CHOP, the City of Philadelphia's Parks and Recreation and Public Health Departments, and the Free Library of Philadelphia. It offers numerous literacy and recreational resources in addition to comprehensive health services. An essential model of public-private partnership, this initiative demonstrates the impact that innovative cross-sector collaboration can have on local communities and signifies CHOP's role as an anchor institution in the city.

Council member Donald Schwarz, senior vice president, program, at the Robert Wood Johnson Foundation, next gave a presentation on the link between financial health and public health. His remarks highlighted trends in public health issues in the United States such as



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obesity and chronic diseases, and the negative effects that these trends have on people's financial well-being. He emphasized the promotion of an overall culture of health, which could lead to systemic improvements in lifestyle and health outcomes. A large part of this effort is connecting community development and economic development to ensure that the benefits of economic growth are felt in the communities in which the growth occurs.

These insightful presentations sparked a conversation among council members and Reserve Bank staff about health-care issues in Philadelphia and the broader Reserve District. From an employer perspective, rising health-care costs are especially problematic. Representatives from the nonprofit community in particular noted that these costs place strain on their operational budgets. Employers do find it to be increasingly necessary to provide health benefits, despite the rising costs. Many are also reexamining the alternative health-care resources they provide their employees. These resources have been shown to increase productivity and morale among employees and create a healthier work environment.

Council members also discussed effects that economic trends in the region have on communities' health outcomes. Pockets of deep poverty in Philadelphia and its outlying communities coincide with poor nutrition and health metrics. Members discussed ways to more effectively disseminate information regarding the connection between financial and public health and methods for further engaging public and private sector institutions to raise awareness of these issues. In addition, members highlighted workforce development barriers and the growing skills gaps in the region. The council reflected that these challenges were causing increased economic disparity and impacting the region's overall economic competitiveness. Members challenged the Bank senior leadership team to take central role in catalyzing change here.

Bank leadership gained a deeper understanding of the issues in the health-care industry in the Third Federal Reserve District, as well as the public health trends that are impacting communities across the country. Meeting discussions also illustrated the important role that hospitals can play as anchor institutions by promoting a culture of health and well-being, that there is a growing understanding of the connection between public health and financial health, and that further engagement from public and private sector stakeholders is needed to raise awareness of this key issue facing our communities.