



# CENTRAL HEALTH

## MEMORANDUM

To: Central Health Board of Managers  
From: Amit Motwani, Chair, Infrastructure Committee  
Stephanie Lee McDonald, Chief Infrastructure Officer  
CC: Dr. Pat Lee, President & CEO  
Date: August 22, 2025  
Re: Proposed Infrastructure Investments and Current Capital Program

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On **September 24, 2025**, the Central Health Board of Managers will be asked to take action to acquire two new properties in support of the ongoing implementation of the **Health Equity Strategic Plan**. These proposed acquisitions directly respond to the most urgent access needs in our healthcare system, particularly in **Northeast Austin and the Rundberg area**—where Central Health and CommUnityCare have identified significant gaps in ambulatory care. Current estimates have identified over 10,000 unique Travis County residents in this area who do not have sufficient access to primary care.

Now in the second year of implementation, the Health Equity Strategic Plan outlined critical infrastructure investments required to support equitable access to care. The Health Equity Strategic Plan is a component of longer term and more broader care continuum analysis that is also occurring. This work will include the primarily ambulatory and post-acute care needs already identified, but will provide a longer-term capital facilities plan.

The Health Equity Strategic Plan identified primary care access challenges in South Austin and Northeast/Rundberg. In addition, the plan also identifies essential investments in **foundational enablers for the Central Health System**, including:

- Patient navigation services
- Eligibility and enrollment functions
- Revenue cycle operations
- Other clinical support infrastructure

These clinical support capabilities are indispensable to deliver and sustain high-quality care, and they require dedicated workspace to be effectively operationalized. Other critical support spaces



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such as a Central Fulfillment Pharmacy and System Medical Equipment Sterilizations needs also need to be housed in order to deliver appropriate patient care.

Further, our current capital strategy includes exploring **investments across the care continuum**, such as:

- **Post-Acute Care** (with a focus on Skilled Nursing Facilities)

Although opportunities have not presented themselves to date, the Central Health team remains committed to identifying and pursuing additional opportunities to advance our capital program in alignment with strategic objectives.

### **Capital Acquisition Strategy – Key Considerations:**

The proposed property acquisitions align with our broader capital acquisition strategy, which prioritizes:

- Large sites capable of supporting **co-located** services and a broad range of **ambulatory clinical offerings**
- Integration of **Women's Health and Pediatric** services where feasible
- Preference for **owned facilities** over leased space
- Locations with **long-term development potential**, including capacity for future buildings or multi-story development
- Proximity to **major transportation corridors** such as I-35

Both properties currently under consideration are in **due diligence** and meet the above criteria.

### **Next Steps:**

- **Board approval** of these acquisitions and related financing through **Certificates of Obligation** - Scheduled for **September 24, 2025**
- **Travis County Commissioners Court** – Planned to request approval for closing and sale of Central Health issued **Certificates of Obligation** on **October 7, 2025**

Simultaneously, Central Health is progressing work on the **FY 2025 System Key Result**—developing a **comprehensive vision for the future care continuum and a formal Capital Program Plan**, both anticipated for completion in **FY 2026**.