

Economic Mobility Funding Key in MHM's Response to the Texas Hill Country Flooding

Methodist Healthcare Ministries (MHM) responded to the devastating Texas Hill Country Flooding in a variety of impactful ways. On the front lines of the recovery through the inspiring work of our team members, such as Wesley Nurses and Community Health Workers, as well as through our community investments team, our leadership team and our board of directors who approved a \$3 million commitment to support flood relief and recovery efforts.

As part of this response, we strategically aligned with LiftFund, a Community Development Financial Institution (CDFI) that provides loans to small businesses. In support of their Hill Country Disaster Recovery Initiative, Methodist Healthcare Ministries contributed \$1 million to help small businesses recover and rebuild. This investment aligns with our broader commitment to Economic Mobility, which we recognize as being closely linked to long-term health and well-being in the communities we serve.

This partnership with CDFIs exemplifies how we approach community investments with a focus on long-term, systemic impact. Supporting small businesses not only aids immediate disaster recovery but also strengthens the economic resilience of the region.

MHM's Commitment to Economic Mobility

Methodist Healthcare Ministries commits to identify, invest in, and support approaches that address root causes of poverty and financial outcomes for individuals and families living in poverty. Economic Mobility includes financial independence by strengthening knowledge, behaviors and opportunities through financial information, education and coaching opportunities, along with capital and asset building to develop financial capability and security.

Capital and Asset Building as Economic Mobility

At MHM, we are not only focused on strengthening financial knowledge and behaviors, but also capital and asset building to develop financial capability and security across communities. For a community to thrive economically, its residents need basic financial services, affordable credit, and community infrastructure for financial self-sufficiency.

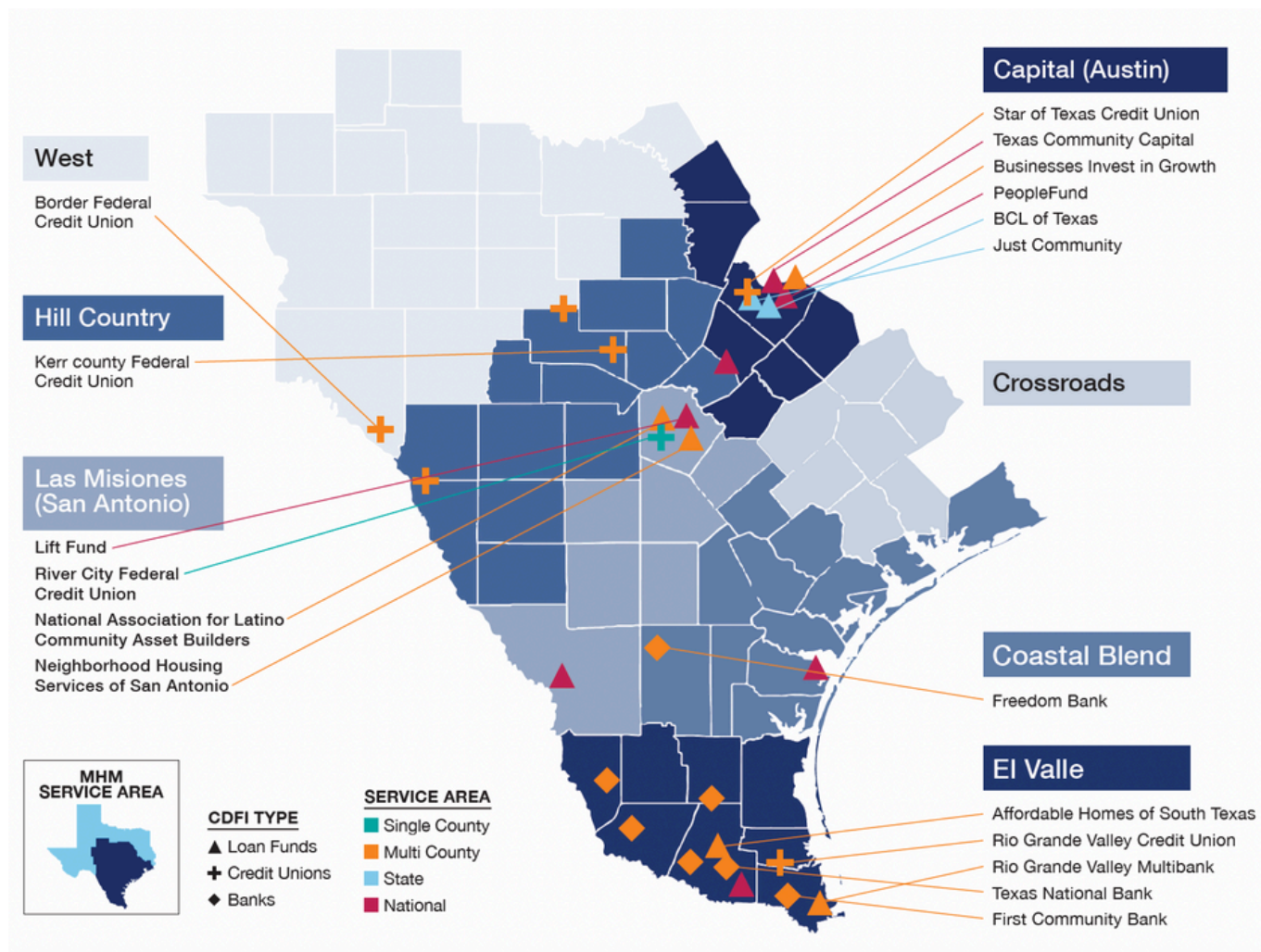
Partnerships with Community Development Financial Institutions (CDFIs) is one approach to advancing MHM's health equity strategy, which seeks to reduce disparities and create fair and just opportunities for every person to reach their full potential for health and life and contribute to that of others. The purpose of CDFIs is to promote economic opportunity by addressing long-standing geographic and socio-economic barriers in the financial system, which aligns to MHM's commitment to economic mobility.

CDFIs in MHM's Service Area

There are 18 CDFIs based in MHM's service area- 10 loan funds, 5 credit unions and 3 banks including 8-10 that provide financial services within it. Most loan funds in MHM's service area support affordable housing organizations, micro-business loans, and function as intermediaries. This allows them to support job creation efforts that benefit the community members and sustain the impact of blended capital. Funding circulates locally rather than being paid out to non-local lenders and shareholders.

All 5 credit unions offer consumer loans, which are essential for meeting emergency needs such as home repair, which can significantly impact health and safety, which also reduces predatory lending practices that erode financial stability.

The CDFIs within MHM's service area are clustered in San Antonio, Austin and the Rio Grande Valley urban center, there are significant regions that do not have access to CDFIs and meet the geographic target market requirements. Many of these areas, including entire rural communities, are also severely underserved by traditional financial institutions.



Why it Matters?

The work of CDFIs' spans a continuum from meeting individuals' social needs to strengthening community health infrastructure and financial systems. CDFIs, like LiftFund, offer opportunities to amplify knowledge, resources, and relationships to increase financial stability and reduce poverty at an individual, familial, and community level, ultimately leading to better immediate and long-term health and well-being outcomes.

These institutions are pivotal in providing access to capital for low-income and underserved communities, who are often excluded from traditional financial services. CDFIs are well-positioned to collaborate with funders and other institutions like MHM to address their region's pressing needs, including affordable housing, small business growth, and health equity. By fostering collaborations between CDFIs and organizations like MHM, traditional financial institutions, and other funders, we can raise awareness of CDFI services among small businesses and underserved communities, and we can all develop another path for advancing our missions.

For questions or additional information, please visit mhm.org or email healthequity@mhm.org.