

HHS Office of Climate Change and Health Equity Inflation Reduction Act (IRA) Case Study

Organization name: Boston Medical Center Health System

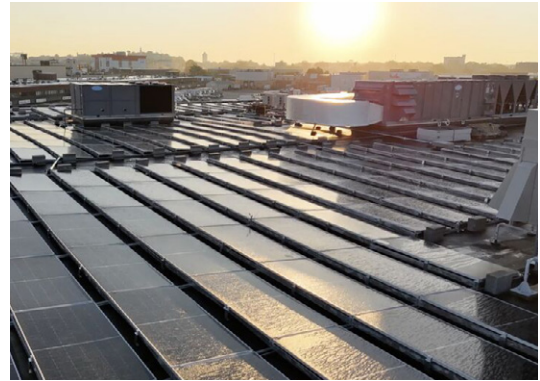
Organization tax status: Tax-exempt not-for-profit

Facility name: Boston Medical Center

Facility location: Boston, Massachusetts

Brief description of facility: Boston Medical Center (BMC) is a 616-bed academic medical center located in Boston, Massachusetts and is the primary teaching affiliate for Boston University School of Medicine. As the largest safety-net hospital in New England, BMC offers comprehensive healthcare services to individuals regardless of their socioeconomic status. Over 70% of the BMC patient population is covered by public insurance and over 70% self-identify as people of color. BMC provides over 1.2 million outpatient visits per year annually and is the largest provider of trauma services in New England. BMC's affiliated health plan, WellSense, has over 750,000 members.

Boston Medical Center HEALTH SYSTEM



The Project

Brief description of project partially financed by the IRA:

Clean Power Prescription is a first-of-its-kind pilot program that provides solar energy credits to BMC Health System patients who report difficulty affording household utility payments. The credits are generated by a 356 kW solar array on the campus of Boston Medical Center. Patients enrolled in the pilot receive a monthly credit on their electric bills, totaling \$600 over the course of twelve months.

IRA funding mechanism(s):

Investment Tax Credit for Energy Property with Category 4 Low-Income Communities Bonus Credit and Energy Community Bonus Credit (our site is a brownfield). We were approved for the Low-Income Communities Bonus Credit in the 2023 cycle.

Projected benefits of the project:

BMC expects to receive the Investment Tax Credit base credit amount plus two Bonus Credits (category 4 Low-Income Communities and Energy Communities), which will cover 60% of the cost of the solar array installation. The Clean Power Prescription also advances BMC's mission by addressing both economic and

continued on the next page



HHS Office of Climate Change and Health Equity Inflation Reduction Act (IRA) Case Study

environmental justice. In addition to helping our patients, the pilot project has generated significant benefits in terms of philanthropy, faculty recruitment, and faculty/staff morale. BMC will also benefit from the project by retaining the Renewable Energy Credits (RECs) produced by the solar facility. The RECs partially offset the carbon emissions from electricity that BMC draws from the local power grid, a portion of which is generated by burning fossil fuels. Beyond the pilot phase, which is anticipated to wrap up in 2026, we plan to scale the program by partnering with external organizations that could host solar arrays. If a partnering organization chose to contribute at least 50% of the solar energy to our patients, the partner would become eligible to receive the Low-Income Communities Bonus Credit.

If the project is already in place, any realized benefits:

Our enrollment goal is 80-100 households during the pilot phase. We opened enrollment in February 2024, and as of April 2024, we have enrolled 20 patients.

Role of community partnerships in the project:

We refer patients enrolled in Clean Power Prescription to a community partner, Action for Boston Community Development (ABCD), so that patients can receive home energy efficiency upgrades, weatherization, and, whenever possible, air-source heat pumps.

Advice and Guidance

What influenced your organization's decision to pursue this project?

Clean Power Prescription represents the next phase of BMC's groundbreaking work to address social determinants of health (SDOH) through a climate lens. Since 2017, BMC has been screening patients for social determinants of health, including questions regarding food insecurity, housing instability, and energy insecurity. To address food insecurity, we have two rooftop farms on the BMC campus that grow hyperlocal produce for our Preventive Food Pantry, our cafeterias, and inpatient units. The Preventive Food Pantry, which allows healthcare providers to "prescribe" healthy, locally-grown food (from the BMC farms and other local farms), has been in operation for over 20 years. Clean Power Prescription is the first BMC program to address energy insecurity. In addition to reducing the cost burden of utility bills, our program addresses environmental justice by providing access to renewable energy and engaging patients in a dialogue around the clean energy transition.

How did the IRA affect your decision-making about this project?

The IRA was a critical factor in making Clean Power Prescription a reality. The idea for Clean Power Prescription took shape in January, 2023 when primary care physician Dr. Anna Goldman first approached Chief Sustainability Officer Bob Biggio to share concerns about many patients reporting difficulty affording utility bill payments. She proposed developing a cooperatively-owned community solar array on the hospital campus to generate passive income for low-income patients. Mr. Biggio was already in the process of developing a solar array on the roof of an administrative building to provide onsite electricity generation



HHS Office of Climate Change and Health Equity Inflation Reduction Act (IRA) Case Study

for BMC operations. However, Mr. Biggio supported the idea of changing course and instead using it to assist patients with energy insecurity. He was aware of the IRA's Low Income Community Bonus Credit, and this was a decisive factor in BMC's choice to provide solar credits to BMC Health System patients.

Looking back, is there anything you wish you had known when you were starting to consider this project?

When we launched the pilot, we had not understood that the solar facility could not be placed into service until the application for the Low-Income Communities Bonus Credit had been approved. This caused a 12-week delay for our project (12 weeks elapsed between application submission and approval). (Note: this limitation does not apply to all Investment Tax Credit projects, just those hoping to use the Low-Income Communities Bonus Credit.)

What advice would you give someone pitching a similar project to their leadership or board?

Consider creative ways to finance the project. Green bonds, power purchase agreements, and "anchor tenant" agreements are useful financing options, all of which BMC has used in our sustainability project portfolio. The solar array used by Clean Power Prescription was initially developed through a power purchase agreement. However, due to the incentives offered through the IRA and our decision to create the Clean Power Prescription, BMC bought the facility from the developer through a capital investment. Additionally, BMC is an anchor tenant in a 60-megawatt solar farm located in North Carolina. In 2014, BMC became the first hospital in the US to issue green bonds.

You can contact BMC by emailing sustainability@bmc.org.

For more information on the Investment Tax Credit, Low Income Communities Bonus Credit, Energy Community Bonus Credit, and other IRA opportunities, please visit the [Quickfinder for Leveraging the Inflation Reduction Act for the Health Sector](#).

