

Centene Foundation Announces Partnership with Affordable Housing Leader McCormack Baron Salazar to Increase Access to Affordable Housing - May 21, 2024

Multiyear partnership will focus on predevelopment loans to enable approximately \$900 million in planning activity and construction

Partnership expected to create thousands of housing units and drive improved health outcomes for Medicaid-eligible populations through increased access to health-related services

ST. LOUIS, May 21, 2024 /PRNewswire/ -- [The Centene Foundation](#) ("the Foundation"), the philanthropic arm of [Centene Corporation](#) ("Centene") [NYSE: CNC] – a leading healthcare enterprise focused on transforming the health of the communities it serves, and [McCormack Baron Salazar](#) ("MBS"), one of the nation's leading developers of affordable housing, announced they have entered into a multiyear partnership to construct new affordable housing communities in eight states. Under the partnership, the Foundation will provide below market-rate loans to support MBS' predevelopment design and planning work, leading to the construction of affordable housing in distressed and underserved communities. The loans are anticipated to enable approximately \$900 million of direct construction-related activity, supporting the creation of thousands of affordable housing units in low-income communities across the country. The partnership is intended to address the critical lack of affordable housing – a key driver of health – impacting many economically vulnerable populations for whom Centene provides vital healthcare services.

"Among the challenges facing many low-income Americans is the availability of affordable housing," said Centene Chief Executive Officer (CEO), Sarah M. London. "This innovative partnership promises to accelerate the development of high-quality, affordable housing by providing early-stage funding at rates not available on the open market. Centene and our local health plans will also have the opportunity to participate in community engagement to help ensure that new housing and onsite services have the greatest possible impact on the health of local residents, many of whom Centene serves."

The availability of affordable housing is recognized as a key driver of health equity and positive health outcomes. However, according to the National Low Income Housing Coalition, there was a [shortage](#) of 7.3 million affordable homes in the U.S. in 2023. The lack of affordable housing is especially challenging for Medicaid beneficiaries, a key community served by Centene, as the nation's largest provider of Medicaid insurance.

The partnership between the Foundation and MBS builds on Centene's 40-year history of providing whole-health solutions and MBS' 50-year track record of successful community revitalization. The partnership also reflects the Foundation's philanthropic mission to invest in programs that improve the lives and health of members in the communities Centene serves.

Founded in 1973, MBS is a St. Louis-headquartered company that shares the Foundation's commitment to improving the health of communities through local engagement, timely access to healthcare and social services. The opportunity to leverage predevelopment dollars is an innovative and key differentiator for both organizations. MBS estimates that every dollar of support from the Foundation will enable MBS to obtain \$30 or more of permanent financing from local, state and federal programs and private sources. Additionally, the partnership will allow the Foundation to expand its efforts to support the whole health of economically vulnerable populations across the country.

"Overcrowding, housing insecurity and substandard housing [correlate](#) to a long list of detrimental public health outcomes," said MBS President and CEO, Vince Bennett. "These include chronic disease, exposure to toxins, injuries, and child development losses. Indeed, we learned early in the pandemic the relationship between adequate housing and public health. As early as May 2020, California researchers had found a clear [link](#) between Covid-19 deaths and essential workers living in overcrowded homes. The Centene Foundation's investment in this vital preventive step can not only help stabilize households and communities, but it can save public health care funding and lives," said Bennett.

Each development project will be designed with the health of residents in mind. Informed by health and social needs, assessments and community feedback, the projects will include first-floor commercial space for important health-related services such as Federally Qualified Health Centers, grocery stores, community gyms and other beneficial offerings that can be accessed by the local community.

Financial terms of the partnership were not disclosed.

About Centene Foundation

The [Centene Foundation](#) (the "Foundation"), a private nonprofit focused on investing in economically challenged communities, is the philanthropic arm of [Centene Corporation](#) (NYSE: CNC) ("Centene"). The Foundation supports projects and initiatives strategically aligned with Centene's mission-driven culture and enhances the work Centene is doing to remove the barriers to wellness underserved and low-income populations face. The Foundation is committed to addressing social determinants of health and improving health equity in three distinct areas of focus: healthcare access, social services and education. To learn more, visit the Centene Foundation's [website](#).

About McCormack Baron Salazar

[McCormack Baron Salazar](#) is one of the nation's leading developers, property managers, and asset managers of economically integrated urban neighborhoods. Since 1973, the firm has been an innovator of community development and urban revitalization in 48 cities, having built more than 25,000 high-quality homes with total development costs of over \$5 billion.

SOURCE Centene Foundation

For further information: Centene Foundation, Shannon Susko, Mediainquiries@centene.com, or McCormack Baron Salazar, Stephanie Tolson, 314-406-3472, stephanie.tolson@mccormackbaron.com

<https://investors.centene.com/2024-05-21-Centene-Foundation-Announces-Partnership-with-Affordable-Housing-Leader-McCormack-Baron-Salazar-to-Increase-Access-to-Affordable-Housing>