

## Balance Sheet

### Current Assets

Cash and Cash Equivalents – \$46.4 million

- Includes \$5M emergency reserve in Money Market account

Prepaid and Other – \$240k, which includes:

- \$37k related to a lease security deposit
- \$202k related to software amortization
- Security deposit paid up front; Pentaho software license.

**Total Assets – \$46.6 million**

### Liabilities

Accounts Payable and Accrued Liabilities – \$11.9 million, which includes:

- \$127k accounts payable to providers and vendors
- \$11.2 million estimated IBNR including:
  - \$1.8 million Integral Care – Mar – May accruals.
  - \$6.9 million CUC – \$1.8M accrued for MAP claims (Apr-May); \$695k accrued for SFS (May); \$230k accrued for Self-Pay (Apr-May); \$376k accrued for PM/PM (May); \$15k accrued for Pay for Reporting (May); \$929k accrued for Pay for Performance (Oct-May); \$294k accrued for Scriptcare (Apr-May); \$97k accrued for Pharm Allocation (May); \$140k accrued for Specialty Care Transition; \$2.3M accrued for DY6 DSRIP costs.
  - \$180k El Buen – \$4k accrued for MAP claims (May); \$160k accrued for SFS (May); \$6k accrued for Pay for Reporting (May); \$10k accrued for RN/MA visits.
  - \$243k Lone Star COC – \$85k accrued for MAP claims (May); \$115k accrued for SFS (May); \$25k accrued for Rx claims (May); \$6k accrued for Pay for Reporting (May); \$12k accrued for RN/MA visits.
  - \$240k People's – \$23k accrued for MAP claims (May); \$120k accrued for SFS (May); \$12k accrued for Pay for Reporting (Apr-May); \$60k accrued for RN/MA visits; \$25k accrued for BH Therapy visits.
  - \$190k Front Steps – Apr & May accrual.
  - \$211k Paul Bass Specialty Care – Oct – Mar accruals.
  - \$799k Seton Specialty Care – \$680k Orthopedics; \$70k Gastroenterology; \$45k Urology; \$4k Cardiology.
  - \$605k Other MAP Providers – \$10k for Volunteer; \$15k ACC; \$55k for Project Access (2 months); \$116k COA EMS (2 months); \$14k Dr. Horne; \$4k Dr. Alexander; \$7k Urgent Care; \$15k for SIMS; \$4k Tx PT Specialists; \$320k Skilled Nursing Facilities; \$45k Hospice/Palliative Care.
- \$112k non-provider accruals; including \$66k United Way
- \$457k due to Central Health



May 2017 Preliminary FYTD Financial Statements (unaudited)  
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Deferred Revenue – \$2.8 million deferred revenue related to DSRIP projects

Other Liabilities – \$232k; includes leasehold improvement allowance liability of \$215k

Payroll Liabilities – \$285k; includes PTO liability of \$229k & accrued payroll of \$48k for 3 days

**Total Liabilities – \$15.2 million**

**Net Assets**

Emergency Reserve – \$5.0 million

Unrestricted Net Assets – \$26.4 million

**Total Net Assets – \$31.4 million**

**Total Liabilities and Net Assets – \$46.6 million**



**Sources and Uses Report**

May financials → eight months, 66.7% of the fiscal year

**Sources of Funds, Year-to-Date**

DSRIP Revenue - \$56.7 million recognized to date, primarily for DY5 performance

- \$56.739 million received for FY2017, 91% of budget.
- October DY5 – **Cat 1 & 2** incentives related to DY5 total \$31.2 million. **Cat 3** incentives total \$25.6 million, of which \$310k is related to DY4 carry forward and \$25.3 is related to DY5.

Operations Contingency Carryforward – Consisting of audited net assets from FY2016, less \$5.0 million emergency reserve, is \$26.3 million

Other Sources – \$85k, which includes:

- \$35k interest revenue
- \$50k awarded by Cap Metro’s Transit Empowerment Fund; to be used to transport MAP patients.

**Uses of Funds, Year-to-Date**

Operating Expenses

| Healthcare Delivery                               |                          |                     |             |  |
|---|--------------------------|---------------------|-------------|--|
| Category  | YTD Total Operating Cost | Re-Allocated Budget | % of Budget | Variance   |
| Healthcare Delivery (Providers, Personnel, Other) | 42,816,406               | 81,268,056          | 52.7%       | Primary Care \$29.3M; Specialty Care \$2.2M; Dental \$304k; Behavioral Health \$5.4M; Post-Acute Care \$1.0M; Urgent Care \$124k; Pharmacy \$2.5M; Client Referral Services \$526k; Personnel Costs \$598k; Consulting \$177k; Other Purchased Goods \$248k; TPA Expense \$467k. |
| HIT   | 1,354,020                | 4,458,147           | 30.4%       | Personnel Costs \$667k; Consulting \$31k; Other Purchased Goods \$483k.  |
| Patient Medical Management                        | 1,014,782                | 1,782,840           | 56.9%       |  |
| Quality, Assessment and Performance               | 432,881                  | 956,974             | 45.2%       |  |

May 2017 Preliminary FYTD Financial Statements (unaudited)

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|                                  |                   |                    |              |   |
|----------------------------------|-------------------|--------------------|--------------|---|
| <b>Administration</b>            | 769,881           | 1,331,983          | 57.8%        | Personnel Costs \$471k; Legal \$22k; Consulting \$5k; Other Purchased Goods \$143k. |
| MAP Redesign                     | 180,580           | 4,652,622          | 3.9%         |   |
| MAP Benefits Enhancement Reserve | -                 | 858,938            | 0.0%         |   |
| Service Expansion Funds          | -                 | -                  | n/a          |   |
| Operations Contingency           | -                 | 63,496             | 0.0%         |   |
| <b>Total Healthcare Delivery</b> | <b>46,568,550</b> | <b>95,373,056</b>  | <b>48.8%</b> |   |
| UT Affiliation                   | -                 | 35,000,000         | 0.0%         |   |
| DSRIP                            | 10,166,104        | 23,488,234         | 43.3%        |   |
| <b>Total Uses</b>                | <b>56,734,655</b> | <b>153,861,290</b> | <b>36.9%</b> |   |

Change in Net Assets – Year-to-date change in net assets is an increase of \$89k.

Other Expenses

**HCD Operating Cost**

| Program   | YTD Total Operating Cost | Re-Allocated Budget | % of Budget  | Notes |
|---|--------------------------|---------------------|--------------|-------|
| Total Personnel Cost  | 558,294                  | 1,517,573           | 36.8%        |       |
| Total Other Purchased Goods and Services (excluding legal and consulting) | 248,164                  | 324,074             | 76.6%        |       |
| Total Consulting Expense  | 177,409                  | 150,000             | 118.3%       |       |
| <b>Total HCD Operating Cost</b>   | <b>983,867</b>           | <b>1,991,647</b>    | <b>49.4%</b> |       |

**Administration Cost**

| Program   | YTD Total Operating Cost | Re-Allocated Budget | % of Budget  | Notes |
|---|--------------------------|---------------------|--------------|-------|
| Total Personnel Cost  | 570,093                  | 724,105             | 78.7%        |       |
| Total Other Purchased Goods and Services (Excluding Legal and Consulting Expense) | 165,722                  | 257,878             | 64.3%        |       |
| Total Legal Expense   | 28,766                   | 150,000             | 19.2%        |       |
| Total Consulting Expense  | 5,300                    | 200,000             | 0.0%         |       |
| <b>Total Administration Cost</b>  | <b>769,881</b>           | <b>1,331,983</b>    | <b>57.8%</b> |       |

# Community Care Collaborative

## Financial Statement Presentation

### FY 2017 – as of May 31, 2017

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**Central Health Board of Managers  
Budget and Finance Committee**

**June 21, 2017**

**Jeff Knodel, CFO  
Jon Morgan, Interim Executive Director**



a partnership of Central Health and Seton Healthcare Family

# General

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- Financial Statements
  - Balance Sheet
  - Sources and Uses Report, Budget vs. Actual
  - Detail of Healthcare Delivery Costs
- Eight Months of Operations
  - October 1, 2016 – May 31, 2017

# Balance Sheet

As of May 31, 2017



|                                    | <u>FY 2017</u>       | <u>FY 2016</u>       |
|------------------------------------|----------------------|----------------------|
| <b>Assets:</b>                     |                      |                      |
| Cash and Cash Equivalents (1)      | \$ 46,383,155        | \$ 47,512,257        |
| Prepaid and Other                  | 239,553              | 64,104               |
| Total Assets                       | <u>\$ 46,622,708</u> | <u>\$ 47,576,361</u> |
| <b>Liabilities and Net Assets:</b> |                      |                      |
| AP and Accrued Liabilities         | \$ 11,897,175        | \$ 11,379,058        |
| Deferred Revenue                   | 2,801,052            | 2,257,871            |
| Other Liabilities                  | 232,312              | 2,691                |
| Accrued Payroll                    | 285,334              | 242,257              |
| Total Liabilities                  | 15,215,873           | 13,881,877           |
| Net Assets (1)                     | 31,406,835           | 33,694,484           |
| Total Liabilities and Net Assets   | <u>\$ 46,622,708</u> | <u>\$ 47,576,361</u> |

(1) Includes \$5M Emergency Reserve Balance.

# Sources and Uses Report, Budget vs Actual

## Fiscal Year-to-Date through May 31, 2017



|                                  |                                     | <b>Approved Budget</b> | <b>YTD Actual</b>    |
|----------------------------------|-------------------------------------|------------------------|----------------------|
| Sources of Funds                 | DSRIP Revenue                       | \$ 62,432,400          | \$ 56,739,332        |
|                                  | Member Payment - Seton (1)          | 41,500,000             | -                    |
|                                  | Member Payment - Central Health (1) | 26,245,166             | -                    |
|                                  | Operations Contingency Carryforward | 23,643,324             | 26,316,998           |
|                                  | Other Sources                       | 40,400                 | 85,159               |
|                                  | <b>Total Sources of Funds</b>       | <b>\$ 153,861,290</b>  | <b>\$ 83,141,489</b> |
| Uses - Programs                  | Healthcare Delivery                 | 95,373,056             | 46,568,550           |
|                                  | UT Services Agreement               | 35,000,000             | -                    |
|                                  | DSRIP Project Costs                 | 23,488,234             | 10,166,104           |
|                                  | <b>Total Uses</b>                   | <b>\$ 153,861,290</b>  | <b>\$ 56,734,655</b> |
| <b>Sources Over (Under) Uses</b> |                                     | <b>\$ -</b>            | <b>\$ 26,406,835</b> |

(1) Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.



# Healthcare Delivery Costs - Summary

## Fiscal Year-to-Date through May 31, 2017



|  | Approved Budget      | Re-Allocated Budget  | YTD Actual           | % of Re-Allocated Budget |
|--|----------------------|----------------------|----------------------|--------------------------|
| Primary Care (1)                             | \$ 48,792,582        | \$ 49,494,582        | \$ 29,277,454        | 59%                      |
| Specialty Care (2)                           | 8,526,951            | 10,526,951           | 2,207,932            | 21%                      |
| Dental Specialty Care (3)                    | 629,711              | 629,711              | 304,113              | 48%                      |
| Behavioral Health/Substance Use Disorder (3) | 8,833,856            | 8,833,856            | 5,426,085            | 61%                      |
| Post-Acute Care (3)                          | 1,150,000            | 1,900,000            | 1,037,295            | 55%                      |
| Convenient/Urgent Care                       | 600,000              | 600,000              | 123,978              | 21%                      |
| Pharmacy                                     | 5,350,000            | 5,350,000            | 2,462,778            | 46%                      |
| Client Referral Services                     | 856,309              | 856,309              | 526,240              | 61%                      |
| HCD Operating Cost                           | 1,991,647            | 1,991,647            | 983,867              | 49%                      |
| Health Information Technology                | 4,458,147            | 4,458,147            | 1,354,020            | 30%                      |
| Patient Medical Management                   | 1,782,840            | 1,782,840            | 1,014,782            | 57%                      |
| Quality, Assessment and Performance          | 956,974              | 956,974              | 432,881              | 45%                      |
| Claims Payment Services/TPA                  | 1,085,000            | 1,085,000            | 466,664              | 43%                      |
| Administration                               | 1,331,983            | 1,331,983            | 769,881              | 58%                      |
| MAP Redesign (4)                             | 5,354,622            | 4,652,622            | 180,580              | 4%                       |
| MAP Benefits Enhancement Reserve             | 858,938              | 858,938              | -                    | 0%                       |
| Service Expansion Funds                      | 1,000,000            | -                    | -                    | n/a                      |
| Operations Contingency                       | 1,813,496            | 63,496               | -                    | 0%                       |
| <b>Total Healthcare Delivery</b>             | <b>\$ 95,373,056</b> | <b>\$ 95,373,056</b> | <b>\$ 46,568,550</b> | <b>49%</b>               |

(1) Detail provided on Slide 6.

(3) Detail provided on Slide 8.

(2) Detail provided on Slide 7.

(4) Detail provided on Slide 9.

# HCD Providers Expenditures – Primary Care Detail

## Fiscal Year-to-Date through May 31, 2017



|                          | Approved Budget      | Re-Allocated Budget  | YTD Actual           | % of Re-Allocated Budget |
|--------------------------|----------------------|----------------------|----------------------|--------------------------|
| <b>Primary Care</b>      |                      |                      |                      |                          |
| CommUnityCare            | \$ 39,450,000        | \$ 39,450,000        | \$ 23,813,202        | 60%                      |
| El Buen Samaritano       | 2,350,000            | 2,350,000            | 1,408,723            | 60%                      |
| Lone Star Circle of Care | 4,364,995            | 4,364,995            | 2,072,272            | 47%                      |
| Peoples Community Clinic | 1,798,000            | 2,500,000            | 1,432,078            | 57%                      |
| Volunteer Clinic         | 100,000              | 100,000              | 77,991               | 78%                      |
| City of Austin EMS       | 696,822              | 696,822              | 464,411              | 67%                      |
| Other Providers          | 32,765               | 32,765               | 8,777                | 27%                      |
|                          | <b>\$ 48,792,582</b> | <b>\$ 49,494,582</b> | <b>\$ 29,277,454</b> | <b>59%</b>               |

# HCD Providers Expenditures – Specialty Care Detail

## Fiscal Year-to-Date through May 31, 2017



| <b>Specialty Care</b>                  | <b>Approved Budget</b> | <b>Re-Allocated Budget</b> | <b>YTD Actual</b>   | <b>% of Re-Allocated Budget</b> |
|--|------------------------|----------------------------|---------------------|---------------------------------|
| Seton Healthcare Family Specialty      | \$ 500,000             | \$ 2,500,000               | \$ 218,399          | 9%                              |
| Austin Cancer Centers                  | 359,000                | 359,000                    | 235,320             | 66%                             |
| Project Access                         | 330,000                | 330,000                    | 220,000             | 67%                             |
| Ophthalmology                          | 550,951                | 550,951                    | 319,019             | 58%                             |
| Ophthalmology - Surgical               | 400,000                | 400,000                    | 140,023             | 35%                             |
| Orthotics and Prosthetics              | 100,000                | 100,000                    | 102,606             | 103%                            |
| Orthopedics                            | 2,000,000              | 2,000,000                  | 527,391             | 26%                             |
| Urology                                | 450,000                | 450,000                    | 108,701             | 24%                             |
| Gastroenterology                       | 650,000                | 650,000                    | 158,330             | 24%                             |
| Neurology                              | 150,000                | 150,000                    | -                   | 0%                              |
| Cardiology                             | 100,000                | 100,000                    | 3,000               | 3%                              |
| Endocrinology                          | 100,000                | 100,000                    | -                   | 0%                              |
| Dermatology                            | 100,000                | 100,000                    | -                   | 0%                              |
| Telemedicine                           | 200,000                | 200,000                    | -                   | 0%                              |
| Gynecology Integrated Practice Unit    | 500,000                | 500,000                    | -                   | 0%                              |
| Ear, Nose and Throat                   | 400,000                | 400,000                    | -                   | 0%                              |
| Audiology                              | 50,000                 | 50,000                     | -                   | 0%                              |
| Allergy                                | 50,000                 | 50,000                     | -                   | 0%                              |
| Specialty Referral Process Improvement | 25,000                 | 25,000                     | 30,613              | 122%                            |
| CommUnity Care Specialty Transition    | 1,500,000              | 1,500,000                  | 140,101             | 9%                              |
| Other Providers                        | 12,000                 | 12,000                     | 4,428               | 37%                             |
|  | <b>\$ 8,526,951</b>    | <b>\$ 10,526,951</b>       | <b>\$ 2,207,932</b> | <b>21%</b>                      |

# HCD Providers Expenditures – Other Detail

## Fiscal Year-to-Date through May 31, 2017



|   | <b>Approved Budget</b> | <b>Re-Allocated Budget</b> | <b>YTD Actual</b>   | <b>% of Re-Allocated Budget</b> |
|---|------------------------|----------------------------|---------------------|---------------------------------|
| <b>Dental Specialty Care</b>                    |                        |                            |                     |                                 |
| Dental Devices                                  | \$ 200,000             | \$ 200,000                 | \$ 112,587          | 56%                             |
| Oral Surgery                                    | 429,711                | 429,711                    | 191,526             | 45%                             |
|   | <b>\$ 629,711</b>      | <b>\$ 629,711</b>          | <b>\$ 304,113</b>   | <b>48%</b>                      |
| <b>Behavioral Health/Substance Use Disorder</b> |                        |                            |                     |                                 |
| Integral Care                                   | \$ 8,000,000           | \$ 8,000,000               | \$ 5,288,170        | 66%                             |
| SIMS Foundation                                 | 383,856                | 383,856                    | 137,915             | 36%                             |
| Medication Assisted Therapy Pilot               | 450,000                | 450,000                    | -                   | 0%                              |
|   | <b>\$ 8,833,856</b>    | <b>\$ 8,833,856</b>        | <b>\$ 5,426,085</b> | <b>61%</b>                      |
| <b>Post-Acute Care</b>                          |                        |                            |                     |                                 |
| Front Steps/Recuperative Care Beds              | \$ 600,000             | \$ 1,000,000               | \$ 651,900          | 65%                             |
| Skilled Nursing Facilities                      | 550,000                | 900,000                    | 385,395             | 43%                             |
|   | <b>\$ 1,150,000</b>    | <b>\$ 1,900,000</b>        | <b>\$ 1,037,295</b> | <b>55%</b>                      |

# HCD Providers Expenditures – MAP Redesign Detail

## Fiscal Year-to-Date through May 31, 2017



|   | Approved Budget     | Re-Allocated Budget | YTD Actual        | % of Re-Allocated Budget |
|---|---------------------|---------------------|-------------------|--------------------------|
| <b>MAP Redesign</b>                             |                     |                     |                   |                          |
| Health Risk Assessment                          | \$ 262,500          | \$ 262,500          | \$ -              | 0%                       |
| Preventative Services                           | 51,819              | 51,819              | -                 | 0%                       |
| Pain Management                                 | 275,708             | 275,708             | -                 | 0%                       |
| Group Health Education                          | 56,250              | 56,250              | 25,000            | 44%                      |
| Palliative/Hospice Care                         | 322,592             | 322,592             | 132,475           | 41%                      |
| Integrated Behavioral Health                    | 150,000             | 150,000             | -                 | 0%                       |
| Complex Care Management                         | 800,000             | 800,000             | -                 | 0%                       |
| Expansion of Eligibility from 21% to 50% of FPL | 951,856             | 757,371             | 6,401             | 1%                       |
| Expansion of High-Risk Patients to 100% of FPL  | 2,483,896           | 1,976,381           | 16,704            | 1%                       |
|   | <b>\$ 5,354,622</b> | <b>\$ 4,652,622</b> | <b>\$ 180,580</b> | <b>4%</b>                |