HEALTH that cares.

2015 ANNUAL REPORT

CENTRAL HEALTH
In 2015, Central Health funded health care services for nearly one out of every 10 Travis County residents. Central Health also continued to fill the gaps in health coverage, enrolling a monthly average of more than 24,000 residents in the Medical Access Program (MAP), our local health coverage program for qualified low-income residents. Even better, we saw a reduction in emergency room visits from MAP enrollees, signifying further progress in treating patients early and in the most appropriate setting.

All of these statistics represent important achievements in bettering the health of our community. However, we know achieving our mission requires examining not only how much health care is delivered, but also how it is delivered. We cannot do this alone, which is why Central Health has enlisted the assistance of local hospitals, nonprofits and educational institutions.

These partnerships are paying immediate dividends. By teaming with Seton Healthcare Family, we are rebuilding the fragmented health care system, which serves our patients; our financial support for the Dell Medical School is offering us the chance to reinvent how health care is delivered and taught; and a new state-of-the-art teaching hospital and Level 1 trauma center will open in 2017 to serve all of Central Texas.

All of this work and much more represent the beginning of an exciting new era for Central Health, and most importantly, the health of all Travis County residents.

Sincerely,

PATRICIA A. YOUNG BROWN
Central Health President & CEO
In the 10-plus years since voters created Central Health, residents have continued to support the organization’s mission. In 2012, this support was further demonstrated by the approval of a proposition to increase property taxes to support new initiatives in health care delivery for the safety-net population and community at large.

The rapid population growth Travis County experienced during the past decade has had far-reaching effects on the people Central Health serves. Skyrocketing housing prices, particularly in central Austin, have created affordability issues that have forced low-income populations away from the city’s core. Areas, such as east-central Austin, are experiencing demographic shifts as long-term residents are priced out of the housing market.

To ensure Central Health continues its mission to provide health care access for the county’s underserved population, it is important to monitor demographic trends. Tracking the movement and growth of the county’s racial/ethnic groups, age 65-plus population, and lower-income families ensures Central Health can effectively respond to future challenges and opportunities.

Central Health conducts regular analyses to track and understand overall population trends, with a focus on uninsured Travis County residents with incomes below 200 percent of the federal poverty level. Our October 2015 report covers the latest geographic analysis of Travis County and includes current and projected trends relative to age, poverty, and race/ethnicity.

For additional information or to receive a copy of this report, please contact info@centralhealth.net.

There were 1.13 million residents in Travis County in 2014.

25%
Travis County’s population is expected to grow by 25 percent from 2010 to 2019.

18.2%
of the Travis County population was uninsured (2013), equaling 202,261 residents.

42.4%
of the Travis County population aged 18 to 64 with incomes below 200 percent of the poverty level was uninsured in 2013.

33,583
Travis County families earned below the federal poverty line in 2014.

12.8%
The number of Travis County families below the poverty level is projected to increase by 12.8 percent, or 4,285 families, by 2019.
Central Health was created by the voters of Travis County to ensure the availability of quality health care to our most vulnerable residents. In order for us to accomplish this goal, we support several affiliated organizations – CommUnityCare, Sendero Health Plans, Inc. and the Community Care Collaborative – to help us build and maintain the fabric of our publicly accountable safety-net health system. As partners, we all operate with a common objective to create access to care for those in our community who need it most.

### CENTRAL HEALTH BY THE NUMBERS

**A 2015 summary of people served**

- **376,949**
  - total primary care visits
- **304,974**
  - medical visits
- **47,332**
  - dental visits
- **24,643**
  - behavioral health visits
- **24,257**
  - average monthly enrollees in the Medical Access Program (MAP)
- **109,428**
  - total unique individuals who received care paid by Central Health
- **9%**
  - total decline in MAP enrollee emergency room visits as compared to fiscal year 2014
The Community Care Collaborative (CCC) is a non-profit partnership between Central Health and Seton Healthcare Family to better manage the care of our shared population. The partnership is further enhanced through a close relationship with the Dell Medical School at The University of Texas at Austin and Austin Travis County Integral Care, the region’s largest provider of behavioral health services.

CCC is taking a multipronged approach to transforming health care delivery:

**Focus on health** – The new system shifts the focus of care from treating symptoms to emphasizing the prevention of illness, management of chronic diseases, and the promotion of health.

**Whole-person care** – To be effective, the system requires collaboration among providers, care managers and navigators who work in partnership with the patient.

**Service integration** – Formerly disconnected health care services are being integrated into a single system of care that is dedicated to supporting the patient.

**Care navigation** – Patients will be aided and encouraged through the system according to a care plan they help develop.

**Improved care management** – A comprehensive patient database and analysis tools that support improved clinical care, patient management, and navigation will be implemented to link services and people in multiple locations.

**Financial alignment with care goals** – Financial incentives will be built into the system to reward providers for optimum patient health maintenance based on agreed-upon measures rather than payment only for the number of services rendered.

CommUnityCare is Central Health’s affiliated Federally Qualified Health Center (FQHC) system. CommUnityCare provides primary care, pediatrics, women’s services, HIV care, behavioral health services, dental care, nutrition counseling, and clinical pharmacy services to those who need them.

In 2015, CommUnityCare served 88,340 patients with 321,020 total visits, including 260,566 medical visits, 14,091 behavioral health visits, and 46,363 dental visits. The same year, the health centers began offering expanded hours at select locations, supporting more than 8,000 additional visits for a 6.8 percent increase from the previous year. Three mobile health teams provided 4,406 patient encounters and a new street medicine team served 302 homeless patients. CommUnityCare also increased access to specialty care, resulting in 1,224 additional gastroenterology visits and 1,529 additional pulmonology visits. Finally, it was able to expand its behavioral health services by providing 2,045 telepsychiatry visits (nearly double the total of the previous year).

As the largest community health center system in Travis County and one of the largest FQHC systems in the nation, CommUnityCare continues to be an essential component of Central Health.

www.communitycaretx.org

Sendero Health Plans is Central Health’s local nonprofit corporation that serves as the Central Texas community’s health maintenance organization (HMO). Through Sendero, Central Health coordinates and manages health care services and enhances the provider network in our community. Sendero currently offers the Travis Service Delivery Area STAR and CHIP programs. As a Qualified Health Plan under the Affordable Care Act, Sendero provides its IdealCare health insurance plan through the Health Insurance Marketplace.

In 2015, Sendero Health Plans increased new patient enrollment with 19,778 enrollees in the STAR (Medicaid) program and 3,490 enrollees in the CHIP program. To help manage high demand during open enrollment of the Health Insurance Marketplace, Sendero created a call-response program with outreach and enrollment specialists available throughout the week to aid enrollees. Through this program, Sendero received more than 18,000 calls and enrolled more than 6,000 members in IdealCare, more than double the target. Recognizing the unique needs of Central Texas communities, Central Health funds health plan benefits for Travis County musicians enrolled with Health Alliance for Austin Musicians (HAAM) and SIMS Foundation in Sendero’s IdealCare Plan.

As a community-based health plan, Sendero has continued to evolve with the changing health care landscape to become the health plan provider of choice for a growing number of central Texans.

www.senderohealth.com
The 1115 Medicaid Waiver represents one of the most significant transformations of health care ever undertaken in Central Texas and, particularly, in Travis County. Since its inception in 2011, the waiver has provided more than $521 million to Travis County hospitals to care for uninsured and Medicaid patients and more than $336 million to support local health care transformation projects through the Delivery System Reform Incentive Payment (DSRIP) program. The waiver utilizes funding from local entities, such as Central Health, to draw down larger federal matches to support DSRIP projects and hospital-based care. In 2015, Central Health provided $132 million in local funds to earn a total return of $319.8 million—equal to $2.42 of return for every $1 of local funds committed.

In 2015 funding from the 1115 Waiver supported dozens of local health care projects, including:

**INCREASING ACCESS TO PRIMARY CARE**
The opening of the Central Health Southeast Health & Wellness Center, combined with new night and weekend hours at select CommUnityCare health centers, provided thousands of new patient visits.

**CURING HEPATITIS C**
a dedicated specialty care clinic cured 215 patients of Hepatitis C, significantly improving their quality of life and reducing the costs of long-term treatments.

**MOBILE HEALTH CARE TEAMS**
Mobile units staffed by CommUnityCare physicians and nurses offered walk-up services to patients in underserved areas of Travis County, providing 4,406 primary care encounters in 2015.

**WHY THE 1115 WAIVER MATTERS**
For every $1 of local funding, the 1115 Waiver provides an additional $1.42 of federal matching support, earning a total of $2.42 for innovative health care services.
In 2012, Travis County voters approved a property tax rate increase to support Central Health’s work to transform safety-net health care. The additional funding is beginning to show tangible results. Partnerships between Central Health, Seton Healthcare Family, and the Dell Medical School at The University of Texas at Austin are developing systems and infrastructure to provide more and better health care for the vulnerable population Central Health serves.

There is a critical shortage of doctors in Austin and Travis County, a shortfall that impacts those with low incomes and no insurance the hardest. Addressing this long-term problem is key to Central Health’s mission. In 2015, the Dell Medical School prepared for its first class of students, and the Dell Seton Medical Center at The University of Texas will open the next year. These facilities will offer a direct return on investment to taxpayers by providing a state-of-the-art hospital and Level 1 trauma center, new faculty and students to treat Travis County residents and needed clinical care services that make Austin and Travis County a healthier community.

The Dell Medical School is also dedicated to finding and using new care methods and business models that will improve care across the safety net and bring needed medical advances in care to the patients served by Central Health. Women’s health is one of the first areas in which this transformation is taking shape. Central Health and the CCC are working with the recently hired Chair of the department of women’s health, Dr. Amy Young, to redesign and transform the delivery of women’s health in Travis County. Young is working closely with providers within the CCC to evaluate ways to leverage resources from the Dell Medical School in clinics that serve low-income residents in order to improve women’s health outcomes in Travis County.

Thanks to the support of the residents of Travis County, Central Health is working to improve how low-income residents access high-quality, cost-effective health care. Through efforts with partners such as the Dell Medical School, Central Health continued to work toward eliminating health disparities and to build on its vision of Travis County as a model healthy community.

INVESTING IN THE FUTURE
Transforming Travis County’s health care landscape

THE DELL MEDICAL SCHOOL

For nearly 100 years, the city of Austin owned, operated and funded Brackenridge Hospital, the safety-net hospital in Travis County that treated patients regardless of ability to pay. As the community grew, so did the financial burden of care, and by the early 1990s, hospital operations were running at a $38 million annual deficit.

In 1995, the city entered into a lease agreement with the nonprofit Seton Healthcare Family, whose mission “to care for and improve the health of those we serve with a special concern for the poor and vulnerable” aligned with Brackenridge’s public purpose. In 2004, upon the creation of Central Health as the health care district for Travis County, the property and lease of Brackenridge Hospital transferred to the district.

In the intervening years, health care has advanced to include technology that treats illness and injury in ways that could not have been imagined in the 1970s when the current facility was built. A report was commissioned in 2012 to analyze Brackenridge’s future potential in light of the area’s booming population and health care needs. The report concluded that the existing facilities, no matter how renovated, could not meet the needs of the current programs nor those in the future.

Recognizing the need for improved facilities, and the opportunity presented by the creation of the Dell Medical School, Seton, a part of Ascension, is building and will operate a new teaching hospital adjacent to the Brackenridge Campus. Scheduled to open in May 2017, Dell Seton Medical Center at The University of Texas represents the best in local public/private partnership – this new hospital brings greater value to the safety-net health care system.

The teaching hospital will provide the community a state-of-the-art, new Level 1 trauma center, a teaching hub for doctors and medical students, new bedside treatments stemming from increased local medical research, and the clinical care services necessary to make Austin and Travis County healthier.

Brackenridge hospital operations will relocate across the street upon the opening of the new hospital. In 2015, Central Health developed a master plan planning document for the future of the Brackenridge Campus after seeking significant community input through workshops, open houses, events, online surveys, canvassing, in-clinic surveys, and neighborhood association and interest group meetings. Central Health has spoken to more than 8,400 people so far, and the gathering of community input will continue to guide the redevelopment of the campus.

DELL SETON MEDICAL CENTER AT THE UNIVERSITY OF TEXAS

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Transforming Travis County’s health care landscape

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### ASSETS

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<th>Current assets:</th>
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<td>Accounts receivable, net of doubtful amounts of $5,045,587</td>
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<td>2,052,882</td>
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<tr>
<td>Other receivables</td>
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<td>Accounts receivable, net</td>
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<td>Inventory</td>
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<td>Prepaid expenses and other assets</td>
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<td>316,724</td>
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<td>Prepaid expenses and other assets</td>
<td>8,000,000</td>
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<td>Total current liabilities</td>
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<tr>
<td>Total assets</td>
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### NONCURRENT ASSETS

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<td>Total assets</td>
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### LIABILITIES

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<th>Current liabilities:</th>
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<td>Accounts payable</td>
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<td>Capital lease obligation</td>
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<td>Total current liabilities</td>
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<td>Total liabilities</td>
<td>$32,963,130</td>
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<tr>
<td>Change in net position prior to capital contribution</td>
<td>$6,693,035</td>
<td>$1,464,123</td>
<td>$(7,131,648)</td>
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### NET POSITION

| Net position in capital assets | $110,569,434 | $11,277,664 | $7,355,096 |
| Total liabilities | $32,963,130 | $13,194,089 | $18,441,442 |

### NET INCOME

<table>
<thead>
<tr>
<th>Operating revenues:</th>
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<tr>
<td>Total operating expenses</td>
<td>$177,869,854</td>
<td>$86,952,480</td>
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<tr>
<td>Operating income (loss)</td>
<td>$(145,392,604)</td>
<td>$1,464,123</td>
<td>$(7,123,723)</td>
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<tr>
<td>Nonoperating revenues (expenses):</td>
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<td></td>
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</tr>
<tr>
<td>Total nonoperating expenses</td>
<td>$10,993,905</td>
<td>$-</td>
<td>-</td>
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<tr>
<td>Total operating income</td>
<td>$155,779,949</td>
<td>$1,464,123</td>
<td>$(7,123,723)</td>
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<tr>
<td>Change in net position after nonoperating income or loss</td>
<td>$155,779,949</td>
<td>$1,464,123</td>
<td>$(7,123,723)</td>
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<tr>
<td>Total nonoperating income</td>
<td>$10,993,905</td>
<td>$-</td>
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### THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS

The notes to the financial statements are an integral part of these statements. These notes can be found at www.centralhealth.net.
2015 Central Health Board of Managers

Katrina Daniel, R.N.
Chairperson

Lynne Hudson, R.N.-C, M.P.H.
Vice-Chairperson

Rosie Mendoza, C.P.A.
Treasurer

William “Kirk” Kuykendall, J.D.
Secretary

Thomas Coopwood, M.D.
Board Member

Sherri Greenberg, M. Sc.
Board Member

Clarke Heidrick, J.D.
Board Member

Cynthia Valadez, Sr.
Board Member

Guadalupe Zamora, M.D.
Board Member