



## **Fiscal Year 2011 Approved Budget Executive Summary**

### *Who We Are*

The Travis County Healthcare District (doing business as “Central Health”), was created by vote of the Travis County electorate in May 2004. Its purpose is the provision of medical and hospital care to eligible residents of Travis County, a responsibility that was previously shared by the County and the City of Austin prior to Central Health’s creation. Central Health’s mission is to create access to healthcare for those who need it most.

While Texas law defines eligible residents as individuals at or below 21% of the federal poverty level (currently \$4,630 for a family of 4), Central Health defines its identified population as uninsured or underinsured people up to 200% of the federal poverty level (currently \$44,100 for a family of four).

### *Fiscal Year 2011 Budget*

Central Health has adopted the role of community steward in considering its responsibility to those in need of services and to all Travis County taxpayers. Central Health developed this fiscal year 2011 budget to help support the most appropriate level of care to our target population and to assure that taxpayer dollars are used in the most effective manner possible.

From its inception until March 2009, Central Health contracted with the City of Austin to operate the Community Health Centers (CHCs), the system of health centers in which enrollees in Central Health’s Medical Assistance Program (MAP) and residents of Travis County who do not have medical coverage of any kind receive primary care services. In March 2009, the CHCs transitioned from the City into a new non-profit organization, CommUnityCare, and Central Health incurred some costs in fiscal year 2009 to support this transition and the administrative infrastructure associated with the transition. This transition was completed in fiscal year 2009.

With the successful transition completed, Central Health reduced its budget in fiscal year 2010 for operating expenses from \$7.9 million in fiscal year 2009 to \$5.4 million in 2010, with most of that reduction redirected from operating expense to healthcare delivery. During fiscal year 2010, Central Health has continued to expand access to both primary and specialty care for its identified population.

In fiscal year 2011, Central Health will continue to expand its network of providers to address unmet healthcare needs locally and will plan with our partners and stakeholders to maximize the benefits of national health reform. We will also continue the dialogue we have begun with the community to identify healthcare priorities, areas for improving the current system, and anticipated areas of need.

The following are highlights of the District’s fiscal year 2011 operating budget:

- It is approved at the effective tax rate of 7.19 cents per \$100 of assessed valuation;
- It includes the use of \$10.4 million in reserves, which is approximately the amount Central Health will add to its reserves in fiscal year 2010 through the receipt of additional revenue and through expenditure savings;
- It includes \$1.1 million more in revenue (other than reserves), most of which is coming from the addition of new property to our tax base in fiscal year 2011;



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- It continues the practice of budgeting additional lease revenue from University Medical Center Brackenridge and the Dell Children's Medical Center conservatively;
- It provides for additional primary care visits at our contracted providers, with an addition of \$1.8 million to the base fiscal year 2011 budget;
- It includes an increase of \$1 million for inpatient mental health services, for a total of \$6.2 million;
- It includes \$400,000 for dental services expansion; and
- It includes more than \$6.6 million in unallocated service expansion and research and development funds that can be used as opportunities arise during the year.

### *Tax Rate and Tax Bill*

Central Health's fiscal year 2010 tax rate is 6.74 cents per \$100 of assessed valuation. Our fiscal year 2011 tax rate is approved at the effective tax rate of 7.19 cents per \$100 of assessed valuation. The impact of this tax rate on the owner of a residence homestead of average taxable value (\$221,359 in fiscal year 2010, \$217,814 in fiscal year 2011) is \$7.41 annually or 62 cents per month. Other property owners may see different increases or decreases to their property tax bill, depending on the change in their property's taxable value from fiscal year 2010 to fiscal year 2011.

### *Capital Budget*

Capital Budget (\$3.5 M): The FY2011 capital budget includes the following:

- \$1.1 million for additional renovation costs of the East Community Health Center;
- \$791,000 for the District to implement a data backup site that will allow it to continue to operate if its primary data site is damaged or destroyed, and for additional wireless access;
- \$500,000 for additional renovation costs of Central Health's administrative building;
- \$500,000 for potential expansion site needs;
- \$312,000 for capital maintenance for the Community Health Centers;
- \$200,000 for an ultraviolet irradiation system at the North Central Community Health Center; and
- \$119,000 for servers and licenses for a data analysis platform.

Following this narrative are three budget schedules.

1. A revenue and expense summary budget for fiscal years 2010 and 2011 (page 3);
2. A detailed expense budget for fiscal years 2010 and 2011 that breaks out the components of Central Health's Healthcare Delivery Program and Administration Program (pages 4-8); and,
3. A detailed schedule of potential uses for service expansion funds in fiscal year 2011 (page 9).

Service expansion funds are part of the Healthcare Delivery Program budget (see line 98.50 at the top of page 6) and are appropriated but unallocated funds that Central Health's Board of Managers may use to further expand service delivery in fiscal year 2011.



Fiscal Years 2010 and 2011  
Revenue and Expense Summary Budget

DESCRIPTION	FY 2010 BUDGET <i>**Restated in program format</i>	FY 2011 APPROVED BUDGET
TAX RATE	0.0674	0.0719
<b>REVENUE</b>		
Property Taxes	65,403,436	66,431,022
Seton Lease-Base	1,096,656	1,096,656
Seton Lease-Additional based on DSH/UPL	28,389,113	28,389,113
Interest	1,800,000	1,800,000
Tobacco Litigation Settlement	1,280,000	1,400,000
University of Texas Medical Branch Contract	58,740	58,740
Contributions from reserves		10,381,203
<b>Total Revenue</b>	<b>98,027,945</b>	<b>109,556,734</b>
<b>EXPENSE</b>		
Healthcare Delivery	91,536,883	102,659,283
Administration	5,735,414	6,095,472
Tax Collection	755,648	801,980
<b>Total Expenses</b>	<b>98,027,945</b>	<b>109,556,734</b>
<b>RESERVES</b>		
Capital	1,317,151	6,568,394
Allocated Reserve	37,482,849	26,300,842
Unallocated Reserve	48,500,000	56,947,672
<b>Total Reserves</b>	<b>87,300,000</b>	<b>89,816,908</b>
<b>CAPITAL BUDGET</b>		
Land	-	-
Building	-	-
Facility Improvement	2,514,226	2,612,000
Equipment & Information Systems	560,000	910,400
<b>Total Capital</b>	<b>3,074,226</b>	<b>3,522,400</b>



Fiscal Years 2010 and 2011  
Expense Budget Detail

ACCOUNT	DESCRIPTION	FY 2010 BUDGET		FY 2011 Approved BUDGET	
<b>HEALTHCARE DELIVERY</b>					
	<b>Personnel Expenses</b>				
07.01	Salaries - Regular Salaries	1,826,498		2,135,594	
20.02	Benefits - FICA Tax-OASDI	101,510		126,065	
20.03	Benefits - Hospitalization	145,005		184,826	
20.04	Benefits - Life Insurance	2,386		3,043	
20.05	Benefits - Retirement Contribution 401a	105,705		130,640	
20.05	Benefits - Def Comp 457	16,633		21,202	
20.06	Benefits - Worker's Compensation	5,305		6,762	
20.07	Benefits - FICA Tax-Medicare	25,756		30,966	
20.08	Benefits - Dental	7,958		10,143	
20.09	Benefits - LTD/STD	5,014		6,390	
20.10	Benefits - Other	1,382		1,747	
20.10	Benefits - Back up Care	1,713		1,761	
25.00	PTO	125,142		148,427	
27.10	Benefits-Unemployment	5,958		7,325	
	<b>Subtotal Personnel Expenses</b>	<b>2,375,965</b>	2.44%	<b>2,814,890</b>	2.59%
	<b>Operating Expenses</b>				
30.01	Supplies - Supplies, Equip & Furniture	50,673		63,589	
30.02	Supplies - Software	10,000		7,500	
30.03	Supplies-Hardware	-		21,600	
30.05	Supplies-Minor tools, office furniture	12,584		21,034	
30.16	Supplies - Meetings & Refreshments	-		1,528	
40.07	Professional Svc - Consulting	15,000		690,000	
40.12	Professional Svc - Legal	-		50,000	
40.99	Professional Svc - Other Professional Services	56,000		137,900	
41.02	Communication - Postage/Freight	643		10,158	
41.06	Cellular Phone	1,790		1,440	
42.02	Routine Travel - Auto Mileage-Employees	4,605		4,855	
42.06	Contracted Transportation	820		2,820	
48.01	Public Utility Svcs - Utilities	-		4,000	
48.04	Water	-		2,000	
48.05	Waste Disposal	-		1,200	
60.27	Printing	78,000		85,000	
60.29	Advertising	3,120		3,120	
60.50	Custodial	-		38,875	
60.52	Security	-		44,000	
61.03	Rent - Office Equipment	6,280		6,280	
61.04	Rents & Leases (property)	-		90,400	
64.06	Employee Relations	-		20,000	
65.01	Prof Dev - Subscriptions & Publications	5,060		5,060	
65.02	Prof Dev-Professional Memberships	3,500		3,500	



**Fiscal Years 2010 and 2011  
Expense Budget Detail**

ACCOUNT	DESCRIPTION	FY 2010 BUDGET		FY 2011 Approved BUDGET	
65.03	Prof Dev-Travel Meals & Lodging	8,117		8,108	
65.04	Prof Dev - Training & Seminars	21,200		21,200	
65.05	Prof Dev-Professional Licenses	1,500		1,500	
84.01	Depreciation	2,281,241		2,500,000	
85.03	Payments-Certificates of Obligation	-		1,400,000	
	<b>Subtotal Operating Expense</b>	<b>2,560,133</b>	2.63%	<b>5,246,667</b>	4.82%
	<b>Healthcare Services</b>				
61.05	Rental equipment(MAP)	3,000	0.00%	3,000	0.00%
62.76	OAC-Transportation(MAP, non emergency & EMS) move from CHC	367,000	0.38%	381,560	0.35%
62.77	OAC-Other Medical (MAP)	200,000	0.21%	200,000	0.18%
62.78	OAC-Dental Services (MAP)	369,951	0.38%	773,711	0.71%
62.79	OAC-ICC Medicaider(MAP)	164,760	0.17%	164,760	0.15%
62.80	OAC-Childrens Optimal Health	35,000	0.04%	35,000	0.03%
62.81	OAC-Continuity Clinic-Paul Bass	429,000	0.44%	709,647	0.65%
62.81	OAC-Paul Bass Specialty Care	462,000	0.47%	462,000	0.42%
62.82	OAC-Other Primary Care (El Buen)	490,000	0.50%	1,020,000	0.94%
62.82	OAC-Other Primary Care (Lone Star Circle of Care)	538,000	0.55%	1,347,500	1.24%
62.82	OAC-Other Primary Care (Blackstock)	312,000	0.32%	100,000	0.09%
62.82	OAC-Urgent Care	100,000	0.10%	65,000	0.06%
62.83	Medicaid Payments (Physician)	6,351,246	6.53%	24,000,000	22.07%
62.84	Medicaid Payments (MAP)	17,648,754	18.14%		0.00%
62.85	OAC-Mediview TPA	988,079	1.02%	1,434,215	1.32%
62.85	OAC-Three Share Program	379,601	0.39%	194,180	0.18%
62.86	OAC-Specialty Care-Vision	117,277	0.12%	117,277	0.11%
62.87	OAC-Seton Brackenridge Pharmacy	142,595	0.15%	171,670	0.16%
62.89	OAC-Austin Cancer Centers	466,131	0.48%	334,000	0.31%
62.89	OAC-Orthotics	58,253	0.06%	27,000	0.02%
62.90	OAC -CommUnityCare	32,332,854	33.24%	35,433,755	32.58%
62.90	OAC -CommUnityCare-Facility Improvements	1,219,544	1.25%		0.00%
62.91	OAC – Seton Hospital	4,067,304	4.18%	4,140,697	3.81%
62.91	OAC – Seton Hospital (High Risk OB Clinic)			(600,000)	
62.92	OAC - UTMB	3,900,000	4.01%	3,900,000	3.59%
62.93	OAC - People's Community Clinic	728,000	0.75%	728,000	0.67%
62.94	OAC - Women's Services	450,000	0.46%	450,000	0.41%
62.95	OAC – Other (Project Access)	330,000	0.34%	330,000	0.30%
62.96	OAC – ICC	522,275	0.54%	551,275	0.51%
62.97	OAC - Pharmacy Program	2,798,597	2.12%	4,203,160	3.86%
62.99	OAC – Seton/Other Mental Health	5,224,701	5.37%	6,425,319	5.91%
	United Way	-	0.00%	350,000	0.32%
	Samaritan Health Ministries	-	0.00%	100,000	0.09%
	Recuperative Care Beds	-	0.00%	300,000	0.28%
	Volunteer Healthcare Clinic	-	0.00%	100,000	0.09%



Fiscal Years 2010 and 2011  
Expense Budget Detail

ACCOUNT	DESCRIPTION	FY 2010 BUDGET		FY 2011 Approved BUDGET	
98.50	Service Expansion Funds	5,404,863	5.56%	6,645,000	6.11%
	<b>Subtotal Healthcare Services</b>	<b>86,600,785</b>	<b>89.03%</b>	<b>94,597,726</b>	<b>86.98%</b>
	<b>Total Healthcare Delivery</b>	<b>91,536,883</b>		<b>102,659,283</b>	
<b>ADMINISTRATION</b>		<i>**Restated in Program Format</i>			
	<b>Personnel Expenses</b>				
07.01	Salaries - Regular Salaries-Operations	2,158,555		2,273,317	
07.91	Salaries - Reserve	-		250,000	
20.02	Benefits - FICA Tax-OASDI	119,964		112,024	
20.03	Benefits - Hospitalization	182,995		175,974	
20.04	Benefits - Life Insurance	3,014		2,897	
20.05	Benefits - Retirement Contribution 401a	133,398		124,615	
20.05	Benefits - Def Comp 457	20,992		20,186	
20.06	Benefits - Worker's Compensation	6,695		6,438	
20.07	Benefits - FICA Tax-Medicare	30,438		30,556	
20.08	Benefits - Dental	10,042		9,657	
20.09	Benefits - LTD/STD	6,327		6,084	
20.10	Benefits - Other	1,718		1,663	
20.10	Benefits - Back up Care	2,187		2,500	
25.00	PTO	147,893		175,411	
27.10	Benefits-Unemployment	7,042		6,794	
	<b>Subtotal Personnel Expenses</b>	<b>2,831,260</b>	<b>2.91%</b>	<b>3,198,117</b>	<b>2.94%</b>
	<b>Operating Expenses</b>				
05.20	Salaries - Administrator's Car Allowance	5,000		5,000	
30.01	Supplies - Supplies, Equip & Furniture	20,060		21,600	
30.02	Supplies - Software	51,945		23,245	
30.03	Supplies-Hardware	31,505		33,000	
30.05	Supplies-Minor tools, office furniture	14,180		3,000	
30.11	General Maintenance	58,038		62,355	
30.16	Supplies - Meetings & Refreshments	6,800		10,250	
40.05	Professional Svc - Auditing	54,867		40,000	
40.06	Professional Svc - Accounting	-		21,000	
40.07	Professional Svc - Consulting	510,119		483,620	
40.08	Professional Svc - Data - IT Support	289,511		133,650	
40.09	Bank Fees	6,000		6,000	
40.12	Professional Svc - Legal	586,500		611,500	
40.99	Professional Svc - Other Professional Services	199,600		11,100	
41.02	Communication - Postage/Freight	9,293		3,870	
41.06	Cellular Phone	2,920		7,744	
42.02	Routine Travel - Auto Mileage-Employees	2,825		5,300	



**Fiscal Years 2010 and 2011  
Expense Budget Detail**

ACCOUNT	DESCRIPTION	FY 2010 BUDGET		FY 2011 Approved BUDGET	
42.06	Contracted Transportation	1,580		1,200	
42.07	Routine Travel - Travel, Meals & Lodging	2,000		5,000	
42.09	Business Meetings & Meals	4,000		4,000	
44.01	Insurance - General Insurance Premium	76,750		99,526	
48.01	Public Utility Svcs - Utilities	26,700		26,700	
48.02	Public Utility Svcs - Telephone Lines	500		1,700	
48.04	Water	8,400		8,400	
48.05	Waste Disposal	3,400		4,400	
48.06	Gas	3,587		5,946	
60.08	OPS-Contracted Employees	52,000		26,000	
61.02	Rent - Land & Buildings	-		32,600	
60.27	Printing	54,500		54,500	
60.29	Advertising (includes \$25,000 public notice)	98,000		92,250	
60.37	OPS-Retirement fees	20,500		12,000	
60.37	OPS-Benefit Services	45,000		86,500	
60.40	OPS - Reimbursed Services - Travis County	68,286		88,351	
60.50	OPS-CAN	25,000		25,000	
60.50	Custodial	45,023		85,900	
60.52	Security	75,725		51,670	
60.53	Records storage	6,263		8,965	
61.03	Rent - Office Equipment	24,400		28,000	
61.04	Rents & Leases (property)	50,400		-	
64.05	Employee Training - Employee Relocation Exp	5,000		5,000	
64.06	Employee Relations	16,000		17,000	
65.01	Prof Dev - Subscriptions & Publications	9,554		12,700	
65.02	Prof Dev-Professional Memberships	4,273		9,323	
65.03	Prof Dev-Travel Meals & Lodging	7,500		19,250	
65.04	Prof Dev - Training & Seminars	20,975		36,064	
65.05	Prof Dev-Professional Licenses	2,675		675	
75.21	Misc - Legislative Services	90,000		163,200	
75.22	Misc - Employment Recruiting	3,800		3,300	
98.92	Reserve for property insurance, utilities	200,000		400,000	
	<b>Subtotal Operating Expense</b>	<b>2,904,154</b>	2.99%	<b>2,897,354</b>	2.66%
	<b>Total Administration</b>	<b>5,735,414</b>		<b>6,095,472</b>	
	<b>Tax Collection</b>				
60.03	OPS - Appraisal District Svcs	360,536		371,980	
60.04	OPS - Tax Collector	395,112		430,000	
	<b>Subtotal Tax Collection Expense</b>	<b>755,648</b>		<b>801,980</b>	
	<b>Tobacco Settlement</b>				
72.00	Tobacco Settlement Received-payable to Travis	326,000		268,576	



Fiscal Years 2010 and 2011  
Expense Budget Detail

ACCOUNT	DESCRIPTION	FY 2010 BUDGET	FY 2011 Approved BUDGET
	County		
72.20	Tobacco Settlement Paid to Travis County	(326,000)	(268,576)
72.10	Tobacco Settlement Received-payable to Seton	904,000	632,500
72.30	Tobacco Settlement Paid to Seton	(904,000)	(632,500)
	<b>Subtotal Tobacco Settlement</b>	-	-
	<b>Disproportionate Share Program</b>		
71.00	Disproportionate Share/Upper Payment Limit IGT sent	54,400,000	70,786,418
71.20	Disproportionate Share/Upper Payment Limit IGT sent	(54,400,000)	(70,786,418)
71.10	Disproportionate Share Received payable to Seton	19,300,000	17,252,548
71.30	Disproportionate Share Paid - Seton	(19,300,000)	(17,252,548)
	<b>Subtotal Disproportionate Share</b>	-	-
	<b>TOTAL EXPENSE</b>	<b>98,027,945</b>	<b>109,556,734</b>
	Tax Collection Expense	(755,648)	(801,980)
	<b>TOTAL EXPENSE LESS PASS THROUGH &amp; TAX COLLECTION</b>	<b>97,272,297</b>	<b>108,754,754</b>
	<b>RESERVES</b>		
98.60	Capital Reserve	1,317,151	6,568,394
98.91	Allocated Reserve	37,482,849	26,300,842
98.98	Unallocated Reserve	48,500,000	56,947,672
	<b>Total</b>	<b>87,300,000</b>	<b>89,816,908</b>
	<b>CAPITAL BUDGET</b>		
81.12	Land		
81.04	Building		
81.02	Building Improvements	2,514,226	2,612,000
80.02	Equipment & Information Systems	560,000	910,400
	<b>Total</b>	<b>3,074,226</b>	<b>3,522,400</b>





Fiscal Years 2010 and 2011 Budget  
Service Expansions

Service Expansion	FY 2010 Budget	FY 2011 Approved Budget	Prior Year Expansion now in FY11 Base
<b>Mental Health</b>			
Mental Health Services		500,000	870,000
Behavioral Health/Psychiatry		300,000	200,000
<b>One Time Capacity Expansion</b>	2,730,648		
<b>Regional Health Initiatives</b>			
Graduate Medical Education	50,000		
<b>Program Evaluation/Research and Development</b>			
Program Evaluation (e.g. HMO feasibility study, Regional Healthcare Planning, Health Reform Planning)		2,100,000	
ICC Changes			29,000
Healthcare Information Technology			75,000
<b>Specialty Care</b>			
Specialty Care Expansion	483,084	1,000,000	
<b>Ancillary Services</b>		500,000	
Pharmacy	168,838		
TPA/Other Services	61,345		
Orthotics	3,652		-
<b>Primary Care</b>			
Samaritan Health Ministries			100,000
Volunteer Healthcare Clinic			100,000
El Buen Samaritano			266,865
Lone Star Circle of Care			575,000
Seton Community Health Centers			250,000
Eligibility Call Center			250,000
Primary Care Expansion	1,404,240	1,000,000	
<b>Dental Services</b>			
Dental Specialty Care	23,056	400,000	
Primary Dental Care	480,000	300,000	500,000
<b>Eligibility Enhancement</b>			
Healthcare Linkage Services		195,000	
Community Financial Screening		150,000	
<b>Medical Management Enhancement</b>			
Credentialing		200,000	
<b>Total</b>	<b>5,404,863</b>	<b>6,645,000</b>	<b>3,215,865</b>

Categories not fixed--funding can be allocated as needed.