

FISCAL YEAR 2016-17 3RD QUARTER UPDATE
AND
DRAFT BUDGET FY 2017-18

AGENDA

Fiscal Year 2016-17 Update

Information that informs the budgeting process

Fiscal Year 2017-18 Budget Information

JUNE 2017 – 9TH MONTH OF THE FISCAL YEAR

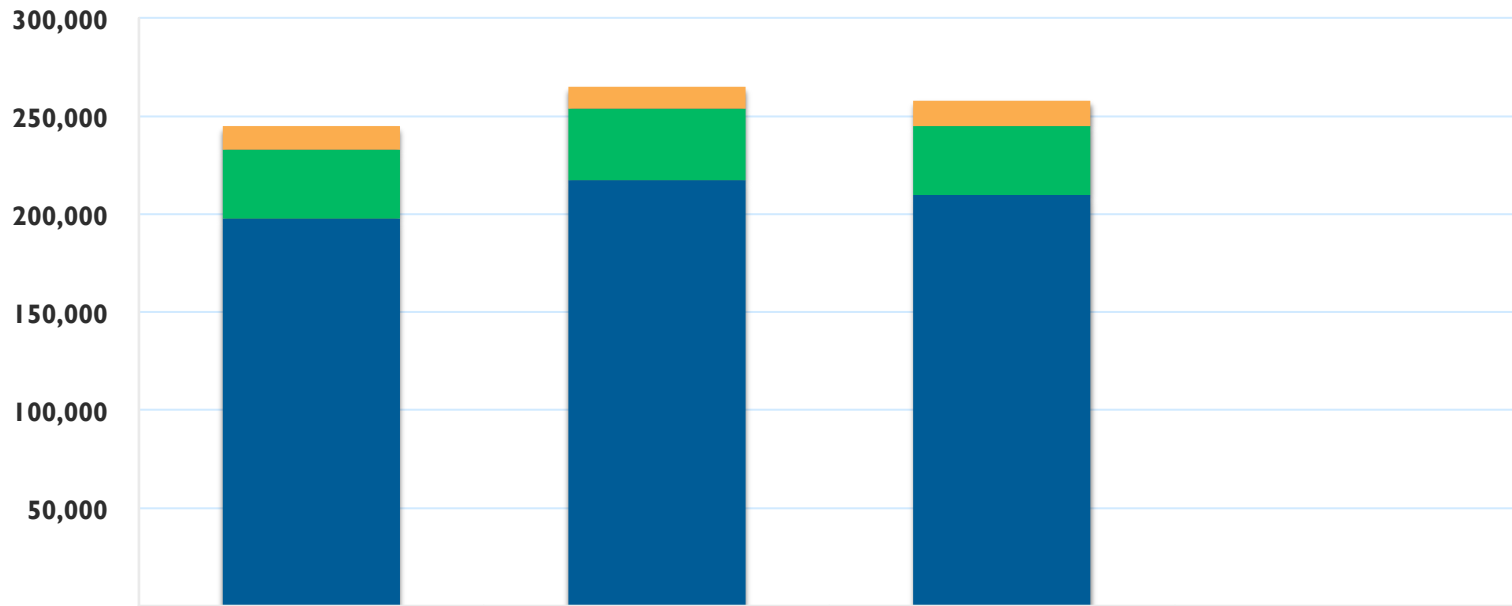
Encounters were 5.5% under budget for the month and 2.9% greater than June 2016.

Medical encounters were under budget by 1,761 (7%) for the month and 7,600 year to date (3.5%).

Year to date, total encounters are 6,838 or 2.6% under budget, and 13,103 or 5.4% greater than prior year.

ENCOUNTERS

Encounter Comparison



FY 16 - 244,815

Budget - 264,756

FY 17 - 257,918

Behavioral Health
Mental
Medical

FY 2015-16

Budget

FY 2016-17

12,042

10,738

12,849

35,123

36,839

35,519

197,650

217,179

209,550

SEPTEMBER 2017 – 9TH MONTH OF THE FISCAL YEAR

September revenue was \$36,900 under budget, and year to date is \$5.8 million under budget, *encounters are under budget.*

September expenses were under budget by \$281,000 and year to date expenses are almost \$7 million under budget as well.

September operations reflected an excess of \$454,000 and year to date the excess is \$1.3 million.



	Actual 2016-17 as of June 30, 2017	Budget 2016-17
Encounters	257,918	264,759
Total Patient Service Revenue	27,978,908	29,916,152
Total Grant Revenue	7,584,408	6,374,998
Other Revenue		
CCC Primary Care Agreement	26,072,693	29,024,163
Other		225,000
DSRIP Revenue	9,963,451	11,917,308
DSRIP Revenue ATCIC	312,489	239,553
Total Other Revenue	36,348,633	41,406,024
Total Revenue	71,911,949	77,697,174
Expenditures		
Salaries and Wages	35,840,227	39,232,450
Contract Labor	4,846,086	5,322,986
Employee Benefits	9,274,758	10,394,126
Supplies	5,137,825	6,688,325
Professional Fees	295,179	207,798
Contracted Services	9,811,069	9,567,191
Insurance	140,826	124,339
Occupancy	3,431,738	3,204,602
Equipment	389,950	475,369
Bad Debt	1,441,949	2,389,108
Other Exp	466	-
Total Expenditures	70,610,073	77,606,294
Excess (Deficit) From Operations	1,301,876	90,880

SEPTEMBER 2017 – 9TH MONTH OF THE FISCAL YEAR

Gross cost per encounter is \$273.77 compared to the annual budget of \$294.29 and the prior year of \$286.44.

Gross cost is ALL costs, medical, behavioral, dental, IT, maintenance, billing – overhead, everything.

Gross cost per encounter is all costs divided by all encounters (medical, dental, behavioral, everything).

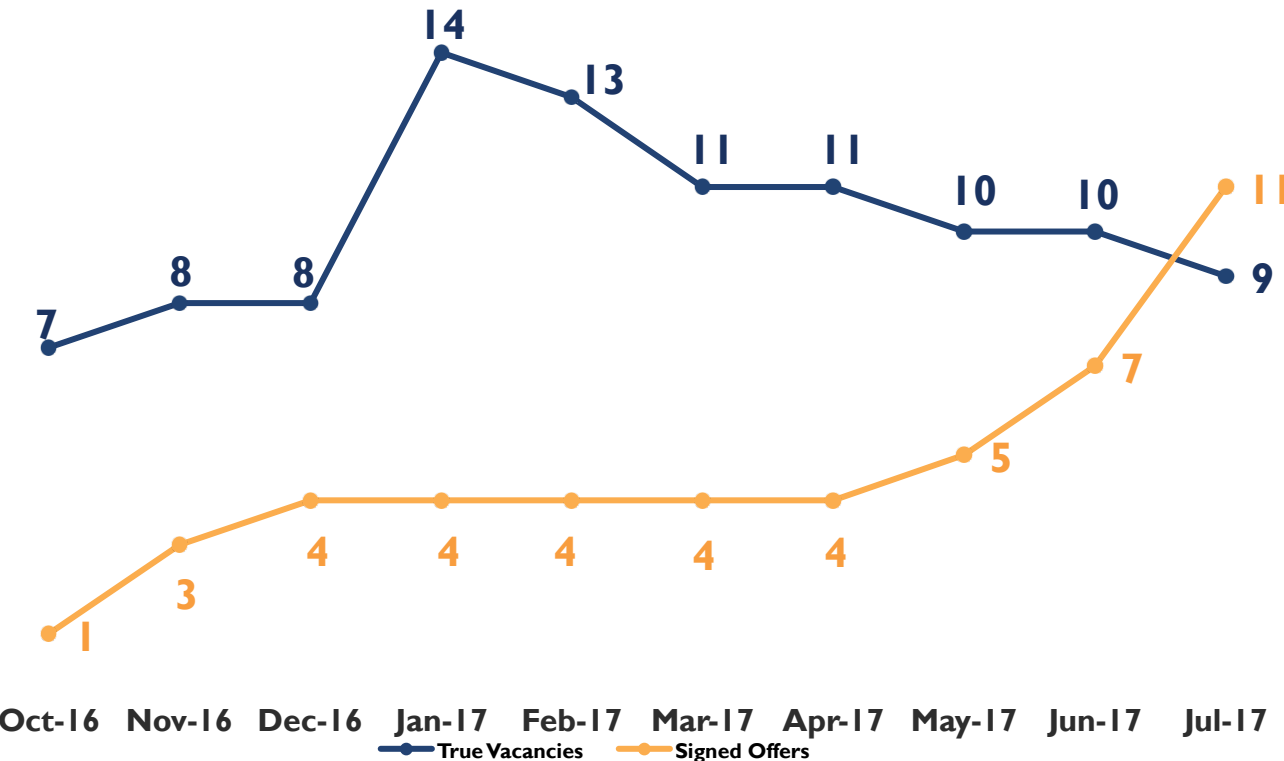
THE ITEMS THAT CONTRIBUTE TO A HIGHER COST PER ENCOUNTER THAN OTHER COMMUNITY CLINICS

David Powell (HIV/Aids) and ARCH (Homeless) Health Centers contribute \$18 to the cost per encounter. Each of these clinics has a much higher cost per encounter compared to the rest of our clinics given the special populations served.

Pharmacy benefits – CommUnityCare has historically provided pharmacy benefits on a sliding fee scale (SFS) for patients with a modest co-payment. Pharmacy contributes \$15 to the cost per encounter with \$13 of this \$15 for the cost of buying medications.

Q3 2017 – PROVIDER VACANCIES

**Provider Vacancy Trend Report
FY17 to Date**



True Vacancy: A position that is not currently filled by an employed CUC provider. The vacancy may be covered by a locum or PRN provider on a regular and/or interim basis.

Signed Offers: When a signed offer letter has been received by a provider candidate, but they have not yet started employment with CUC. Variances from month to month can include providers who started employment (reduction), newly signed offers (addition), carry over from the previous month (change), and/or a combination thereof.

SRIP UPDATE

DSRIP – CATEGORY I AND 2: VOLUME RELATED

Data represents effort through June 2017
 75% of the DSRIP year complete.

/Hepatitis C – Initiative to maximize use of Advanced Practice Professionals to support their work.

DSRIP Category I and II Projects	DY6 Target	June 2016	%
Disease Management Registry	7,192	7,027	
Primary care Medical Home	53,153	48,960	
Chronic Disease Management	7,192	7,027	
Expanded Primary Care	226,610	186,320	
Dental Expansion: All Patient Types	43,000	33,015	
Dental Expansion: Pregnant Women	763	696	
Dental Expansion: Patients with I Diagnosis	6,109	7,032	
Dental Expansion: Patients with I Diagnosis + Pregnant	6,599	7,539	
Telepsychiatry: Encounters	2,700	2,399	
Pulmonology	3,827	2,847	
Gastroenterology Clinic	4,343	3,100	
Mobile Health Teams: Encounters	4,000	3,201	
Centering Pregnancy	164	143	
Integrated Behavioral Health: Enrollment into Disease Registry	400	1,277	
Integrated Behavioral Health: Providing Care according to Established IBH Care Protocols	400	1,479	

DSRIP – CATEGORY 3 QUALITY

presents effort through June 2017
% of the DSRIP year complete

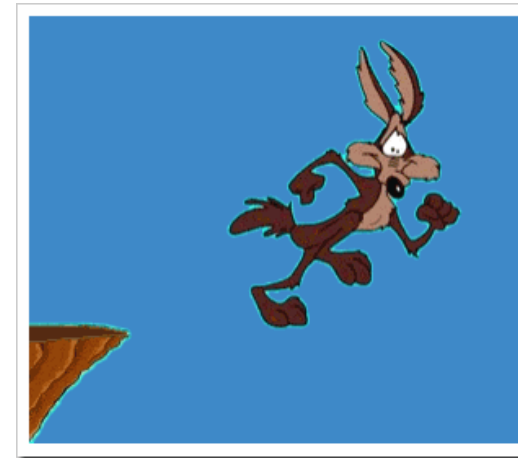
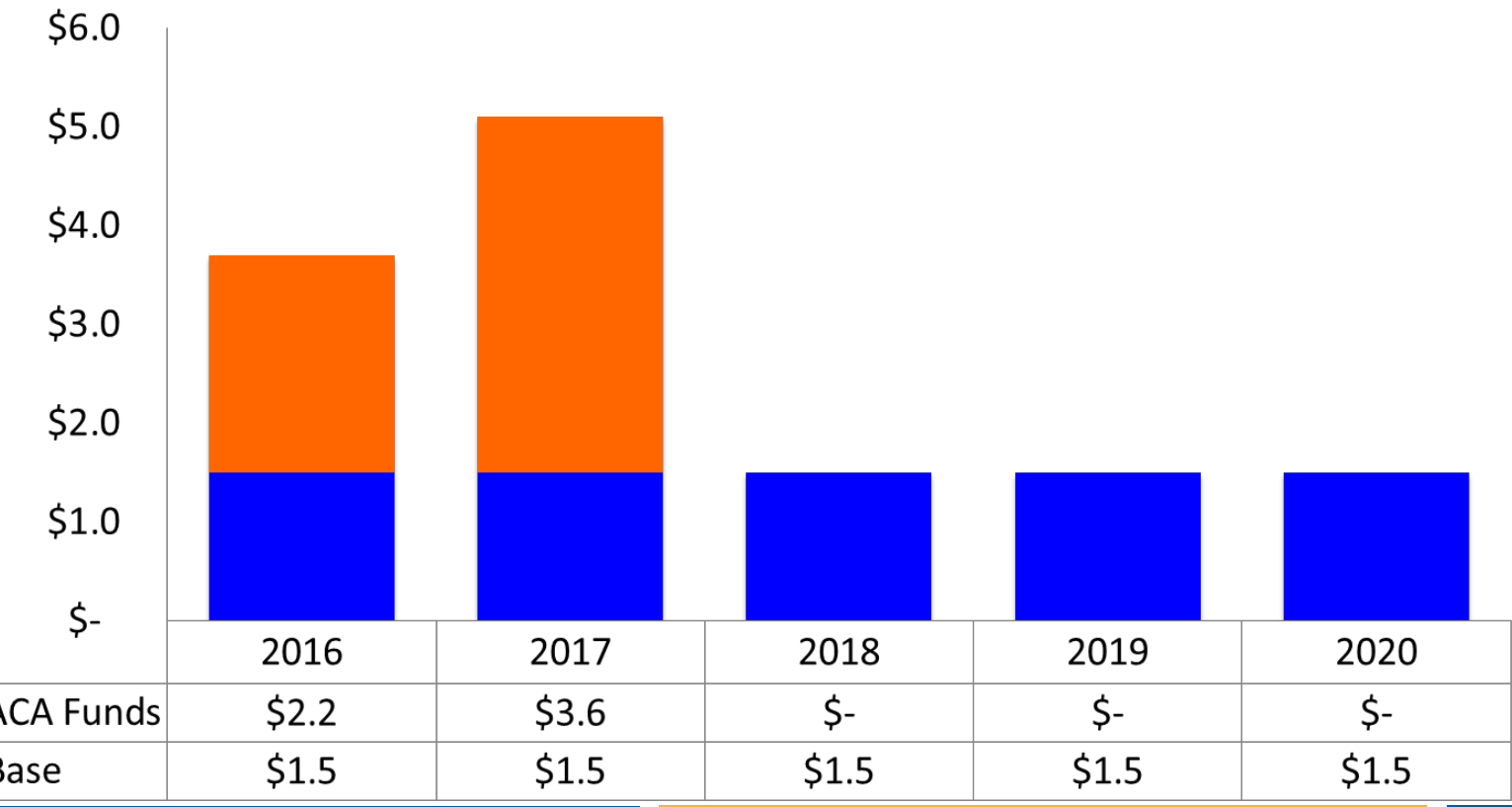
Pressure (BP) control and LDL
n below target. We have
ned and implemented multiple
ive to address these and
ovement is beginning. We expect
et target for BP control by year

DSRIP Category III	DY6 Target	June 2017	Difference	%
Comprehensive Diabetes LDL Screenings (18-64 yoa)	83.56%	76.50%	7.06%	
Diabetes Care: Foot Exam (18-64 yoa)	77.38%	87.20%	-9.82%	
Diabetes Care: Nephropathy (18-64 yoa)	87.85%	89.86%	-2.01%	
Tobacco Use Screenings and Cessation (18 yoa plus)	80.94%	99.57%	-18.63%	
High Blood Pressure Screening (18 yoa plus)	50.09%	58.21%	-8.12%	
Adult BMI Assessment and Follow-Up (18-64 yoa)	71.33%	98.45%	-27.12%	
Controlling High Blood Pressure for Diabetics (18-64 yoa)	71.28%	70.90%	0.38%	
Controlling High Blood Pressure for Dental Patients (18-64 yoa)	64.41%	67.34%	-2.93%	
Hepatitis C Cure Rate (18-64 yoa)	30.23%	95.18%	-64.95%	
Asthma Percent Opportunity Achieved (all ages)	26.67%	35.29%	-8.62%	
Improvement of PHQ-9 (all ages)	13.28	10.42		
Annual Monitoring for Patients on Diuretics (18 yoa plus)	86.09%	90.53%	-4.44%	
Annual Monitoring for Patients on ACE / ARBs (18 yoa plus)	85.72%	90.88%	-5.16%	
Diabetes Care: Retinal Eye Exam (18-64 yoa)	48.73%	61.26%	-12.53%	

DRAFT BUDGET FY 2017-18

BUDGETARY PRESSURES – COMMUNITY HEALTH CENTER FISCAL CLIFF

**CHC FEDERAL Appropriation, 2016 – 2020
(2016 & 2017 Actual, \$s in Billions)**



HC FISCAL CLIFF – IMPACT ON CUC IF CONGRESS DOESN'T ACT

Today

Total Federal 330 Funding:
\$5,829,033

Total Overall Revenue:
\$96,860,704

Number of Patients Served:
92,441

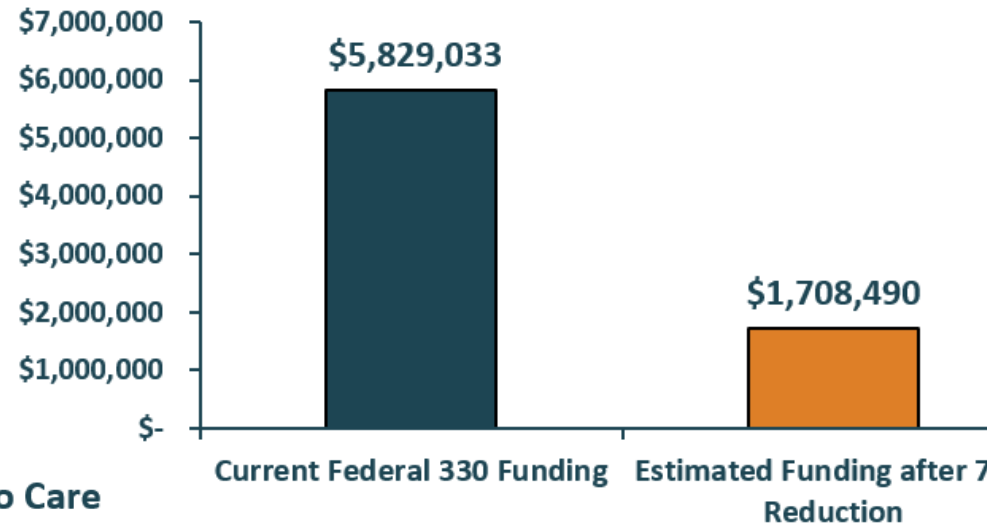
If the Cliff Were to Occur

Amount of Federal 330
 Funding Lost:

\$4,120,543

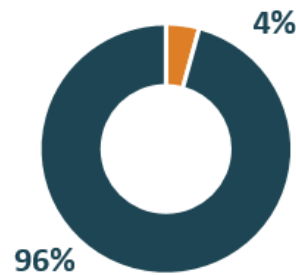
Number of Patients Losing
 Access to Care:

3,933



Percent of Patients Losing Access to Care

After 70% Reduction



■ Patients Losing Access to Care ■ Patients Remaining

OTHER INFORMATION INFORMING THE BUDGETING PROCESS

- The number of clinics will not change during the year. RBJ Dental will close at the end of August 2017 due to construction noting that staff and the services are being relocated to one of our other 4 dental locations. We anticipate establishing primary care medical services within the Del Valle community.
- Encounters –developed with the Chief Medical Officer, targets for each type of provider.

REVENUE

Patient Service Revenue is estimated by type of payor; Medicare, Medicaid, CHIP, Commercial Insurance, State Family Planning, Pharmacy Network.

- MAP and Sliding Fee Scale (SFS) in this category consists of the patient co-payment portion, amounts due from the CCC are in Other Revenue.

Grant Revenue-estimated based on current approved grants. Most grant periods are not aligned with the fiscal year, information is estimated based on known amounts.

VENUE

Other Revenue

- CCC investment – Still under construction. This will be a multiple payment similar to the prior year.
- Potentially multiple payment parts-
 - Medical, Dental, Specialty, and Behavioral Health payment per encounter for MAP and Sliding Fee Scale with carve outs for DSRIP projects and David Powell services.
 - Community Benefit to support Pharmacy, David Powell and family planning services.
 - Payment for “non encounter” services such as care management, nurse visits, clinical pharmacists and nutritionist.
 - Payment for achievement of access and quality measures.

VENUE

- DSRIP – Delivery System Reform Incentive Payment – Budgets have not been prepared, this is an estimate.

EXPENSES

Salaries, Contract Labor, Employee Benefits

- Salaries are increased by 3% for merit and additional \$500,000 for market adjustments. Staff is added for selected areas, mostly care management, this is still in review.
- Contract Labor – primarily provider cost to operate Hancock, Blackstock, Gastroenterology, Pulmonary, OB/Gyn, and internal medicine at Southeast.
- Employee Benefits – determined by the number of employees and the contracted benefit cost.

Supplies – the category was increased 3% and \$200,000 added for computer refresh

EXPENSES

Professional fees – This category is largely physician recruitment fees, includes some accounting and legal fees.

Contracted Services – There are many items in this category, the largest is Information Technology . Other items are behavioral health, billing & collection services, lab services, translation services, payroll services and maintenance. The category was increased 3%, lab was increased an additional \$500,000, Information Technology received an additional base increase of \$228,000 plus \$140,000 for the communication system.

Insurance – This is mostly property and general liability, insurance is jointly with Central Health. CommUnityCare receives professional liability coverage through the Federal Tort Claims Act (FTCA) because of FQHC status.

EXPENSES

Occupancy – This is rent, utilities, janitorial, security. The category was increased 3% plus an increase of \$234,000 for rent at the Atrium previously assumed by the Community Care Collaborative (CCC).

Equipment – This is mainly depreciation and copier or other equipment rental. It was increased 3%.

Bad Debt – This was assumed to be similar to FY17.

	Budget 2016-17	Actual 2016-7 Projected	Draft Budget 2017-18 V I
Encounters	352,546	341,639	344,732
Total Patient Service Revenue	39,841,775	36,816,447	37,215,588
Total Grant Revenue	8,500,000	9,894,408	9,812,484
Other Revenue			
CCC Primary Care Agreement	38,698,883	35,938,053	39,457,456
Other	300,000		
DSRIP Revenue	16,089,740	13,899,307	13,906,473
DSRIP Revenue ATCIC	319,402	312,489	222,722
Total Other Revenue	55,408,025	50,149,849	53,586,651
Total Revenue	103,749,800	96,860,704	100,614,723
Expenditures			
Salaries and Wages	52,453,647	48,393,625	51,186,510
Contract Labor	7,097,315	6,542,904	6,613,342
Employee Benefits	13,896,756	12,714,753	13,308,492
Supplies	8,915,479	7,056,390	6,949,083
Professional Fees	277,059	326,346	431,426
Contracted Services	12,756,252	13,659,338	14,328,756
Insurance	165,785	189,517	195,198
Occupancy	4,272,803	4,242,528	4,895,055
Equipment	633,825	503,401	538,044
Bad Debt	3,280,879	2,200,949	2,167,970
Other Exp	-	466	847
Total Expenditures	103,749,800	95,830,217	100,614,723
Excess (Deficit) from Operations	-	1,030,487	(0)

BUDGET SUMMARY

This draft of the FY 2017-18 budget has major items to resolve-

- CCC Primary Care Agreement – continue to work with the CCC on the individual areas. The amount will likely change as some services move from DSRIP to the Primary Care Agreement.
- DSRIP- This is only an estimate based on the current year. Some projects will change, affecting this category as well as the CCC Primary Care Agreement.
- Staffing requests are being reviewed.

BUDGET SUMMARY

Next steps-

- Continue work on the CCC agreements and revise the budget. The next revision will be reviewed with the CommUnityCare board August 22.
- Finalize budget revisions in September and present the final budget version at the September 26 CommUnityCare board meeting.

QUESTIONS?