



## **Board of Directors**

### **Meeting**

**Tuesday, January 26, 2016**

**1:00 p.m.**

**Central Health Administrative Offices**

**1111 E. Cesar Chavez St.**

**Austin, Texas 78702**

### **AGENDA\***

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#### **I. Call to Order and Record of Attendance**

#### **II. Public Comments**

#### **III. General Business**

##### **A. Consent Agenda**

*All matters listed under the Consent Agenda will be considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items to be moved from the Consent Agenda to the Regular Agenda for discussion prior to the time the Board of Directors votes on the motion to adopt the Consent Agenda.*

1. Approve minutes from the December 15, 2015 CCC Board of Directors meeting.

##### **B. Regular Agenda**

1. Receive and take appropriate action on a presentation of the Community Care Collaborative Fiscal Year 2015 financial audit.
2. Receive a presentation on CCC-Funded Psychiatric Hospital Care from Austin Travis County Integral Care (ATCIC).
3. Receive a Community Care Collaborative Delivery System Reform Incentive Payment (DSRIP) Projects update.
4. Receive a presentation on CCC Financial Statements as of December 31, 2015.

5. Receive a general update from the CCC Executive Director.

#### **IV. Closed Session**

#### **V. Closing**

*\*The Board of Directors may take items in an order that differs from the posted order.*

*The Board of Directors may consider any matter posted on the agenda in a closed session if there are issues that require consideration in a closed session and the Board announces that the item will be considered during a closed session.*

*Consecutive interpretation services from Spanish to English are available during Citizens Communication or when public comment is invited. Please notify the front desk on arrival if services are needed.*

*Los servicios de interpretación consecutiva del español al inglés están disponibles para la comunicación de los ciudadanos o cuando se invita al público a hacer comentarios. Si necesita estos servicios, al llegar sírvase notificarle al personal de la recepción.*



## **Board of Directors Meeting**

**January 26, 2016**

### **CONSENT AGENDA ITEM**

- A.1. Approve minutes from the December 15, 2015  
CCC Board of Directors meeting.



## **Board of Directors**

### **Meeting**

**Tuesday, December 15, 2015**

**2:00 p.m.**

**Central Health Administrative Offices**

**1111 E. Cesar Chavez St.**

**Austin, Texas 78702**

### **Meeting Minutes**

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#### **I. Call to Order and Record of Attendance**

On Tuesday, December 15, 2015, a public meeting of the CCC Board of Directors was called to order at 2:10 p.m. in the Board Room at Central Health Administrative Offices located at 1111 E. Cesar Chavez St, Austin, Texas 78702. Chairperson Patricia A. Young Brown and Vice-Chairperson Greg Hartman were both present. The secretary for the meeting was Michelle Vassar.

##### Clerk's Notes:

Secretary Vassar took record of attendance.

##### Directors Present:

Chairperson Patricia A. Young Brown, Vice-Chairperson Greg Hartman, Christie Garbe, Larry Wallace, Willie Lopez (Proxy for Tim LaFrey), and David Evans (Non-Voting Advisory Board Member)

##### Officers Present:

John Stephens (Executive Director) and Michelle Vassar (Secretary)

##### Other Attendees Present:

Randy Floyd (General Counsel)

#### **II. Public Comments**

##### Clerk's Notes:

None.

#### **III. General Business**

## **A. Consent Agenda**

*All matters listed under the Consent Agenda will be considered by the Board of Directors to be routine and will be enacted by one motion. There will be no separate discussion of these items unless members of the Board request specific items to be moved from the Consent Agenda to the Regular Agenda for discussion prior to the time the Board of Directors votes on the motion to adopt the Consent Agenda.*

1. Approve minutes from the September 29, 2015 CCC Board of Directors meeting.

### Clerk's Notes:

Director Garbe moved that the Board approve Consent Agenda item A(1). Vice-Chairperson Hartman seconded the motion. The motion was passed on the following vote:

|                                     |     |
|-------------------------------------|-----|
| Chairperson Patricia A. Young Brown | For |
| Vice-Chairperson Greg Hartman       | For |
| Director Christie Garbe             | For |
| Director Larry Wallace              | For |
| Director Willie Lopez (Proxy)       | For |

## **B. Regular Agenda**

2. Receive a CCC Delivery System Reform Incentive Payment (DSRIP) Projects update.

### Clerk's Notes:

This item was taken out of sequence. Ms. Sarah Cook, Central Health Medicaid Waiver Director, gave a reporting update on the DSRIP Waiver Projects for Demonstration Year ("DY") 4 as well as an update on the progress on DY 5 projects and the milestones submitted to the state for approval. Ms. Cook also emphasized the potential for a leadership role within the state for the CCC following the possible extension of the 1115 Waiver in DY 6. Ms. Cook responded to questions from the Board. She stated that the CCC would communicate with providers in DY 5 to determine their capabilities in order to plan projects for DY 6.

1. Receive a report on CCC financial statements for November 2015.

### Clerk's Notes:

Mr. Jeff Knodel, Central Health Chief Financial Officer, presented the CCC Financial Statements for two months of operations (October 1, 2015 through November 30, 2015), including the balance sheet, sources and uses report (budget versus actual), and details of healthcare delivery expenditures.

Mr. Knodel also reported on the health care delivery costs through the end of November 2015 and highlighted how much of the actual budget has been utilized compared to the fiscal year budget. Mr. Knodel and Dr. Mark Hernandez, CCC Chief Medical Officer, responded to questions from the Board.

3. Receive a report on the implementation of the 2016 CCC budget and IDS development plan.

### Clerk's Notes:

Mr. John Stephens, CCC Executive Director, presented a review of the CCC Fiscal Year (FY) 2016 budget and accomplishments which included the sources of funds, uses of funds, the Integrated Delivery System (IDS) Plan components, IDS Plan initiatives, future state of health management, current state of navigation, future state of navigation, budget highlights, and the

CCC service delivery task force. Mr. Stephens discussed developing a data sharing agreement with the Dell Medical School at The University of Texas for orthopedic and other specialty care pilot programs, as well as a Patient Navigation Center in which to build CCC health management functions. He also discussed the goals of the service delivery task force, which included defining service locations and services from primary and specialty providers, redefining guidelines for care team models, and revising provider payments from fee-for-service basis to a value-based basis. Mr. Stephens and Dr. Mark Hernandez, CCC Chief Medical Officer, responded to questions from the Board.

4. Discuss and take appropriate action on the 2016 CCC Board of Directors proposed meeting dates.

Clerk's Notes:

Chairperson Patricia A. Young Brown instructed the Board to review the proposed meeting dates for the CCC Board of Directors for 2016 as presented by staff.

Vice-Chairperson Hartman moved that the Board approve the 2016 CCC Board of Directors meeting dates as proposed by staff. Director Garbe seconded the motion.

|                                     |     |
|-------------------------------------|-----|
| Chairperson Patricia A. Young Brown | For |
| Vice-Chairperson Greg Hartman       | For |
| Director Christie Garbe             | For |
| Director Larry Wallace              | For |
| Director Willie Lopez (Proxy)       | For |

**IV. Closed Session**

Clerk's Notes:

No closed session discussion.

**V. Closing**

Clerk's Notes:

There being no further discussion or agenda items, Director Garbe moved that the meeting adjourn. Vice-Chairperson Hartman seconded the motion.

|                                     |     |
|-------------------------------------|-----|
| Chairperson Patricia A. Young Brown | For |
| Vice-Chairperson Greg Hartman       | For |
| Director Christie Garbe             | For |
| Director Larry Wallace              | For |
| Director Willie Lopez (Proxy)       | For |

The meeting adjourned at 2:54 p.m.

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Patricia A. Young Brown, Chairperson  
Community Care Collaborative Board of Directors

ATTESTED TO BY:

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Michelle Vassar, Secretary to the Board  
Community Care Collaborative

DRAFT



## **Board of Directors Meeting**

**January 26, 2016**

### **AGENDA ITEM**

1. Receive and take appropriate action on a presentation of the Community Care Collaborative Fiscal year 2015 financial audit.

(No Back up)





## **Board of Directors Meeting**

**January 26, 2016**

### **AGENDA ITEM**

2. Receive a presentation on CCC-Funded Psychiatric Hospital Care from Austin Travis County Integral Care (ATCIC).

# CCC-Funded Psychiatric Hospital Care: An Innovative Approach for FY16

David Evans, CEO  
*Austin Travis County Integral Care*

Community Care Collaborative  
December 22, 2015



# CCC hospital funding in context

- **As local mental health authority, Integral Care manages a hospital network funded by:**
  - **DSHS - direct**
    - about 36,000 bed-days
    - annual value: about \$20M
  - **DSHS - contract**
    - about 4,000 bed-days
    - annual value: about \$3.5M
  - **CCC - contract**
    - about 9,000 bed-days
    - annual value: about \$7.3M
- **Plus non-acute crisis beds**

# Integral Care's commitment to CCC

- Innovation in clinical care models
- Innovation in financing models
- Minimize wait time for inpatient care
- Quick & easy access to outpatient care

# Central Health and CCC:

## A commitment to bridging the gap

- **Funding acute care since 2008**
  - helps bridge the gap between local need and state hospital capacity
  - currently about \$7.9 million annually
- **Integral Care manages the funds**
  - a network of psychiatric hospitals provides care
  - traditional managed care model

# Historic use of CH funding

- **Funding Allocation**

- \$0.8M intensive outpatient services
- \$0.3M partial hospitalization
- \$6.7M inpatient care

- **Services Snapshot (FY14)**

- funded approximately 8300 bed-days
- served approximately 1100 patient (duplicated)
- average length of stay – 7.5 days

# Historic financing model

- **Payment methodology**
  - fee-for-service with bed-day rates
  - utilization management / prior authorization
- **Current network**
  - preferred provider
    - Seton Shoal Creek
  - our other partners
    - Austin Lakes
    - Austin Oaks
    - Cross Creek

# Goal – increase capacity

## ▪ Issues

- 30% of need remains unfunded
- long wait times in local emergency rooms

## ▪ One solution – new DSHS funding

- provides funding for about 10 new beds

## ▪ Second solution – change strategy

- increase episodes of care
- reduce cost per episode
  - Lower bed-day cost, and/or
  - Shorter lengths of stay



# Strategies to increase capacity

- **Case-rates instead of fee-for-service**
  - incentivizes shorter lengths-of-stay
- **Incentivize weekend discharges**
  - effectively increases capacity up to 28%
- **Penalize preventable readmissions**
  - assures shorter stays don't negatively impact outcomes

# Innovative risk-based clinical strategy

- **Intensive case management (navigator)**
  - navigation service funding contingent upon:
    - minimum numbers served in navigation
    - prompt availability of discharge medications
    - 7-day follow-up with prescriber
  
- **Other clinical strategy incentives for Integral Care**
  - data reporting
  - achieve network goals
    - discharge planning
    - weekend discharges

# Integral Care's commitment to CCC

- **Innovation in clinical care**
  - navigator model fosters adherence to reduce physical and behavioral healthcare costs
- **Innovation in financing**
  - case-rate model for network hospitals
  - outcomes-based funding for Integral Care
- **Minimize waits for inpatient care**
  - incentives for reduced length of stay to improve bed availability
- **Quick and easy access to outpatient care**
  - 7-day physician access for patients in navigation service

**Thank you  
for your investment**

**Questions & Comments**



## **Board of Directors Meeting**

**January 26, 2016**

### **AGENDA ITEM**

3. Receive a Community Care Collaborative Delivery System Reform Incentive Payment (DSRIP) Projects update.

(No Back up)



## **Board of Directors Meeting**

**January 26, 2016**

### **AGENDA ITEM**

4. Receive a presentation on CCC Financials Statements as of December 31, 2015.

# Community Care Collaborative

Financial Statement Presentation

FY 2016 – as of December 31, 2015





- Financial Statements
  - Balance Sheet
  - Sources and Uses Report – Budget vs. Actual
  - Detail of Healthcare Delivery Expense
- Three months of operations
  - October 1, 2015 – December 31, 2015



# Balance Sheet

*As of December 31, 2015*



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|                            |                             |                             |
|----------------------------|-----------------------------|-----------------------------|
| Assets                     | Cash & cash equivalents (1) | \$ 23,590,998               |
|                            | Other receivable            | 22,953                      |
|                            | Prepaid & Other             | <u>70,316</u>               |
|                            | Total Assets                | <u><u>\$ 23,684,267</u></u> |
| Liabilities and Net Assets | AP & Accrued Liabilities    | \$ 5,102,107                |
|                            | Accrued Payroll             | <u>251,901</u>              |
|                            | Total Liabilities           | 5,354,008                   |
|                            | Net Assets (1)              | <u>18,330,259</u>           |
|                            | Liabilities and Net Assets  | <u><u>\$ 23,684,267</u></u> |

(1) Includes \$5M Emergency Reserve Balance

# Sources and Uses Report, Budget vs. Actual

## *Fiscal Year-to-Date through December 31, 2015*



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|                  |                                     | <u>Annual Budget</u>  | <u>YTD Actual</u>    |
|------------------|-------------------------------------|-----------------------|----------------------|
| Sources of Funds | DSRIP Revenue                       | \$ 55,665,911         | \$ -                 |
|                  | Member payment - Seton (1)          | 46,100,000            | -                    |
|                  | Member payment - Central Health (1) | 26,245,166            | -                    |
|                  | Operations Contingency Carryforward | 23,614,250            | 29,783,176           |
|                  | Other Sources                       | 15,000                | 2,387                |
|                  | <b>Total Sources of Funds</b>       | <b>\$ 151,640,327</b> | <b>\$ 29,785,563</b> |
| Uses - Programs  | Healthcare Delivery                 | 92,782,800            | 15,961,308           |
|                  | UT Services Agreement               | 35,000,000            | -                    |
|                  | DSRIP Project Costs                 | 23,857,527            | 675,996              |
|                  | <b>Total Uses</b>                   | <b>\$ 151,640,327</b> | <b>\$ 16,637,304</b> |
|                  | <b>Sources Over Uses</b>            | <b>-</b>              | <b>13,148,259</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

## *Fiscal Year-to-Date through December 31, 2015*



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|                               | <u>Annual Budget</u> | <u>Actual</u>        | <u>Percent Spent</u> |
|-------------------------------|----------------------|----------------------|----------------------|
| Primary Care                  | \$ 52,771,147        | \$ 11,001,852        | 21%                  |
| Specialty Care                | 1,622,985            | 279,819              | 17%                  |
| Mental Health                 | 8,429,022            | 1,403,200            | 17%                  |
| Misc. Specialty Care          | 1,188,626            | 206,700              | 17%                  |
| Pharmacy                      | 4,500,000            | 1,020,993            | 23%                  |
| Client Referral Services      | 856,309              | 171,730              | 20%                  |
| Claims Administration/TPA     | 1,000,000            | 559,013              | 56%                  |
| HCD Operating Cost            | 1,276,435            | 158,195              | 12%                  |
| Service Expansion Funds       | 500,000              | -                    | 0%                   |
| Health Information Technology | 5,550,000            | 759,141              | 14%                  |
| Integrated Care Collaborative | 160,000              | -                    | 0%                   |
| Administration                | 1,238,451            | 275,733              | 22%                  |
| IDS Plan Initiatives          | 12,024,549           | 124,933              | 1%                   |
| Operations Contingency        | 1,665,276            | -                    | 0%                   |
| Total Healthcare Delivery     | <u>\$ 92,782,800</u> | <u>\$ 15,961,308</u> | <u>17%</u>           |

# Selected HCD Providers Expenditures

## *Fiscal Year-to-Date through December 31, 2015*



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|   | <u>Annual Budget</u> | <u>YTD Actual</u>   | <u>% of Budget</u> |
|---|----------------------|---------------------|--------------------|
| <b>Primary care</b>                       |                      |                     |                    |
| Primary Care - CommUnityCare              | \$42,101,395         | \$9,584,882         | 23%                |
| Primary Care - El Buen Samaritano         | 2,350,000            | 389,128             | 17%                |
| Primary Care - Lone Star Circle of Care   | 4,364,995            | 428,904             | 10%                |
| Primary Care - Peoples Community Clinic   | 1,798,000            | 272,036             | 15%                |
| Primary Care - Volunteer Clinic           | 100,000              | 24,287              | 24%                |
| Primary Care - Recuperative Care Beds     | 400,000              | 12,250              | 3%                 |
| Primary Care - Urgent Care                | 191,000              | 15,781              | 8%                 |
| Primary Care - Planned Parenthood         | 585,000              | 143,191             | 24%                |
| Primary Care - City of Austin EMS         | 696,822              | 174,000             | 25%                |
| Primary Care - Paul Bass Clinic - Primary | 709,647              | 99,725              | 14%                |
|   | <u>\$53,296,859</u>  | <u>\$11,144,184</u> | <u>21%</u>         |
| <b>Specialty care</b>                     |                      |                     |                    |
| Paul Bass Clinic - Specialty              | \$933,985            | \$150,000           | 16%                |
| Austin Cancer Centers                     | 359,000              | 46,922              | 13%                |
| Project Access                            | 330,000              | 82,500              | 25%                |
| Ophthalmology                             | 550,915              | 68,480              | 12%                |
| Orthotics                                 | 41,000               | 6,511               | 16%                |
| Oral Surgery/Dental Devices               | 596,711              | 131,709             | 22%                |
|   | <u>\$2,811,611</u>   | <u>\$486,122</u>    | <u>17%</u>         |
| <b>Mental health</b>                      |                      |                     |                    |
| ATCIC                                     | \$8,045,166          | \$1,344,600         | 17%                |
| SIMS Foundation                           | 383,856              | 58,600              | 15%                |
|   | <u>\$8,429,022</u>   | <u>\$1,403,200</u>  | <u>17%</u>         |
| <b>Pharmacy</b>                           | <u>\$4,500,000</u>   | <u>\$1,020,993</u>  | <u>23%</u>         |

# IDS Initiatives

*Fiscal Year-to-Date through December 31, 2015*



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|   | <u>Annual Budget</u> | <u>Actual</u>     | <u>% of Budget</u> |
|---|----------------------|-------------------|--------------------|
| Specialty care                          | \$ 3,518,611         | -                 | 0%                 |
| IDS Plan Contingency Reserve            | 4,780,938            | 49,125            | 1%                 |
| Measurement, assessment and performance | 475,000              | 75,808            | 16%                |
| MAP Redesign                            | 250,000              | -                 | 0%                 |
| MAP benefits enhancement reserve        | 3,000,000            | -                 | 0%                 |
| Total IDS Initiatives                   | <u>\$ 12,024,549</u> | <u>\$ 124,933</u> | <u>1%</u>          |

# Questions? Comments?



Community Care  
COLLABORATIVE



## **Board of Directors Meeting**

**January 26, 2016**

### **AGENDA ITEM**

5. Receive a general update from CCC Executive Director.

(No Back up)