



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CCHHS

**Cook County Health & Hospitals System
Monthly Report to the Cook County Board of
Commissioners**

March 2015

Preliminary

Pending CCHHS Board Approval

Administrative Update

- The Health Information Management Systems Society (HIMSS) created the Electronic Medical Record (EMR) Adoption Model to advance the delivery of patient care via information technology. The criteria is based on an 8 step scale (Level 0 to 7). On February 26, 2015, the leadership and clinical staff in collaboration with IT was interviewed by HIMSS and based on the electronic physician/nursing documentation, clinical decision support rules, computerized physician order entry (CPOE), Closed Loop Medication Administration and Radiology PACS **Cook County Health & Hospitals System achieved Stage 6**. Twenty-one systems in Illinois, representing just 46 hospitals, have achieved Stage 6 at this time. In HIMSS words, “reaching Stage 6 is a result of focus, good direction and a steadfast commitment from leadership. Stage 6 institutions have established clear goals for improving safety, minimizing errors, and prioritizing IT implementations.”
- **The Justice Health Initiative** has been recognized by the Hospital Charitable Services Awards, a national program sponsored by Jackson Healthcare recognizing hospitals whose commitment to their community goes beyond "community benefit" and "free care" and has led to innovative efforts to improve community health and increase access to healthcare education and services. The Justice Health Initiative enrolls detainees at Cook County Jail in Medicaid. Just this week, we surpassed 10,000 approvals for Medicaid enrollment.

Legislative Update

State

- On Wednesday, February 18, 2015 Governor Bruce Rauner made his FY2016 Budget Address to the Illinois General Assembly. Contained in his proposal are approximately \$1.4B in cuts impacting the state's Department of Health and Family Services (HFS) including cuts in rates and services as well as eligibility reductions and savings assumed as a result of enhanced program integrity around redetermination. The proposal also contains an increase in resources for the Inspector General to combat fraud and \$12.5M in operational savings to HFS. Additional proposed reductions impact the Department of Public Health, the Department of Children and Family Services, alcohol and substance abuse programs, disability programs, and family and community service programs.

Federal

- On Wednesday, February 24, 2015 Dr. Shannon presented at a Capitol Hill Briefing on *Medicaid and the County Role in Local Health Systems*. Discussion focused on the various healthcare services Counties provide and the importance of Medicaid funding to those respective Systems. Earlier in the day Dr. Shannon was part of a National Association of Counties Organization (NACo) delegation that met with Senator Durbin to discuss issues of concern to Illinois Counties including the preservation of Medicaid funding.
- CCHHS is closely monitoring discussions in Springfield and Washington, D.C. around key revenue sources such as Medicaid, Disproportionate Share Hospital (DSH) payments and the Benefits Improvement and Protection Act (BIPA) payments. Any reductions to these reimbursement mechanisms would negatively impact CCHHS moving forward; significant reductions in these revenue sources would require alternative funding sources to sustain current level of healthcare services provided by CCHHS.

Cook County Health Facilities
Combining Income Statement of General Funds (Unaudited)
(In Thousands)
December 31, 2014

	Acute Care	Dept of Public Health	Cermak	Intra-Activity Eliminations	Grand Total
REVENUE:					
Net patient service revenue	131,157			(18,268)	112,890
Other revenue	19				19
Total Revenue:	131,176			(18,268)	112,908
OPERATING EXPENSES:					
Salaries and wages	39,887	741	3,859		44,487
Employee benefits	4,660	198	414		5,273
Supplies	20,228	29	77	(668)	19,666
Purchased svcs, rental & other	61,820	63	105	(17,599)	44,389
Insurance expense	1,824	35	140		1,999
Depreciation	2,777	2	20		2,798
TOTAL OPERATING EXPENSES	131,196	1,068	4,616	(18,268)	118,612
GAIN (LOSS) FROM OPERATIONS	(20)	(1,068)	(4,616)		(5,703)
NONOPERATING REVENUE	12,133	377	5,894		18,403
NET INCOME (LOSS)	12,113	(690)	1,278		12,700
Net Position at beginning of year	452,766	149,607	(117,816)		484,557
Net Position at end of year	464,878	148,917	(116,538)		497,257

CountyCare Income Statement
December-2014

Revenue	YTD December-2014
PMPM	52,493,344
Admin	-
State Workers	88,481
Reserve for Settlement	-
Assessment Tax from Cash Advance	-
Total Revenue	\$ 52,581,825
Application Processing Costs	
Hoynes Facility Expenses	\$ 27,684
AHS Application Assistance Fees	1,686,709
CEA Application Assistance Fees	64,292
State Workers Cost	176,963
Total Application Processing Costs	\$ 1,955,648
Administrative Expenses	
Salaries & Benefits	\$ 276,206
Stop Loss Insurance	331,500
Self Insurance	36,240
Pharmacy	368,742
PsychHealth ASO	-
AHS TPA Fees	1,037,909
IlliniCare TPA Fees	4,609,010
MHN Fees	352,265
Other	41,587
Total Administrative Expenses	\$ 7,053,459
Clinical Expenses	
Domestic Claims	\$ 16,300,262
Domestic Claims IBNR	1,298,950
Foreign Claims	15,318,589
Foreign Claims IBNR	4,516,819
Pharmacy	5,255,670
Domestic Pharmacy	668,490
MHN ASO	828,251
Behavioral Health	1,353,516
Optical	313,413
Transportation	-
Dental	65,716
Total Clinical Expenses	\$ 45,919,677
Total Expenses	\$ 54,928,783
CountyCare Net Income	\$ (2,346,958)

Cook County Health Facilities
Combining Income Statement of General Funds (Unaudited)
(In Thousands)
January 31, 2015

	Acute Care	Dept of Public Health	Cermak	Intra-Activity Eliminations	Grand Total
REVENUE:					
Net patient service revenue	244,959			(36,409)	208,550
Grant revenue		118			118
EHR incentive program revenue	129				129
Other revenue	369	59	0		428
Total Revenue:	245,458	177	0	(36,409)	209,226
OPERATING EXPENSES:					
Salaries and wages	79,773	1,565	7,843		89,181
Employee benefits	9,323	397	830		10,550
Supplies	41,010	59	155	(1,892)	39,332
Purchased svcs, rental & other	114,914	125	210	(34,517)	80,732
Insurance expense	3,648	70	279		3,997
Depreciation	5,553	3	40		5,596
Utilities	9	9			18
TOTAL OPERATING EXPENSES	254,231	2,228	9,357	(36,409)	229,407
GAIN (LOSS) FROM OPERATIONS	(8,774)	(2,050)	(9,357)		(20,181)
NONOPERATING REVENUE	24,266	759	11,787		36,812
NET INCOME (LOSS)	15,492	(1,291)	2,430		16,631
Net Position at beginning of year	462,080	149,384	(117,855)		493,609
Net Position at end of year	477,572	148,093	(115,424)		510,241

CountyCare Income Statement

January-2015

Revenue	YTD December-2014	YTD January-2015
PMPM	52,493,344	106,160,435
Admin	-	-
State Workers	88,481	206,697
Reserve for Settlement	-	-
Assessment Tax from Cash Advance	-	10,000
Total Revenue	\$ 52,581,825	\$ 106,377,132
Application Processing Costs		
Hoyne Facility Expenses	\$ 27,684	\$ 49,461
AHS Application Assistance Fees	1,686,709	2,674,989
CEA Application Assistance Fees	64,292	118,361
State Workers Cost	176,963	413,395
Total Application Processing Costs	\$ 1,955,648	\$ 3,256,205
Administrative Expenses		
Salaries & Benefits	\$ 276,206	\$ 307,529
Stop Loss Insurance	331,500	663,000
Self Insurance	36,240	72,479
Pharmacy	368,742	1,056,570
AHS TPA Fees	1,037,909	1,037,909
IlliniCare TPA Fees	4,609,010	9,310,117
MHN Fees	352,265	704,530
Other	41,587	93,554
Total Administrative Expenses	\$ 7,053,459	\$ 13,245,688
Clinical Expenses		
Domestic Claims	\$ 16,300,262	\$ 32,600,524
Domestic Claims IBNR	1,298,950	1,916,815
Foreign Claims	15,318,589	32,923,542
Foreign Claims IBNR	4,516,819	294,421
Pharmacy	5,255,670	17,254,058
Domestic Pharmacy	668,490	1,891,848
MHN ASO	828,251	1,656,502
Behavioral Health	1,353,516	2,736,774
Optical	313,413	683,714
Transportation	-	-
Dental	65,716	131,432
Total Clinical Expenses	\$ 45,919,677	\$ 92,039,630
Total Expenses	\$ 54,928,783	\$ 108,541,524
CountyCare Net Income	\$ (2,346,958)	\$ (2,164,391)