

FY2026 Proposed Budget

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COOK COUNTY
HEALTH

Agenda

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& FY26 Key
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**COOK COUNTY
HEALTH**

2025 Accomplishments



- CountyCare earned NCQA re-accreditation
- Provident achieved “Top General Hospital” designation from Leapfrog
- **Converted close to 200 agency positions to fill vacancies**
- **New Bronzeville Health Center opened**
- **Opened Clinical Triage and Stabilization Center at Provident Hospital**
- CCH earned the Equity Certification from The Joint Commission
- Established food pantries at Belmont Cragin and Provident
- Launched expansion of care coordination for all CCH patients
- **Established a Doula program to provide support for deliveries by empowering the birthing persons and/or couple throughout their pregnancy, labor, and afterwards with postpartum and newborn care.**
- Successful Primary Stroke Center recertification by the Joint Commission
- **Opened dental services at North Riverside**
- **Executed agreement with Loyola Health System to expand CountyCare network and add 700 new providers**
- Cermak's Outpatient Treatment Program was highlighted in the National Commission on Correctional Health Care's guidance on substance use disorder treatment
- The Illinois Department of Juvenile Justice reported Juvenile Temporary Detention Center medical services exceeded standards

- **Launched Birthday Health Screenings to promote streamlined access to low/no cost mammograms and prostate cancer screenings**
- CCDPH co-hosted 20th annual Chicago Food Justice Summit
- Finalized & adopted Nursing Professional Governance Model
- **Added a new primary care slot utilization metric to value-based care measures**
- **Improved IT service ticket management system**
- CCH won two national awards for Total Health Talks, a consumer podcast
- Received 19 National Association of Counties awards across many categories
- Conducted staff training on immigration enforcement activities and promoted welcoming messages and distributed “Know Your Rights” information to patients
- Held five behavioral health strategic plan community forums with more than 500 attendees
- Family Medicine Department added more support and access to same-day treatment for Medication Assisted Treatment for substance use disorder care
- CCDPH developing Community Health Worker pipeline with Bremen High School District
- **Increased the number of CountyCare members filling their prescriptions with CCH pharmacy**
- Stroger Hospital team recognized by The Chicago Health Executives Forum for initiatives that improved throughput, reduced turnaround time and increased patient satisfaction

2026 Key Initiatives



- Continue to improve quality ratings and metrics
- Increase patient and member satisfaction scores
- Make progress in achieving American Nurses Credentialing Center Pathways to Excellence Accreditation
- Ensure access to care is maintained/improved
- Achieve the NCQA Health Equity Accreditation for CountyCare
- Make progress in reducing the vacancy rate and reduce agency utilization
- Continue successful retention programs to maintain low turnover
- Implement pathway programs to help build a future CCH workforce
- Implement performance and process improvement initiatives throughout the organization. (e.g. hiring, procurement, surgical optimization, throughput improvements, etc.)
- Make continue progress aligning productivity and operational metrics with national benchmarks
- Continue the development of a plan for future growth for CCDPH
- Continue to scale the Office of Life Sciences to support growth in research and sponsored programs
- Leverage emerging technologies and continue to improve electronic medical records
- Maximize ARPA expenditures and sustainability plans
- Enter into additional value-based care contracts to drive higher quality outcomes and to yield positive financial impact.
- Improve and maintain a positive operating margin through denial reduction, increased claims submissions, note closures and improved billing technology
- Progress towards Healthcare Financial Management Association MAP awards through Key Performance Indicator Improvement

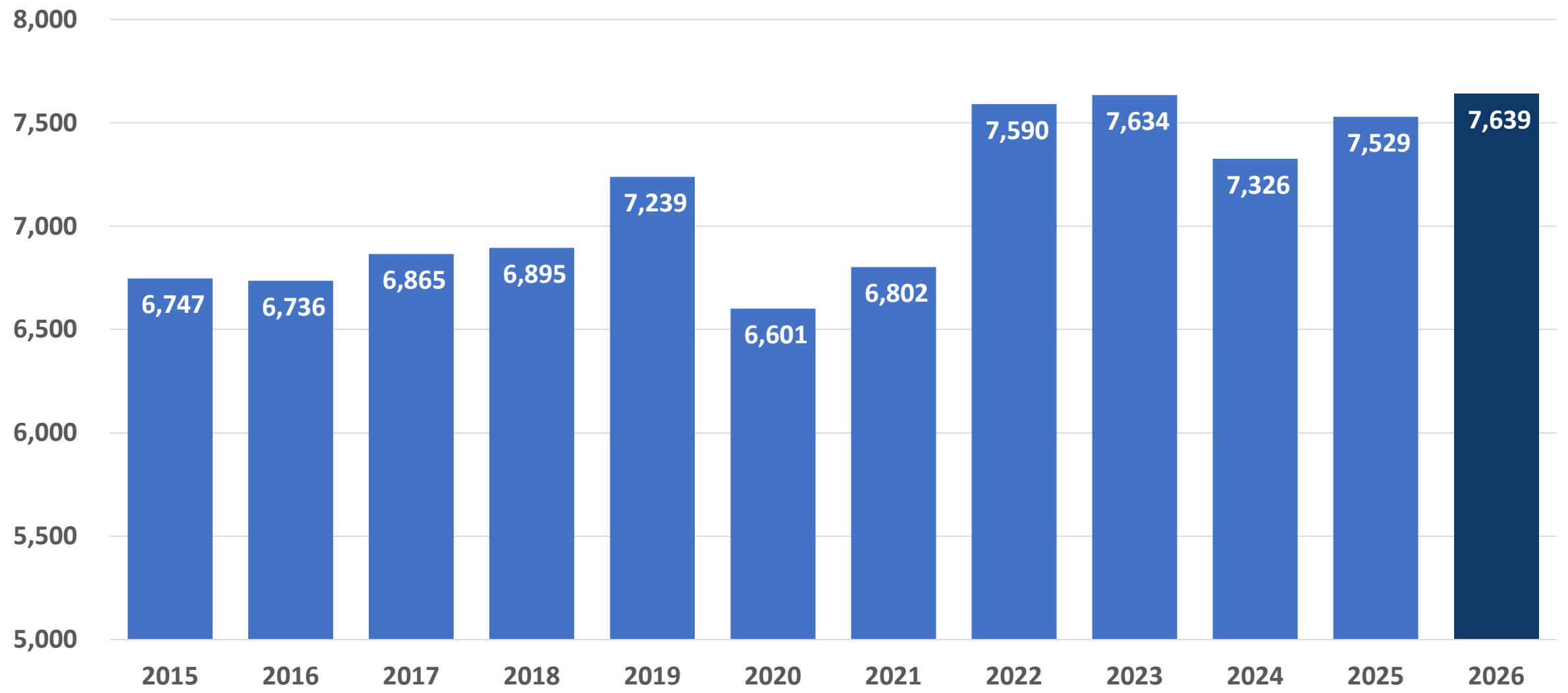
Historical Trends



COOK COUNTY
HEALTH



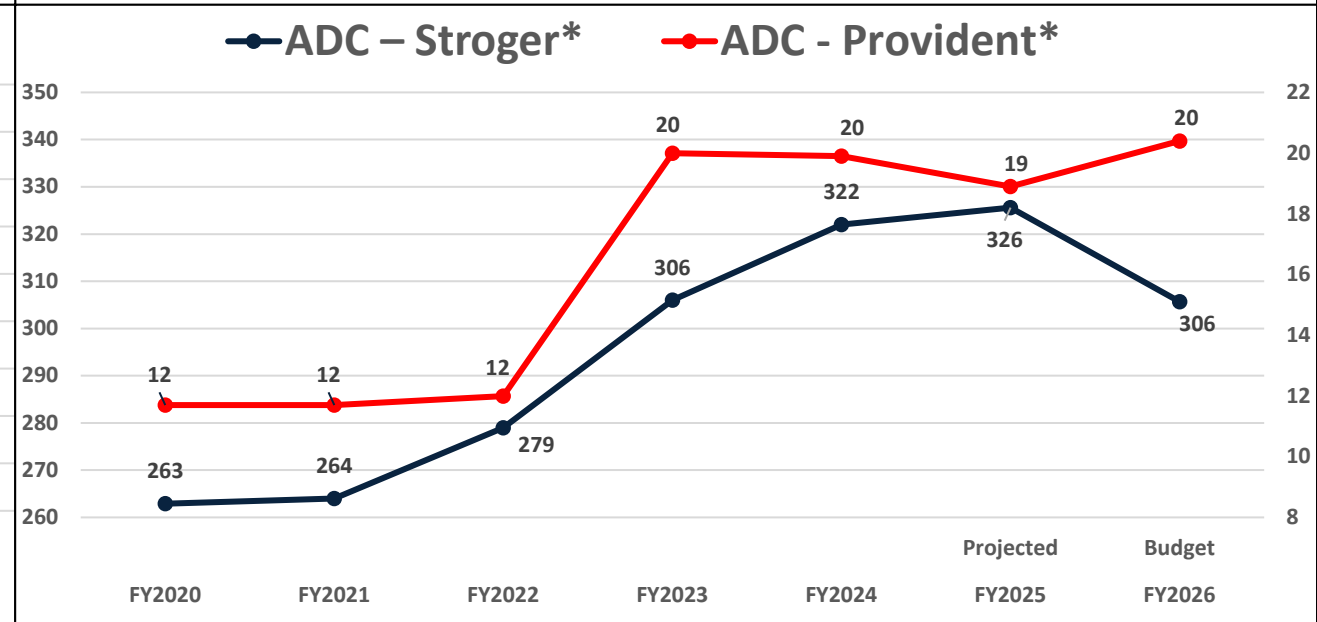
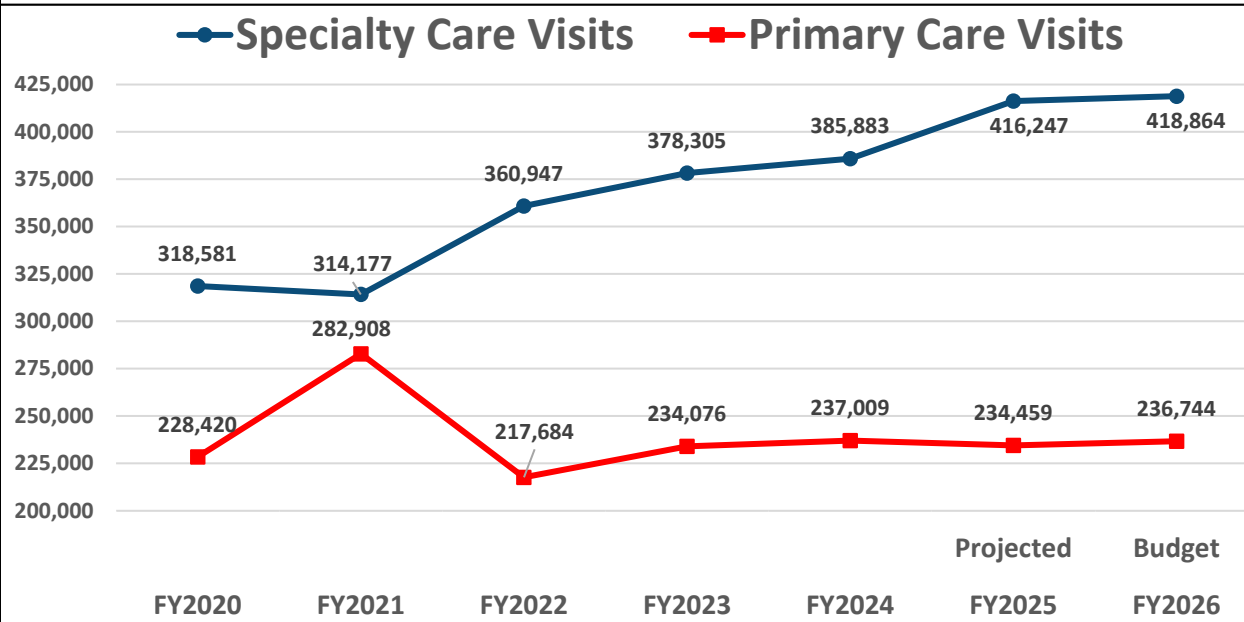
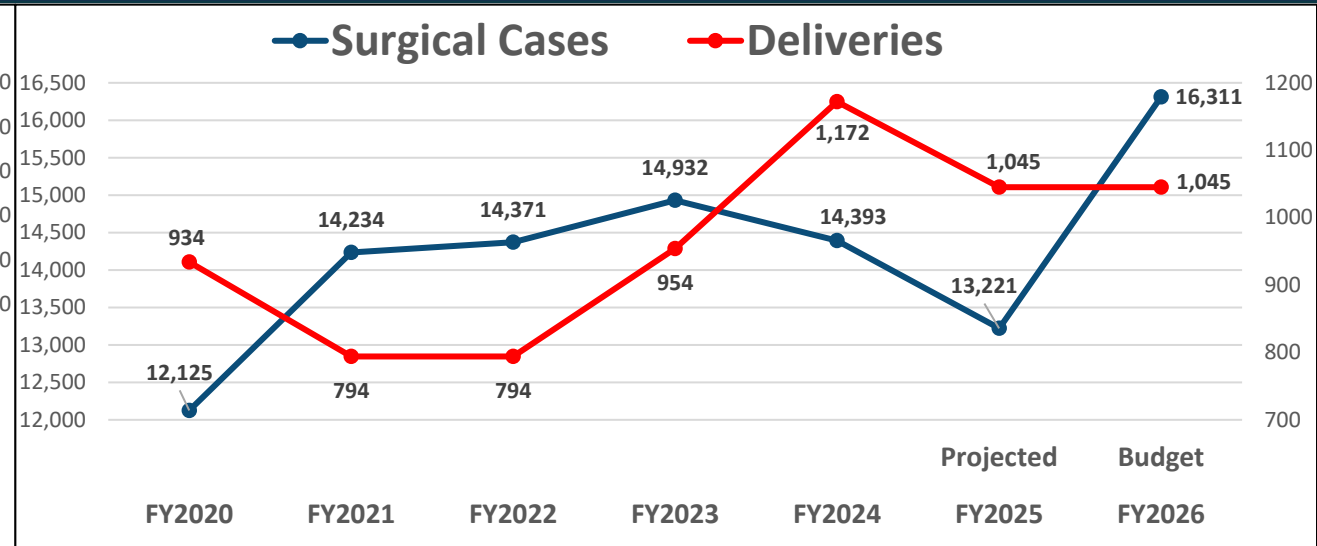
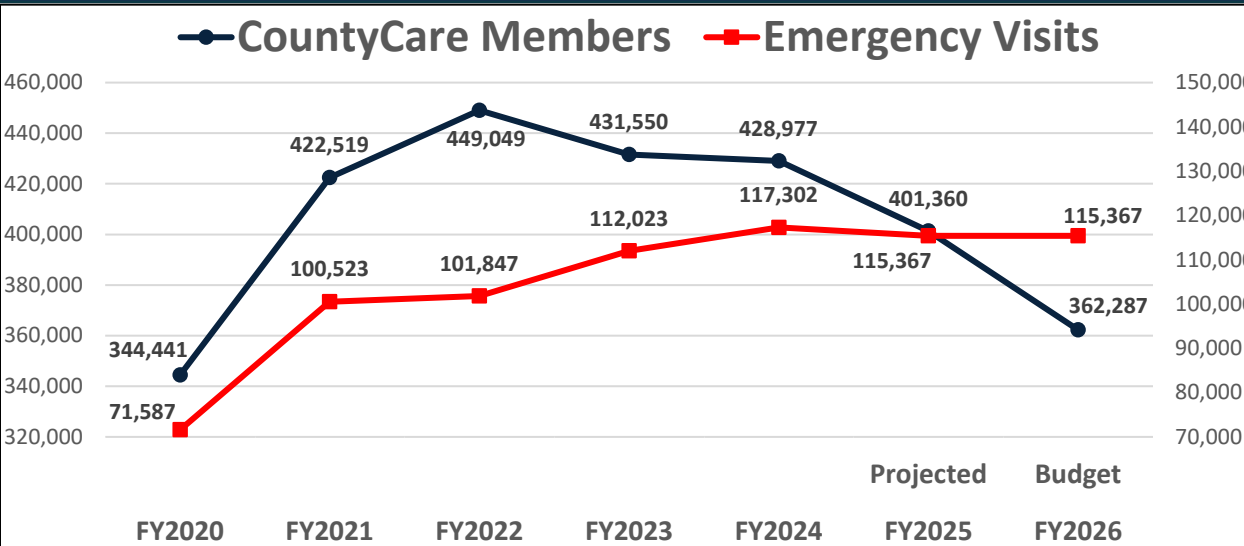
CCH FTE Trend



CCH Volume Trend



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Federal & State Funding Cuts

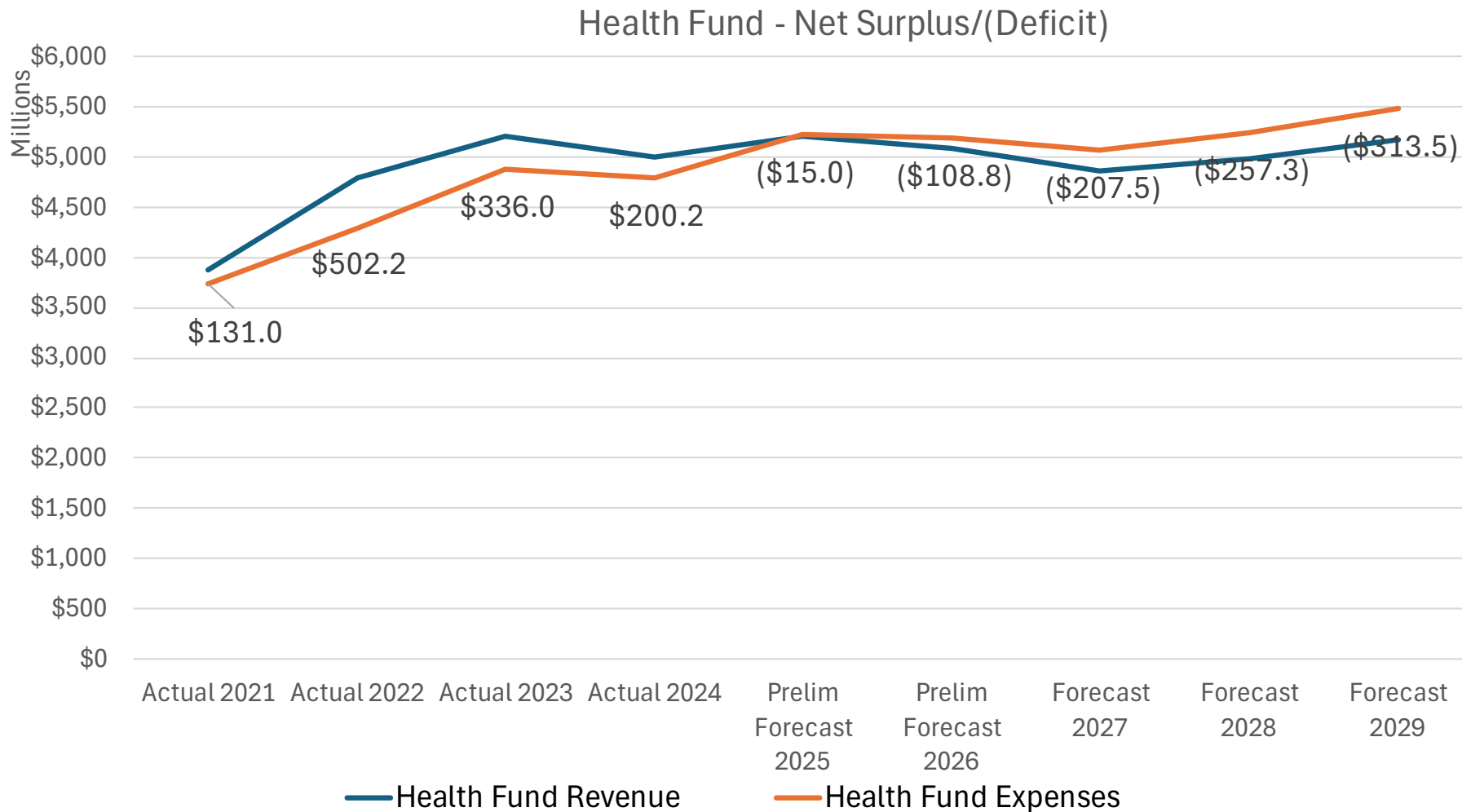
**Estimated
Impact:**

State <i>Effective June 30, 2025</i>	DSH Cut <i>Effective October 2025</i>	Federal Budget Bill <i>Est. Effective 2027</i>	
Illinois Health Benefits for Immigrant Adults Program sunsets 8,000 CCH patients lose coverage \$111 million reduction in provider reimbursement to CCH	Federal Disproportionate Share Hospital (DSH) funding is slated to be reduced <i>if no Congressional action is taken</i> \$120 million reduction to CCH	Medicaid work requirements implemented 10% of individuals lose Medicaid coverage \$88 million reduction in provider reimbursement to CCH	Medicaid redetermination every 6 months (currently every 12) for select groups Between 5-12% of individuals lose coverage, may be eligible to reenroll \$50 million reduction in provider reimbursement to CCH

Compounding Effects



CCH Surplus(Deficit) Projection



Note: FY2020 through FY2023 includes directed payments and domestic claims that CountyCare passes through to CCH in the revenues and expenses of both Health Plan Services and Health Care Services. Beginning in FY2024, directed payments will only be accounted for in the budget for Health Care Services while domestic claims will be offset in a separate account.

- Salary increases, supply cost inflation and additional proposed Medicaid cuts over the next decade will lead to an increased loss of revenue and rise of uncompensated care.
- Expenses projected to outpace revenues.



FY2026 Proposed Budget



Health Care Services
Health Plan Services



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FY26 Budget Assumptions

+/- denotes impact to net income

FY2025 Actual/Projected volume run rate as baseline

- + 10% expense reduction plan carryover**
- + Additional Gastroenterology and Crisis Stabilization Center volume at Provident**
- + 4% chargemaster increase to market rates for select services**
- + Medicare IPPS Proposed Rule Net Impacts/Medicaid rate increase**
- + 5.8% increase in CountyCare PMPM capitation rate**
- Natural salary progression based on historical trends**
- CountyCare average membership reduced to 362,000 due to HBLA and State program changes**

FY26 Volume Assumptions

Statistic		FY2023	FY2024	FY2025 Budget	FY2025 Projected	FY2026 Budget
Surgical Cases	↑	14,932	14,393	15,166	13,221	16,311
Emergency Visits	↓	112,023	117,304	118,393	115,367	115,367
Primary Care Visits	↓	234,076	237,009	241,000	234,459	236,744
Specialty Care Visits	↑	378,305	385,883	380,000	416,247	418,864
Deliveries	↑	954	1,172	950	1,045	1,045
ADC – Stroger*	↓	306	321	317	326	306
ADC - Provident*	↓	20	20	29	19	20
CountyCare Members	↓	450,311	428,977	392,301	401,360	362,287

* Inpatient & Observation



FY26 Health Fund Revenue - \$5.144B



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In millions	FY2025 Budget	FY2025 Projected	FY2026 Proposed Budget	Variance (FY25B vs FY26B)
CCH Net Patient Revenues	\$845	\$565	\$581	\$(264)
DSH/BIPA/GME/Directed Payments	\$743	\$858	\$837	\$94
Health Plan Services	\$3,332	\$3,568	\$3,500	\$168
Tax Allocation	\$158	\$158	\$168	\$10
Other	\$68	\$59	\$59	\$(9)
Total	\$5,146	\$5,207	\$5,144	\$(2)



FY26 Health Fund Expense - \$5.144B



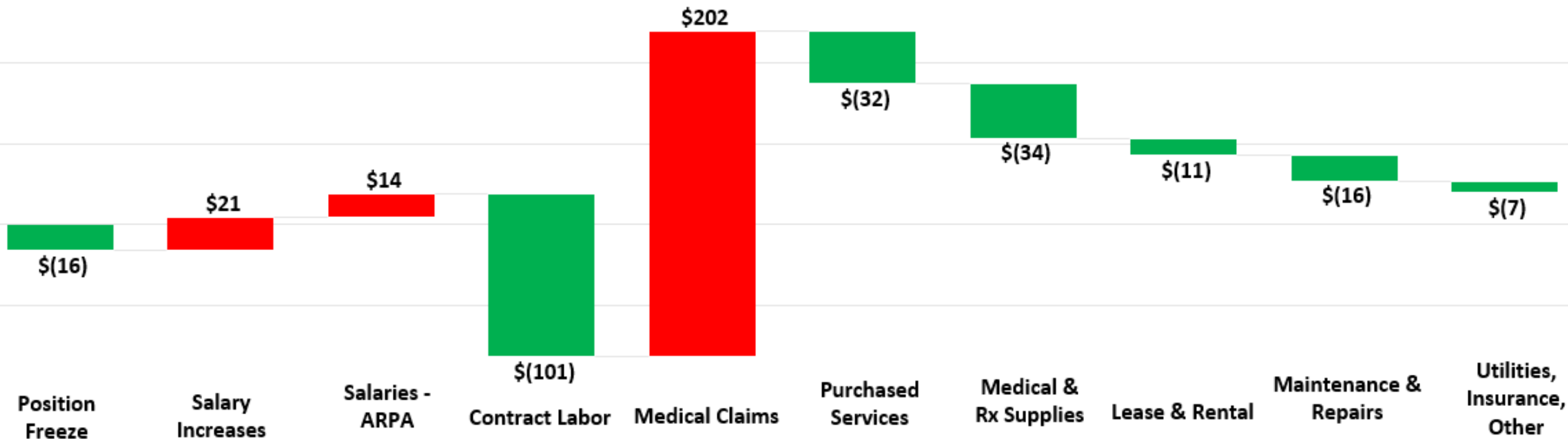
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In millions	FY2025 Budget	FY2026 Proposed Budget	Var	FY2025 Budgeted FTEs	FY2026 Proposed FTEs	Var
240 – Cermak	\$115	\$100	\$(15)	590	585	(5)
241 – JTDC	\$11	\$11	\$0	61	63	2
890 – Health Admin	\$166	\$155	\$(11)	483	518	35
891 – Provident	\$113	\$93	\$(20)	435	426	(9)
893 – ACHN	\$210	\$172	\$(38)	866	881	15
894 – CORE	\$31	\$32	\$1	74	72	(2)
895 - Public Health	\$24	\$28	\$4	126	167	41
896 - Health Plan Services	\$3,189	\$3,399	\$210	428	425	(3)
897 – Stroger	\$1,245	\$1,116	\$(129)	4,466	4,502	36
899 - Fixed Charges	\$42	\$38	\$(4)	0	0	0
Total	\$5,146	\$5,144	\$(2)	7,529	7,639	110

FY26 Budget at a Glance

FY25 \$5.146B  **FY26 \$5.144B**

FY25 to FY26 Expense Budget Waterfall



In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Stroger	\$1,245	\$1,116	\$(129)	4,466	4,502	36

Expense Drivers:

- 10% expense reduction plan carried over to FY2026
- Targeted focus on reducing Agency utilization in Nursing, Pharmacy, EVS, Telecommunications, and Laboratory Services
- Continued service line investment for OBGYN, Cardiology, Neurology, and Oncology/Cancer Center
- Replacement of MRI equipment; renovation of Sterile Processing, Interventional Radiology (IR) Room, and parking garage

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Provident	\$113	\$93	\$(20)	435	426	(9)

Expense Drivers:

- 10% expense reduction plan carried over to FY2026
- Ramp up of Crisis Triage Stabilization Center (CTSC)
- Expansion of OBGYN, Urology, GI, Oral/Maxillofacial and General Surgery services
- Planning for a Neurology/Stroke program that includes a new MRI facility
- Facility infrastructure upgrades and investments for the aging campus

Outpatient (ACHN/CORE)

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
ACHN / CORE Outpatient Services	\$241	\$204	\$(37)	940	953	13

Expense Drivers:

- 10% expense reduction plan carried over to FY2026 including focus on Agency utilization
- Demobilizing of New Arrivals intake center
- Maintenance of facilities contracts for repair/upgrades of clinics
- Addition of Oral Health Services at select ACHN locations
- Continued ramp up of Bronzeville/31st Street Clinic

Correctional Health

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Cermak	\$115	\$100	\$(15)	590	585	(5)
JTDC	\$11	\$11	\$0	61	63	2

Expense Drivers:

- 10% expense reduction plan carried over to FY2026 including focus on Agency utilization
- Telehealth service phasing continues, maximizing use of technology to provide efficient, effective, and safe services

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Public Health	\$24	\$28	\$4	126	167	41

Expense Drivers:

- New positions moving from Grant, ARPA and Lead Fund
- Communications initiatives for expansion of advertisement of CCDPH services to the public
- New community immunization program

Health Administration

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Health Administration	\$166	\$155	\$(11)	483	518	35

Expense Drivers:

- 10% expense reduction plan carried over to FY2026
- Revenue Cycle activities to manage denial reductions, increase claims submissions, and utilization of improved billing technology and electronic medical records system
- Continued expansion of Life Sciences department to support research operations
- Increase in FTE's due to converted positions to the Position Control Committee

Health Plan Services: CountyCare

In millions	FY2025 Budget	FY2026 Proposed Budget	Variance	FY2025 FTEs	FY2026 FTEs Proposed	Variance
Health Plan Services	\$3,189	\$3,399	\$210	428	425	(3)

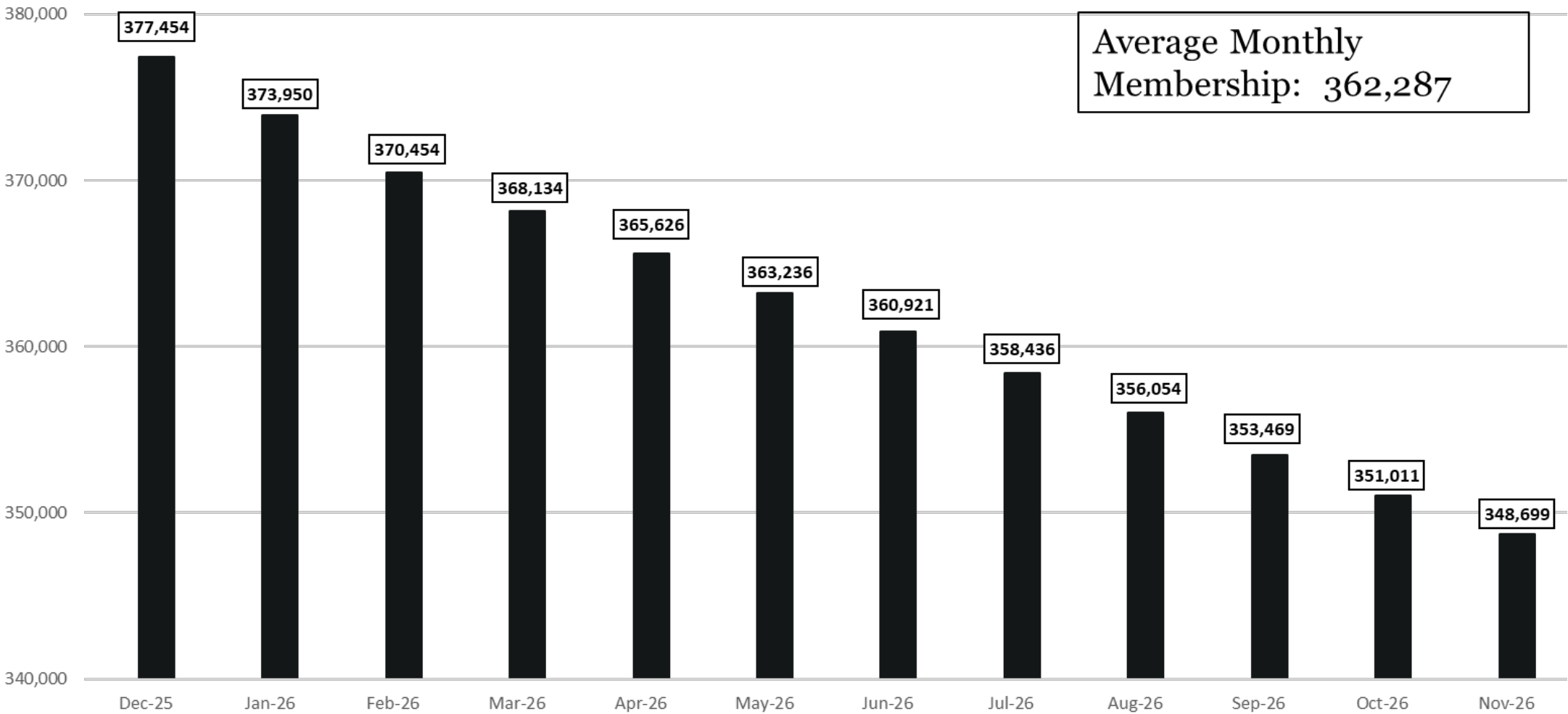
Expense Drivers:

- Overall claims expense set to increase by 5.8% offset by revenue per member per month increase based on State program changes and rate trends
- Projected membership to decrease from prior year budget due to State program changes and the elimination of the Health Benefits for Immigrant Adults population (average budgeted membership per month is estimated at 362,000)



FY2026 Membership Projections: CountyCare

CountyCare Membership



FY2026 Proposed Health Plan Services Financial Summary



<i>In millions</i>	ACA Adult	FHP	SPD	MLTSS/ LTSS/IMD	SNC	HBIS/IC	Total
Projected 2026 Membership	88,169	205,279	32,905	12,034	7,414	16,486	362,287
CountyCare Capitation Revenue	\$821	\$874	\$1,028	\$562	\$112	\$102	\$3,499
Medical Expense (CCH)	\$33	\$31	\$32	\$.15	\$.19	\$6	\$102
Medical Expense (Network)	\$761	\$812	\$975	\$533	\$66	\$85	\$3,232
Administrative Expense	\$28	\$31	\$21	\$28	\$46	\$10	\$164
Total CountyCare Expenses	\$822	\$874	\$1,028	\$561	\$111	\$102	\$3,498
Health Plan Net Income (Loss)	\$(.4)	\$.7	\$.2	\$.5	\$.3	\$.2	\$1
Total CCH Contribution	\$32	\$31	\$32	\$.66	\$.49	\$7	\$103

NOTE: Some numbers are rounded to nearest million for display purposes and could result in small arithmetical differences.

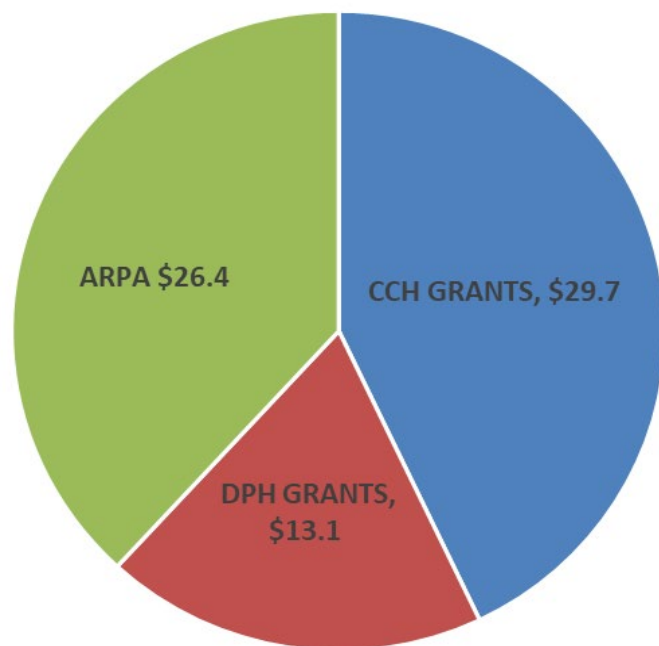
ACA – Affordable Care Act, FHP – Family Health Program, SPD – Seniors and Persons with Disabilities, MLTSS – Medicaid and Long-Term Services and Supports, LTSS - Long Term Services and Supports, IMD – Institution for Mental Disease, SNC – Special Needs Children, HBIS – Health Benefits for Immigrant Seniors, HBIC – Health Benefits for Immigrant Children

Grant & ARPA Funds



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Grants & ARPA: \$69.2 Million

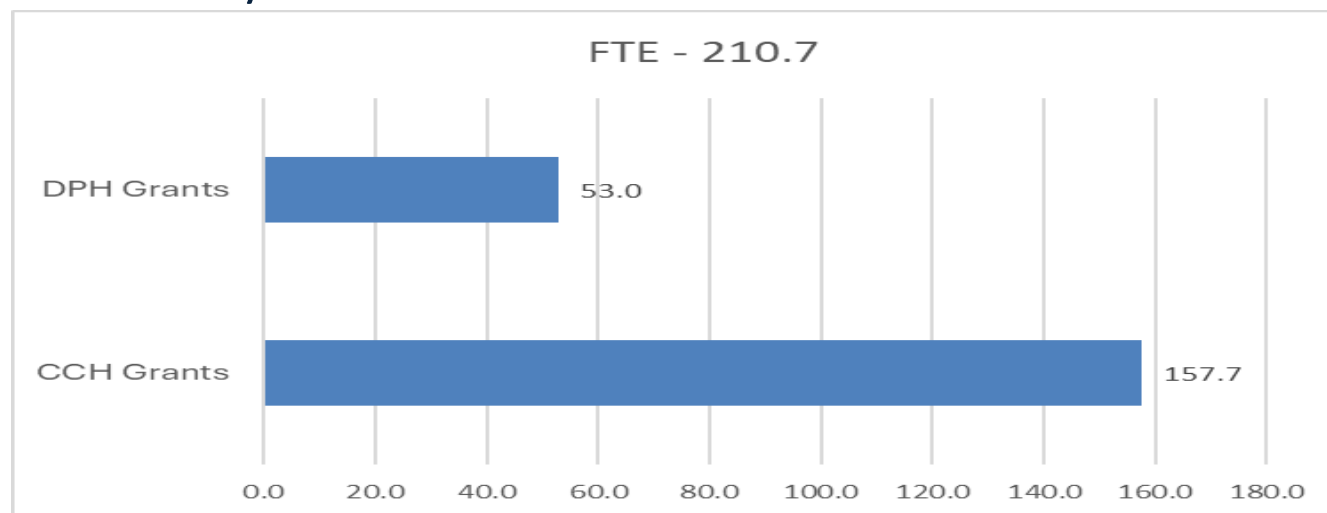


**In millions*

American Rescue Plan Act (ARPA): \$26.4M

CCH & DPH Grants: \$42.8M comprised of over **99** separate grants

- Behavioral Health
- Opioid & Substance abuse
- Food as Medicine
- Emergency Preparedness
- Trauma Informed Treatment
- Healthy Children & Families



ARPA Progress to Date

CCH ARPA Expenses and Budgets



■ Total Expenses to date

▨ Remaining Expenditures

Updated Guidelines:

- The County corporate fund will cover FY2025 personnel

Next Steps:

- Cash flow estimates complete, accelerating expenditures
- Progress addressing payment backlog to sub-recipients
- Monitoring monthly expenditures against goal
- Developing an updated sustainability plan post-ARPA

Appendix: Acronyms

- 340B – federal drug pricing control program
- ACA – Affordable Care Act
- ACHN – Ambulatory and Community Health Network of Cook County (CCH Outpatient Services)
- BIPA – Benefits Improvement and Protection Act (in terms of revenue source)
- CORE – Ruth M. Rothstein CORE Center of Cook County
- DSH – Disproportionate Share Hospital (in terms of revenue source)
- DNFB – Discharged Not Final Billed
- FMAP – Federal Medical Assistance Percentage
- FMLA – Family Medical Leave Act
- FTE – Full Time-Equivalent Employee
- GME – Graduate Medical Education (in terms of revenue source)
- IBNR – Incurred But Not Received
- JTDC – Juvenile Temporary Detention Center
- MBE/WBE – Minority and Women-Owned Business Enterprise
- MCO – Managed Care Organization
- MLR – Medical Loss Ratio
- PMPM – Per Member Per Month

Questions?



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