

Cook County Health & Hospitals System



COOK COUNTY HEALTH AND HOSPITALS SYSTEM

MONTHLY REPORT TO THE COOK COUNTY BOARD OF COMMISSIONERS AUGUST 2014

**Dr. John Jay Shannon
Chief Executive Officer**

CCHHS

Cook County Health & Hospitals System

Administration Update

- Stroger Hospital has received a two-year certification as an **Advanced Primary Stroke Center** by The Joint Commission. Congratulations to Dr. Michael Kelly and the entire team for this achievement.
- Over the past 24 months, CCHHS has been engaged with **America's Essential Hospitals** (AEH) on targeted efforts to improve patient safety and quality. The Essential Hospitals Engagement Network (EHEN) has worked closely with front line teams at Stroger and Provident Hospitals on specific measures for improvement. On September 26th, AEH will present Stroger and Provident Hospitals with awards recognizing the achievements of our staff in raising the bar. Notable achievements include:

Stroger

- o National Healthcare Safety Network (NHSN): Surgical Site Infection (SSI) rate down 78% between February 2014 and April 2014
- o Falls with injury rate (JC – NSC -5) down 85% between April 2014 and June 2014
- o Early elective delivery rate down 100% between April 2014 and June 2014

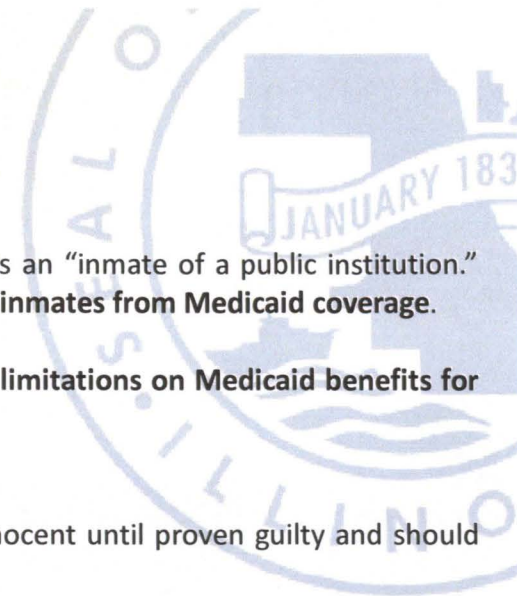
Provident

- o National Healthcare Safety Network (NHSN): Surgical Site Infection (SSI) rate down 100% between January 2014 and March 2014
- o CLABSI rate (Central line infections) down 100% between November 2013 and Jan 2014

- In collaboration with the Greater Chicago Food Depository, CCHHS will be hosting a **Food as Medicine Summit** for to discuss food insecurity and its effect on the health of our patients. The summit will be held on Friday, September 26 from 12:00 to 5:00pm in the Board Room.
- To provide increased convenience for our patients, the **Ambulatory and Community Health Network** will begin offering Saturday hours starting in September. Additionally, the consolidation of all clinical services into the 'E' building on the Oak Forest Campus is expected to be complete in September. This will provide additional convenience to patients who use multiple services.
- Eleven mid-level managers have been selected for **CCHHS' Leadership Development Program**. This is the third cohort to go through the program in our ongoing efforts to develop and retain effective leaders and to better prepare our staff for the new health care environment.

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Legislative Update



The Medicaid statute prohibits federal reimbursement for services provided to a person who is an “inmate of a public institution.” Longstanding Centers for Medicare and Medicaid Services (CMS) **regulations exclude county jail inmates from Medicaid coverage.**

Rep. Alcee Hastings (D-Fla.), has authored an amendment to the Social Security Act to **remove limitations on Medicaid benefits for individuals in custody pending disposition of charges** and is seeking co-sponsors.

A few key points of the bill:

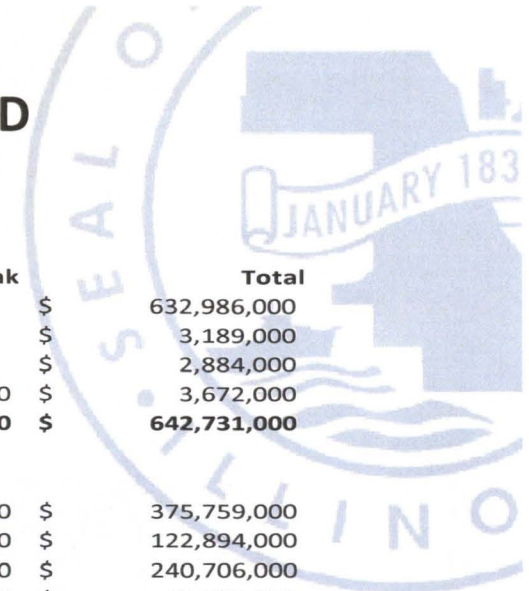
- o The bill only covers individuals who are in jail pending disposition of charges—they are innocent until proven guilty and should retain their insurance coverage while in temporary custody
- o The bill will help counties/public health systems provide Medicaid benefits for needed mental health and substance abuse treatment for inmates.

National Association of Counties (NACo) policy calls for counties to be able to bill Medicaid—and other federal health insurance programs—for services furnished to otherwise eligible persons in county custody pending disposition of charges.

The extension of health benefit coverage to pre-trial jail inmates would benefit the Health System and Cook County government and therefore we **support this legislation** and will work with our NACo partners to help move this forward.

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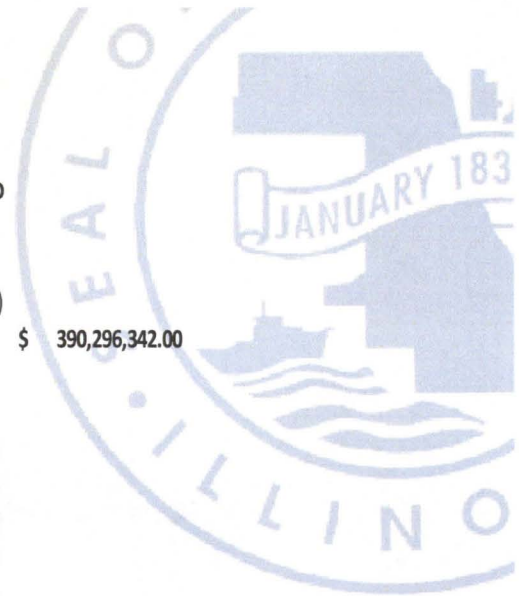
Cook County Health and Hospitals System - June 2014 YTD



Revenue	Acute Care	Dept of Public Health	Cermak	Total
Net Patient Service Revenue	\$ 632,986,000		\$	632,986,000
Grant Revenue		\$ 3,189,000	\$	3,189,000
HER incentive program Rev.	\$ 2,884,000		\$	2,884,000
Other Revenue	\$ 3,579,000	\$ 92,000	\$ 1,000	\$ 3,672,000
Total Revenue	\$ 639,449,000	\$ 3,281,000	\$ 1,000	\$ 642,731,000
Operating Expenses				
Salaries, Wages and Benefits	\$ 336,903,000	\$ 8,511,000	\$ 30,345,000	\$ 375,759,000
Supplies	\$ 121,750,000	\$ 278,000	\$ 866,000	\$ 122,894,000
Purchased Serv., Rent & Other	\$ 239,641,000	\$ 445,000	\$ 620,000	\$ 240,706,000
Insurance Expense	\$ 15,958,000	\$ 317,000	\$ 1,253,000	\$ 17,528,000
Depreciation	\$ 19,436,000	\$ 11,000	\$ 141,000	\$ 19,588,000
Utilities	\$ 5,933,000	\$ 30,000	\$ 3,000	\$ 5,966,000
Total Operating Expenses	\$ 739,621,000	\$ 9,592,000	\$ 33,228,000	\$ 782,441,000
Gain or (Loss) from Operation	\$ (100,172,000)	\$ (6,311,000)	\$ (33,227,000)	\$ (139,710,000)
Nonoperating Revenue				
County Tax Support Revenue	\$ 63,935,000	\$ 5,029,000	\$ 16,549,000	\$ 85,513,000
Interest Income	\$ 12,000		\$	\$ 12,000
Retirement Plan Contribution	\$ 29,284,000	\$ 1,315,000	\$ 2,558,000	\$ 33,157,000
Total Nonoperating Revenue	\$ 93,231,000	\$ 6,344,000	\$ 19,107,000	\$ 118,682,000
Net Income (Loss)	\$ (6,941,000)	\$ 33,000	\$ (14,120,000)	\$ (21,028,000)

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County Care – June 2014 YTD



CountyCare Revenue	May YTD	May YTD	June	June YTD
PMPM revenue	\$ 291,165,493.00	\$	73,506,188.00	\$ 364,671,681.00
Administrative Revenue	\$ 25,192,751.00	\$	3,618,689.00	\$ 28,811,440.00
Cost of State workers	\$ (2,731,525.00)	\$	(455,254.00)	\$ (3,186,779.00)
Total Revenue	\$ 313,626,719.00	\$	76,669,623.00	\$ 390,296,342.00
Plan Administration Expenses				
Salaries, Wages, and Benefits for CCHHS staff	\$ 510,711.00	\$	85,119.00	\$ 595,830.00
Hoyne Facility expenses	\$ 143,230.00	\$	23,872.00	\$ 167,102.00
Stop Loss Insurance	\$ 2,529,190.00	\$	331,500.00	\$ 2,860,690.00
Pharmacy Benefits Manager Fee	\$ 2,536,129.00	\$	535,502.00	\$ 3,071,631.00
Psych Health Administration Fee	\$ 4,214,739.00	\$	-	\$ 4,214,739.00
AHS Provider Services & Processing Fees	\$ 7,779,855.00	\$	1,420,540.00	\$ 9,200,395.00
MHN Administrative Fees	\$ 2,427,086.00	\$	393,351.00	\$ 2,820,437.00
Consulting Fees	\$ 397,437.00	\$	66,240.00	\$ 463,677.00
	\$ 20,538,377.00			\$ 23,394,501.00
Application Processing Expenses				
AHS Application Assistance Fees	\$ 11,416,547.00	\$	1,958,922.00	\$ 13,375,469.00
CEA Application Assistance Fees	\$ 960,781.00	\$	160,130.00	\$ 1,120,911.00
	\$ 12,377,328.00			\$ 14,496,380.00
Claims Expenses				
Domestic Claims at CCHHS facilities	\$ 126,528,956.00	\$	26,901,404.00	\$ 153,430,360.00
Foreign Claims Expense and IBNR	\$ 100,373,337.00	\$	18,554,361.00	\$ 118,927,698.00
Pharmacy Claims Expenses	\$ 69,089,261.00	\$	12,020,426.00	\$ 81,109,687.00
Psych and Substance Abuse Claims Expense	\$ 6,578,584.00	\$	716,563.00	\$ 7,295,147.00
	\$ 302,570,138.00			\$ 360,762,892.00
Total County Care Expenses	\$ 335,485,843.00			\$ 398,653,773.00
CountyCare Margin YTD of 2014	\$ (21,859,124.00)			\$ (8,357,431.00)
Benefit to CCHHS - Domestic Services and Pharmacy	\$ 114,669,832.00			\$ 156,812,929.00