

Cook County Finance Committee  
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COOK COUNTY HEALTH  
& HOSPITALS SYSTEM  
CCHHS

Good morning Chairman Daley and members of the Finance Committee.

I am Doug Elwell, Deputy CEO for Finance and Strategy at the Cook County Health and Hospitals System. I am here on behalf of our CEO, Dr. Shannon.

First and foremost, thank you for your continued support of the health system. We proudly care for 300,000 residents of Cook County each year, your constituents, many of whom have no other option for care.

We have seen many achievements this year, including:

- Expanding mental health and substance abuse treatment services in our community clinics, hospitals and jail facility.
- Recertifying our Level 1 trauma center, where 1,000 victims of gun violence are cared for each year, and recognition from US News & World Report of Stroger Hospital's excellence in cardiac care.
- Leveraging care coordination to ensure our patients, including those who are uninsured, receive the care they need, when they need it and in a manner that is most cost effective.
- Growing and enhancing our Medicaid managed care plan, CountyCare; and
- Improving our billing capabilities and increasing the revenue we receive from insurers

Our commitment to be both more self-sustaining and a good steward of taxpayer funding is as strong as ever. As you'll recall, the health system has closed its books with a small but real positive balance for the last three years. This is an historic achievement, especially considering our County allocation has gone down by more than 75% since 2009. Let me remind you that in 2008, our allocation was \$481M. Today it stands at \$110M.

This reduction in our allocation has allowed the County to redirect more than \$2 billion dollars to other areas since 2009.

We have demonstrated our commitment to operating efficiently as a modern, patient-centered provider of care and protector of public health. We now rely on the County subsidy to almost solely support services we are obliged, but not reimbursed, to provide - including our suburban Department of Public Health and healthcare to individuals detained at the Cook County Jail and temporary detention center. Only a small portion of the allocation is left after those expenses to support our core mission - providing care to residents regardless of their income, immigration or insurance status. In fact, and as the President pointed out in her speech last week: there are 72 hospitals in Cook County. Our two hospitals - Stroger and Provident provide 45% of all the charity care in Cook County.

There are no two ways about it: a reduction in our county allocation does mean a reduction in care to our patients. A \$27M cut would not just result in a job lost here or there, but the potential loss of an entire service line or worse, the closure of an entire facility. And the notion of eliminating vacancies

would not actually reduce our operating expenses. Our vacancies are in line with healthcare industry standards. Without them we would spend more on overtime and registry services or be faced with reducing services. A freeze on hiring would have disastrous consequences, as we cannot anticipate who might resign or retire, and thus could face a deficiency of particular staff needed to support clinical services.

We should all be proud that our County provides such a comprehensive portfolio of services to our residents - from restaurant inspections and lead abatement, to mental health care at the jail, to outpatient care to treat preventable chronic diseases, to complex trauma care and more.

But please also know that a \$27M cut to our \$110M allocation cannot be absorbed through eliminating vacancies or our reducing our supply accounts – it can only be done by eliminating services at the core of our 180 year mission.

I think we can all agree that the health system has been on a remarkable trajectory these past several years. And whether you define that by our financial position or by the care we provide to our patients, I must stand here today to tell you that the cuts under discussion will reverse that progress.

Thank you.