



# Cook County Health & Hospitals System

FY2018 Department Hearing

Cook County Finance Committee

M. Hill Hammock, Chairman, CCHHS Board of Directors

Dr. Jay Shannon, CEO, CCHHS





October 11, 2017

## As Loyola buys MacNeal Hospital, parent Tenet eyes Chicago exit



POLITICS 01/26/2017 11:44 am ET | Updated Jan 27, 2017

## Citing Opioid Crisis, Obama's Drug Czar Warns Against Repealing Affordable Care Act

Michael Botticelli says the ACA has helped to combat the country's opioid epidemic.

POLITICS 02/14/2017 06:01 pm ET | Updated Feb 15, 2017

## Obamacare Repeal Could Cripple Efforts To Combat The Opioid Epidemic

A new study shows huge numbers of Americans could lose the help they need.



## Why Gunshot Victims Have Reason to Like the Affordable Care Act

WOMEN@FORBES MAR 10, 2017 @ 08:00 AM 10,591

By SARAH VARNEY NOV. 28, 2016



## GOP Plan Strips Addiction, Mental Health Coverage For Millions As Opioid Deaths Soar



GOP's Obamacare replacement could do serious harm

By Andy Slavitt

Financially struggling Presence Health to join Amita Health

By Lisa Schencker



## Don't Expect Health Coverage If You Survive a Gunshot Wound

The Republican rollback could shift the cost of firearm violence to taxpayers, warns a gun-control group.

By Suzanne Woolley  
July 6, 2017, 10:30 AM CDT | Updated on July 6, 2017, 2:57 PM CDT



## Advocates say GOP health plan undermines opioid addiction fight

Deirdre Shesgreen and Terry DeMio, USA TODAY Published 4:56 p.m. ET March 9, 2017 | Updated 5:02 p.m. ET March 9, 2017



For opioid addicts, health care plan is a betrayal



By Carol Costello, Anchor  
Updated 8:19 AM ET, Fri May 5, 2017



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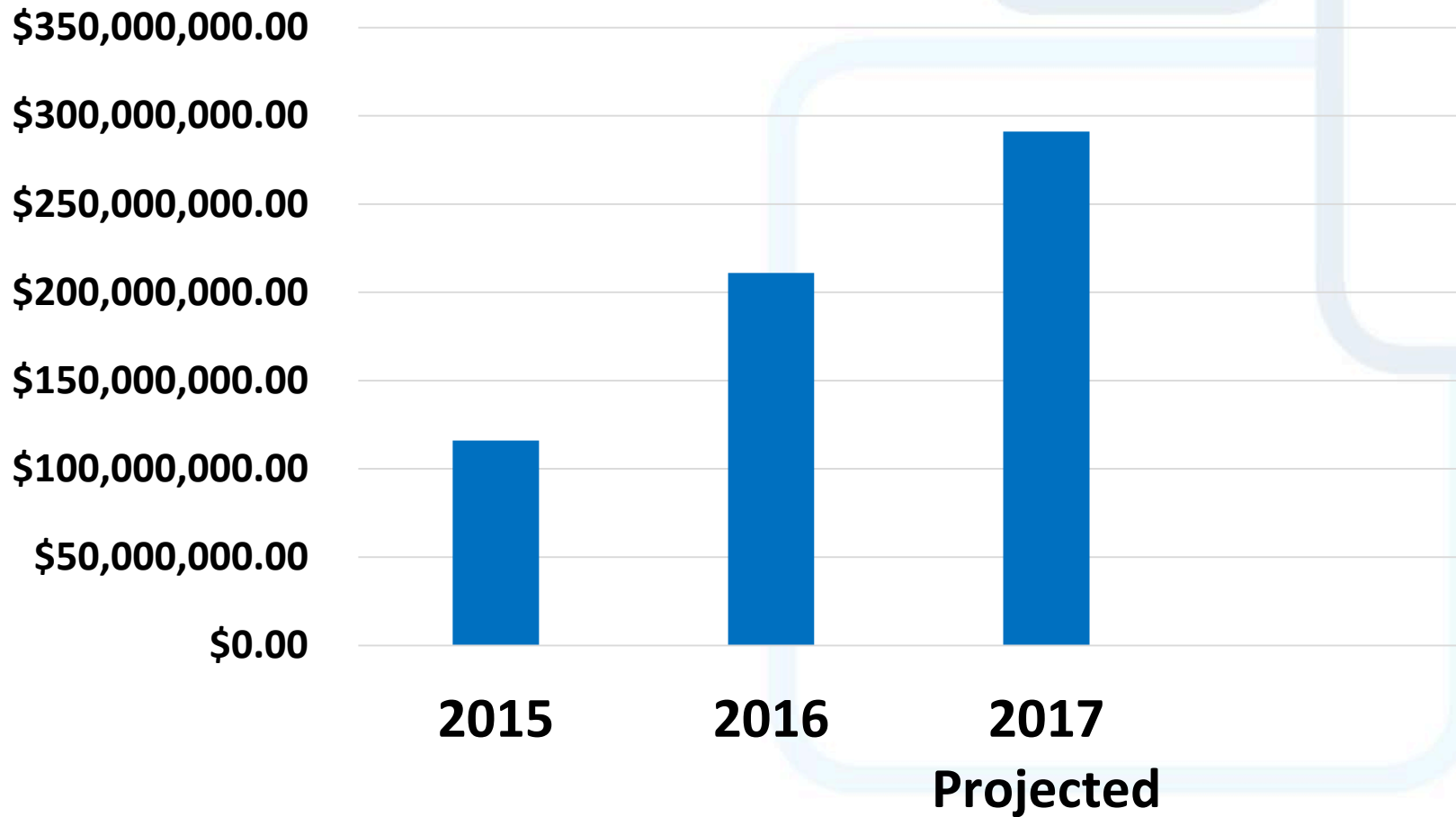
# Substance Abuse in Cook County

<b>Mortalities in Cook County*</b>	<b>2015</b>	<b>2016</b>
Motor Vehicle Accidents	277	278
Gun Violence	602	805
Opioids	647	1,000+

- **Opioid overdose deaths are increasing and exceeding deaths by gun violence**
- **Every day, 20 individuals are admitted to the Cermak Health Services detox unit with an opioid-related condition**
- **Heroin involved in the majority of cases**



# Non-CountyCare MCO Charges



■ Non-CountyCare MCO Charges



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# Pharmacy Consolidation and Renovation

1.5M Outpatient Prescriptions

1.4M Inpatient Orders at Stroger & Provident

6.3M Doses at Cermak



# Laboratory Automation Project

5 Million Lab Tests Annually





# Food as Medicine

**5,590 households**  
**19,295 individuals**  
**125,000 pounds** of fresh produce  
at CCHHS clinics since we started  
our partnership with the Greater  
Chicago Food Depository.

## Associated Press

Doctors 'prescribe' fresh produce with help from food banks  
*September 27, 2016*

## DAILY Southtown

Cook County partnering to offer Fresh Food Markets  
*July 21, 2017*

Improving the Health of the Community One Celery  
Stalk at a Time  
*August 3, 2016*



UNIVISION

Extienden por tres años un  
programa de comida para ayudar a  
la comunidad  
*September 7, 2017*

BECKER'S

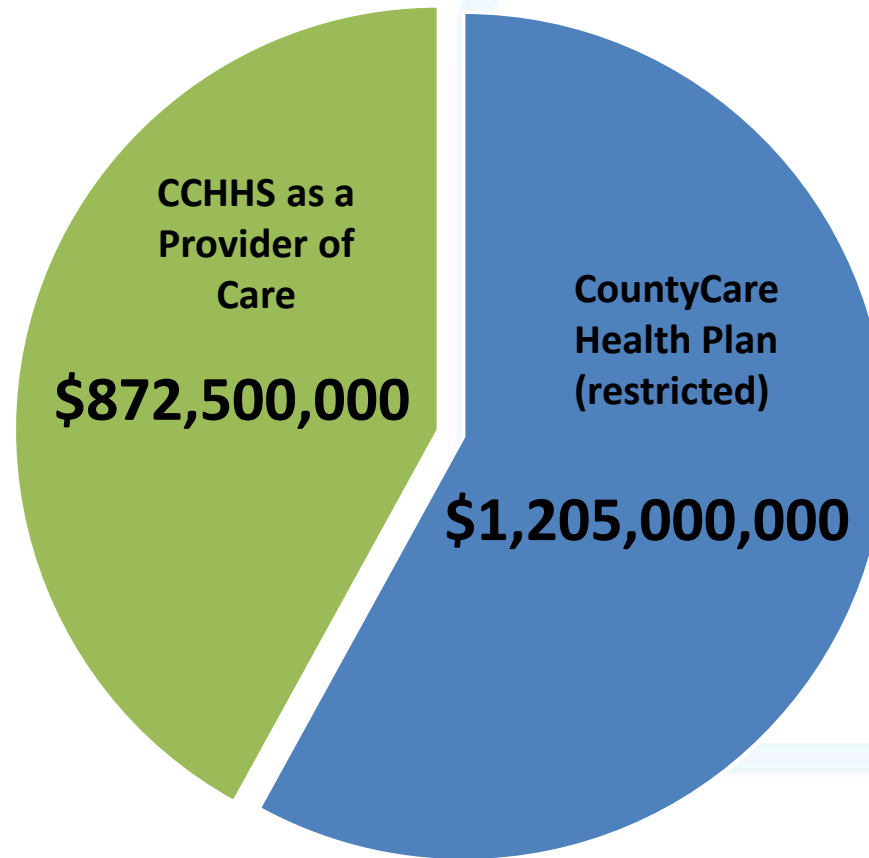
## HOSPITAL REVIEW

6 hospital, health systems pursuing passion projects:  
CCHHS "Food is Medicine"  
*November 8, 2016*



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# CCHHS Budget, inclusive of CountyCare



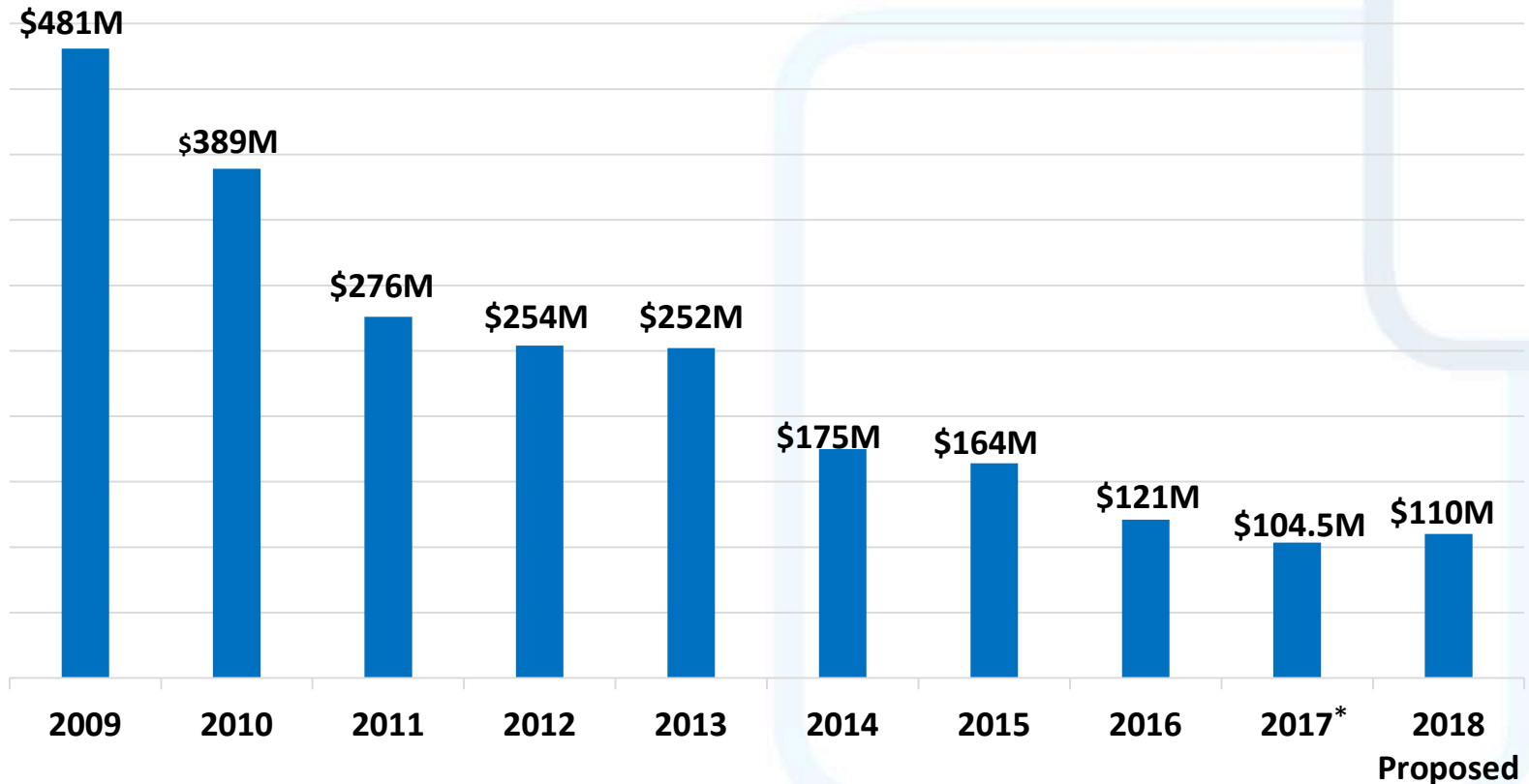


# CCHHS' reduced tax allocation has allowed for the redirection of nearly \$2.5B to other County purposes/agencies since 2010

Year	CCHHS Allocation	Decrease Year Over Year	Compounded Decrease
2009	481,000,000		
2010	389,000,000	92,000,000	92,000,000
2011	276,000,000	113,000,000	205,000,000
2012	254,000,000	22,000,000	227,000,000
2013	252,000,000	2,000,000	229,000,000
2014	175,000,000	77,000,000	306,000,000
2015	164,000,000	11,000,000	317,000,000
2016	121,000,000	43,000,000	360,000,000
Revised 2017	104,500,000	16,500,000	376,500,000
Proposed 2018	110,000,000	5,500,000	382,000,000
		<b>TOTAL</b>	<b>2,494,500,000</b>



# County Health Fund Allocation to CCHHS Operating Expenses



*\*Adopted allocation was \$111.5M - \$7M reduction in July due to TRO on SBT*

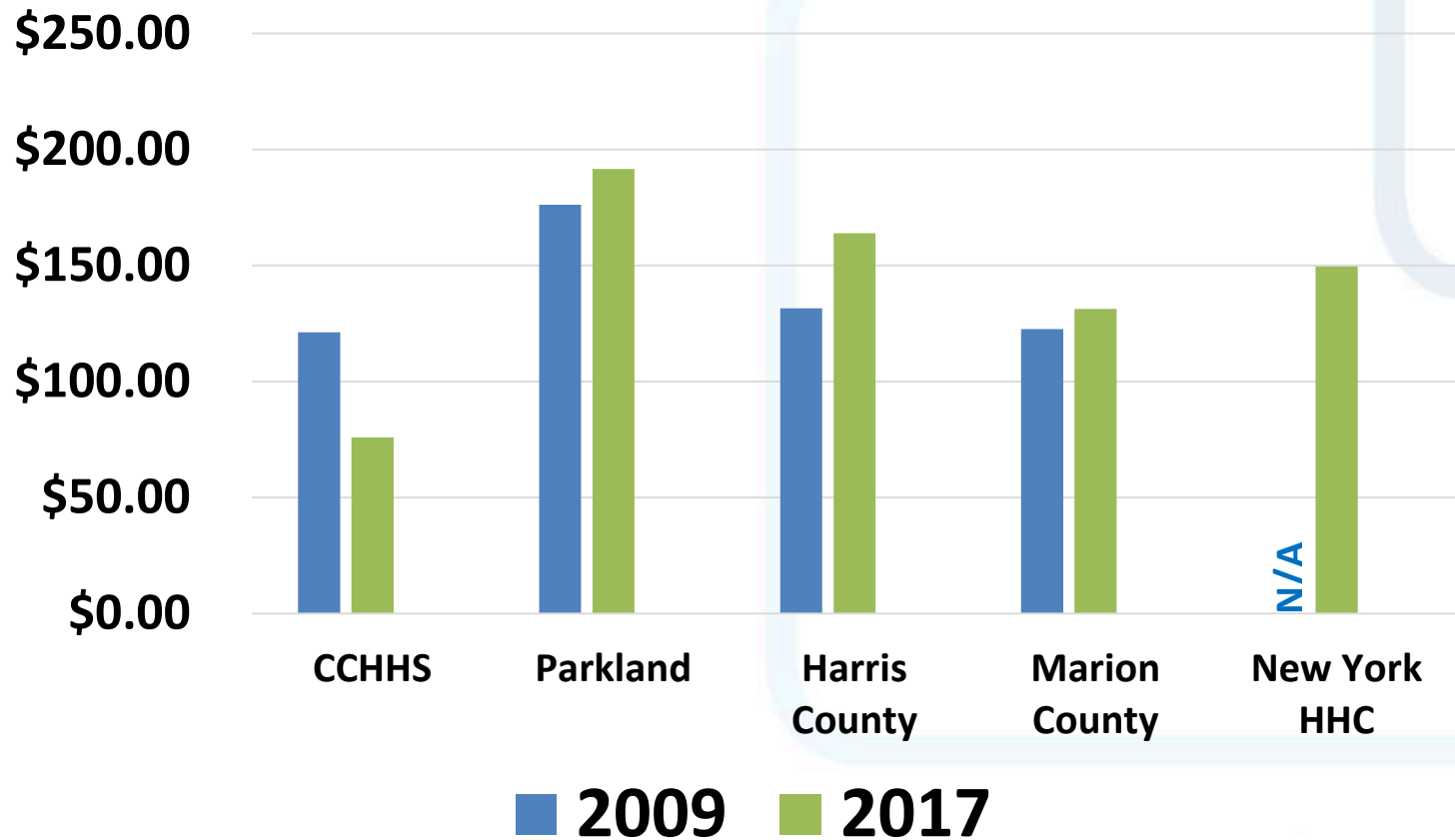
*Note: Pension and Debt Service not included. Until 2016, Cook County Government provided capital funding in addition to the allocation.*



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# Local Tax Dollars Per Capita of Public Health Systems

Local Tax Dollars Per Capita



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# Charity Care in Cook County

	A 2013 Charity Care	B % of all charity care	C 2015 Charity Care	D % of all charity care	Change A – C
<b>72 Hospitals in Cook County</b>	<b>\$690M</b>	<b>100%</b>	<b>\$522M</b>	<b>100%</b>	<b>↓ 25%</b>
<b>Stroger and Provident</b>	<b>\$257M</b>	<b>37%</b>	<b>\$233M</b>	<b>45%</b>	<b>↓ 9%</b>

*Source: IDPH Hospital Profiles 2013, 2015*



# Direct Access Program

Launched in 2Q2017

Through Q3, more than  
7,698 individuals were  
enrolled in the program;  
87% with income 200% or  
less FPL.

## WBEZ91.5

Cook County Working On A Managed  
Health Care Plan For Uninsured Residents  
*September 14, 2016*

## CHICAGO SUN-TIMES

Cook County launches new program for the  
uninsured  
*September 14, 2016*

## Chicago Tribune

Cook County to start program to help  
uninsured get health care  
*September 14, 2016*



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# The insurance plan that got Cook County Health off life support

By [KRISTEN SCHORSCH](#) May 9, 2015

For years, the [Cook County Health and Hospitals System](#) was on life support. The Near West Side system depended on a steep annual subsidy from taxpayers and couldn't shake the perception it was the place of last resort for care.

But the creation of an innovative health insurance plan for Medicaid recipients has brought in so much new revenue and insured patients that the system is looking to build new facilities and talking about expanding services, goals that were mere hopes in the past.

The health plan, called [CountyCare](#), generated about **\$653 million** in revenue for the fiscal year ended Nov. 30, about half of the total haul for the health system, according to an unaudited financial statement. That's up from \$117.5 million in 2013, which represented about 12 percent of the system's overall revenue. Meanwhile, the county subsidy has plummeted from a high of \$481.5 million in 2009 to a projected \$164 million this year, according to the [Civic Federation](#), a Chicago-based fiscal watchdog group.

“There's no doubt that **the expansion of CountyCare has transformed the Cook County Health System's financial position,**” says Laurence Msall, president of the Civic Federation.





# IMPACT 2020



## Focus Area 2: Grow to Serve and Compete

Objective 2.2: Retain and grow CountyCare membership through marketing, acquisition and State policy changes on redetermination and jail detainee coverage.

*“Organic growth opportunities for CountyCare are limited and the yield is minimal. To remain an influential player in the Medicaid managed care space, the acquisition of an established managed care plan is an attractive growth strategy for the health plan.”*

– Impact 2020, page 18

Impact 2020 approved by:

CCHHS Board of Directors on July 29, 2016

Cook County Board of Commissioners on November 16, 2016



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# County health system outlook in 2018: More Medicaid patients, more revenue

By [Kristen Schorsch](#) August 28, 2017

The Cook County Health & Hospitals System's financial well-being next year relies heavily on money flowing from its CountyCare health plan, which is projected to swell about 60 percent under a new Illinois Medicaid contract. The health system expects CountyCare, a [Medicaid plan launched in 2012 under the Affordable Care Act](#), to generate \$1.2 billion in the fiscal year that starts Dec. 1, up from about \$800 million this year.

Next year, CountyCare dollars will make up about 62 percent of revenue the system generates, from about 55 percent this year, according to Cook County Health's preliminary budget released Aug. 25. The budget relies on another \$235 million of revenue coming from the county, including dollars from the [controversial sweetened beverage tax](#), to cover pension contributions and shortfalls.

The health system this year was roughly 40 percent of the countywide budget. Managing expenses will be key. They're projected to climb about 24 percent, totaling \$2.4 billion, though the health system expects to break even at the end of 2018. The higher spending is mainly due to a projected boost in CountyCare enrollment (to about 225,000 people, from 141,000 now) as part of Gov. Bruce Rauner's overhaul of a Medicaid cost-saving initiative. [CountyCare was one of six insurers to win bids in Rauner's revamp](#), which further privatizes Medicaid.



## Healthcare industry to create 4 million jobs by 2026

By [Alex Kacik](#) | October 27, 2017

The healthcare industry will continue to drive the nation's employment growth through 2026 by adding around 4 million new jobs, accounting for about a third of total job growth, according to [Bureau of Labor Statistics data](#) released earlier this week.

### *U.S. Bureau of Labor*

- Employment for registered nurses is expected to grow 16% by 2024 from 2014 levels.
- Healthcare occupations expected to grow at least 30% by 2024 include occupational therapy assistants, physical therapists, physical therapy assistants, nurse practitioners and physician assistants.







**“One Doesn’t Ask Of One Who Suffers: What Is Your Country And What Is Your Religion? One Merely Says, You Suffer, This Is Enough For Me, You Belong To Me And I Shall Help You.”**  
**- *Louis Pasteur***