



**Board of Commissioners of Cook County
Minutes of the Health & Hospitals Committee**

Thursday, July 25, 2019

11:30 AM

**Cook County Building, Board Room
118 North Clark Street, Chicago, Illinois**

ATTENDANCE

Present: Deer, Arroyo, Anaya, Britton, Daley, Degnen, Gainer, Johnson, Lowry, Miller, Moore, K. Morrison, S. Morrison, Silvestri, Sims, Suffredin and Tobolski (17)

PUBLIC TESTIMONY

Chairman Deer asked the Secretary to the Board to call upon the registered public speakers, in accordance with Cook County Code.

1. Mark Armstrong - Chicago Urban Fine Arts Commonwealth
2. Esther Corpuz - Alivio Medical Center
3. Verneda Bachus - Friend Health
4. Margie Schaps - MPH, Executive Dir. of Health and Medicine Research Group

19-1877

Sponsored by: DENNIS DEER, Cook County Board Of Commissioners

PROPOSED RESOLUTION

REQUESTING A HEARING OF THE HEALTH AND HOSPITALS COMMITTEE FOR A REPORT FROM THE SENIOR STAFF OF COOK COUNTY HEALTH & HOSPITAL SYSTEM

WHEREAS, the Cook County Health and Hospital System (CCHHS) is the largest provider of healthcare services in Cook County; and

WHEREAS, the County through CountyCare, a no-cost Illinois Medicaid managed care health plan,

provides health insurance to thousands of Cook County residents; and

WHEREAS, the President and the Cook County Board of Commissioners, in recommending and approving the annual appropriation bill, has invested in many programs to protect the health and well-being of persons in Cook County; and

WHEREAS, on June 1, 2010, the Cook County Board of Commissioners voted to make permanent the independent Board of Directors overseeing the Cook County Health and Hospitals System; and

WHEREAS, the Cook County Board of Commissioners retains oversight authority over the hospital system through passage of the budget for CCHHS, as well as appointment authority over directors appointed to the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED, that the Cook County Board of Commissioners does hereby request that a meeting of the Health and Hospitals Committee be convened to discuss the operations of the Cook County Health and Hospital System.

BE IT FURTHER RESOLVED, that the senior staff of the Cook County Health and Hospital System appear before the Committee and be prepared to update the Committee on the CCHHS's services and operations

A motion was made by Vice Chairman Arroyo, seconded by Commissioner Miller, to recommend for deferral 19-1877. The motion carried by the following vote:

Ayes: Deer, Arroyo, Anaya, Britton, Daley, Degnen, Gainer, Johnson, Lowry, Miller, Moore, K. Morrison, S. Morrison, Silvestri, Sims, Suffredin and Tobolski (17)

19-4310

Sponsored by: DONNA MILLER, JOHN P. DALEY, BRIDGET DEGNEN, SCOTT R. BRITTON, DENNIS DEER, KEVIN B. MORRISON, SEAN M. MORRISON, PETER N. SILVESTRI, LARRY SUFFREDIN, JEFFREY R. TOBOLSKI and ALMA E. ANAYA, Cook County Board Of Commissioners

PROPOSED RESOLUTION

REQUESTING A HEARING OF THE HEALTH AND HOSPITALS COMMITTEE OF THE COOK COUNTY BOARD OF COMMISSIONERS TO DISCUSS THE PRACTICES OF COOK COUNTY HEALTH (CCH) RELATED TO COUNTYCARE FINANCES AS DISCUSSED IN THE INDEPENDENT INSPECTOR GENERAL REPORT (IIG 18-0100)

WHEREAS, in 2012, the State of Illinois obtained a federal Section 1115 demonstration waiver to get an early start on Medicaid expansion as a result of provisions in the Affordable Care Act, which allowed adults living in Cook County and making less than roughly \$15,860 (or 133% below the federal poverty level) to get Medicaid; and

WHEREAS, the initiative was named “CountyCare” and was designed to help the state and CCH build capacity and experience to support implementation of the official Medicaid expansion in January 2014, as more than 618,000 uninsured adults were estimated to be eligible for the ACA’s Medicaid expansion in Illinois, with over 341,000 of them residing in Cook County; and

WHEREAS, as part of this initiative CountyCare had to handle management of its waiver from the Centers for Medicare and Medicaid Services, and needed a third party to evaluate the effectiveness of the waiver showing that it enrolled enough patients; that those patients were geographically acceptable enough to encourage providers to participate in the plan; and showing that CountyCare could deliver and generate enough medically necessary claims processed through the state Medicaid agency; and

WHEREAS, the program is considered crucial to the financial survival of the health system, and to the county itself, which subsidizes the system with tax dollars; Before CountyCare, the system historically had been spending \$500 million to \$600 million a year for uncompensated care; and

WHEREAS, in 2014, CountyCare transformed its health plan to also accept traditional Medicaid populations and as a result is now one of the largest Medicaid managed health plans in the State; CountyCare currently has a healthcare network of approximately 4,500 primary care providers, 15,000 specialists, 50 hospitals, and 335,000 Members; and

WHEREAS, on June 21st, 2019, the Office of the Independent Inspector General (OIIG) released a report on CountyCare Healthcare Expenses (IIG 18-0100), which was prompted after receiving information during the course of their review of CCH bad debt expense and claim denials; and

WHEREAS, the OIIG report identified key managerial decisions and financial policies associated with large volumes of unpaid healthcare expenses related to the CountyCare program including outstanding liabilities of \$701 million for the 2018 fiscal year-end compared to the small amounts the State tends to owe CountyCare at the end of the year and according to the report can only pay 2% of the outstanding liabilities; and

WHEREAS, according to the report, CountyCare does not generate enough revenue to pay all the outstanding healthcare expenses at the end of the fiscal year and has a practice of using subsequent period budgetary funds to pay prior period bills, such that CountyCare's unpaid healthcare expenses are steadily growing and could become too large to pay without an extraordinary contribution from another funding source in the future; and

WHEREAS, the report further states that CCH routinely changes revenue and expense figures between CCH's operating units (e.g., Stroger, CountyCare, etc.) to reach desired financial goals for CountyCare and Stroger Hospital in CCH's monthly and annual financial reports, and as a result, these practices make it difficult for the CCH Board and Cook County Board of Commissioners to have a sound baseline to evaluate the performance of the individual operating units that make-up CCH; and

WHEREAS, CCH has stated that they are absolutely confident in the integrity of the CountyCare program and will respond in a comprehensive manner in time; and

WHEREAS, with the FY2020 budget process already started, the time is now to address this report and provide answers to the Board and the Public;

NOW, THEREFORE, BE IT RESOLVED, that the Cook County Board of Commissioners does hereby request that a meeting of the Health and Hospitals Committee be convened to discuss the CountyCare program and financial and reporting practices of Cook County Health as it relates said program; and

BE IT FURTHER RESOLVED, that the OIIG appear before the Committee and be prepared to explain its review of CountyCare, CCH, and the five report recommendations; and

BE IT FURTHER RESOLVED, that the Chief Financial Officer and any other pertinent representatives of Cook County Health, as well as the Independent Hospital Board appear before the Committee and be prepared to update the Committee on the contents of the OIIG report and the relationship between CountyCare and CCH, and be prepared to answer questions on the same.

A motion was made by Vice Chairman Arroyo, seconded by Commissioner Miller, to recommend for deferral 19-4310. The motion carried by the following vote:

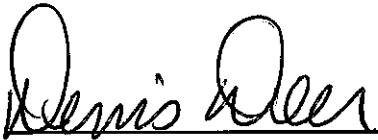
Ayes: Deer, Arroyo, Anaya, Britton, Daley, Degnen, Gainer, Johnson, Lowry, Miller, Moore, K. Morrison, S. Morrison, Silvestri, Sims, Suffredin and Tobolski (17)

ADJOURNMENT

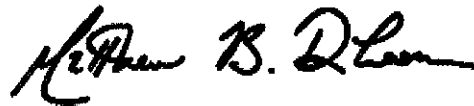
A motion was made by Commissioner Silvestri, seconded by Vice Chairman Arroyo, to adjourn the meeting. The motion carried by the following vote:

Ayes: Deer, Arroyo, Anaya, Britton, Daley, Degnen, Gainer, Johnson, Lowry, Miller, Moore, K. Morrison, S. Morrison, Silvestri, Sims, Suffredin and Tobolski (17)

Respectfully submitted,



Chairman



Secretary

A complete recording of this meeting is available at <https://cook-county.legistar.com>.