COOK COUNTY HEALTH & HOSPITALS SYSTEM

Strategic Planning Framework 2017-2019

February 2016
Enabling Ordinance Expectations (2008)

Sec. 38-82:

.......the System Board shall develop a Strategic and Financial Plan covering a period of three Fiscal Years

.....shall include in each Strategic and Financial Plan estimates of revenues

......the County Board shall approve each Strategic and Financial Plan
Building a high quality, safe, reliable, patient-centered, integrated health system that maximizes resources to ensure the greatest benefit for the patients and communities we serve.
Principle Objectives

- Improve health equity
- Provide high quality, safe and reliable care
- Demonstrate value, adopt performance benchmarking
- Develop human capital
- Lead in Medical Education and Clinical Investigation relevant to vulnerable populations
Evolution of CCHHS
2008 - 2016

2008: Independent Governance
- Insular safety net provider with little to no competition as the majority of patients uninsured.
- Focus on sick care.
- Reliant on local tax allocation and federal reimbursements.

2010: Adoption of Vision 2015 with increased focus on ambulatory services.
- Affordable Care Act adopted by Congress.

2011: Illinois General Assembly mandates that nearly 100% of Medicaid beneficiaries in Cook County move into managed care by 2014.

2012: 1115 Waiver to create CountyCare approved.
- System moves from provider role to provider and plan, expanding patient reach.

2015: ACA takes full effect.
- Majority of patients insured.
- CCHHS and CountyCare competing for CCHHS’ traditional patients.
Vision 2015 Progress

Core Goal: Access to Healthcare. Eliminate system barriers, strengthen ACHN, develop comprehensive outpatient centers at strategically located sites
   – Patient Support Center
   – Partnerships with FQHCs
   – Oak Forest Clinic as Regional Outpatient Center
   – CountyCare
   – New ambulatory buildings on Central Campus, Provident campus and other community clinics underway
   – Medicaid enrollment at jail

Core Goal: Quality, Service Excellence and Cultural Competencies. Execute System-wide performance improvement initiatives and implement system-wide service excellence and cultural competencies initiatives.
   – Creation of Chief Quality Office
   – Routine monitoring of metrics, annual system objectives with explicit targets
   – Performance improvement (Emergency Department, Operating Room)
   – Employee flu vaccine compliance
Vision 2015 Progress

Core Goal: Service Line Strength - Continue to develop/strengthen key clinical services, develop the infrastructure to support clinical services.
- Ophthalmology
- Burn services accreditation
- Capital investments: linear accelerators, cath labs, interventional radiology suite
- Mail order pharmacy improvements

Core Goal: Staff Development - Improve staff recruitment, training, and development systems and processes, implement staff satisfaction initiatives
- Leadership Development Program
- Decreased time to hire and vacancy rate

Core Goal: Leadership and Stewardship - Develop CCHHS leadership, strengthen the stewardship responsibilities of System Board management.
- Significantly lower tax allocation
- Year-end financials 2014 & 2015 positive
- Physician billing significantly improved
Environmental Considerations

• National

• State

• Cook County

• Local Healthcare Environment
Dynamic Local Healthcare Landscape

- **2008 - 2013**: Three Acute Care Hospitals (620 beds) closed in Cook County (Sacred Heart, Lincoln Park, Michael Reese; St. James has announced intent to close)
- **2008 – present**: Advocate acquires a number of hospitals and medical groups to create the largest healthcare system in Illinois. Currently seeking FTC approval to merge with NorthShore University Health System.
- **2010**: ACA provides more than $11 billion for operations, expansion and construction of Federally Qualified Health Centers.
- **2010 - 2014**: Northwestern Medicine acquires Lake Forest Hospital, Central DuPage Hospital, Delnor Hospital, MarianJoy and Kishwaukee Hospital.
- **2011 and 2012**: Trinity Health System acquires Loyola and Mercy.
- **2011**: Provena and Resurrection Merge to create Presence Health, the 2nd largest system in Illinois.
- **2012**: Mount Sinai and Holy Cross merge
- **2014**: Adventist and Alexian Brothers merge to create Amita, the 3rd largest system in Illinois.
- **2016**: University of Chicago announces plans to seek approval for 188 bed tower and Level 1 trauma center.
- Multiple new inpatient and outpatient facilities (Rush, Lurie, Advocate Christ, Little Company of Mary, Advocate Lutheran General, St. Bernard)
# Local MCO Landscape
## January 2016

<table>
<thead>
<tr>
<th>Remaining Health Plans/Ownership</th>
<th>FHP/ACA, ICP</th>
<th>Cook County</th>
</tr>
</thead>
<tbody>
<tr>
<td>BCBS of Illinois (HCSC)</td>
<td>FHP/ACA, ICP</td>
<td>196,826</td>
</tr>
<tr>
<td>CountyCare (CCHHS)</td>
<td>FHP/ACA, ICP</td>
<td>162,435</td>
</tr>
<tr>
<td>Family Health Network/CCAI</td>
<td>FHP/ACA, ICP</td>
<td>150,893</td>
</tr>
<tr>
<td>IlliniCare (Centene)</td>
<td>FHP/ACA, ICP</td>
<td>106,503</td>
</tr>
<tr>
<td>Harmony (WellCare)</td>
<td>FHP/ACA Only</td>
<td>104,628</td>
</tr>
<tr>
<td>Aetna Better Health</td>
<td>FHP/ACA, ICP</td>
<td>96,824</td>
</tr>
<tr>
<td>Molina Healthcare</td>
<td>FHP/ACA, ICP*</td>
<td>77,862</td>
</tr>
<tr>
<td>Meridian Health Plan</td>
<td>FHP/ACA, ICP</td>
<td>76,076</td>
</tr>
<tr>
<td>NextLevel Health MCCN</td>
<td>ACA**, ICP</td>
<td>19,460</td>
</tr>
</tbody>
</table>

* Molina is only in Greater Chicago for FHP/ACA through acquisitions of Better Health Network, Loyola Family Care, and MyCare Chicago ACEs.
** NextLevel Health MCCN only serves the ACA Adults and ICP populations at this time.
CCHHS today: key elements of an integrated delivery system

• Two acute-care hospitals

• Fifteen community-based clinics, three regional specialty and diagnostic centers

• CORE Center

• Correctional Health Services

• Cook County Department of Public Health

• CountyCare Health Plan

• Clinical Data Warehouse (and growing claims database)

• 6700 budgeted FTEs
### 2015 CCHHS Registration Volume

<table>
<thead>
<tr>
<th>Visit Type</th>
<th>Unique Patients</th>
<th>Number of Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ambulatory Office Visits and Diagnostics</td>
<td>174,053</td>
<td>914,891</td>
</tr>
<tr>
<td>Emergency (Arrivals)*</td>
<td>89,292</td>
<td>149,164</td>
</tr>
<tr>
<td>Inpatient</td>
<td>17,022</td>
<td>22,800</td>
</tr>
<tr>
<td>Observation</td>
<td>6,924</td>
<td>7,746</td>
</tr>
<tr>
<td><strong>CCHHS Total</strong></td>
<td><strong>216,569</strong></td>
<td><strong>1,071,272</strong></td>
</tr>
</tbody>
</table>

* Emergency includes all arrivals to Emergency Services (Adult, Peds, Trauma) and patients later admitted to inpatient/observation from E.D

Source: Cerner
### 2015 Cermak Health Services Volume

<table>
<thead>
<tr>
<th>Service</th>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intake Health Assessments</td>
<td>56,000</td>
</tr>
<tr>
<td>Unique Intake Patients</td>
<td>47,222</td>
</tr>
<tr>
<td>Urgent Care</td>
<td>29,186</td>
</tr>
<tr>
<td>Dental</td>
<td>14,711</td>
</tr>
<tr>
<td>Dental Hygiene</td>
<td>1,649</td>
</tr>
<tr>
<td>Primary Care</td>
<td>34,544</td>
</tr>
<tr>
<td>Psychiatry</td>
<td>13,745</td>
</tr>
<tr>
<td>Mental Health</td>
<td>20,829</td>
</tr>
<tr>
<td>Specialty Clinic onsite</td>
<td>11,678</td>
</tr>
<tr>
<td>Prescriptions filled</td>
<td>1,761,481</td>
</tr>
<tr>
<td>Pharmacy Doses</td>
<td>6,566,139</td>
</tr>
</tbody>
</table>
FY16 Revenue by Source

- County Care, CCHHS $952M (62%)
- Patient Fees Medicare, Medicaid, Private $276M (18%)
- CountyCare to CCHHS $310M
- BIPA $131M (9%)
- DSH $162M (11%)
- Total Other Revenue $7M
Cook County Health Fund Allocation

- 2009: $481M
- 2010: $389M
- 2011: $276M
- 2012: $254M
- 2013: $252M
- 2014: $175M
- 2015: $164M
- 2016: $121M
Budgeted Revenues and Expenditures

FY 15 Budget

Revenue: $224M
Expenditures: $1,372M
Health Fund & Pension Allocation: $159M

FY 15 Year-End Estimate

Revenue: $224M
Expenditures: $1,495M
Health Fund & Pension Allocation: $1,712M

FY 16 Budget

Revenue: $1,529M
Expenditures: $1,714M
Health Fund & Pension Allocation: $60M

Strategic Planning Framework | February 26, 2016
Illinois Health Insurance Coverage: 2014

- Employer-sponsored insurance: 52%
- Non-group: 9%
- Medicaid: 14%
- Medicare: 19%
- Military or VA: 6%
- Uninsured: 1%

Source: Kaiser Family Foundation
http://kff.org/other/state-indicator/total-population/?state=IL
CCHHS Payor Mix

% Insurance Status of CCHHS Patients

<table>
<thead>
<tr>
<th>Year</th>
<th>Uninsured/ Self Pay</th>
<th>Insured</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>54.4</td>
<td>45.6</td>
</tr>
<tr>
<td>2014</td>
<td>36.5</td>
<td>63.5</td>
</tr>
<tr>
<td>2015</td>
<td>32.3</td>
<td>67.7</td>
</tr>
</tbody>
</table>

CCHHS Payor Mix 2013-2015

- **Self-Pay**: 2013 - 54.4, 2014 - 36.5, 2015 - 32.2
- **Medicaid**: 2013 - 36.5, 2014 - 32.3, 2015 - 47.7
- **Medicare**: 2013 - 10.9, 2014 - 12.1, 2015 - 13.5
- **Commercial**: 2013 - 2.5, 2014 - 3.7, 2015 - 4.2
<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$487,856,436</td>
</tr>
<tr>
<td>2011</td>
<td>$577,316,767</td>
</tr>
<tr>
<td>2012</td>
<td>$538,505,860</td>
</tr>
<tr>
<td>2013</td>
<td>$535,781,085</td>
</tr>
<tr>
<td>2014</td>
<td>$313,582,232</td>
</tr>
<tr>
<td>2015*</td>
<td>$413,191,000</td>
</tr>
</tbody>
</table>

*estimated
Pathway to Coverage - Marketplace

“Get Covered Illinois” Open Enrollment 2015/2016

– 388,179 individuals selected a Marketplace plan
  • 310,523 were from Chicago media market.

– 290 plans from nine carriers were available to individuals purchasing through Marketplace

– Median annual deductible in Chicago is $3400

Sources:
CMS Health Insurance Marketplace Open Enrollment Snapshot
GetCoveredIllinois.gov
New York Times  11/14/15
3.2 Illinois Medicaid Beneficiaries  
June 30, 2015

1.6 Cook County Medicaid Beneficiaries*

- 327,000 ACA Adults in Cook County
- 73,000 ACA Adults in CountyCare

- All Kids and traditional Medicaid provides coverage to qualified children and pregnant women, regardless of immigration status.

*Nearly all Cook County Medicaid Beneficiaries in mandatory managed care.

Sources: Illinois’ Undocumented Immigrant Population – Rob Paral
Estimates from National Health Interview Survey, National Center for Health Statistics
How many remain uninsured?

• Illinois’ uninsured rate for adults 18 through 64 years of age decreased from 15.0% in 2014 to 10.6% during the first nine months of 2015
  – More than 1.36M Illinois residents remain uninsured
  – Most undocumented adults remain uninsured, including an estimated 511,000 in Illinois (307,000 in Cook County)

• Less than 3% of Illinois children uninsured

Sources: Illinois’ Undocumented Immigrant Population – Rob Paral
Estimates from National Health Interview Survey, National Center for Health Statistics
Proposed CCHHS Board Process

February 2016 – June 2016

Develop Focus Areas/Strategic Objectives

Utilize committee structure to drill down on strategic objectives and develop specific goals.

Summer 2016

Approval of 2017-2019 Strategic Plan

Presentation of plan to the Cook County Board of Commissioners per Enabling Ordinance
Key Stakeholders*

- Cook County Board of Commissioners
- CCHHS staff
- Labor
- CCHHS patients
- Health and social service agencies and partners
- Community and civic organizations

*plans in development
Principle Objectives

• Improve health equity

• Provide high quality, safe and reliable care

• Demonstrate value, adopt performance benchmarking wherever possible

• Develop human capital

• Leverage Medical Education and Clinical Investigation