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**CENTRAL HEALTH**

**Our Vision**

Central Texas is a model healthy community.

**Our Mission**

By caring for those who need it most, Central Health improves the health of our community.

**Our Values**

Central Health will achieve excellence through:

*Stewardship* - We maintain public trust through fiscal discipline and open and transparent communication.

*Innovation* - We create solutions to improve healthcare access.

*Respect* - We honor our relationship with those we serve and those with whom we work.

*Collaboration* - We partner with others to improve the health of our community.

**CENTRAL HEALTH BOARD OF MANAGERS  
BUDGET AND FINANCE COMMITTEE**

**Wednesday, October 17, 2018, 5:30 p.m.**

**Central Health Administrative Offices  
1111 E. Cesar Chavez St.  
Austin, Texas 78702  
Board Room**

**AGENDA\***

1. Approve the minutes of the following meetings of the Central Health Board of Managers Budget and Finance Committee:
  - a. August 8, 2018; and
  - b. September 26, 2018. (*Action Item*)
2. Discuss and take appropriate action on the following related to school based counseling and crisis services performed at Austin Independent School District:
  - a. An amendment to the agreement between the Community Care Collaborative and Integral Care for Behavioral Health Services; and
  - b. An increase to the Central Health Fiscal Year (FY) 2019 member payment to the Community Care Collaborative. (*Action Item*)
3. Discuss and take appropriate action on an agreement between Central Health and ARC Abatement, Ltd. for asbestos abatement services and selective demolition services. (*Action Item*)
4. Discuss and take appropriate action on an amendment to the agreement between Central Health and Braun & Butler Construction for construction manager-at-risk services in connection with the construction planning and installation of alternative utilities for the Clinical Education Center located on the Central Health Downtown Campus. (*Action Item*)
5. Discuss and take appropriate action on an interlocal agreement between Central Health and the Region 8 Education Service Center for cooperative purchasing services through The Interlocal Purchasing System (TIPS) Program. (*Action Item*)
6. Discuss and take appropriate action on a ground lease agreement between Central Health and Travis County Emergency Services District 11.<sup>1</sup> (*Action Item*)

7. Discuss and take appropriate action on a ground lease agreement between Central Health and Travis County Emergency Services District 4.<sup>1</sup> (*Action Item*)
8. Discuss and take appropriate action on a sublease agreement between Central Health and the Integrated Care Collaboration (ICC). (*Action Item*)
9. Receive a report of the preliminary September 2018 financial statements for Central Health. (*Informational Item*)
10. Receive a report of the preliminary September 2018 financial statements for the Community Care Collaborative. (*Informational Item*)
11. Discuss and take appropriate action on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) projects, the Community Care Collaborative, including health care delivery arrangements, and other related community partnerships.<sup>1</sup> (*Informational Item*)
12. Discuss and take appropriate action on an update regarding Sendero Health Plans, Inc., including the effect of federal legislative and regulatory actions.<sup>1</sup> (*Informational Item*)
13. Confirm the next regular Committee meeting date, time, and location.

Note 1, Possible closed executive session item.

\*The Budget and Finance Committee may take items in an order that differs from the posted order and may consider any item posted on the agenda in a closed session if there are issues that require consideration in a closed session and the Committee announces that the item will be considered during a closed session.

A quorum of Central Health's Board of Managers may convene to discuss matters on the agenda.



Came to hand and posted on a Bulletin Board in the Courthouse,  
Austin, Travis County, Texas on this the 12 day of

October 2018.

Dana DeBeauvoir  
County Clerk, Travis County, Texas

By *C. Medina* Deputy

**C. MEDINA**

**FILED AND RECORDED**  
OFFICIAL PUBLIC RECORDS

*Dana DeBeauvoir*

Oct 12, 2018 04:50 PM

201881644

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Dana DeBeauvoir, County Clerk  
Travis County TEXAS



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING  
October 17, 2018**

**AGENDA ITEM 1**

1. Approve the minutes of the following meeting of the Central Health Board of Managers Budget and Finance Committee:
  - a. August 8, 2018; and
  - b. September 26, 2018. (*Action Item*)

MINUTES OF MEETING – AUGUST 8, 2018

CENTRAL HEALTH BOARD OF MANAGERS  
BUDGET AND FINANCE COMMITTEE

On Wednesday, August 8, 2018, the Central Health Board of Managers Budget and Finance Committee convened at 6:28 p.m. in the Board Room, 1111 East Cesar Chavez, Austin, Texas 78702. Clerk for the meeting was Ms. Emily Farris.

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**Committee Members present:** Chairperson Bell, Manager Greenberg and Manager Oliver

**Board Members present:** Manager Zamora, Manager Museitif, Manager Aiken, Manager Jones, and Manager Valadez

**REGULAR AGENDA**

1. **Approve the minutes of the following meeting of the Central Health Board of Managers Budget and Finance Committee:**
  - a. **July 17, 2018.**

**Clerk's Notes:** Discussion on this item began at 6:30 p.m. Manager Valadez moved that the Committee approve the minutes of the following meeting of the Central Health Board of Managers Budget and Finance Committee:

- a. July 17, 2018.

Manager Greenberg seconded the motion.

Chairperson Bell	For
Manager Aiken	For
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	For
Manager Oliver	For
Manager Valadez	For
Manager Zamora	For

2. **Discuss and take appropriate action on an amendment to the agreement between the Community Care Collaborative and Eye Physicians of Austin.**

**Clerk's Notes:** Discussion on this item began at 6:30 p.m. Items 2 and 3 were taken up together. Mr. Jonathan Morgan, Interim Executive Director and Chief Operating Officer and Dr. Mark Hernandez, Executive Vice President and Chief Medical Officer, both for Community Care Collaborative, presented information on the need for increased funding through the end of Fiscal Year 2018 for ophthalmology services. They recommended that the committee proceed with Board approval of an amendment to increase the not-to-exceed amount for the agreement between the Community Care Collaborative and Eye Physicians of Austin from \$200,000 to \$300,000.

Manager Museitif moved that the Committee recommend the Board approve, and direct the Central Health appointees to the Community Care Collaborative Board of Directors to approve, an amendment to increase the not-to-exceed amount from \$200,000 to \$300,000 for the agreement between the Community Care Collaborative and Eye Physicians of Austin to maintain ophthalmology services through the end of Fiscal Year 2018. Manager Greenberg seconded the motion.

Chairperson Bell	For
Manager Aiken	For
Manager Daniel	Absent

Manager Greenberg	For
Manager Jones	For
Manager Museitif	For
Manager Oliver	For
Manager Valadez	For
Manager Zamora	For

**3. Discuss and take appropriate action on an amendment to the agreement between the Community Care Collaborative and Hospice Austin.**

**Clerk’s Notes:** Discussion on this item began at 6:35 p.m. Mr. Morgan and Dr. Hernandez discussed multiple hospice services available to both MAP patients and uninsured patients and recommended that the Committee proceed with Board approval on an amendment to increase the not to exceed amount from \$500,000 to \$725,000 for the agreement between the CCC and Hospice Austin to continue hospice services through the end of FY 2018.

Manager Greenberg moved that the Committee recommend the Board approve, and direct the Central Health appointees to the Community Care Collaborative Board of Directors to approve, an amendment to increase the not-to-exceed amount from \$500,000 to \$725,000 for the agreement between the Community Care Collaborative and Hospice Austin to maintain hospice services through the end of Fiscal Year 2018. Manager Aiken seconded the motion.

Chairperson Bell	For
Manager Aiken	For
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	For
Manager Oliver	For
Manager Valadez	For
Manager Zamora	For

**5. Receive and discuss an update from the Dell Medical School at The University of Texas at Austin on the value of the investment in and partnership with the Dell Medical School.<sup>1</sup>**

**Clerk’s Notes:** This item was taken out of sequence. Discussion on this item began at 6:57 p.m. Dr. Rebecca Rodgers, Dr. Michael Pignone and Ms. Elizabeth Colvin from The University of Texas at Austin Dell Medical School (“DMS”) presented an update on DMS’ accomplishments this year, focusing on clinical access to patients, improved level of partnership with Central Health, and future healthcare goals for Travis County residents.

Manager Oliver left the meeting at 7:31 p.m.

No action was taken on item 5.

**7. Receive and discuss a presentation on the proposed Fiscal Year (FY) 2019 Budget for the Community Care Collaborative.**

**Clerk’s Notes:** Discussion on this item began at 7:32 p.m. Mr. Morgan, Ms. Sarah Cook, Senior Director of Strategy, Communications and Population Health for Community Care Collaborative and Dr. Hernandez presented an update on Community Care Collaborative’s accomplishments in Fiscal Year 2018 and its strategic goals for Fiscal Year 2019, focusing on the strategic plan and a preliminary budget.

Manager Valadez motioned to use message board for discussion on this item. Manager Greenberg seconded the motion.

Chairperson Bell	For
Manager Aiken	For
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	Abstain
Manager Oliver	Absent
Manager Valadez	For
Manager Zamora	For

No action was taken on item 7.

**6. Receive and discuss a presentation on the proposed Fiscal Year (FY) 2019 Budget for Central Health.**

**Clerk's Notes:** Discussion on this item began at 8:13 p.m. Mr. Jeff Knodel, Vice President of Finance for Central Health, shared tax rate options for Central Health with the Committee, along with past and future financial outlooks. Mr. Mike Geeslin, President and CEO of Central Health, also gave a short update on a potential financial commitment to Integral Care for school-based mental health services. Ms. Dawn Handley, Chief Operations Officer for Integral Care was present to answer questions and thanked the Committee for Central Health's support.

No action was taken on item 6.

**4. Discuss and take appropriate action on a ground lease agreement to be entered into between Central Health and Travis County Emergency Services District 11.<sup>1</sup>**

**Clerk's Notes:** Discussion on this item began at 9:13 p.m. Chairperson Bell announced that the Committee was convening in executive session to discuss agenda item 4 under Section 551.072 of the Texas Government Code, Deliberation Regarding Real Property; items 9 and 10 under Section 551.085 of the Texas Government Code, Deliberation of Governing Board of Certain Providers of Health Care Services; and items 4 and 9 under Section 551.071 of the Texas Government Code, Consultation with Attorney.

The Committee reconvened in open session at 11:09 p.m.

No action was taken on item 4.

**9. Discuss and take appropriate action on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) projects, the Community Care Collaborative, including health care delivery arrangements, and other interrelated community partnerships.<sup>1</sup>**

**Clerk's Notes:** No action was taken on item 9.

**10. Discuss and take appropriate action on an update regarding Sendero Health Plans, Inc., including the effect of federal legislative and regulatory actions.<sup>1</sup>**

**Clerk's Notes:** No action was taken on item 10.

**8. Discuss and take appropriate action on Central Health owned property, including the Downtown Campus and adjacent properties.<sup>1</sup>**

**Clerk's Notes:** Item 8 was not discussed.

**11. Confirm the next regular Committee meeting date, time, and location.**

**Clerk's Notes:** Discussion on this item began at 11:09 p.m. Chairperson Zamora announced that the next Central Health Board of Managers Budget and Finance Committee meeting is scheduled for Wednesday, September 26, 2018 at 5:30 p.m., Central Health Administrative Offices, 1111 E. Cesar Chavez St., Austin, Texas 78702.

Manager Greenberg moved that the Committee adjourn. Manager Valadez seconded the motion.

Chairperson Bell	For
Manager Aiken	For
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	For
Manager Oliver	Absent
Manager Valadez	For
Manager Zamora	For

The meeting was adjourned at 11:09 p.m.

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Charles Bell, Committee Chairperson  
Central Health Budget and Finance Committee

MINUTES OF MEETING – SEPTEMBER 26, 2018

CENTRAL HEALTH BOARD OF MANAGERS  
BUDGET AND FINANCE COMMITTEE

On Wednesday, September 26, 2018, the Central Health Board of Managers Budget and Finance Committee convened at 5:31 p.m. in the Board Room, 1111 East Cesar Chavez, Austin, Texas 78702. Clerk for the meeting was Ms. Emily Farris.

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**Committee Members present:** Chairperson Bell, Manager Greenberg and Manager Oliver

**Board Members present:** Manager Jones and Manager Zamora

**REGULAR AGENDA**

1. **Receive and discuss a presentation on the Fiscal Year (FY) 2019 budget for CommUnityCare.**

**Clerk's Notes:** Discussion on this item began at 5:33 p.m. Mr. Jaeson Fournier, CEO of CommUnityCare, and Ms. Carolyn Konecny, Chief Financial Officer for CommUnityCare, presented a financial outline for CUC's Fiscal Year 2019 projections. The presentation included encounter updates and trends that were seen in Fiscal Year 2018, draft budget assumptions for 2018-2019, Five-Year Trend encounters, projected current year and proposed budget for future planning, and financial performance data.

No action was taken on item 1.

2. **Discuss and take appropriate action on an agreement between Central Health and ACM Services, Inc. for asbestos abatement services and selective demolition services.**

**Clerk's Notes:** Item 2 was not discussed.

3. **Discuss and take appropriate action on an agreement between Central Health and White Glove Excellence for janitorial services at the Downtown Campus.**

**Clerk's Notes:** Item 3 was not discussed.

4. **Discuss and take appropriate action on an interlocal agreement between Central Health and The Interlocal Purchasing System (TIPS).**

**Clerk's Notes:** Item 4 was not discussed.

5. **Discuss and take appropriate action on a ground lease agreement between Central Health and Travis County Emergency Services District 11.<sup>1</sup>**

**Clerk's Notes:** Discussion on this item began at 6:14 p.m. Mr. Mike Geeslin, President & CEO for Central Health, gave a brief update on the status of the ground lease agreement with the Travis County Emergency Services District No. 11.

No action was taken on item 5.

6. **Discuss and take appropriate action on an interlocal agreement between Central Health and Travis County for certain support services, including cash management and investment services, legal services, risk management services, and television broadcast services.**



**Clerk's Notes:** Discussion on this item began at 6:16 p.m. Ms. Holly Gummert, Assistant County Attorney and Director of the Health & Social Services Division within the Travis County Attorney's Office, described the services and terms included in the interlocal agreement to be presented for board approval.

Manager Greenberg moved that the Committee recommend the Board approve an interlocal agreement between Central Health and Travis County for certain support services, including cash management and investment services, legal services, risk management services, and television broadcast services. Manager Jones seconded the motion.

Chairperson Bell	For
Manager Aiken	Absent
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	Absent
Manager Oliver	For
Manager Valadez	Absent
Manager Zamora	For

**7. Receive a report of the August 2018 financial statements for Central Health.**

**Clerk's Notes:** Discussion on this item began at 6:24 p.m. Mr. Knodel, Vice President of Financial Strategies for Central Health, presented Central Health's financial statements as of August 31, 2018. The presentation included a balance sheet, sources and uses report, and a summary of health care delivery expenses, which included details on the Intergovernmental Transfer (IGT) payments made during the 2018 Fiscal Year.

No action was taken on item 7.

**8. Receive a report of the August 2018 financial statements for the Community Care Collaborative.**

**Clerk's Notes:** Discussion on this item began at 6:34 p.m. Mr. Knodel presented the Community Care Collaborative financial statements as of August 31, 2018. The presentation included a balance sheet, sources and uses report, and a summary of health care delivery costs, which included details on primary and specialty care expenditures.

No action was taken on item 8.

**9. Discuss and take appropriate action on Central Health owned property, including the Downtown Campus and adjacent properties.<sup>1</sup>**

**Clerk's Notes:** Discussion on this item began at 6:43 p.m. Mr. Geeslin gave a brief update on the status of redevelopment plans for the Central Health Downtown Campus for Fiscal Year 2019.

No action was taken on item 9.

**10. Discuss and take appropriate action on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) projects, the Community Care Collaborative, including health care delivery arrangements, and other interrelated community partnerships.<sup>1</sup>**

**Clerk's Notes:** Discussion on this item began at 6:44 p.m. Mr. Geeslin gave a brief update on the status of healthcare delivery efforts within Travis County Emergency Services District No. 4, including identifying potential community partnerships within the area.

No action was taken on item 10.

**11. Discuss and take appropriate action on an update regarding Sendero Health Plans, Inc., including the effect of federal legislative and regulatory actions.<sup>1</sup>**

**Clerk's Notes:** Discussion on this item began at 6:47 p.m. Chairperson Bell reported on the action taken at the Tuesday, September 25, 2018 Sendero Health Plans, Inc. Board of Directors' meeting to move forward in 2019, with the funds provided by Central Health.

No action was taken on item 11.

**12. Confirm the next regular Committee meeting date, time, and location.**

**Clerk's Notes:** Discussion on this item began at 6:57 p.m. Chairperson Bell announced that the next Central Health Board of Managers Budget and Finance Committee meeting is scheduled for Wednesday, October 17, 2018 at 5:30 p.m., Central Health Administrative Offices, 1111 E. Cesar Chavez St., Austin, Texas 78702.

Manager Greenberg moved that the Committee adjourn. Manager Oliver seconded the motion.

Chairperson Bell	For
Manager Aiken	Absent
Manager Daniel	Absent
Manager Greenberg	For
Manager Jones	For
Manager Museitif	Absent
Manager Oliver	For
Manager Valadez	Absent
Manager Zamora	For

The meeting adjourned at 6:57 p.m.

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Charles Bell, Committee Chairperson  
Central Health Budget and Finance Committee



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 2**

2. Discuss and take appropriate action on the following related to school based counseling and crisis services performed at Austin Independent School District:
  - a. An amendment to the agreement between the Community Care Collaborative and Integral Care for Behavioral Health Services; and
  - b. An increase to the Central Health Fiscal Year (FY) 2019 member payment to the Community Care Collaborative. (*Action Item*)



## MEMORANDUM

**To:** Central Health Budget and Finance Committee  
**CC:** David Evans, CEO, Integral Care  
**From:** Mike Geeslin, President and CEO; Monica Crowley, Chief Strategy Officer  
**Date:** October 12, 2018  
**Re:** Agenda Item 2: Discuss and take appropriate action on the following related to school based counseling and crisis services performed at Austin Independent School District:

- a. An amendment to the agreement between the Community Care Collaborative and Integral Care for Behavioral Health Services; and
- b. An increase to the Central Health Fiscal Year (FY) 2019 member payment to the Community Care Collaborative. (*Action Item*)

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### Overview

In June 2018, Integral Care requested funding from Central Health to support the continuation of mental and behavioral health counseling at 16 Austin Independent School District (AISD) schools. The Central Health Board included funding for these services in the Fiscal Year 2019 (FY19) budget. The Community Care Collaborative (CCC) has an existing contract for Behavioral Health Services with Integral Care which could be amended to include these services. In order to fund the services, Central Health's member payment to the CCC for FY19 could be increased in the amount of \$420,000.00. The funding commitment by both Central Health and the CCC will expire at the end of SY 2018-19.

### Detail

Integral Care's proposal (attached) will allow for the continuation of counseling and crisis support services to students on 14 middle and high school campuses that include 16 schools within the AISD. The campus-based counseling program has 19 full time equivalent staff allowing for one direct-service staff member on every school campus at a cost of approximately \$1,760,003 for the SY. Services are available during school holidays and throughout the summer.

The FY19 budget for Central Health included \$420,000 to support continuation of these services. Based upon Integral Care's anticipated payer mix, the anticipated funding amount is \$416,024.00 to support the continuation of these services. This amount represents the historical cost of services provided to uninsured students on campuses on which more than 70% of the students are from economically disadvantaged households. From FY2016 – FY2018, approximately 30% of the students served were uninsured.

### **Patient-Centered Objective**

One in five adolescents have a serious mental health condition at some point in their life with one in eight adolescents experiencing depression. Across the country, a quarter of adolescents needing care receive services due to stigma or lack of access. The consequences for lack of treatment include dropping out of school, the development of more severe issues, self-medicating through substance use and suicide.

Central Health’s funding to support the continuation of these services will allow more students in need of services to receive the care they need to improve social skills and leadership skills, connect better with caring adults, and improve educational outcomes including reduced absenteeism, better performance, decreased discipline issues and higher graduation rates. These services also build upon collaborative relationships and an integrated approach to mental health and education that supports families’ ability to receive services in a trusted environment. It also allows Integral Care an opportunity to integrate families to a broader range of IC/CommUnityCare co-occurring medical and behavioral services through a no wrong door approach to accessing care.

### **Financial Projections from Integral Care with Central Health Proposed Funding Amount**

Budget Category	Amount
Salaries	1,204,841
Benefits and Taxes	307,172
Travel/Mileage	2,011
Training	4,652
Supplies	3,077
Interpreter Service	3,219
Facility Cost	13,868
Network Infrastructure Costs	33,912
One Time Laptops	4,800
Other Operating	6,452
Indirect (IC Admin overhead)	175,999
<b>GRAND TOTAL</b>	<b>1,760,003</b>
Less: Third Party Collections	300,000
<b>Fund Net Operating Loss</b>	<b>1,460,003</b>
Less: AISD Title IV Funds	400,000
Less: Central Health Funds	416,024
<b>Remaining Cost</b>	<b>643,979</b>

### **Alignment with Central Health Strategic Work Plan**

Funding to support the continuation of these school-based services is consistent with Central Health’s Strategic Work Plan Objective 1, Strategies 1.1 and 1.2, Service Locations and Population Health, respectively. Additionally, the funding is consistent with Objective 2, Strategy 2.2, improving health outcomes and addressing inequities.

Integral Care's proposal was not originally developed as a project to achieve results under the aforementioned Central Health strategies; but, rather, a proposal to continue a Delivery System Reform Incentive Payment (DSRIP) project. Integral Care and AISD are seeking funding to continue these services after the discontinuation of the DSRIP projects and an increased focus from AISD on physical medicine nursing services. Integral Care and AISD are seeking transition funding for the upcoming school year while a longer term solution can be developed. There will be measurable data on service levels (encounters) and outcomes that Central Health and the CCC may use in future service planning; however, in the interests of disclosure, the Integral Care/AISD funding proposal does not propose a baseline for outcomes or measuring impact on mental health for the 2018-2019 SY. To this end, Integral Care is working with Dr. Todd Olmstead, from the LBJ School at UT Austin, to develop a cost-benefit model for the campus-based counseling program. It is anticipated that the model will be complete later in 2018 to answer questions regarding the program's impact.

The CCC's Behavioral Health Services contract with Integral Care will be amended to include the services and outline the obligations of the parties.

### **Recommendation**

Staff recommends the Central Health Budget and Finance Committee increase the Central Health Fiscal Year (FY) 2019 member payment to the Community Care Collaborative in the amount of \$420,000. Further staff recommends that the Committee approve, and direct the Central Health appointees to the CCC Board of Directors to approve, an amendment to the CCC's Behavioral Health Services agreement with Integral Care to include school based counseling and crisis services performed at Austin Independent School District and increase the not-to-exceed amount by \$420,000 to fund such services.



## Campus Based Counseling Services Provided by Integral Care within Austin Independent School District

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**Request: \$1.06 million annually to continue counseling services on 14 campuses/16 schools within Austin Independent School District.**

### Background

One in five adolescents have a serious mental health condition at some point in their life and half of all mental illness is evident by the age of 14. The most common condition among adolescents is depression, experienced by 1 in 8. Yet, only a quarter receive needed services due to stigma or lack of access to services. The consequences for lack of treatment include dropping out of school, the development of more severe issues, self-medicating through substance use and suicide.

Integral Care provides counseling and crisis support services to students on 14 middle and high school campuses that include 16 schools within the Austin Independent School District (AISD). These services are available during school holidays and throughout the summer. Campus based counseling creates an opportunity to proactively identify and engage youth and families in services. The location of the services and personnel on the campus reduces the stigma associated with receiving services as counselors are seen as an integral part of the school. Easy access reduces absenteeism from school and alleviates the burden on parents who may have limited transportation options or lack the luxury to leave work to take their child to counseling. The collaborative relationships and integrated approach to mental health and education supports families to receive services in an already trusted environment.

All Integral Care staff are licensed clinical mental health providers with experience working with adolescents and families. Staff are trained in evidence-based assessment tools and clinical models of treatment. This training sets the program apart from other on campus services and traditional school counselors.

Students in need of services are identified by school personnel and referred to Integral Care counselors who contact the parents or guardians to initiate services. The proactive nature of this approach reduces barriers to care as typically it is the responsibility of parents to initiate services at one of our clinics. Additionally, we know of circumstances where students have brought other students to the

counselor, recognizing that a friend needs help.

Integral Care staff participate in on campus Child Study Teams with school counselors, Communities in Schools, and administrative staff. This allows our staff to assist in identifying what resources will best meet the needs of a student. Our clinicians are also able to provide strategies on how to effectively engage with students that may be displaying challenging behavior as a symptom of their mental health.

Once referred, youth receive a comprehensive assessment. This assessment uses a multi-system instrument called the Children’s and Adolescent Needs and Strengths (CANS), which measures overall life functioning, screens for mental health diagnostics, safety, family functioning, overall health, school functioning and peer relationships. The CANS also measures child strengths and caregiver needs and strengths. In addition, Integral Care delivers a focused screening for depression using the Life Satisfaction Scale and a focused screening for risk for self-harm via the Columbia Suicide Severity Rating Scale (C-SSRS). As part of the assessment process, a treatment plan is developed with youth and family with specific life, health and treatment goals.

In accordance to the treatment plan, youth and families then receive evidence-based therapies, which correspond to treatment plan goals. These therapies include, but are not limited to, Cognitive Behavioral Therapy, Seeking Safety, PAYA (Preparing Adolescents for young Adulthood), ART (Aggression Replacement Training), Skills Streaming and the Nurturing Parent Program. Additional programming includes crisis counseling and group counseling, as well as referrals to a child psychiatrist as appropriate. Treatment planning is regularly updated and a new CANS is delivered at 90-day intervals. Embedded within the treatment of youth and families is ongoing case management. In addition to assessments, therapy and case management, on-campus Integral Care clinicians deliver psychoeducational “mini-lessons” to students in class or at school events. Mini-lessons provide information to students about mental and emotional health.

In addition to on-campus services, Integral Care offers an array of supports to schools, youth and families, regardless of whether they participate in campus based program. These supports include:

- Clinic-Based Psychiatric Services
- Mobile Crisis Outreach Team – Available to respond anywhere a crisis occurs
- Psychiatric Emergency Services – Urgent care open 7 days per week



- Mental Health First Aid – Evidence based training available free of charge for all ISD staff
- RA1SE - A specialized multi-disciplinary program that helps people ages 15-30 who have experienced their first episode of psychosis
- YES Waiver - A wraparound support for youth experiencing significant functioning challenges, Strengthening Families, an evidence-based substance use prevention curriculum access to our entire Behavioral Health Home system of care

### Data Snapshot

For academic year 2016-2017, 2595 youth enrolled in Austin ISD received behavioral health services through Integral Care’s Campus Based Counseling in AISD. A total of 684 students received comprehensive assessment and psychotherapy-based services. Psychoeducational mini-lessons reached 1911 students.

### Top 7 Diagnoses 2016/17 Academic Year

Primary Diagnosis	# of Students
Major Depression/Other Depressive Disorder	265
Conduct/Explosive/Oppositional/Disruptive Behavior	122
Anxiety Disorder	104
Adjustment Disorder	86
Attention Deficit Disorder/ADHD	73
Post-Traumatic Stress Disorder	20
Other Psychiatric Disorder	29

### Economically Disadvantaged

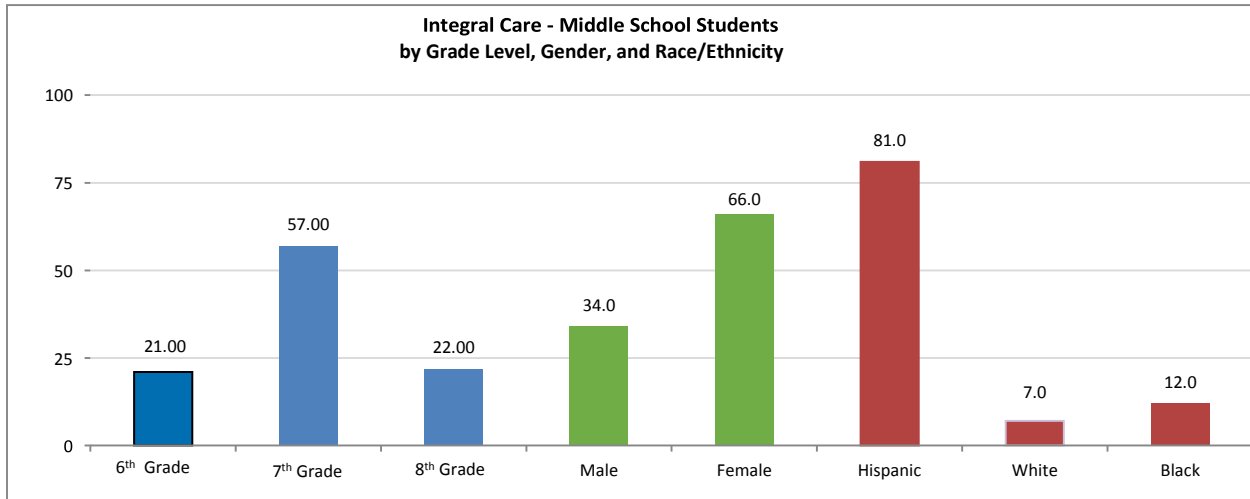
Middle School Students	Number	Percent
Economically Disadvantaged	98	98.0
English Language Learners	43	43.0
Special Education	26	26.0

High School Students	Number	Percent
Economically Disadvantaged	60	100.00
English Language Learners	16	26.67

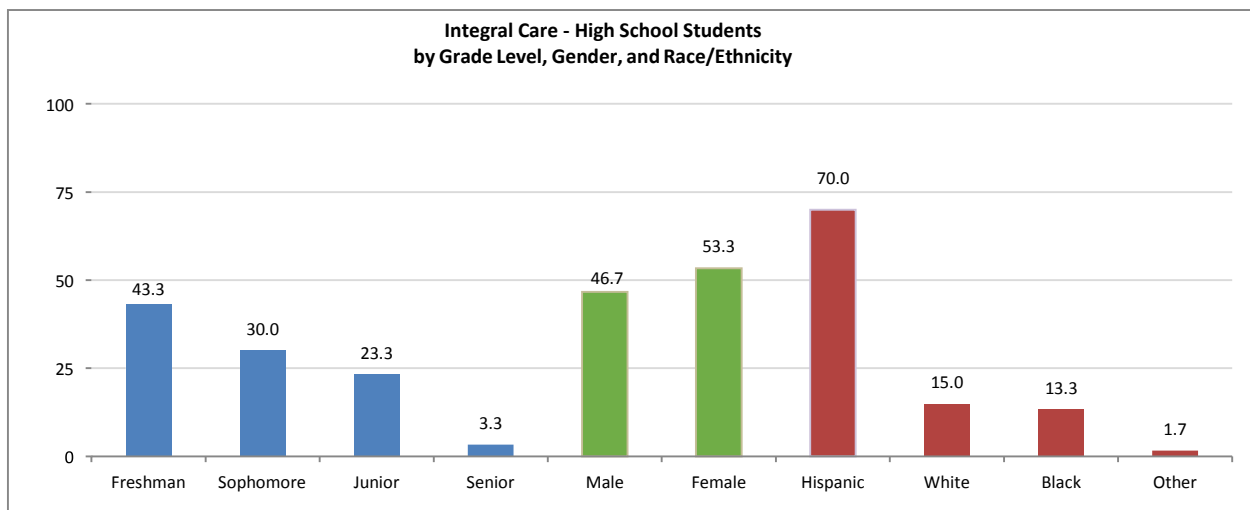
Special Education	16	26.67
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Note: This data is based on a cohort receiving services not the entire group receiving services.

### Grade, Gender, Race/Ethnicity



Note: This data is based on a cohort receiving services compared to a group not receiving services, it does not represent the entire group that received services.



Note: This data is based on a cohort receiving services compared to a group not receiving services, it does not represent the entire group that received services.

### Case Example

Over the years, the Integral Care team has seen an increase in the severity of issues students are facing. Although one case cannot capture the range of challenges addressed by the team, an example can help illuminate the need for services.



Barbara was referred by her school counselor for symptoms of depression and thoughts of suicide. Assessment showed evidence of verbal, emotional and physical abuse by biological dad, who was still in the home. The Integral Care staff worked with mom to file a Child Protective Services report and supported Barbara and her mom as they separated from the father and moved to a safer environment.

Through individual counseling, Barbara’s risk of suicide was greatly reduced. Additionally, Barbara learned effective communication and healthy coping skills, allowing her to better partner with her mom to achieve stability and independence. Barbara recently got a job so she could help support the family and also received recognition as a campus leader at her school.

**Schools with Campus Based Counseling, School Location Zip Code, School Student Economic Status, No. of Students Served and No. of Encounters (2016/17 Academic Year)**

School Name	Zip Code	% Economically Disadvantaged	Students Served	No. of Encounters
Austin High School	78703	27.80%	72	775
Bedichek Middle School	78745	82.10%	37	543
Burnet Middle School	78757	90.30%	61	694
Dobie Middle School	78753	90.30%	59	960
Eastside Memorial / International	78721	85.2%/95.8%	55	750
Fulmore Middle / Fulmore Magnet	78704	61.70%	29	392
Gus Garcia Young Men’s Leadership	78724	94.10%	39	685
Lanier High School (and GPA)	78758	83.90%	31	283
LBJ / LASA High School	78724	77.6%/7.0%	53	715
Martin Middle School	78702	94.40%	57	713
McCallum High School	78756	26.70%	43	674
Reagan High School	78723	81.30%	59	680
Sadler Means Young Women’s Leadership	78723	90.50%	50	848
Travis High School	78704	77.60%	36	378

### Zip Code of Residence of Students Served on an AISD campus FY2017

Zip Code of Residence	Number of Students	Percent of Total Served
78753	95	13.0%
78758	83	11.4%
78741	63	8.7%
78724	56	7.7%
78723	57	7.8%
78745	47	6.5%
78704	50	6.9%
78702	42	5.8%
78744	33	4.5%
78721	34	4.7%
78752, 78749, 78748, 78735, 78757	15-25	
78703, 78653, 78617, 78731, 78754, 78722, 78747, 78660, 78751, 78759, 78739, 78756, 78725, 78701, 78640, 78705, 78736, 78742, 78612, 78652, 78681, 78709, 78664, 78714, 78750, 78737, 78755, 77469	<15	

### Impact

Integral Care is working with Dr. Todd Olmstead, a health economist from UT Austin to develop a cost – benefit model for this program. The result of this work will help answer questions about the specific impact of the services and will be available late summer 2018. It is well established in research that mental health prevention and intervention programs improve educational outcomes including reduced absenteeism, better performance, decreased discipline issues and higher graduation rates. Research also shows that youth receiving mental health services in schools benefit through improved social skills and leadership skills, increased self-awareness and greater connections to caring adults.

<https://youth.gov/youth-topics/youth-mental-health/school-based>

<http://csmh.umaryland.edu/media/SOM/Microsites/CSMH/docs/CSMH-SMH-Impact-Summary-July-2013-.pdf>

## Financial Information

### Client and Family Insurance Coverage Data

Two reasons children fall in the category of No Coverage is because they lack the legal status to qualify for public coverage programs or may fall in the gap of not being able to afford insurance but not qualifying for public coverage programs.

#### FY2018 through May 2018

Payer	# of Clients	% of Total
Medicaid	321	51%
In Network Commercial Plan	73	12%
No Coverage	210	33%
CHIP	26	4%
Total	630	100%

Note: FY18 does not include a full year of data – programs run year round.

#### FY2017

Payer	# of Clients	% of Total
Medicaid	464	57%
In Network Commercial Plan	112	14%
No Coverage	223	27%
CHIP	22	3%
Total	821	100%

#### FY2016

Payer	# of Clients	% of Total
Medicaid	449	57%
In Network Commercial Plan	85	11%
No Coverage	229	29%
CHIP	20	3%
Total	783	100%

### Third Party earnings

Year	Amount
FY2018 through May	\$234,177
FY2017	\$366,447
FY2016	\$374,261

## Budget

The campus based counseling program has 19 full time equivalent staff allowing for one direct service staff member on every school campus. Please note that should any additional third party revenue be collected over the \$300,000 indicated, this would be allocated to reduce the amount billed for expenses.

Budget Category	Amount	
Salaries	1,204,841	
Benefits and Taxes	307,172	
Travel/Mileage	2,011	
Training	4,652	
Supplies	3,077	
Interpreter Service	3,219	
Facility Cost	13,868	Housing admin staff not on campus
Network Infrastructure Costs	33,912	phones, computer, mi-fi devices
One Time Laptops	4,800	
Other Operating	6,452	
Indirect	175,999	10% administrative overhead
<b>GRAND TOTAL COSTS</b>	<b>1,760,003</b>	
Less: Third Party Collections	300,000	
<b>Fund Net Operating Loss</b>	<b>1,460,003</b>	
Less: AISD Title IV Funds	400,000	
<b>TOTAL COST REMAINING</b>	<b>1,060,003</b>	



CENTRAL  
HEALTH

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 3**

3. Discuss and take appropriate action on an agreement between Central Health and ARC Abatement, Ltd. for asbestos abatement services and selective demolition services. (*Action Item*)

## MEMORANDUM

To: Central Health Board of Managers – Budget & Finance Committee

Cc: Mike Geeslin, President and CEO

From: Steven Lamp, VP Real Estate and Facilities

Date: October 12, 2018

Reference: Agenda Item: 3  
**ACTION ITEM** – Discuss and take action on an Asbestos Containing Materials (ACM) Abatement and Selective Demolition Contract

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### **Overview:**

Central Health's Downtown Campus (UMCB) has environmental hazards and exposures that require abatement/remediation (primarily – asbestos)<sup>1</sup>. Real estate developers typically exclude all environmental remediation and responsibility; this is an expected Central Health obligation. Central Health performing abatement/remediation allows subsequent demolition of non-repurposed structures, and increases the value, readiness and availability of the Downtown Campus.

Additionally, the Central Health - 2033 LP Ground Lease Agreement (Board Approval July 2018) requires that Central Health remove existing hazardous materials from structures on Blocks 164 and 167. The contract scope includes Asbestos Containing Materials (ACM) abatement from all non-repurposed structures for economy of scale and for better resource utilization.

### **Synopsis:**

Central Health completed a Request for Proposals (RFP 1808-004) to solicit, evaluate, and select appropriately licensed and certified contractor/s to perform ACM Abatement and Selective Demolition within Downtown Campus, non-leased structures. (This contract excludes the Garage on Block 168 and the CEC Complex, both leased to the Seton Family of Hospitals). Selective demolition is included in the scope to expose and gain access to all ACM precluding remobilization and/or possible delay or interruption to subsequent, structural demolition.

The RFP was advertised on BidSync, the Electronic State Bulletin and Central Health's website, with direct outreach and notice to several qualified regional firms and others that had expressed interest in working with Central Health. Seven firms attended a pre-proposal site inspection and three submitted Proposals. All entities were required to make a good faith effort for HUB participation. The recommended contractor is not a HUB and plans to self-perform all work.

Texas regulations require independent monitoring of environmental abatement and remediation activities, and the use of personal protective equipment during such activities. The ACM contractor can provide such services,

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<sup>1</sup> The City of Austin granted UMCB to Travis County Healthcare District (Central Health) in 2004 with then existing, environmental liabilities and exposures including specifically, [any hazardous materials] present in, on, or under the Premises prior to October 1, 1995.

The Seton Family of Hospitals (Seton) was not obligated to remove environmental hazards unless they created or caused the hazard during their occupancy. Various Seton renovations of / within UMCB partially remediated/abated environmental exposures but significant exposures and ACM remain.



but Enercon Environmental Services will be providing monitoring and oversight of the abatement and remediation under Phase 2 of its Professional Services Agreement, which was approved by the Board of Managers in February 2018. This independent monitoring eliminates potential contractor conflict of interest, enhances risk management, and reduces cost.

**Action Requested:**

Staff requests that the Budget and Finance Committee recommend that the Board of Managers' approve awarding a Construction Agreement for Asbestos Containing Materials (ACM) Abatement and Selective Demolition to ARC Abatement, Inc. The initial not-to-exceed (NTE) for the Agreement is \$1,124,500.00. Changes may result from varying conditions, including exposure of concealed ACM necessitating possible increase in the NTE. Plus/minus 10% of the Base Contract is included; additional abatement will be performed as an agreed lump sum or per negotiated unit prices. Additional approval from the Board of Managers will be requested for amounts exceeding \$100,000, as required by Central Health's Purchasing Policies.

**Fiscal Impact:**

Funds are included in the proposed FY-19 Budget (Real Estate) as Operations Expense, including a contingency for additional work.

Funds for the abatement monitoring and inspection by Enercon are also included in FY-19 Budget (Real Estate – Consultants). Total estimated contract amount is Not-to-Exceed (NTE) \$175,000, though this amount may vary depending on actual abatement duration.



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 4**

4. Discuss and take appropriate action on an amendment to the agreement between Central Health and Braun & Butler Construction for construction manager-at-risk services in connection with the construction planning and installation of alternative utilities for the Clinical Education Center located on the Central Health Downtown Campus. (*Action Item*)

To: Central Health Board of Managers  
Mike Geeslin, President and CEO

From: Steven Lamp, VP Real Estate and Facilities

Date: October 17, 2018

Ref: Agenda Item: 4  
ACTION REQUESTED - CEC Alternate Utilities Construction Contract

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**Overview:**

Central Health will install alternate utility systems to support the Clinical Education Complex (“CEC”) on Central Health’s Downtown Campus (formerly known as the University Medical Center at Brackenridge “UMCB”). Installation of alternate utilities reduces operations cost and liability, and allows decommissioning and closure of the central plant. The central plant will be included in structural demolition for economy of scale and to make its equipment available for salvage. Further, part of Block 166 becomes available for potential redevelopment.

In June 2018, Central Health’s Board of Managers approved award of a Construction Management - Guaranteed Maximum Price (GMP) contract to Braun & Butler Construction (CM) for a Not-to-Exceed sum of \$1.8 million. We did not have final construction cost at that time, however Board approval allowed advance effort and planning by our CM. Post bidding, the current GMP is \$1,935,525.

**Synopsis:**

Central Health executed a lease with the Seton Family of Hospitals (“Seton”) for the CEC Complex on Central Health’s Downtown Campus extending through September 2024. A provision in the lease requires Central Health to provide chilled water (air conditioning), steam (hot water and heating), emergency electric power and medical gases (utilities) to the CEC. Currently, these utilities originate from the central plant. The CEC Alternate Utilities Project will provide dedicated equipment and systems to provide the lease-defined utilities. Under the lease, Seton will reimburse Central Health for the alternate utilities project cost, and will be responsible for ongoing maintenance. (Seton will reimburse Central Health for up to \$2,040,000 of CEC Alternate Utilities Project cost.)

The construction management contract was awarded in two parts – design and construction – which overlap. This was the logic and rationale for requesting prior Board approval and award. Design phase services reduce project “unknowns” and exposure to changes (i.e. added cost). They also support value engineering to reduce expected cost during the design process.

**Action Requested:**

Staff requests Central Health Board of Managers’ approval to increase the not-to-exceed value for the contract with Braun & Butler Construction from \$1.8 million to \$1,935,525.

**Fiscal Impact:**

Funds are included in the approved FY19 Budget (Real Estate – UMCB). Central Health will fund design and construction. Seton is obligated to reimburse project costs to Central Health within nine (9) months of project completion.



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 5**

5. Discuss and take appropriate action on an interlocal agreement between Central Health and the Region 8 Education Service Center for cooperative purchasing services through The Interlocal Purchasing System (TIPS) Program. (*Action Item*)



## MEMORANDUM

**To:** Central Health Budget & Finance Committee

**From:** Mary Quintero, Procurement Supervisor

**CC:** Mike Geeslin, President & CEO  
Lisa Owens, Vice President, Financial Operations  
Jeff Knodel, Chief Financial Officer

**Date:** October 12, 2018

**Re:** Agenda item 5: Discuss and take appropriate action on an interlocal agreement between Central Health and the Region 8 Education Service Center for cooperative purchasing services through The Interlocal Purchasing System (TIPS) Program. **ACTION ITEM**

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### **Overview:**

The Central Health Procurement Department is requesting Board approval of an interlocal agreement with Region 8 Education Service Center for cooperative purchasing services through The Interlocal Purchasing System (TIPS) Program. TIPS is a national purchasing cooperative that offers access to publicly advertised, competitively procured purchasing contracts to its membership. TIPS is housed at and managed by the Region 8 Education Service Center.

### **Synopsis:**

The Texas Interlocal Cooperation Act, Texas Government Code, Chapter 791 permits Central Health to enter into an interlocal agreement to participate in a cooperative purchasing organization to control cost by taking advantage of economies of scale. The Interlocal Cooperation Act requires the authorization by the governing body prior to execution of an agreement. Staff has identified several services and commodities that Central Health would be able to procure through TIPS, including:

- Fire, Safety, and Security;
- Networking equipment and software;
- Modular buildings;
- Waste management;
- Asbestos abatement;
- Landscaping; and
- Roofing.

### **Action Requested:**

Request that the Budget and Finance Committee recommend that the Board approve the interlocal agreement between Central Health and the Region 8 Education Service Center for cooperative purchasing services through The Interlocal Purchasing System (TIPS) Program.

### **Fiscal Impact:**

There is no fiscal impact. Membership in TIPS is free of charge.

**AN INTERLOCAL AGREEMENT**  
**Between Region 8 Education Service Center and a**  
**TEXAS PUBLIC ENTITY OR LOCAL GOVERNMENT**  
**(School, College, University, State, City, County, or Other Political Subdivision)**

\_\_\_\_\_  
TEXAS PUBLIC ENTITY NAME

\_\_\_\_\_-\_\_\_\_\_  
Control Number (TIPS will Assign)  
Schools enter County-District Number

Region 8 Education Service Center  
Pittsburg, Texas

225 - 950  
County-District Number

Texas Education Code §8.002 permits regional education service centers, at the direction of the Commissioner of Education, to provide services to assist school districts, colleges and universities in improving student performance and increasing the efficiency and effectiveness of school, college and university operations. Authority for an Interlocal agreement to provide such services is granted under Texas Government Code § 791 *et seq* as amended. Cooperative Purchasing Services under this agreement are extended to all Texas State, City or County Government Agencies, or any other legally eligible Local Government Entity as defined in the Texas Government Code § 791.003.

This Interlocal Agreement (hereinafter the “Agreement”) is effective \_\_\_\_\_ and shall be automatically renewed unless either party gives sixty (60) days prior written notice of non-renewal. This Agreement may be terminated without cause by either party upon (60) days prior written notice, or may also be determined for cause at any time upon written notice stating the reason for and effective date of such terminations and after giving the affected party a thirty (30) day period to cure any breach.

**Statement of Services to be Performed:**

Region 8 Education Service Center, by this Agreement, agrees to provide cooperative purchasing services to the above-named public entity through a Program known as The Interlocal Purchasing System (TIPS) Program.

The purpose of the TIPS Program shall be to improve procurement process efficiencies and assist in achieving best value for participating School District, University, College, Community College, City, County or Other Public Agencies through cooperative purchasing.

**Roles of the TIPS Purchasing Cooperative:**

- Provide for the organizational structure of the program.
- Provide staff for efficient operation of the program.
- Promote marketing of the TIPS Program.
- Coordinate the Competitively Bid Process for all Vendor Awarded Contracts.
- Provide members with procedures for placing orders through TIPS PO System.
- Maintain filing system for Due Diligence Documentation.
- Collect fees from vendors to support the costs of operations of TIPS.

**Role of the Public Entity:**

- Commit to participate in the program by an authorized signature on membership forms.
- Designate a Primary Contact and Secondary Contact for entity.

- Commit to purchase products and services from TIPS Vendors when in the best interest of the entity.
- Submit Purchase Orders and/or Vendor Contracts through the TIPS PO System by emailing the pdf document to [tipspo@tips-usa.com](mailto:tipspo@tips-usa.com).
- Accept shipments of products ordered from Awarded Vendors.
- Process Payments to Awarded Vendors in a timely manner.

### **General Provisions:**

The Parties agree to comply fully with all applicable federal, state, and local statutes, ordinances, rules, and regulations in connection with the programs contemplated under this Agreement. This Agreement is subject to all applicable present and future valid laws governing such programs.

This Agreement shall be governed by the law of the State of Texas and venue shall be in the county in which the administrative offices of RESC 8 are located which is Camp County, Texas.

This Agreement contains the entire agreement of the Parties hereto with respect to the matters covered by its terms, and it may not be modified in any manner without the express written consent of the Parties.

If any term(s) or provision(s) of this Agreement are held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect.

The Parties to this Agreement expressly acknowledge and agree that all monies paid pursuant to this Agreement shall be paid from legally appropriated and budgeted available funds for the current fiscal year of each such entity.

No jointly owned property shall be created by this agreement and, therefore, no provision to dispose of jointly held property is required.

Before any party may resort to litigation, any claims, disputes or other matters in question between the Parties to this Agreement shall be submitted to nonbinding mediation. The site of the mediation shall be in Camp County, Texas or a site mutually agreed by the parties. The selection of the mediator shall be mutually agreed. The cost of mediation shall be shared equally. No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

No Party to this Agreement waives or relinquishes any immunity or defense on behalf of themselves, their directors, officers, employees, and agents as a result of its execution of this Agreement and performance of the functions and obligations described herein.

This Agreement may be negotiated and transmitted between the Parties by electronic means and the terms and conditions agreed to are binding upon the Parties.

### **Authorization:**

into an Agreement to provide cooperative purchasing opportunities to public agencies.  
This Agreement was approved by the governing boards of the respective parties at meetings that were posted and held in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.  
(If required by the entity.)

The individuals signing below are authorized to do so by the respective parties to this Agreement.

**Member Entity:**

**Purchasing Cooperative Lead Agency:**

**Region 8 Education Service Center**

\_\_\_\_\_  
**Entity or District Name**

By: \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

Authorized Signature

Dr. David Fitts  
Title: Executive Director Region 8 ESC

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Public Entity Contact Information**

\_\_\_\_\_  
Primary Purchasing Person Name

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Primary Person Email Address

\_\_\_\_\_  
City, State Zip

\_\_\_\_\_  
Secondary Person Name

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Secondary Person Email Address

The state of Texas requires an Interlocal Agreement be approved by the respective entities governing board. You may email completed Interlocal Agreement to [tips@tips-usa.com](mailto:tips@tips-usa.com).





**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 6**

6. Discuss and take appropriate action on a ground lease agreement between Central Health and Travis County Emergency Services District 11.<sup>1</sup> (*Action Item*)



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 7**

7. Discuss and take appropriate action on a ground lease agreement between Central Health and Travis County Emergency Services District 4.<sup>1</sup> (*Action Item*)



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 8**

8. Discuss and take appropriate action on a sublease agreement between Central Health and the Integrated Care Collaboration (ICC). (*Action Item*)



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 9**

9. Receive a report of the preliminary September 2018 financial statements for Central Health.  
*(Informational Item)*



**Balance Sheet (Assets) – Slide 3**

**Current Assets**

Cash and Cash Equivalents – \$1.6M

Short-term Investments – Short-term investments were \$79.7M at month-end, which is net of restricted investments of \$6.7M for capital acquisitions.

Ad Valorem Taxes Receivable – \$1.0M balance is composed of:

Gross Tax Receivables	\$3.2M
Taxable Assessed Valuation Adjustment	(.85)M
Est. Allowance For Doubtful collections	<u>(1.3)M</u>
<b>Total Taxes Receivable</b>	<b>\$1.0M</b>

Other Receivables – Other receivables total \$4.2M and consists of intercompany balances:

- CommUnityCare - \$878K
- Sendero - \$731K
- Community Care Collaborative - \$2.1M
- and interest receivable of \$395K

Prepaid Expenses – \$654K balance composed of:

- Prepaid insurance and software - \$422K
- Prepaid ICC dues - \$51K
- Prepaid expenses - \$181K

**Total Current Assets – \$87.2M**

**Noncurrent Assets**

Investments Restricted for Capital Acquisition – \$6.3M in short-term securities restricted for capital acquisition.

Sendero Paid-in Capital – \$35.0M (unchanged) – FY18 Transfer of \$36M to Sendero is shown on Sources and Uses: Reserves, Appropriated Uses and Transfers

Working Capital Advance to CommUnityCare – \$4.0M (unchanged)



September 2018 Preliminary Monthly Financial Statements (unaudited)  
Page 2 of 4

Sendero Surplus Debenture – \$17.1M (unchanged)

Capital Assets – \$115.4M, net of accumulated depreciation

**Total Assets – \$265.0M**

## **Balance Sheet (Liabilities and Net Assets) – Slide 4**

### **Current Liabilities**

Accounts Payable – Major components of the \$1.5M balance are:

- \$556K in vendor invoices at month-end, and
- \$988K in estimated healthcare delivery costs for services incurred but not yet billed or paid.

Salaries and Benefits Payable – \$981K balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued leave balances and various fringe benefit amounts withheld and not yet disbursed.

Other Payables – \$81K

Debt Service Payable, Short-Term – \$1.1M balance is comprised of \$1M in Certificates of Obligation Payable.

Capital Lease Obligation, Short-Term – \$82K related to medical equipment leased at Southeast Health and Wellness Center.

**Total Current Liabilities – \$3.7M**

### **Noncurrent Liabilities**

Debt Service Payable, Long-Term – \$8.4M balance of the \$16M in Series 2011 Certificates of Obligation, reduced by eight principal payments made to date. This debt was issued for the North Central clinic.

Capital Lease Obligation, Long-Term – \$107K related to medical equipment leased at Southeast Health and Wellness Center.

**Total Noncurrent Liabilities – \$8.5M**



**Total Liabilities – \$12.1M**

**Net Assets**

Unrestricted Net Assets – \$137.3M

Investment in Capital Assets – \$115.6M

**Total Net Assets – \$252.9M**

**Total Liabilities and Net Assets – \$265.0M**

**Sources and Uses Report – Slide 5**

September Preliminary financials → Twelve months, 100% of the fiscal year

**Sources**

Property Tax Revenue – Net property tax revenue for the month of September was \$1.1M. Net revenue includes \$1.1M current month's collections, plus \$33K in adjustments for prior year delinquent taxes. Current year's collections were 100.4% of the fiscal 2018 budget.

Lease Revenue – \$858K recorded for Seton lease payment and UT ground lease.

Other Revenue – (\$196)K interest income and year end adjustment to investments.

**Uses of Funds**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$9.8M for the month.

Administration Program – \$429K in expense for the month, which includes:

- Personnel costs – \$220K
- Legal fees – \$26K
- Consulting services – \$29K
- Other general and administrative – \$154K

Tax Collection Expenses – \$6K



September 2018 Preliminary Monthly Financial Statements (unaudited)  
Page 4 of 4

**Excess Sources/(Uses)** – Decreased by \$8.5 in September. Year-to-date, Excess Sources/(Uses) have increased by \$53.5M.

**Healthcare Delivery Expense – Slide 6**

Provider Costs – Healthcare delivery providers' expense for September totaled \$8.5M, which includes:

- Primary care – \$284K
- Medical Administration – \$51K
- CCC Member payment - \$8.2M

Healthcare Delivery Operating Cost – \$703K in expenses for the month and includes:

- Personnel costs – \$448K
- Consulting services – \$226K
- Legal fees – \$4
- Other services and purchased goods – \$25K

Other Costs – \$579K in expense for the month, which includes:

- UMCB Campus Redevelopment – \$357K
- ACA Enrollment and Subsidy – \$192K
- Debt Service – \$30K

**Total Healthcare Delivery for the month of September was \$9.8M.**





CENTRAL HEALTH

# Central Health

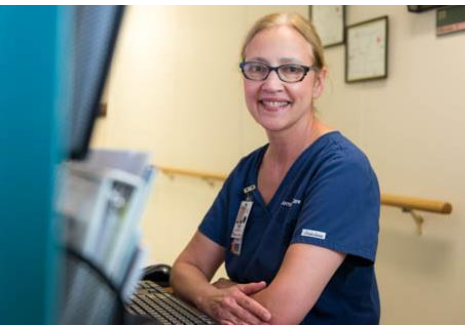
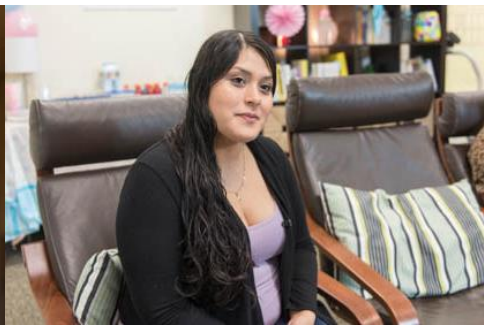
Financial Statement Presentation

FY 2018 – as of September 30, 2018 (Preliminary)

Central Health Budget and Finance Committee

October 17, 2018

Lisa Owens, VP of Financial Operations





# September 2018 Financial Highlights

- Financial results are preliminary. More information and finalized financials will be presented when the audit is complete.
- Year-to-date, collected net property tax revenue of \$182.5 million (100.4% of fiscal 2018 budget).
- Collected 98.86% of the adjusted tax levy.
- Paid CCC Member Payment, \$8.2 million.

*Preliminary*



**Balance Sheet**  
**As of September 30, 2018**  
*(Page 1 of 2, Assets)*

	<u>FY 2018</u>	<u>FY 2017</u>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	1,595,375	2,939,229
Short-term investments	79,771,440	93,560,920
Ad valorem taxes receivable	1,022,083	634,781
Other receivables	4,148,586	1,922,611
Prepaid expenses	654,159	243,484
Total Current Assets	<u>87,191,643</u>	<u>99,301,025</u>
Noncurrent or restricted cash and investments		
Restricted for capital acquisition	6,328,247	6,923,962
Sendero paid-in-capital *	35,000,000	35,000,000
Working capital advance to CommUnityCare	4,000,000	4,000,000
Sendero Surplus Debenture	17,083,000	17,083,000
Total Noncurrent or restricted cash and investments	<u>62,411,247</u>	<u>63,006,962</u>
Capital Assets		
Land	11,770,184	11,770,184
Buildings and improvements	134,241,485	132,374,052
Equipment and furniture	9,193,351	8,900,240
Construction in progress	734,286	1,965,642
Less accumulated depreciation	<u>(40,551,468)</u>	<u>(35,770,717)</u>
Total Capital Assets	<u>115,387,838</u>	<u>119,239,401</u>
<b>Total Assets</b>	<u><u>264,990,729</u></u>	<u><u>281,547,388</u></u>

\* FY18 Transfer of \$36M to Sendero is shown on Slide 6 in Reserves, Appropriated Uses and Transfers

**Preliminary**



**Balance Sheet**  
**As of September 30, 2018**  
*(Page 2 of 2, Liabilities and Net Assets)*

	<u>FY 2018</u>	<u>FY 2017</u>
<b>Liabilities</b>		
Current Liabilities		
Accounts payable	1,544,449	2,049,902
Salaries and benefits payable	980,668	1,177,299
Other Payables	0	14,535,842
Debt service payable, short-term	1,059,933	1,032,200
Capital Lease Obligation, Short-Term	81,607	82,673
Deferred tax revenue	0	0
Other deferred revenue	0	0
Total Current Liabilities	<u>3,666,657</u>	<u>18,877,916</u>
Noncurrent Liabilities		
Debt service payable, long-term	8,350,000	9,380,000
Capital Lease Obligation, Long-Term	107,870	192,228
Total Noncurrent Liabilities	<u>8,457,870</u>	<u>9,572,228</u>
Total Liabilities	<u>12,124,527</u>	<u>28,450,144</u>
<b>Net Assets</b>		
Unrestricted	137,267,249	133,857,844
Investment in Capital Assets	115,598,953	119,239,400
Total Net Assets	<u>252,866,202</u>	<u>253,097,244</u>
<b>Liabilities and Net Assets</b>	<u>264,990,729</u>	<u>281,547,388</u>

*Preliminary*



**Sources and Uses Report**  
**Fiscal Year-to-Date through September 30, 2018**  
*(Excludes Depreciation Expense)*

	<u>This Month</u>	<u>Fiscal Year to Date</u>	<u>Fiscal Year Budget</u>	<u>Percent of Budget Used</u>	<u>Prior Year to Date</u>
<b>Sources</b>					
Property Tax Revenue	1,090,701	182,538,059	181,839,054	100.4%	170,889,154
Lease Revenue	857,841	10,744,091	10,303,467	104.3%	29,301,403
Other Revenue	(196,193)	1,678,016	400,000	419.5%	1,131,905
Tobacco Settlement Revenue	-	3,426,346	1,800,000	190.4%	3,510,614
Contingency Reserve (Appropriated)	-	51,560,311	43,482,960	118.6%	51,876,745
<b>Total Sources</b>	<b>1,752,349</b>	<b>249,946,823</b>	<b>237,825,481</b>	<b>105.1%</b>	<b>256,709,821</b>
<b>Uses of Funds</b>					
<b>Total Healthcare Delivery</b>	<b>9,819,761</b>	<b>188,248,260</b>	<b>227,029,206</b>	<b>82.9%</b>	<b>169,492,241</b>
<b>Administrative Program</b>					
Salaries and benefits	220,418	3,503,761	4,413,183	79.4%	3,678,596
Legal Fees	25,780	722,754	926,200	78.0%	718,256
Consulting Fees	29,278	787,205	1,208,800	65.1%	607,126
Other Purchased Goods and Services	153,739	1,652,272	2,595,333	63.7%	1,646,948
<b>Total Administrative Program</b>	<b>429,215</b>	<b>6,665,992</b>	<b>9,143,516</b>	<b>72.9%</b>	<b>6,650,926</b>
Tax Collection Expenses	6,408	1,541,652	1,652,760	93.3%	1,444,514
<b>Total Uses</b>	<b>10,255,384</b>	<b>196,455,904</b>	<b>237,825,481</b>	<b>82.6%</b>	<b>177,587,681</b>
<b>Excess Sources/(Uses)</b>	<b>(8,503,035)</b>	<b>53,490,919</b>	-		<b>79,122,140</b>

*Preliminary*



**Healthcare Delivery Expense**  
**Fiscal Year-to-Date through September 30, 2018**  
*(Excludes Depreciation Expense)*

	Actual - This Month	Actual - Fiscal Year to Date	Budget - Fiscal Year Total	Percent Consumption of Annual Budget	Actual - Prior Year to Date
<b>Intergovernmental Transfers (IGTs) <sup>(1)</sup></b>	-	<b>113,096,147</b>	<b>142,920,000</b>	<b>79.1%</b>	<b>118,986,135</b>
<b>Provider Costs</b>					
Primary Care	284,259	977,518	1,731,800	56.4%	792,584
DSRIP Project Expense	1,647	(37,396)	-	0.0%	1,629,658
Charity Care <sup>(5)</sup>	-	1,062,933	4,251,733	25.0%	4,251,733
New Healthcare Initiatives	-	-	500,000	0.0%	-
Member Payment to CCC <sup>(2)</sup>	8,200,000	23,200,000	29,245,166	79.3%	24,615,508
Medical Administration	51,440	617,275	666,657	92.6%	617,275
<b>Subtotal Provider Costs</b>	<b>8,537,346</b>	<b>25,820,330</b>	<b>36,395,356</b>	<b>70.9%</b>	<b>31,906,758</b>
<b>Service Expansion Funds <sup>(3)</sup></b>	-	-	<b>2,000,000</b>	<b>0.00%</b>	-
<b>Total IGTs and Provider Costs</b>	<b>8,537,346</b>	<b>138,916,477</b>	<b>181,315,356</b>	<b>76.6%</b>	<b>150,892,893</b>
<b>Healthcare Delivery Operating Costs</b>					
Salaries and benefits	448,416	3,718,792	3,897,517	95.4%	3,097,080
Consulting Services	226,256	264,195	389,000	67.92%	237,195
Legal Fees	3,500	63,642	31,200	204.0%	47,600
Other Services and Purchased Goods <sup>(4)</sup>	25,284	1,600,612	3,894,185	41.1%	2,595,003
<b>Subtotal HCD Operating Costs</b>	<b>703,456</b>	<b>5,647,241</b>	<b>8,211,902</b>	<b>68.8%</b>	<b>5,976,878</b>
<b>Other Costs</b>					
UMCB Campus Redevelopment <sup>(5)</sup>	357,478	2,469,662	4,360,644	56.6%	1,002,428
ACA Enrollment and Subsidy	191,548	2,426,430	2,700,000	89.9%	1,344,141
Debt Service	29,933	1,370,528	1,372,795	99.8%	1,395,901
<b>Subtotal Other Costs</b>	<b>578,959</b>	<b>6,266,620</b>	<b>8,433,439</b>	<b>74.3%</b>	<b>3,742,470</b>
<b>Subtotal Reserves, Appropriated Uses and Transfers <sup>(6)</sup></b>	-	<b>37,417,922</b>	<b>29,068,509</b>	<b>128.7%</b>	<b>8,880,000</b>
<b>Total Healthcare Delivery</b>	<b>9,819,761</b>	<b>188,248,260</b>	<b>227,029,206</b>	<b>82.9%</b>	<b>169,492,241</b>

<sup>(1)</sup> Budget includes allocated portion of the contingency reserve appropriation, for IGT timing differences.

<sup>(2)</sup> Final contributions will be subject to provisions of the MSA, which requires the parties to collaborate to adequately fund the CCC, but leaves the amount of funding up to each parties' discretion. Each member contribution could be more or less than the budget, depending upon a variety of factors.

<sup>(3)</sup> In February 2018, the Board of Managers appropriated \$200K to the CCC.

<sup>(4)</sup> In March 2018 the Board of Mangers appropriated \$400K to potential Pay for Success project to support Permanent Supportive Housing.

<sup>(5)</sup> Seton. <sup>(6)</sup> Includes FY18 Transfer of \$36M to Sendero.

Preliminary



**Recap of FY18 IGT Payments**  
**Actuals Through September 30, 2018**

<i>\$ in millions</i>	<b>This Month</b>	<b>Fiscal Year-To-Date</b>	<b>Fiscal Year Budget</b>	<b>Under (Over) Budget</b>
Private UC	-	16.0	24.0	8.0
UMCB UC	-	12.7	25.0	12.3
DSH	-	33.9	35.0	1.1
DSRIP - CCC	-	24.6	29.3	4.7
DSRIP - UMCB, Dell Children's	-	25.7	29.0	3.3
DSRIP - St. David's	-	0.3	0.6	0.3
<b>Total</b>	-	113.1	142.9	29.8

*Preliminary*



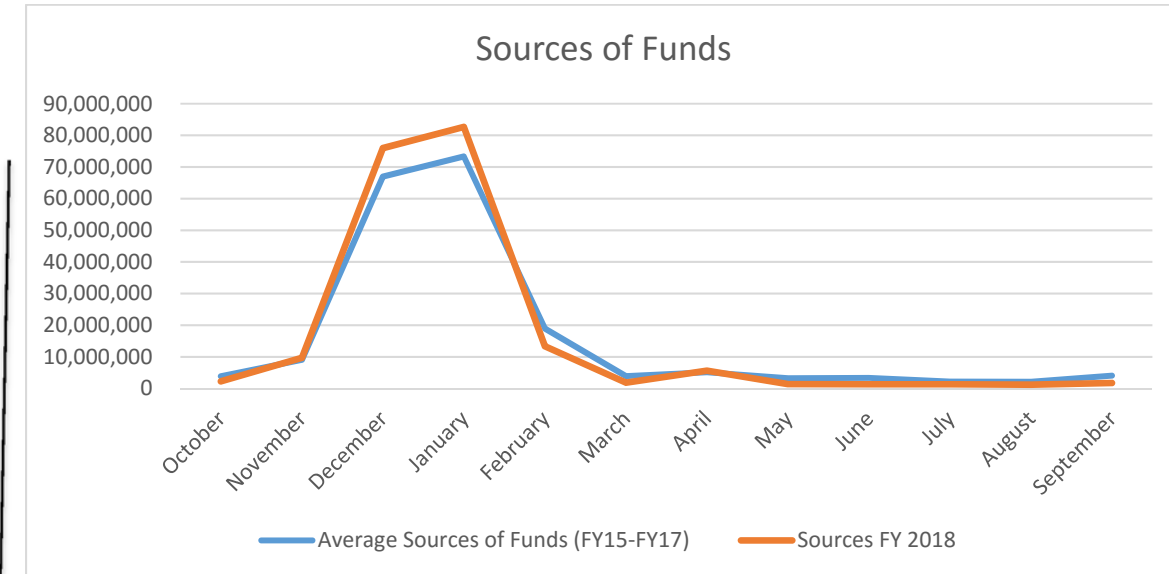
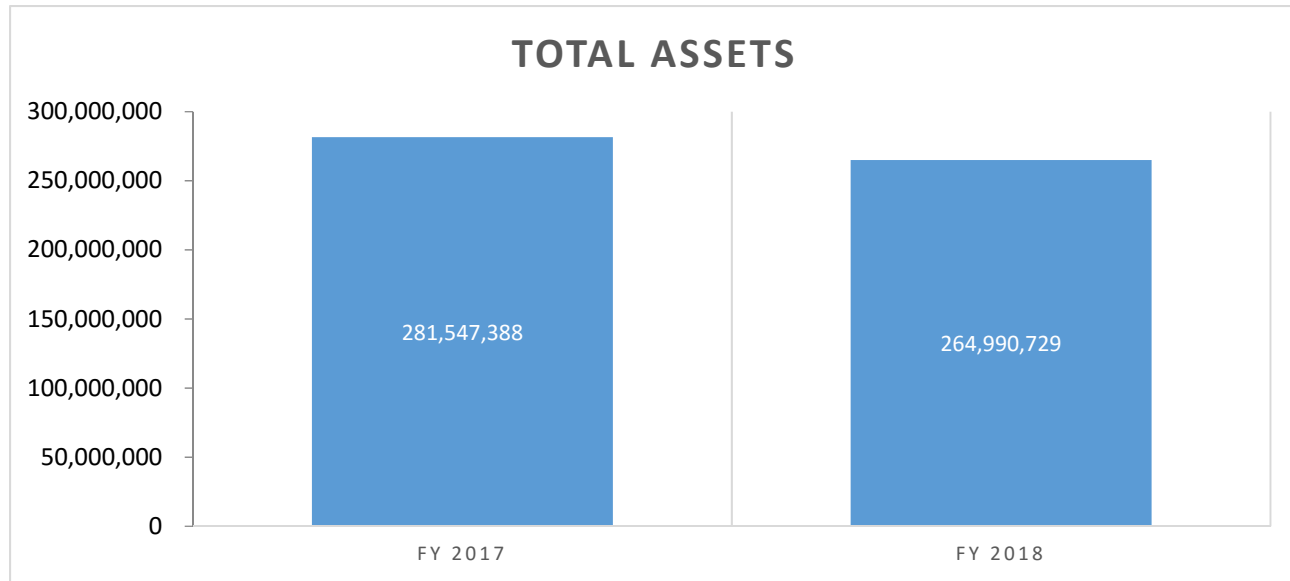
Questions? Comments?



\*Unaudited results

## Total Assets (September 30, 2018)

Note: Net assets are equal to total assets minus total liabilities.

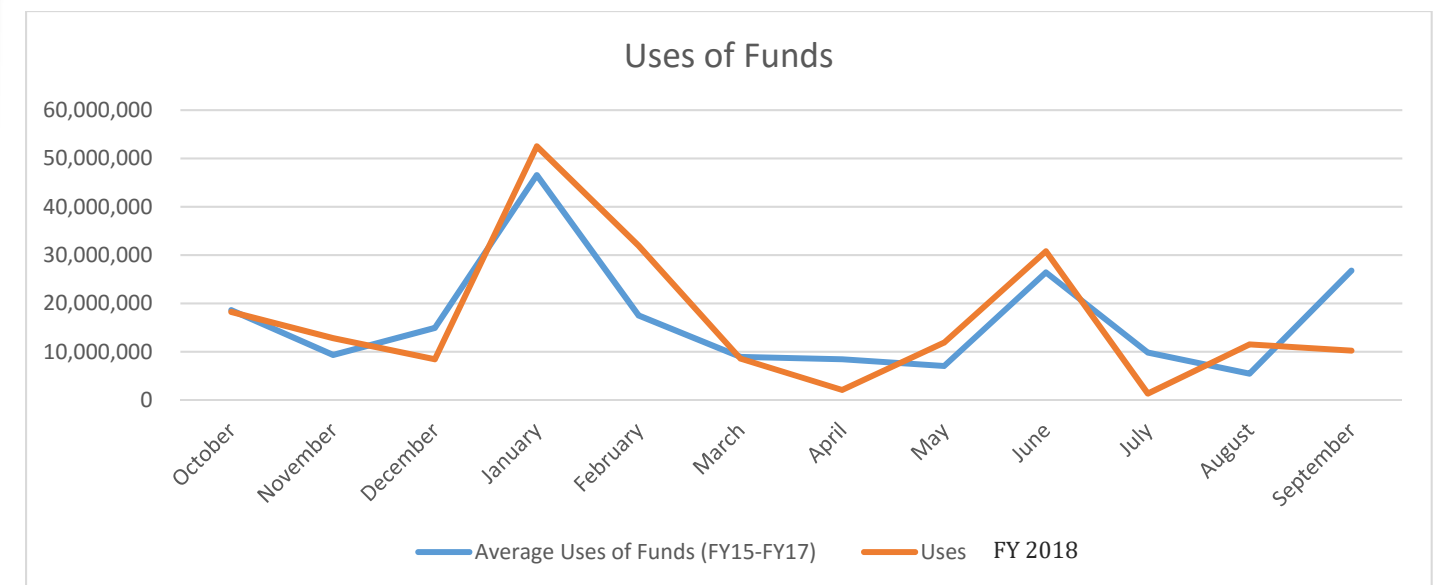
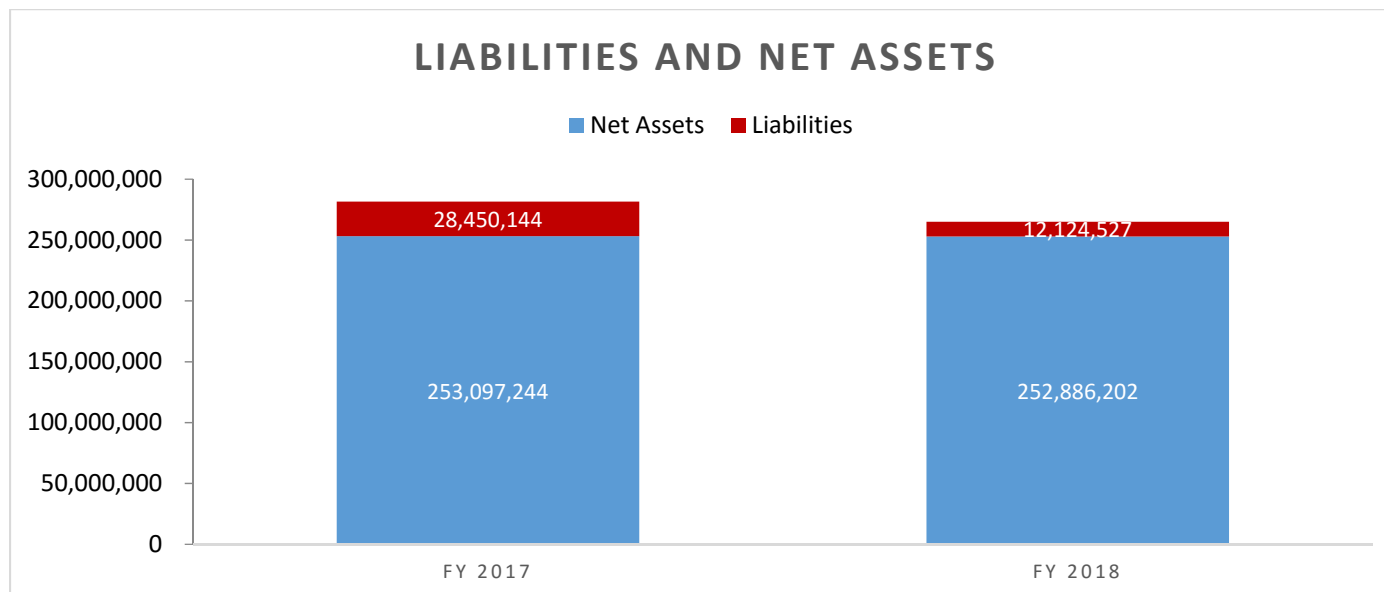


FY15-FY17 year-to-date average monthly sources: \$16.4 million

FY18 year-to-date average monthly sources: \$16.5 million

Note: Central Health has a strong cash and short-term investments position. Current assets include cash, investments and accounts receivable which could be converted to cash within one year.

## Liabilities and Net Assets (September 30, 2018)



FY15-FY17 year-to-date average monthly uses: \$16.7 million

FY18 year-to-date average monthly uses: \$16.7 million

# Monthly Financial Dashboard—September 2018\* - preliminary

\*Unaudited results



CENTRAL  
HEALTH

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**POSTPONED**

**AGENDA ITEM 10**

10. Receive a report of the preliminary September 2018 financial statements for the Community Care Collaborative. (*Informational Item*)



**CENTRAL  
HEALTH**

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 11**

11. Discuss and take appropriate action on the 1115 Medicaid Waiver, Delivery System Reform Incentive Payment (DSRIP) projects, the Community Care Collaborative, including health care delivery arrangements, and other related community partnerships.<sup>1</sup> (*Informational Item*)



CENTRAL  
HEALTH

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 12**

12. Discuss and take appropriate action on an update regarding Sendero Health Plans, Inc., including the effect of federal legislative and regulatory actions.<sup>1</sup> (*Informational Item*)



CENTRAL  
HEALTH

**BUDGET & FINANCE COMMITTEE MEETING**

**October 17, 2018**

**AGENDA ITEM 13**

13. Confirm the next regular Committee meeting date, time, and location.