



CENTRAL HEALTH

2021 ANNUAL REPORT



VISION

Central Texas is a model healthy community

MISSION

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

VALUES

Central Health will achieve excellence through:

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

Innovation: We create solutions to improve health care access.

Right by All: By being open, anti-racist, equity-minded, and respectful in discourse, we honor those around us and do right by all people.

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

CENTRAL HEALTH ENTERPRISE PARTNERS



CommUnityCare Health Centers is a separate but affiliated 501(c) (3) organization of Central Health that provides medical, dental, behavioral health and prescription services through Travis County's largest network of Federally Qualified Health Centers (FQHCs).



Founded in 2011, Sendero Health Plans is the local nonprofit, community-based health maintenance organization (HMO) of Central Health designed to serve the unique needs of Central Texas residents.



CENTRAL HEALTH



The Fiscal Year 2021 Annual Report provides an account of our work, defined best by the first words in our mission statement: By caring for those who need it most. Central Health provides access to health care for people living in poverty in Travis County. And while the numbers of people served increased from the prior year, that's only part of the story.

Equally important, the types and levels of care we provided were expanded. Too numerous to name in a brief narrative, the expansion efforts included services in primary, specialty, dental, mental and behavioral health, care management, care transition, enrollment in the Medical Access Program, and impactful campaigns in patient engagement. Our work in FY 2021 demonstrated that we can do more to strengthen the safety net health care system – and touch every aspect of the patient experience to improve the entire system of care.

If anything, and counterintuitively, this annual report of past work is about the future. Our progress in 2021 served as the starting point for the work currently under way in 2022 and being staged for future fiscal years.

For instance, in February 2022, the Central Health Board of Managers approved an equity-focused service delivery strategic plan (Health Care Equity Plan) that will direct our work to fill gaps in health care to eliminate health disparities among low-income persons. The Health Care Equity Plan is based on a first-ever community health needs assessment of data on Travis County's low-income population.

Following this clear imperative and the perspectives gained from engagement with the diverse community of our patients, we usher in a new era where a person's identity or social vulnerability should not be an indicator of lifespan or life quality. This annual report is about a refined focus on where we are going next in the pursuit of health equity for those we serve.

As with past annual reports, a summary of our financial audit is included. Like the prior fiscal years, Central Health received a clean audit opinion in FY 2021 and maintained the Government Finance Officers Association award. The audit summary represents the annual year-end results and is backed-up by the monthly financial reports provided to the Central Health Board of Managers and public. Additionally, the annual financial results indicate a strong financial position; a position which will be essential to the long-term sustainability of the health care provided today and the expansions and improvements leading into the next several years.

What we do is not without the work of countless others. We are grateful to our patients, our Board of Managers, community leaders, and advocates. We embrace good stewardship, patient engagement, and collaboration with provider partners. As part of this community, we hope you are excited about the near horizon vision of making health equity a measured reality for the people we serve, enabling the healthiest lives possible.

With Gratitude,

A handwritten signature in black ink that reads "Mike Geeslin".

Mike Geeslin
President & CEO

2021 BY THE NUMBERS

As the hospital district serving Travis County, Central Health creates access to care and coordinates health care services so residents with low income have the opportunity to get well and stay healthy. Central Health's mission is to improve the health of the community by caring for those who need it most. To better fulfill this mission, in 2021 Central Health developed new primary care locations in underserved areas; expanded its network of specialty care providers; improved eligibility and health coverage enrollment services; and supported numerous Covid-19 response efforts. Central Health continues to help the community rebound from the pandemic, providing funding for more patients at more locations year-over-year.

COVID-19 RESPONSE

In March 2020, Central Health and its partners began directing their operational focus to the outbreak of COVID-19.

- Resources were dedicated throughout the enterprise organizations in the following areas:
- Participating in the local Emergency Operations Center.
- Establishing new testing and vaccination locations and supporting ongoing clinical operations.
- Creating and implementing an extensive communications strategy, including key messaging and distribution of PPE to populations disproportionately impacted.
- Implementing a transition to remote work for the appropriate staff.
- Requesting funding from the Federal Emergency Management Agency (FEMA) and other possible sources for reimbursement of allowable expenditures.
- Launching a Vaccine Equity Enhancement Payment Program to increase vaccination rates in communities with high poverty and COVID-19 infection rates.

Through these and other efforts with partners, Travis County experienced one of the lowest COVID-19 death rates in the state of Texas.

ACCESS TO CARE

OUR PATIENTS

147,186 people served in FY2021 – a 6% year-over-year increase.

OUR NETWORK

204 provider locations, including community health centers, hospitals, specialists, dentists, and urgent care locations.

OUR CARE

499,861 primary care visits provided through Central Health's broad network of health care partners.

OUR GROWTH

In 2020 Central Health's provider network increased by 7%. Sixteen new providers were added to the network, including behavioral health, dental and urgent care providers.

ACCESS TO COVERAGE

47,641

uninsured Travis County residents received health coverage for hospital, primary, dental, specialty and other care through Central Health's Medical Access Program (MAP).

60,661

residents received coverage through MAP Basic, a program with primary care, prescription and other essential services covered for low-income residents who earn too much to qualify for MAP.

2,081

previously uninsured people received premium assistance from Central Health to enroll in Sendero Health Plans insurance coverage.

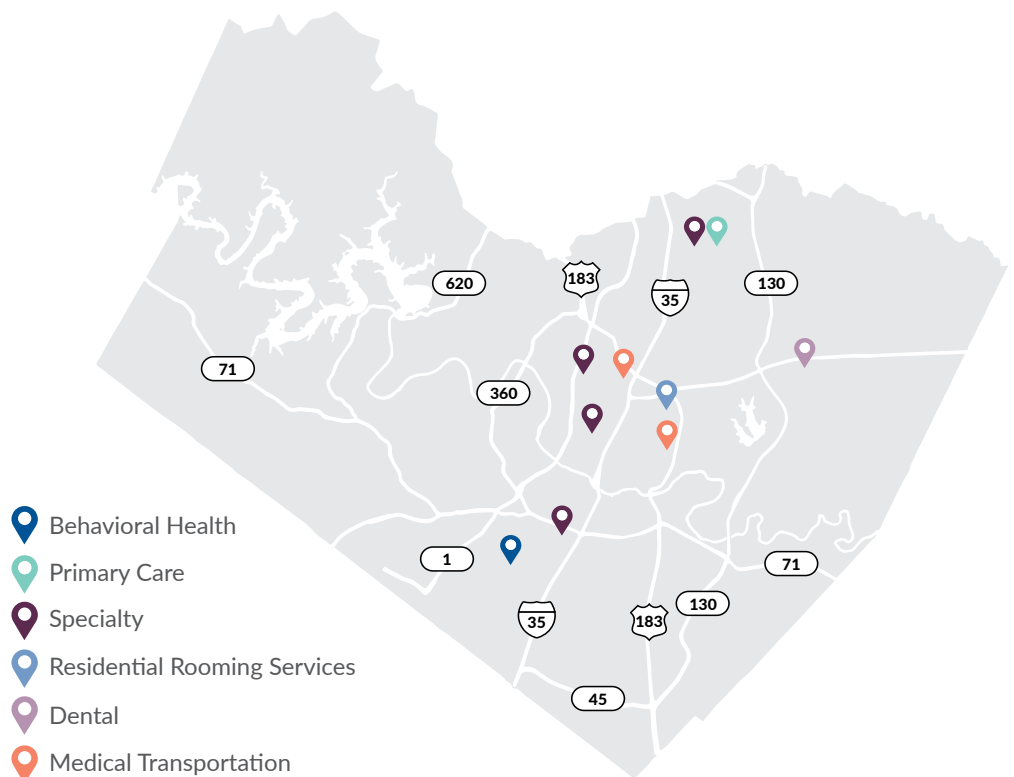
81,395

calls were taken by eligibility and enrollment specialists at Central Health's new in-house Call Center.

23,816

online MAP applications were submitted – a 45% increase over 2020.

SERVICE EXPANSION*



*All FY2021 service expansions occurred at locations of established providers.

2021 MILESTONES & HIGHLIGHTS

In 2018, Central Health worked closely with community members to identify and refine the healthcare district's strategic objectives for the years ahead.

These objectives are defined as follows:

**OBJECTIVE 1
DEVELOP AND EXECUTE HEALTH CARE DELIVERY BASED ON PEOPLE AND SPACE.**

**OBJECTIVE 2
IMPLEMENT A PATIENT-FOCUSED AND COORDINATED HEALTH CARE SYSTEM.**

**OBJECTIVE 3
IMPLEMENT A SUSTAINABLE FINANCIAL MODEL FOR HEALTH CARE DELIVERY & SYSTEM STRATEGIES THROUGH 2024.**

OBJECTIVE 1 DEVELOP AND EXECUTE HEALTH CARE DELIVERY BASED ON PEOPLE AND SPACE.

Service Improvements

- Despite the ongoing challenges of the COVID-19 pandemic, Central Health's primary care clinics and providers continued to adapt and make gains in measures of preventive screenings and disease control for MAP and MAP Basic patients including foot exams, diabetes control and alcohol use counseling.
- CommUnityCare implemented the EPIC electronic health record reporting system to facilitate multidimensional improvements in patient care and communication.

Communication & Community Engagement

- Two paid media initiatives resulted in approximately 18.3 million impressions - connecting people to care and providing life-saving information about COVID-19 protection and testing.
- Through grassroots outreach, staff reached 5,381 people and teamed up with 1,349 businesses to distribute information regarding COVID-19 testing and vaccines.
- Central Health mailed approximately 130,376 COVID-19 testing and vaccine fact cards to MAP member households in ZIP codes with high COVID-19 positivity rates.
- 884 people participated in Central Health's public involvement process to advance strategic projects and initiatives as well as help shape the fiscal year 2022 budget - an 87 percent increase over the previous year.

Population Health

- In 2021, the Central Health Equity Policy (CHEP) Council continued the work of its Pandemic Equity Committee, resulting in recommended policy changes pertaining to disaster preparedness, planning, and recovery. Once community input was incorporated, the committee presented the findings to Austin City Council and Travis County Commissioner Court.
- Sendero Health Plans was the only health plan to work extensively with Austin Public Health in contributing data and research to develop vaccination strategies. Specifically, this included multiple vaccination clinics including the Boo the Flu and the Fiesta del Pavo/Turkey Fest events.

Capital Improvements

- Plans for the Hornsby Bend Health & Wellness Center, Del Valle Health & Wellness Center, and Colony Park Health & Wellness Center were unanimously approved by the Central Health board.
- Central Health supported efforts to relocate and launch services at the Colony Park Resource Center in coordination with Austin ISD.



OBJECTIVE 2

IMPLEMENT A PATIENT-FOCUSED & COORDINATED HEALTH CARE SYSTEM.

Health Coverage

- Sendero Health Plans achieved a 4-star National Committee Quality Assurance rating, the highest score of clinical performance and customer experience among Texas Marketplace health plans.
- Central Health's Eligibility Team was able to complete 2,787 in-person eligibility and enrollment appointments despite pandemic restrictions.
- 23,196 first-time MAP Basic enrollees were signed up for coverage.

Primary Care

- Central Health added MAP Basic coverage to all of its primary care contracts.
- Primary care providers continued to offer telehealth encounters in response to COVID-19.
- Planning began for a nutrition services initiative for patients diagnosed with chronic kidney disease.

Dental Care

- Central Health funded 39,167 dental encounters, an increase of more than 15,000 from the previous year.

Specialty Care

- Central Health added new providers and expanded specialty services in dentures, oral surgery, oncology, endocrinology (hormone treatment) and podiatry (feet and leg care).
- Central Health operationalized a "fast track" referral pathway for MAP patients to be referred directly to appropriate surgeries following an emergency department visit, reducing the need for additional doctor visits.

Post-acute Care

- Central Health increased the number of recuperative care beds available for MAP patients, with the ability to add more as needed.
- In response to increased demand, Central Health contracted for additional beds at a skilled nursing facility for MAP patients requiring extended hospital recovery.

Pharmacy

- Central Health expanded its pharmacy network to include People's Community Clinic and Integral Care, resulting in more options for patients and decreased costs for Central Health.
- The planning for MAP Basic pharmacy coverage expansion continued.

Transportation Assistance

- Central Health signed new agreements with transportation providers to assist patients who are wheelchair bound or on stretchers.
- Central Health's Medical Management team expanded its rideshare program to include high-need CommUnityCare patients.

OBJECTIVE 3

IMPLEMENT A SUSTAINABLE FINANCIAL MODEL FOR HEALTH CARE DELIVERY & SYSTEM STRATEGIES THROUGH 2024.

Stewardship

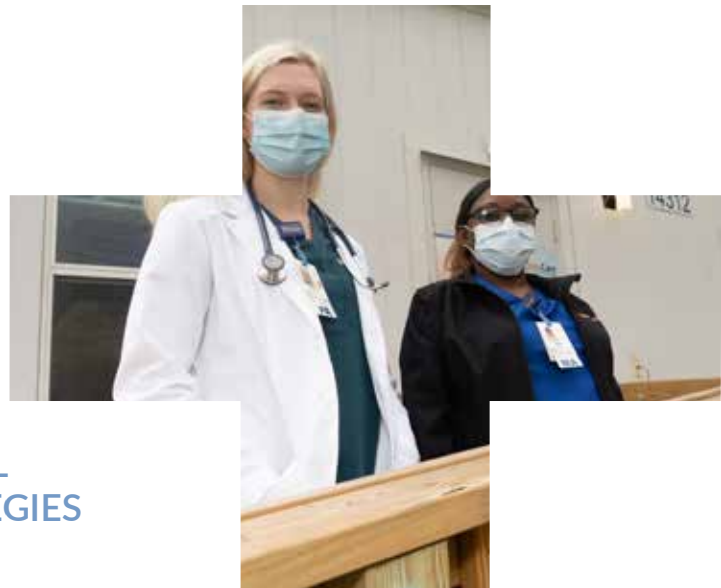
- Central Health continued to maintain the lowest tax rate among the six major urban Texas hospital districts.
- The Central Health finance team was awarded the GFOA Distinguished Budget Presentation Award, the highest form of recognition in government budgeting.
- Central Health's net position increased \$70 million; an 18 percent increase compared to the previous year in order to support long-term financial goals.
- Sendero Health Plans earned over \$30 million in subsidies for enrolling 2,081 high-risk, formerly uninsured individuals in an innovative insurance coverage program.

Investing in Eastern Travis County

- The Central Health Board of Managers approved project budgets for health centers in three target areas in eastern Travis County: Hornsby Bend, Del Valle and Colony Park and work continued to develop clinical services on these properties.

Brackenridge Campus

- Demolition activities on the Brackenridge campus continued throughout the year in anticipation of further development.



TRAVIS COUNTY HEALTHCARE DISTRICT dba CENTRAL HEALTH STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION SEPTEMBER 30, 2021

ASSETS

Current Assets:

	Primary Government		Component Units	
	Business-type Activities	CommUnityCare	Sendero (Dec. 31, 2020)	Community Care Collaborative
Cash and cash equivalents	\$ 1,095,662	\$ 22,836,307	\$ 23,085,825	\$ 26,463,741
Cash restricted for Local Provider Participation Fund (Note 16)	25,169	-	-	-
Short-term investments	281,945,360	2,933,175	2,697,306	-
Ad valorem taxes receivable, net of allowance for uncollectible taxes of \$2,868,818	1,615,518	-	-	-
Accounts receivable, net of allowance for doubtful amounts of \$9,801,361	-	16,715,232	-	-
Accounts receivable	-	-	1,764,690	-
Risk adjustments receivable	-	-	6,763,371	-
Premium receivable, net	-	-	21,387	-
Reinsurance recoverables	-	-	102,174	-
Grants receivable	-	2,498,613	-	-
Other receivables	5,557,764	-	-	-
Inventory	-	636,243	-	-
Prepaid expenses and other assets	586,239	907,284	482,336	102,840
Total current assets	290,825,712	46,526,854	34,917,089	26,566,581

Noncurrent Assets:

Investments restricted for capital acquisition	25,097,937	-	-	-
Investments restricted for Local Provider Participation Fund (Note 16)	36,825,910	-	-	-
Investments restricted for facilities	56,055,994	-	-	-
Long-term receivables	4,000,000	-	-	-
Investment in Sendero	71,000,000	-	-	-
Sendero surplus debenture	37,083,000	-	-	-
Goodwill	-	17,849,487	-	-
Capital assets:				
Land	26,302,223	-	-	-
Capital projects in progress	9,259,026	281,833	-	-
Buildings and improvements	56,495,972	848,095	-	-
Equipment and furniture	17,692,503	1,092,446	38,215	-
Less accumulated depreciation	(24,664,339)	(934,865)	(38,215)	-
Total capital assets, net	85,085,385	1,287,509	-	-
Total noncurrent assets	315,148,226	19,136,996	-	-
Total assets	605,973,938	65,663,850	34,917,089	26,566,581

LIABILITIES

Current liabilities:

Accounts payable	3,875,836	2,621,593	849,852	-
Unpaid losses, loss adjustment expenses and risk adjustment payable	-	-	11,685,847	-
Claims payable	-	-	451,090	-
Premium tax payable	-	-	457,951	-
Salaries and benefits payable	1,535,702	6,124,589	-	-
Accrued interest	57,345	-	-	-
Deferred rent	-	177,369	-	-
Other accrued liabilities	10,784,883	1,948,854	2,905,622	4,868,668
Bonds and certificates of obligations payable	4,350,000	-	-	-
Unearned revenue	-	1,125,992	2,570,277	7,455,418
Surplus debenture	-	-	37,083,000	-
Seller note payable	-	4,754,037	-	-
Note payable	-	1,140,000	-	-
Due to Central Health	-	2,767,382	880,353	119,351
Total current liabilities	20,603,766	20,659,816	56,883,992	12,443,437

Noncurrent liabilities:

Bonds and certificates of obligations payable	80,264,606	-	-	-
Due to Local Provider Participation Fund (Note 16)	36,851,079	-	-	-
Other accrued liabilities	323,477	-	-	-
Seller note payable	-	2,210,298	-	-
Note payable	-	3,040,000	-	-
Due to Central Health	-	4,000,000	-	-
Total noncurrent liabilities	117,439,162	9,250,298	-	-
Total liabilities	138,042,928	29,910,114	56,883,992	12,443,437

NET POSITION

Net investment in capital assets	470,779	-	-	-
Restricted for capital acquisition	25,097,937	-	-	-
Restricted for facilities	56,055,994	-	-	-
Restricted for HMO	-	-	71,000,000	-
Unrestricted	386,306,300	35,753,736	(92,966,903)	14,123,144
Total net position	467,931,010	35,753,736	(21,966,903)	14,123,144

TRAVIS COUNTY HEALTHCARE DISTRICT dba CENTRAL HEALTH STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION YEAR ENDED SEPTEMBER 30, 2021

	Primary Government		Component Units	
	Business-type Activities	CommUnityCare	Sendero (Dec. 31, 2020)	Community Care Collaborative
Operating revenues:				
Downtown Campus lease revenue	\$ 10,996,054	\$ -	\$ -	\$ -
Ground sublease revenue	961,380	-	-	-
Net patient service revenue	-	101,193,492	-	-
Premium revenue, net	-	-	88,010,390	-
Grant revenue	699,269	17,425,311	-	-
Foundation grant revenue	-	1,060,153	-	-
Revenue received from Central Health	-	17,722,960	-	-
Revenue received from Delivery System Reform Incentive Payment	-	10,123,906	-	59,363,558
Revenue received from Seton Affiliation	-	1,766,490	-	-
Personnel services received from an affiliate	-	-	-	261,294
Total operating revenues	12,656,703	149,292,312	88,010,390	59,624,852
Operating expenses:				
Health care delivery	115,859,007	43,714,569	79,251,339	60,682,982
Administration	-	-	-	1,150,139
Salaries and benefits	4,986,916	97,789,042	4,444,501	-
Other purchased goods and services	3,862,308	-	11,828,778	-
Depreciation and amortization	4,972,430	329,060	-	-
Total operating expenses	129,680,661	141,832,671	95,524,618	61,833,121
Operating income (loss)	(117,023,958)	7,459,641	(7,514,228)	(2,208,269)
Nonoperating revenues (expenses):				
Ad valorem tax revenue	238,919,148	-	-	-
Tax assessment and collection expense	(1,804,635)	-	-	-
Tobacco settlement revenue, net	3,872,274	-	-	-
Investment income	1,145,379	-	-	-
Interest expense	(1,230,931)	-	-	-
Loss on disposal of capital assets	(52,160,957)	-	-	-
Other revenue (expense)	(1,710,623)	-	494,052	15,285
Total nonoperating revenues, net	187,029,655	-	494,052	15,285
Change in net position	70,005,697	7,459,641	(7,020,176)	(2,192,984)
Total net position - beginning of year	397,925,313	28,294,095	(14,946,727)	16,316,128
Total net position - end of year	467,931,010	35,753,736	(21,966,903)	14,123,144

The notes to the financial statements are an integral part of these statements.

FISCAL YEAR 2021 CENTRAL HEALTH BOARD OF MANAGERS



SHERRI GREENBERG
Chairperson



DR. CHARLES BELL
Vice-Chairperson



CYNTHIA VALADEZ
Secretary



JULIE ZUNIGA
Treasurer



DR. CYNTHIA BRINSON
Manager



SHANNON JONES
Manager



AMIT MOTWANI
Manager



MARAM MUSEITIF
Manager



DR. GUADALUPE ZAMORA
Manager

