



# 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.

*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.

## **BUDGET AND FINANCE COMMITTEE MEETING**

**Wednesday, May 22, 2024, 4:00 p.m.**

**Or immediately following the Strategic Planning Committee Meeting**

**Videoconference meeting<sup>1</sup>**

**A quorum of the Committee and the presiding officer will be present at:**

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

Members of the public may attend the meeting at the address above, or observe and participate in the meeting by connecting to the Zoom meeting link listed below (copy and paste into your web browser):

<https://us06web.zoom.us/j/84808195241?pwd=4YXCQN9a18iG7SzrLkeSWfBA3SS1az.1>

Meeting ID: 848 0819 5241

Passcode: 189145

Links to livestream video are available at the URL below (copy and paste into your web browser):

<https://www.youtube.com/@thealthdistrict/streams>

Or to participate by telephone only:

Dial: (346) 248 7799

Meeting ID: 848 0819 5241

Passcode: 189145

The Committee may meet via videoconference with a quorum present in person and will allow public participation via videoconference and telephone as allowed under the Open Meetings Act. Although a quorum of the Committee will be physically present at the location posted in this meeting notice, we strongly encourage all members of the public to observe the meeting virtually

and participate in public comment, if desired, through the virtual meeting link or telephone number listed on this meeting notice.

Members of the public who attend in person should conduct a self-assessment before coming to the building to ensure they do not have a high temperature or any symptoms of COVID-19. Anyone who is symptomatic and/or has a fever should contact their healthcare provider for further instructions. Symptomatic members of the public can still participate, if desired, through the virtual meeting link or telephone number listed on this meeting notice. Resources related to COVID-19 can be found at the following link:

<https://www.centralhealth.net/covid-info/>.

A member of the public who wishes to make comments virtually during the Public Communication portion of the meeting must properly register with Central Health **no later than 2:30 p.m. on May 22, 2024**. Registration can be completed in one of three ways:

- Complete the virtual sign-in form at <https://www.centralhealth.net/meeting-sign-up/>;
- Call 512-978-9190 and leave a voice message with your full name, your request to comment via telephone, videoconference, or in-person at the meeting; or
- Sign-in at the front desk on the day of the meeting, prior to the start of the meeting.

Individuals who register to speak on the website or by telephone will receive a confirmation email and/or phone call by staff with instructions on how to join the meeting and participate in public communication.

## **PUBLIC COMMUNICATION**

Public Communication rules for Central Health Committee meetings include setting a fixed amount of time for a person to speak and limiting Committee and Board responses to public inquiries, if any, to statements of specific factual information or existing policy. The Public Communication portion of the meeting will begin at 5:30 p.m.

## **COMMITTEE AGENDA<sup>2</sup>**

1. Approve the minutes of the April 24, 2024 Budget and Finance Committee meeting. (*Action Item*)
2. Receive and discuss the quarterly financial and operational report for Sendero Health Plans.<sup>3</sup> (*Informational Item*)
3. Receive and discuss the quarterly financial and operational report for CommUnityCare Health Centers. (*Informational Item*)
4. Receive and discuss a presentation on the Fiscal Year (FY) 2025 preliminary Budget and the financial forecast for subsequent fiscal years, including information on possible property tax rates to be assessed. (*Informational item*)
5. Receive a presentation on the April 2024 financial statements for Central Health. (*Informational Item*)
6. Confirm the next Budget and Finance Committee meeting date, time, and location. (*Informational Item*)

- <sup>1</sup> This meeting may include one or more members of the Budget and Finance Committee participating by videoconference. It is the intent of the presiding officer to be physically present and preside over the meeting at Central Health Headquarters, 1111 Cesar Chavez, Austin, Texas 78702. This meeting location will be open to the public during the open portions of the meeting, and any member participating by videoconference shall be visible and audible to the public members in attendance whenever the member is speaking. **Members of the public are strongly encouraged to participate remotely through the toll-free videoconference link or telephone number provided.**
- <sup>2</sup> 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 the item involves 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 or participate via videoconference to discuss matters on the Committee agenda, and any Committee actions will be in conformance with the Central Health Bylaws.
- <sup>3</sup> Possible closed session discussion under Texas Government Code §551.085 Governing Board Of Certain Providers Of Health Care Services.

Any individual with a disability who plans to attend or view this meeting and requires auxiliary aids or services should notify Central Health as far in advance of the meeting day as possible, but no less than two days in advance, so that appropriate arrangements can be made. Notice should be given to the Board Governance Manager by telephone at (512) 978-8049.

Cualquier persona con una discapacidad que planee asistir o ver esta reunión y requiera ayudas o servicios auxiliares debe notificar a Central Health con la mayor anticipación posible de la reunión, pero no menos de dos días de anticipación, para que se puedan hacer los arreglos apropiados. Se debe notificar al Gerente de Gobierno de la Junta por teléfono al (512) 978-8049.

**STAYS IN FILE**



3 pgs

202480677



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Came to hand and posted on a Bulletin Board in the  
County Recording Office, Austin, Travis County, Texas on this the  
17 day of May 2024

Dyana Limon-Mercado

County Clerk, Travis County, Texas

By E. Medina Deputy

**E. MEDINA**

**FILED AND RECORDED  
OFFICIAL PUBLIC RECORDS**



*Dyana Limon-Mercado*

Dyana Limon-Mercado, County Clerk  
Travis County, Texas

**202480677**

May 17, 2024 02:02 PM

Fee: \$0.00

**MEDINAE**

## **Central Health Board of Managers Shared Commitments** **Agreed adopted on June 30, 2021**

Whereas, the Board of Managers of Central Health has come together as a governing body to ensure the Vision of Central Health: Central Texas is a model health Community;

Whereas, the Board of Managers of Central Health bring this vision into reality by enacting the mission of caring for those who need it most and thereby improving the health of our community;

Whereas, the Board of Managers of Central Health achieves excellence toward this vision and mission through the stated values of Stewardship, Innovation, Respect, and Collaboration;

Whereas, the Board of Managers of Central Health further known as we in this document understand that systemic racism is the root of health inequities that emerge from a history of racism in Texas including Travis County that contributes to the social determinants of health that play a primary role in producing inequitable health outcomes;

Whereas, as an organization, Central Health is anti-racist and committed to a diverse and inclusive culture that seeks equity and social justice in the pursuit of its mission:

1. We Commit to informing all of our actions as Board Managers with the understanding that we are accountable to recognizing and to interrupting systems of oppression. This includes understanding the power structure in the United States, and Texas, and Travis County, that advantages certain community members and has historically disadvantaged other community members based on the color of their skin, race, ethnicity, language, and/or other characteristics. We further understand that to disrupt this power structure and the health inequities it produces, we must collaborate to collectively respond to the lived realities of all ethnicities, races, and identities disadvantaged within this system and all historically oppressed identities and communities disadvantaged within this system. We Commit to understanding that when disadvantaged communities compete against each other, we all lose in this system, and the only way forward is to work together for the benefit of all oppressed communities collectively.
2. We Commit to a model of Generative Leadership which requires us to understand and practice collaboration and accountability demonstrated by following our agreed upon meeting procedures and ensuring all members have the opportunity for comparable speaking time. We further Commit to intentionality prior to speaking including: considering: what is the goal of what I

- want to share; is this the right time to share it; and is this in keeping with our collective goal for this particular moment within this particular meeting?
3. We Commit to Generative Conflict which includes engaging in disagreements and differences in perspective in a way that deepens relationships and trust by expanding knowledge and understanding of each other, including expecting our ideas to be expanded and enriched by learning and engaging with other Board Manager ideas, choosing curiosity over competition of ideas, and anchoring our conversations in our common purpose.
  4. We Commit to practicing emotional intelligence as leaders which includes being aware of our own emotions and reactions and managing them, as well as being aware of our impact on others and managing this impact for the collective good when we are in our role as Board Managers.
  5. We Commit to being aware of our own privileges and advantages in the sociopolitical and economic structure of the United States, Texas, and Travis County to use these for the benefit of interrupting inequities across historically disadvantaged identities.
  6. We Commit to preventing the commission of microaggressions through the awareness of the history and oppression of diverse identities and communities. To this end, we Commit to strive to learn the historical context informing the lived realities of all historically oppressed identities and communities, and to use this to prevent use of language and commission of actions that can be harmful given these histories.
  7. If we inadvertently commit a microaggression, we strive to immediately become aware on our own of the harm we have caused. If another Board Manager generously helps us become aware of a microaggression we have committed we welcome the support in our learning and growing process as a leader and immediately express appreciation for having made us aware, own the mistake we have made, acknowledge the impact of the harm we have caused, and engage repair through apology and the articulation of what we will do to avoid the repetition of such harm in the future.
  8. If we observe one of our fellow Board Managers commit a microaggression, we Commit to calling them in by letting them know in a respectful and kind manner of the mistake that has been made.
  9. We understand that many of us, as survivors of historically oppressed identities and communities, carry internalized narratives of oppression, and we can inadvertently express these oppressions against others in ways that cause harm and we Commit to the same process identified in 7 and 8 to engage repair and return to generative collaborative processes.
  10. We understand that even without the history of oppression potentiating the weight of harm, expressions of prejudice and rudeness can also cause harm to our shared aims, and we Commit to the same process identified in 7 and 8 to engage repair and return to generative collaborative processes.



11. We Commit to using our Racial and Social Justice Framework (next page) for decision-making as we work together for the collective good of our communities as we eradicate health inequities and create a model healthy community.
12. We understand that we are entrusted with a vital responsibility for our communities and are accountable stewards for the time and resources available to our Board of Managers. We understand that these commitments are entered into to ensure responsible stewardship of this time and resources through generative collaborative processes to reach our vision and mission and we agree that if we do not follow any one of these commitments we welcome our Board Manager colleagues to bring this to our attention through the agreed upon process reflected here and when this occurs, we commit to immediately acknowledging the mistake and engaging in a repair and correction process as indicated in these commitments so that our work to dismantle systemic racism and resulting barriers and achieve health equity can move forward.

Be it adopted that the above agreements will be honored and acted upon by each Board Manager as of 6/30/2021 and henceforth forward as indicated by signature below.

---

Board Manager Signature

---

Date

---

Board Manager Printed Name

# Calling In and Repairing Harm

## Calling In after Harm in Groups with Shared Values and Aims Stance

Hey, this thing you said/did hurt some folks or could hurt some folks.

A) Here's why that can be hurtful or,

B) Please do some research to learn the history of why that's hurtful.

Implied message: I know you are good and are on this journey with us and we are all going to make mistakes as we unlearn things.

## Calling In after Harm in Groups with Shared Values and Aims Sample Language

- I know it wasn't your intention, but what you just said minimizes the horror of \_\_\_\_\_ e.g. the history of racism, enslavement, the holocaust, etc.
- I know it wasn't your intention but what you just said has the impact of implying that \_\_\_\_\_ are not competent or as intelligent as others.
- What you just said suggests that \_\_\_\_\_ people don't belong.
- That phrase has been identified as being disrespectful and painful to \_\_\_\_\_ people and it's important that we not use it.
- Oh, I have also used that term, but I have now learned that when we use it we are leaving out people who \_\_\_\_\_ or we are implying that \_\_\_\_\_ and the word people are learning to use now is \_\_\_\_\_.
- The term used now by people living with that identity is \_\_\_\_\_.

## Repairing Harm after Microaggressions, Mistakes, and expressions of Prejudice

- Own / Name it
- Recognize the Impact
- Apologize (Do not share context or explanations)
- Make any amends that are possible
- State what you are going to do to learn and do better in the future.

Sample Language: Thank you so much for letting me know. You are right, I used this term or said that phrase and realize that it has the impact of minimizing the experience of \_\_\_\_\_ or implying that \_\_\_\_\_. I am deeply sorry and will practice learning the correct language and will research and learn more about this to ensure that I do not make this mistake and cause this harm in the future.

# RACIAL and SOCIAL JUSTICE FRAMEWORK

## Values and Anti-Racism/Anti-Oppression

- Is this consistent with our values?
- Are we taking steps so we cannot predict outcomes by race and other systemically disadvantaged characteristics?

## Intentional and Accountable Storytelling

- What data are we using and has it been disaggregated by race? What is the source of the data? Who is it making visible and invisible? Whose experience is being centralized and whose is being marginalized in the data? Does the way we are using the data reflect the complexity of the issues and reflect the issues accurately?
- What are the stories and narratives we are telling? What is the purpose? Who is interpreting the meaning? Who's it meant for? Who's impacted and how?
- Are we refusing to be ahistorical? Are we fully considering history and the impacts of the historical context?

## Power Analysis

- What are the power dynamics in this situation? What are the intersecting spheres of oppression at work in this situation?
- What are the cultural norms of white supremacy at work in this situation?
- Who would benefit and who would be harmed by this action/decision?
- Does this interrupt/disrupt or collude with/reinforce oppressive systems/power structures?
- If this is attempting a solution, where are we locating the problem?
- Does the solution/strategy we are proposing change the system or the individual?
- Who are we asking to change and why?

## Relationships

- Who is in the room and who isn't and why? Who is sharing and who is not and why?
- Whose perspective is represented/who is left out? And who is doing the representing? Who do we believe, who do we find credible? Why? Why not?
- Whose experience is being centralized and whose experience is being marginalized? Who is gazing and who is being gazed upon?
- Are we boldly leading toward our racial justice aim by building a broad coalition of support?
- Are we operating from a similar/shared understanding of anti-racism work? Do we have a shared anti-racist understanding of where the problem is located and a shared anti-racist theory of change to generate a solution? Have we agreed upon a shared goal?



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## **BUDGET & FINANCE COMMITTEE MEETING**

**May 22, 2024**

## **AGENDA ITEM 1**

Approve the minutes of the April 24, 2024 Budget and Finance Committee meeting. (*Action Item*)

MINUTES OF MEETING – APRIL 24, 2024  
CENTRAL HEALTH  
BUDGET AND FINANCE COMMITTEE

On Wednesday, April 24, 2024, a meeting of the Central Health Budget and Finance Committee convened in open session at 4:07 p.m. in person at the Central Health Administrative Offices and remotely by toll-free videoconference. Clerk for the meeting was Briana Yanes.

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**Committee members present in person:** Chair Museitif, Manager Martin, Manager Motwani, and

**Board members present via audio and video or in person:** Manager Jones, Manager Kitchen, Manager May (arrived 4:14 p.m.), and Manager Zamora (arrived 4:25 p.m.)

**Absent:** Manager Valadez

**PUBLIC COMMUNICATION**

**Clerk’s Notes:** Public Communication began at 4:08 p.m. Yesenia Ramos introduced one speaker for Public Communication.

Kathy Edmondson signed up to speak at Public Communication but due to technical difficulties was unable to. She will prepare to speak at the May Board of Managers meeting.

**COMMITTEE AGENDA**

**1. Approve the minutes of the March 27, 2024 Budget and Finance Committee meeting.**

**Clerk’s Notes:** Discussion on this item began at 4:15 p.m.

Manager Museitif moved that the Committee approve the minutes of the March 27, 2024 Budget and Finance Committee meeting.

Manager Kitchen seconded the motion.

|                      |        |
|----------------------|--------|
| Chairperson Museitif | For    |
| Manager Martin       | For    |
| Manager Motwani      | For    |
| Manager Valadez      | Absent |
| Manager Jones        | For    |
| Manager Kitchen      | For    |
| Manager May          | For    |

**2. Receive and discuss a report of Historically Underutilized Business (HUB) spending performance for Fiscal Year (FY) 2023.**

**Clerk’s Notes:** Discussion on this item began at 4:17 p.m. Ms. Nicki Riley, Deputy Chief Financial Officer; Balena Bunch, Procurement Director; and Margaret Castillo, Senior HUB Analyst, presented the FY23 HUB report. Below are a few of the key takeaways from the presentation:

- Central Health officially launched its HUB Subcontracting program with a focus on construction contracts with a value of \$500,000 or more.
- With the addition of the Senior HUB Analyst, Central Health was able to expand its footprint by attending various outreach events within the State of Texas, as well as recently hosting its own on-site “Meet The Prime” event for one of the upcoming clinic sites.

- Central Health spent approximately 22% of its eligible expenditures with HUB vendors in FY2023.

**3. Receive and discuss instructions for submitting board member recommended FY2025 emerging priorities.**

**Clerk’s Notes:** Discussion on this item began at 4:39 p.m. Ms. Monica Crowley, Chief Strategy & Planning Officer and Sr. Counsel, presented on the process that board members will use to submit their recommended FY25 emerging priorities. She stated that May 24, 2024, would be the deadline for Board Member emerging priority recommendations to be received by staff.

**4. Receive a presentation on the March 2024 financial statements for Central Health.**

**Clerk’s Notes:** Discussion on this item began at 4:52 p.m. Ms. Nicki Riley, Deputy Chief Financial Officer; Ms. Patti Bethke, Controller; and Mr. Jonathan Morgan, Chief Operating Officer, presented on the March 2024 financials. The presentation included a look at the balance sheet, sources and uses, a healthcare delivery summary, and healthcare delivery specialty care.

Lastly, they gave a couple of updates regarding the dialysis line item related to specialty care. Mr. Morgan shared that there have been savings opportunities in the first half of the year. He announced that through the ACA marketplace, for a temporary time, dialysis eligible patients could be enrolled into the MAP health plans on a continuous basis and not just during open enrollment. He stated that Central Health has been able to take advantage of this opportunity with its partners at Sendero. Next, he announced that Central Health has come to an agreement with partners at Ascension to both extend and expand the dialysis program. It was originally scheduled to come to an end at the end of fiscal year 2024 but was extended to the end of 2027. The program was also extended, as planned, to the MAP Basic population and earlier stage kidney disease patients.

**5. Confirm the next Budget and Finance Committee meeting date, time, and location.**

Manager Kitchen moved that the Committee adjourn.

Manager Motwani seconded the motion.

|                      |        |
|----------------------|--------|
| Chairperson Museitif | For    |
| Manager Martin       | For    |
| Manager Motwani      | For    |
| Manager Valadez      | Absent |
| Manager Jones        | For    |
| Manager Kitchen      | For    |
| Manager Zamora       | For    |
| Manager May          | For    |

The meeting was adjourned at 5:03 p.m.

ATTESTED TO BY:

\_\_\_\_\_  
Maram Museitif, Chairperson  
Central Health Budget and Finance Committee

\_\_\_\_\_  
Manuel Martin, Secretary  
Central Health Board of Managers



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## **BUDGET & FINANCE COMMITTEE MEETING**

**May 22, 2024**

## **AGENDA ITEM 2**

Receive and discuss the quarterly financial and operational report for Sendero Health Plans.<sup>3</sup>  
(*Informational Item*)



**AGENDA ITEM SUBMISSION FORM**

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date May 22, 2024

Who will present the agenda item? (Name, Title) Karen Ator, Chief Strategy Officer

General Item Description Receive and discuss the quarterly financial and operational report for Sendero.

Is this an informational or action item? Informational item

Fiscal Impact N/A

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- Receive a quarter two report from Sendero, with a presentation focusing on Third Party
- 1) Administrator (TPA).
- 2) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) PowerPoint

Estimated time needed for presentation & questions? 15 minutes

Is closed session recommended? (Consult with attorneys.) Yes

Form Prepared By/Date Submitted: Briana Yanes/ May 17, 2024





## **BOARD OF MANAGERS**

May 22, 2024

**Quarter 1 Report  
January 1 – March 31, 2024**

**Open Session**

***Control Costs While  
Ensuring Quality***



# Sendero Board of Directors

- ❖ Juan Garza – Board Chair
- ❖ Jerold McDonald – Vice Chair
- ❖ Betty DeLargy – Board Member, Immediate Past President
- ❖ Jeff Knodel – Board Member – CFO – Central Health
- ❖ Amit Motwani – Board Member – Board of Managers – Central Health
- ❖ McKenzie Frazier – Board Member
- ❖ Molly Hahn – Board Member
- ❖ Dr. Patrick Lee – Ex Officio – CEO - Central Health
- ❖ Ann Kitchen – Ex Officio – Board Chair – Central Health



## Sendero Update and Overview 1st Quarter 2024

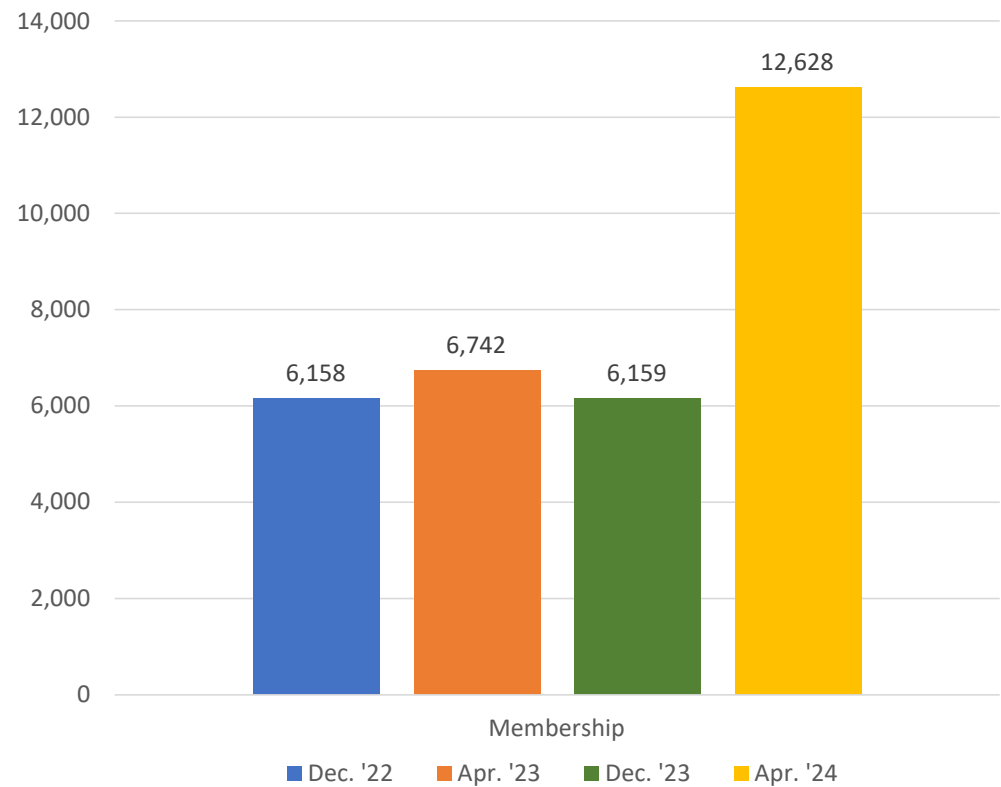
- Apologies to the Central Health Managers for our executives' absence.
- To enhance control of costs, implemented budget to actual comparisons for each Department. For 1<sup>st</sup> Quarter Sendero is under budget by 21%.
- Staff focused on NCQA audit occurring later this year.



# Enrollment Update

- December 2022 = 6,158
- April 2023 = 6,742
- December 2023 = 6,159
- April 2024 = 12,628

Sendero Health Plans' Membership YoY





# County Distribution

| County      | 2024 Sendero Members | 2024 Sendero County Distribution | ACA 2024 Enrollment Data | 2024 ACA County Residents Covered by Sendero |
|-------------|----------------------|----------------------------------|--------------------------|--|
| Bastrop     | 1,090                | 9%                               | 8,965                    | 12.2%  |
| Burnet      | 113                  | 1%                               | 4,614                    | 2.4%   |
| Caldwell    | 240                  | 2%                               | 5,352                    | 4.5%   |
| Fayette     | 119                  | 1%                               | 1,935                    | 6.1%   |
| Hays        | 1,210                | 10%                              | 20,397                   | 5.9%   |
| Lee         | 85                   | 1%                               | 1,303                    | 6.5%   |
| Travis      | 7,784                | 62%                              | 128,893                  | 6.0%   |
| Williamson  | 1,916                | 15%                              | 51,306                   | 3.7%   |
| Grand Total | 12,628               |                                  | 222,765                  | 5.7%   |

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# 2024-Q1 Budget vs Actuals Finance Review

| Administrative Expenses             | Q1 Actuals       | Over/(under) Budget |   |
|-------------------------------------|------------------|---------------------|---|
| Salaries and Benefits               | \$ 754,295       | 11%                 | New staff   |
| Employee Related                    | 387,887          | -2%                 |   |
| Advertising and Marketing           | 26,314           | -90%                | Timing difference   |
| Occupancy                           | 116,914          | -1%                 |   |
| Insurance                           | 16,760           | -17%                | Timing difference/lower pricing                                   |
| Management Fees                     | 291,342          | -3%                 |   |
| Professional Services               | 235,242          | -2%                 |   |
| Outsourced Services                 | 1,071,104        | -31%                | Less claims received than anticipated + Optimal Curative contract |
| Computer and IT                     | 183,964          | 56%                 | VBA + IT implementation costs                                     |
| Printing, Kit Fulfillment & Postage | 156,492          | -5%                 |   |
| Travel and Training                 | 12,400           | 45%                 | Exec. & director's meetings                                       |
| Contributions and Sponsorships      |                  | -100%               |   |
| Dues and Subscriptions              | 44,887           | -7%                 |   |
| Other Administrative Expenses       | 1,113,041        | -3%                 |   |
| Finance Fees                        | 9,919            | -98%                | No financing required from Central Health since January.          |
| <b>Total Admin. Expenses</b>        | <b>4,420,561</b> | <b>-21%</b>         |   |

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# Questions or Discussion

CONFIDENTIAL



# 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.

*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.

## **BUDGET & FINANCE COMMITTEE MEETING**

### **May 22, 2024**

## **AGENDA ITEM 3**

Receive and discuss the quarterly financial and operational report for CommUnityCare Health Centers. (*Informational Item*)





AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date May 22, 2024

Who will present the agenda item? (Name, Title) Jaeson Fournier, CommunityCare CEO  
Tara Trower, Chief Strategy Officer

General Item Description Receive and discuss the quarterly financial and operational report for CommUnityCare Health Centers.

Is this an informational or action item? Informational item

Fiscal Impact N/A

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Receive a quarter two report from CommunityCare.
- 2) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) PowerPoint

Estimated time needed for presentation & questions? 15 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Briana Yanes/ May 17, 2024

# COMMUNITYCARE QUARTERLY UPDATE JANUARY 1, 2024 TO MARCH 31, 2024 (Q2)

Jaeson Fournier, CEO and President

Tara A. Trower, Chief Strategy Officer

## EQUITY: INCREASED ACCESS TO CARE

- CommUnityCare provided 127,006 face-to-face encounters to 71,726 distinct patients this quarter. This represents a 13% increase in visits over the same period last year.
- **71,726 Unique Patients Served Year To Date:**
  - **50.2% are uninsured**
  - **43.7% were uninsured Travis County residents**
  - **35.9% were MAP / MAP Basic covered**
  - **86.3% self-report as a minority\***
  - **71.0% reporting were Latino / Hispanic\***
  - **8.7% reporting were African American\***
  - **1.8% reporting were Asian American/PI\***
  - **63.1% reporting were best served in language other than English\***
  - **97.5% reporting had incomes below 200% of the federal poverty level\***

\* Not all patients report race / ethnicity / language / income. Analysis excludes those not reporting.

## RESOURCEFULNESS: NEW PHARMACY MANAGEMENT SYSTEM LAUNCHED

- CommUnityCare's pharmacy implemented a new pharmacy management system (Willow Ambulatory) in January. Epic's pharmacy management module, called Willow Ambulatory.
- Benefits include:
  - Integrated prescription and distribution functions in a singular system
  - Single-system approach keeps medication data secure and maintains patient safety
  - Permits clinicians (both internal and external) to access as patient's medication history.
  - More seamless prior authorizations.
  - Pharmacists having access to medical information at point sale within a single system, i.e. allergies, lab results, visit summaries and medication profiles.
  - Greater transparency on revenue cycle.



## WORKFORCE: 2024 NATIONAL TOP WORKPLACE

- Thanks to responses by our team members last year, CommUnityCare has been recognized as a USA Today 2024 Top Workplace



## RESOURCEFULNESS: CLEAN THIRD-PARTY SINGLE AUDIT

- As an independent 501(c)3 non-profit corporation, CommUnityCare's Board of Directors fiduciary responsibility includes the engagement, review and approval of an external audit by an independent evaluator to assure compliance with general accepted accounting principles.
- Additionally, the evaluation includes analyses by the third-party auditor to assess compliance with the federal Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- CommUnityCare received an unmodified opinion (i.e., clean audit, with no conditions)
  - Annual audits and 990 forms will be available on CommUnityCare's website (<https://communitycaretx.org>)
  - Required submission of our audit to the Health Resources and Services Administration to demonstrate compliance with the audit requirements of the Section 330 Health Center Program is underway.

## EQUITY: FARMACY PROGRAM

CommUnityCare partnered with the Central Texas Food Bank's Mobile FARMacy program which allowed our community health workers and case managers to connect 363 food insecure families to fresh groceries and transportation.



## EQUITY: COLONY PARKS SERVICES MAINTAINED

- CommUnityCare services at Barbara Jordan/ Northeast Resource Center (NERC) continue with a provider currently providing care two days a week at this location following end of services as previously provided through the mobile medical unit (RV).



# COMMUNITY: HEALTH CENTER PROGRAM ADVOCACY

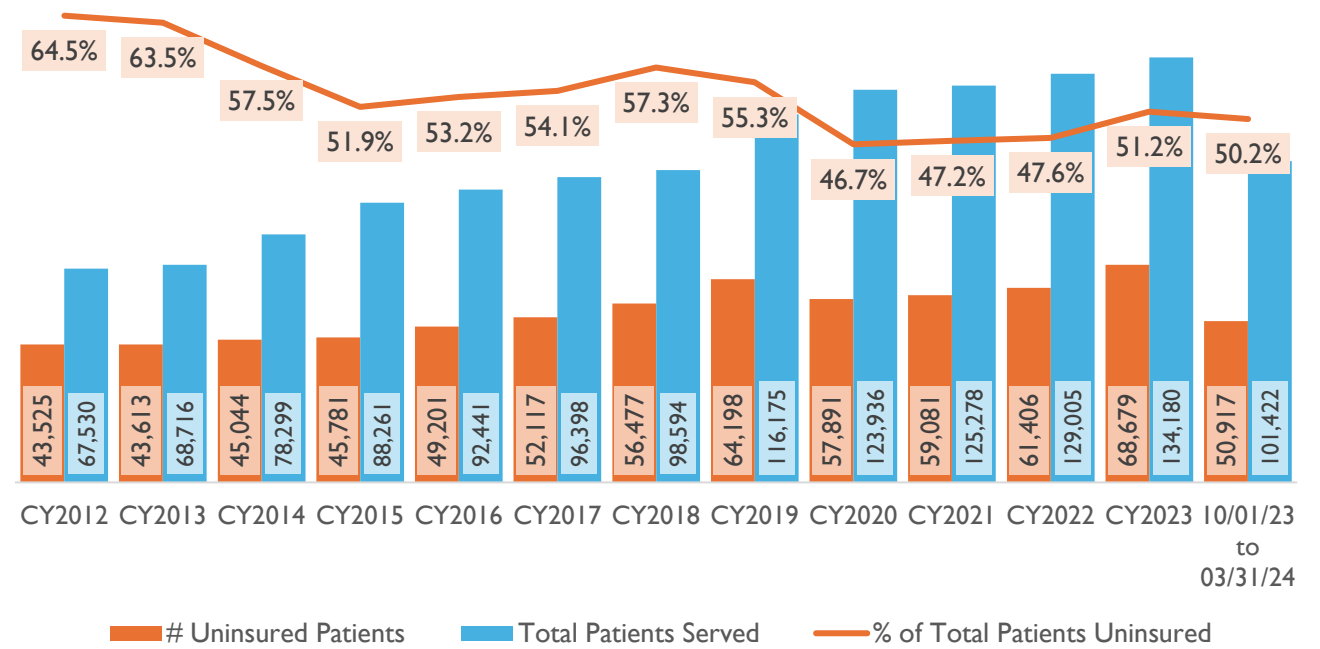
- Advocated with the US congress to:
  - Continue and increase funding for the Health Center Program
  - Support investments health care workforce development
  - Protect 340B benefit for community health centers and its patients
  - Continuation of COVID-19 related telehealth care provisions
- Results:
  - @ \$400 million in increased funding for health centers
  - Health Resources and Services administration has already issued / indicated new grant opportunities including:
    - Quality improvement awards for UDS+
    - Support for health care activities related re-entry of Justice Involved Individuals
    - Behavioral health / substance use expansion

|  | Nationally<br>31.5 Million Served in 2022 | CommUnityCare<br>134,180 Served in 2023 |
|--|---|---|
| Population Penetration                       | 1 in 11 Americans                         | 0.93 in 11 Travis County Residents      |
| Percent Patients Uninsured                   | 19%                                       | 51%                                     |
| Low-income                                   | 90%                                       | 98%                                     |
| Racial/Ethnic Minority                       | 64%                                       | 87%                                     |
| Best Served in a language other than English | 26%                                       | 61%                                     |

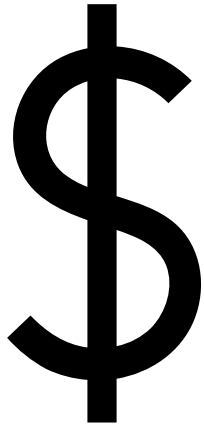
# RESOURCEFULNESS SEEING MORE PATIENTS THAN EVER AND NAVIGATING A DECREASING MEDICAID PAYOR MIX

- As our patient population continues to grow more of our patients are uninsured.
- Why? Loss of COVID-19 continuous Medicaid coupled to State re-enrollment challenges has led to return toward pre-pandemic uninsurance levels.
- Mitigation Efforts included:
  - Contracting with Resource Center of America (RCA) to support screening our patients for Medicaid eligibility.
  - Increase efficiency and effectiveness of our financial screeners noting that last year we evaluated more than 43,000 applications for MAP/MAP Basic, in addition to other benefit eligibility options.
  - Gaining better understanding of reluctance to enroll in benefits through focus groups.
  - Working with Central Health to increase enrollment in MAP / MAP Basic by low-income Travis County residents.

Trend of CommUnityCare's Uninsured Patients Served by Year

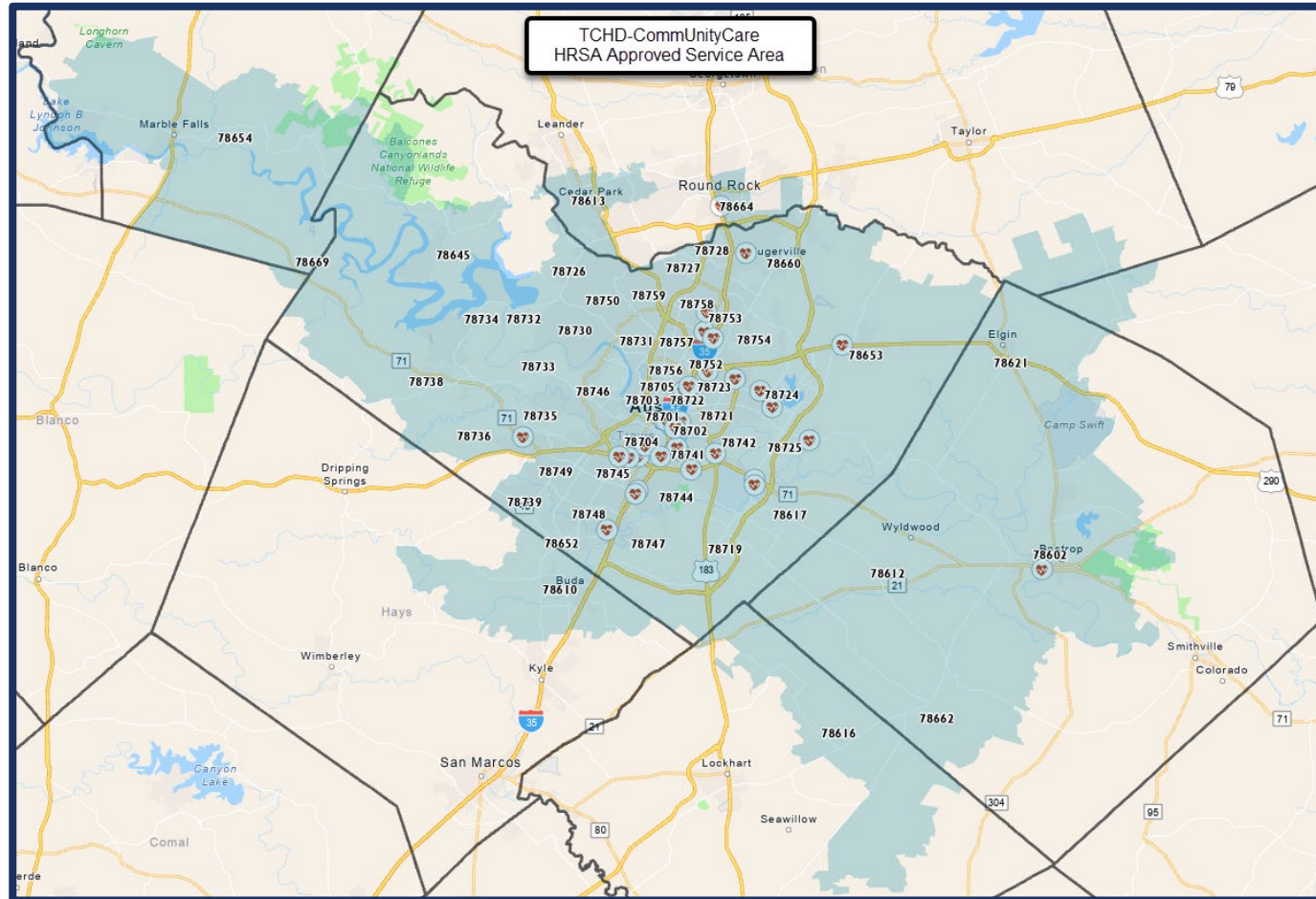


## FINANCIAL PERFORMANCE FYTD



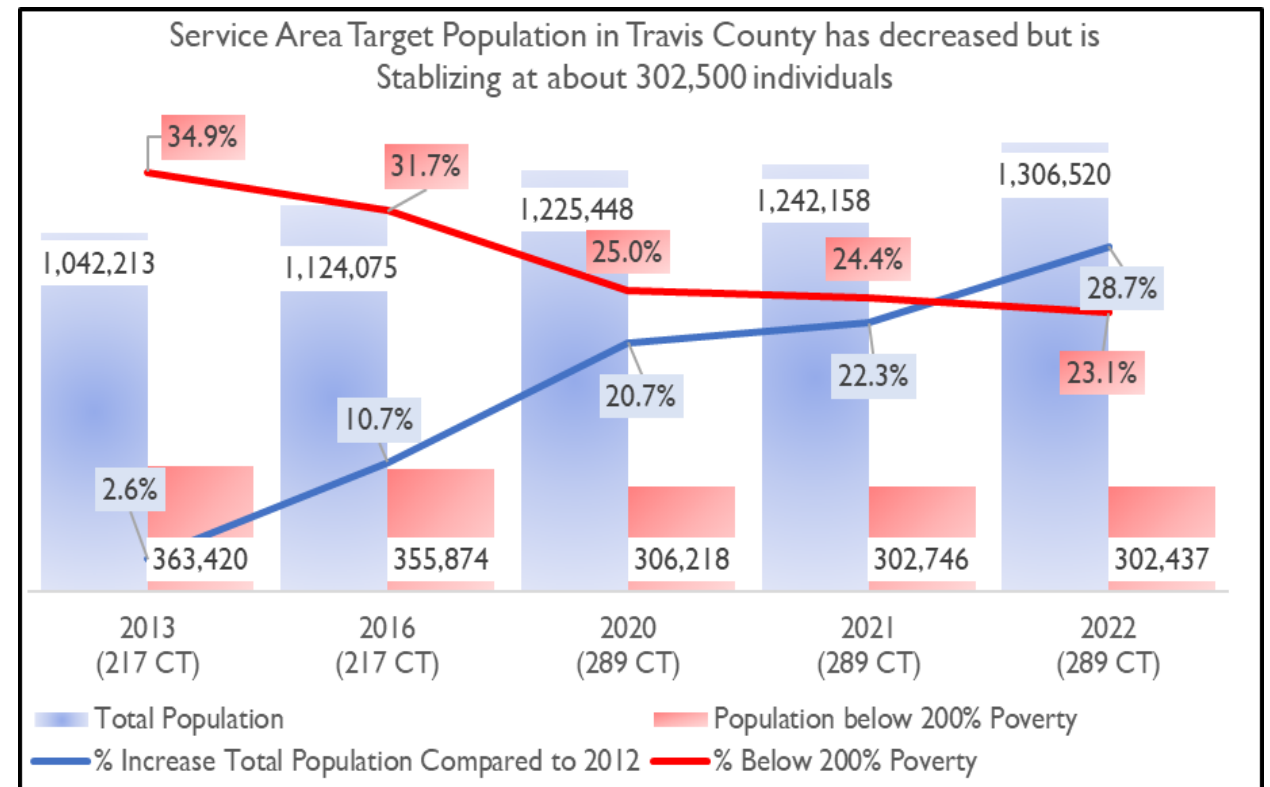
- Medicaid redetermination continues to have a significant impact on CommUnityCare's bottom line. A large number of Travis County residents are choosing to self-pay/sliding scale, despite likely being eligible for MAP/MAP Basic. The share of individuals using self pay or sliding scale has increased for more than 18%.
- CommUnityCare is reporting a deficit of \$544,812 on its interim financial statements through March 2024 which marks the end of the second quarter for the fiscal year 2023-24. The same reporting period last fiscal year showed a surplus of \$1,271,179. Total operating revenue is under budget by \$578,272 (.53%) at \$110,015,966.
- Current models suggest that CommUnityCare will finish the year in deficit between \$1.2 million and \$4 million, depending on the success of mitigation strategies.

# CORE REQUIREMENT TO ASSESS HEALTH NEEDS OF HRSA APPROVED SERVICE AREA



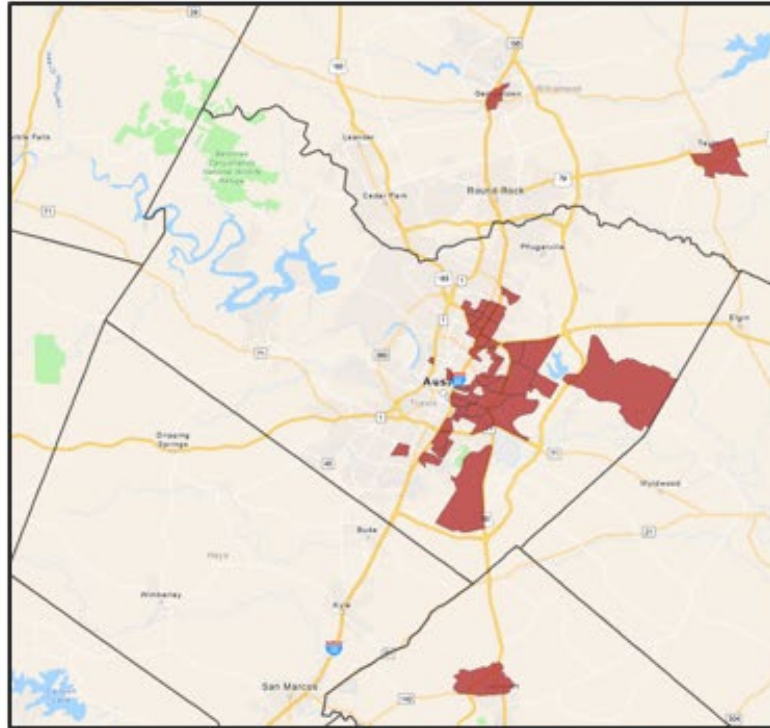
# EQUITY: COMMUNITY HEALTH NEEDS ASSESSMENT

- Service Area population overall has rapidly increased significant while the number of target population individuals (i.e., those with incomes less than 2x of poverty) has decreased.
  - Is at its lowest level in Travis County since 2012 when 35.2% of the county's residents had incomes below 200% compared to 24.0% in 2022 (2018 – 2022 5-year American Community Survey [ACS] data published 12/2023).

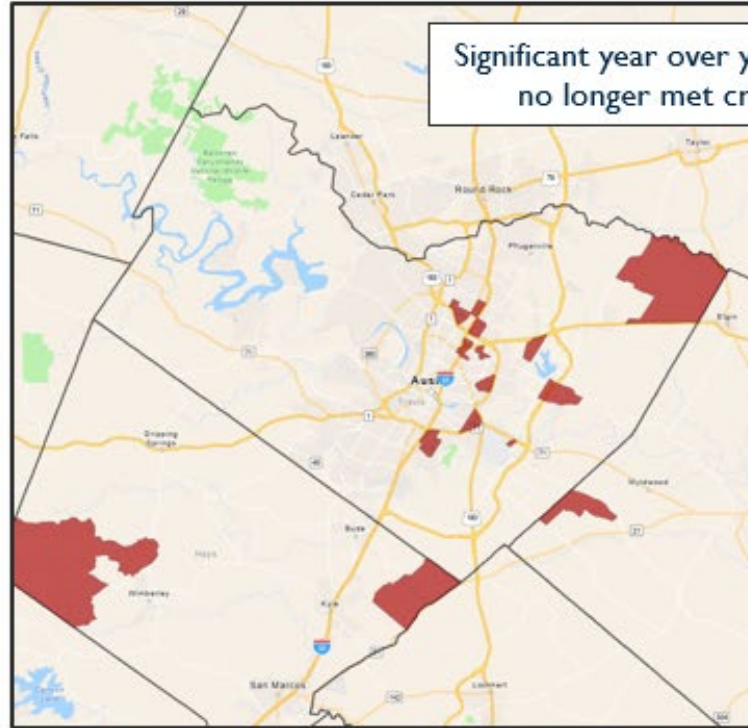


Vulnerable Population Footprint is a census tract wherein 20% or more of the population is living at or below the poverty level and 25% or more of the population has not graduated high school by 25 years of age.

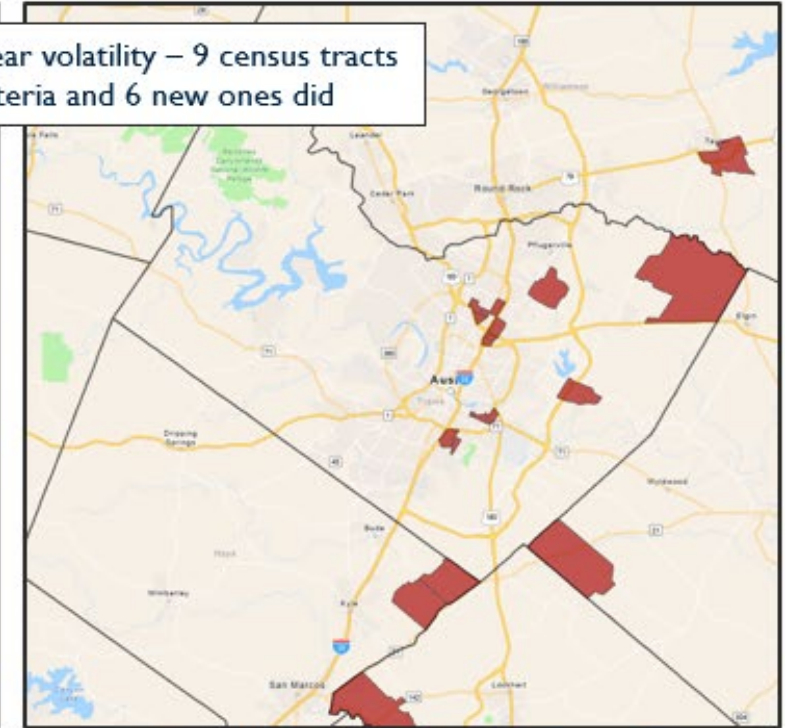
## 5.1% OF TRAVIS COUNTY CENSUS TRACTS ARE NOW IDENTIFIED AS A VULNERABLE POPULATION FOOTPRINT COMPARED TO 19.8% IN 2012



2012 – 46 Vulnerable Population Census Tracts



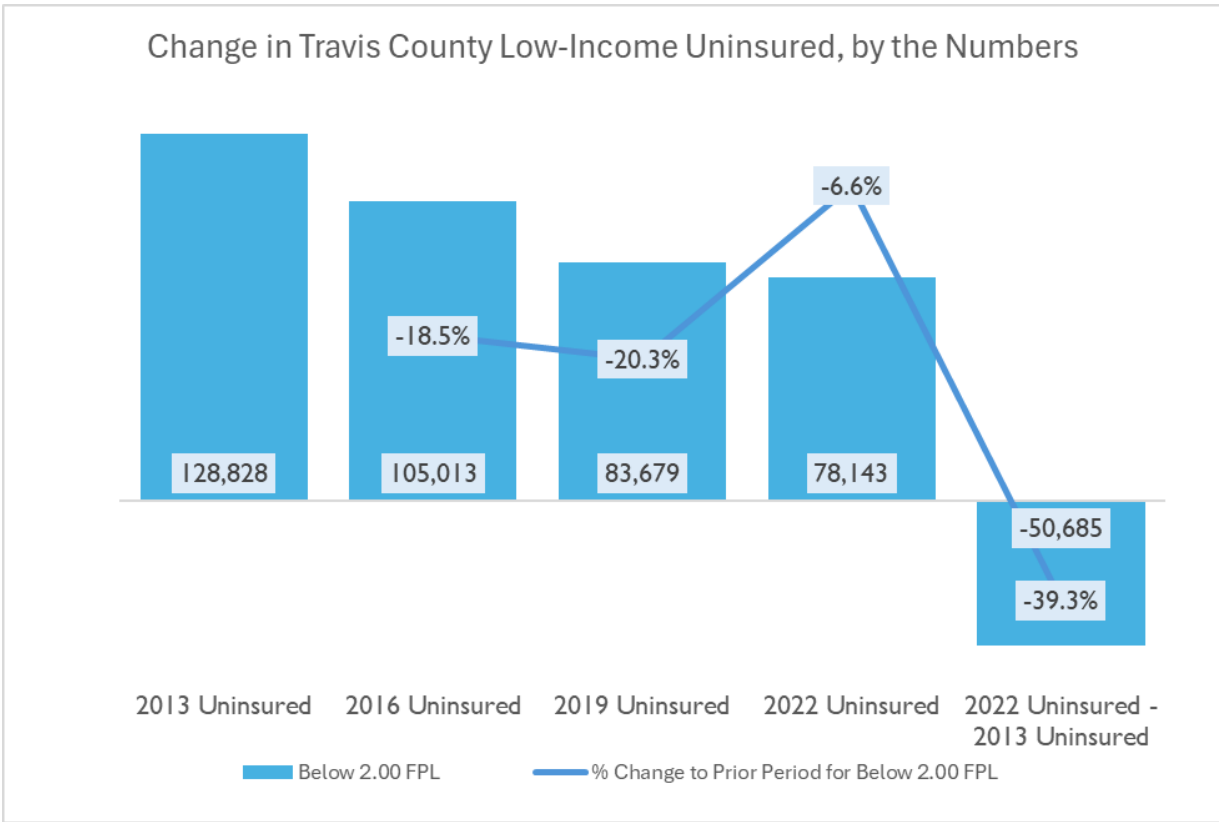
2021 – 23 Vulnerable Population Census Tracts



2022 – 20 Vulnerable Population Census Tracts

A Vulnerable Population Footprint is a census tract wherein 20% or more of the population is living at or below poverty and 25% or more of the population has not graduated high school or its equivalent by 25 years of age.

# WHILE THE TRAVIS COUNTY POPULATION HAS GROWN THE NUMBER OF INDIVIDUALS WHO ARE UNINSURED HAD DECREASED, ESPECIALLY LOW INCOME FOLKS



| Population for which Poverty Determined      | Below 2.00 FPL      | 2.00 - 2.99 FPL    | Above 3.00 FPL    | All FPLs            |
|--|---------------------|--------------------|-------------------|---------------------|
| 2013 Uninsured                               | 128,828             | 39,543             | 39,543            | 207,915             |
| 2016 Uninsured<br>(% Change to Prior Period) | 105,013<br>(-18.5%) | 36,872<br>(-6.8%)  | 38,860<br>(-1.7%) | 180,745<br>(-13.1%) |
| 2019 Uninsured<br>(% Change to Prior Period) | 83,679<br>(-20.3%)  | 32,377<br>(-12.2%) | 40,510<br>(4.2%)  | 156,565<br>(-13.4%) |
| 2022 Uninsured<br>(% Change to Prior Period) | 78,143<br>(-6.6%)   | 29,657<br>(-8.4%)  | 48,957<br>(20.9%) | 156,757<br>(0.1%)   |
| Change from 2013 to 2022<br>(% Change)       | -50,685<br>(-39.3%) | -9,887<br>(-25.0%) | 9,414<br>(23.8%)  | -51,158<br>(-24.6%) |

**Source: US Census Bureau 5-Year American Community Survey**

**Note:** Due to constraints with US Census Bureau estimation there is assuredly an under-representation of populations served by CommUnityCare and Central Health within this data set. This notwithstanding the downward trending is still notable.

## CHALLENGES AND POTENTIAL ADAPTATIONS OF “DILUTION EFFECT”

**Impact:** Dilution has the potential to adversely impact the health and well-being of historically underserved populations since it is harder to identify and address specific needs.

### Challenges

- Cultural Dilution: Newcomers bring different cultural norms and preferences, potentially altering or overshadowing the existing cultural identity of the community.
- Economic Dilution: Local businesses catering to lower-income residents may be replaced with upscale establishments, changing the economic landscape, and potentially not meeting the needs of the original residents.
- Political and Social Influence Dilution: The political and social power of existing residents may diminish as newer residents, often with greater resources, advocate for their own interests.
- Visibility and Recognition: The visibility of issues faced by the original community may decrease, making it harder to garner support or maintain a sense of community identity.

### Potential Adaptations

- Potential Adaptations:
  - Shifting focus from geographically concentrated areas of need to identifying and serving dispersed "pockets" of high-need individuals.
  - Strengthening primary care and population health management infrastructure to proactively identify and address health needs.
  - Partnering with community organizations to reach and engage individuals who may be harder to identify due to the dilution effect.



## QUESTIONS?

### CommUnityCare Mission:

To strengthen the health and well-being of the communities we serve.

### CommUnityCare Vision:

Striving to achieve health equity for all by:

- being the health care home of choice;
- being a teaching center of excellence; and,
- providing the right care, at the right time, at the right place.



The assumption is that **everyone benefits from the same supports**. This is equal treatment.



**Everyone gets the supports they need** (this is the concept of "affirmative action"), thus producing equity.



All 3 can see the game without supports or accommodations because **the cause(s) of the inequity was addressed**. The systemic barrier has been removed.



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# 2nd Quarterly Report

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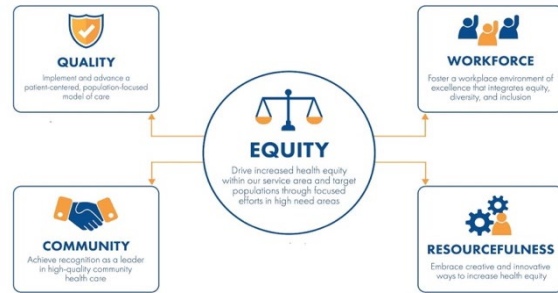
**For the Period of January 1 – March 31, 2024 and  
Year-to-Date from October 1, 2023**

**Provided to Central Health Board of Managers  
On  
May 22, 2024**

**Provided by  
Dr. Jaeson T. Fournier, President and CEO  
Tara Trower, Chief Strategy Officer**

## SUMMARY OF ORGANIZATIONAL PRIORITIES AND INITIATIVES

Aligned with CommUnityCare’s Board-approved strategic priorities as shown to the right, our efforts during the second quarter of fiscal year 2023 – 2024 (January 1, to March 31, 2024) have included:

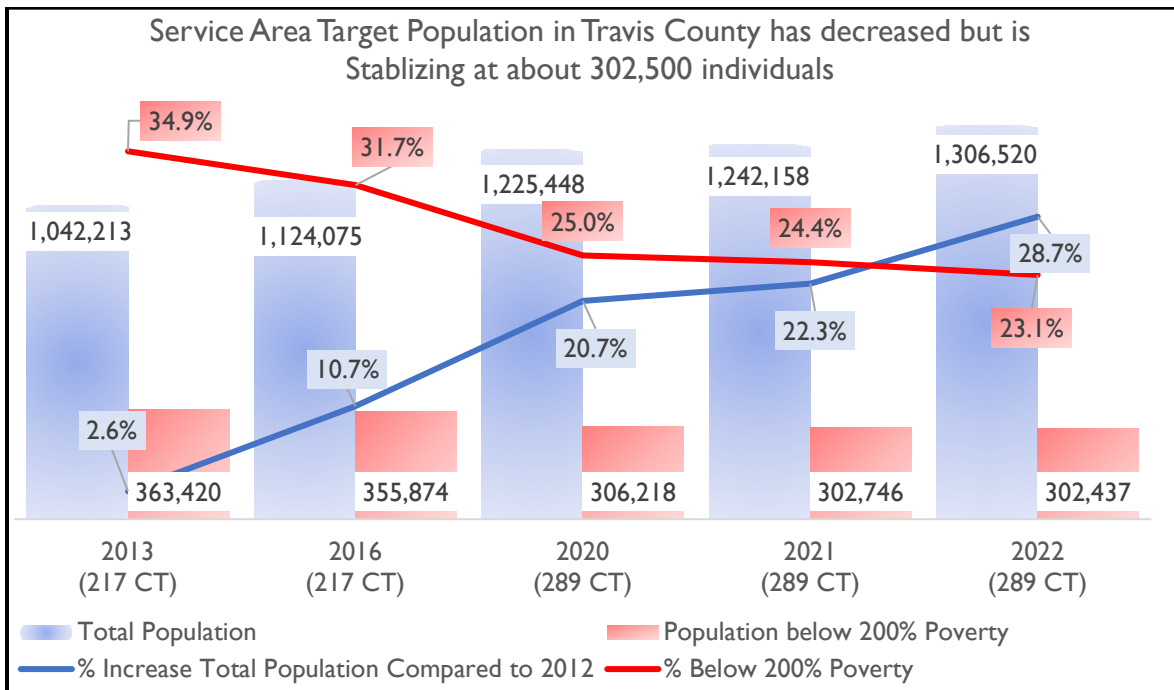


### I. Enhanced Patient Accessibility: 127,006 face-to-face countable visits (i.e., encounters)

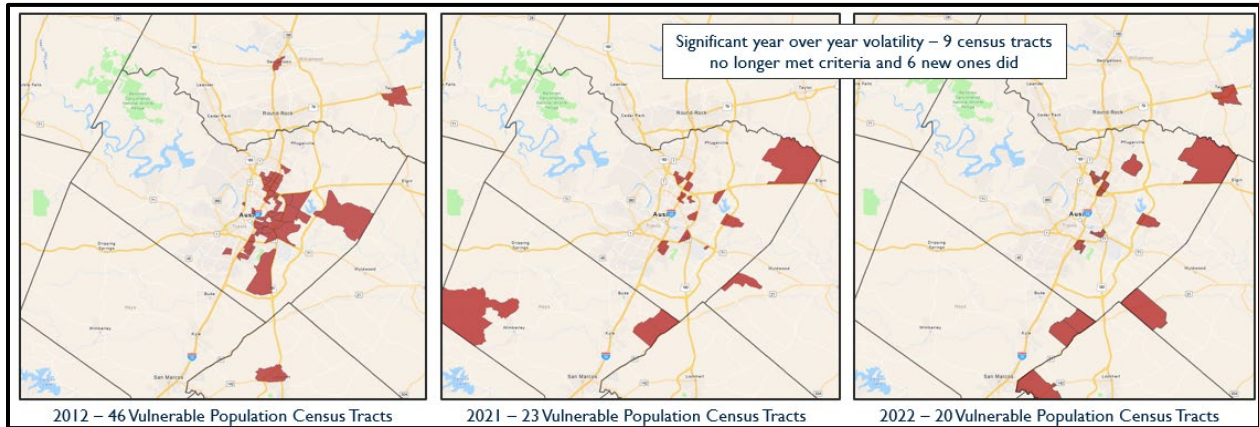
provided to 71,726 unduplicated patients during the second quarter. Compared to the same period last year, CommUnityCare provided 13% more visits. Of significance, almost 9,000 more unduplicated patients were served during the first six months of this year compared to last year (101,422 vs. 92,462). Of additional significance, we observed an 8.7% increase in the number of African Americans served in the 2<sup>nd</sup> quarter compared to the 1<sup>st</sup> quarter (6,215 vs 5,719).

### 2. Central Texas Community Health Needs Assessment: Preliminary Findings:

Although CommUnityCare staff are still finalizing our community health needs assessment (CHNA), below are some key preliminary results including demonstration that our target population (i.e., those with incomes less than 2x the federal poverty level [FPL]) is stabilizing after years of declining.



What is most interesting from a data trend perspective is the fact that Travis County now has less “vulnerable” populations than it did 10 years ago. To determine “vulnerability” CommUnityCare has consistently identified census tracts in our area that have 20% or more of its population living in poverty coupled to 25% or more of its population not having graduated high school or equivalency by the age of 25. In 2012, 19.8% or 43 of Travis County’s 217 census tracts met these criteria with this dramatically decreasing to 5.1% or 15 out of 289 Travis County census tracts now meeting these criteria as demonstrated below.



This decrease is due to rapid population growth, primarily among individuals with incomes above 200% FPL. The resulting gentrification has displaced many low-income residents. However, initial analyses suggest that these individuals have not simply migrated to surrounding counties. Instead, many remain in Travis County, some with increased incomes due to the competitive labor market, though their disposable income remains limited due to rising living costs. Others remain low-income but are harder to identify due to the "dilution effect" of larger, more financially affluent population growth.

**The Dilution Effect: Challenges and Impacts**

While the dilution of low-income populations may be seen by some as positive, it presents unique challenges for healthcare delivery and community well-being.

- ❖ Cultural Dilution: Newcomers bring different cultural norms and preferences, potentially altering or overshadowing the existing cultural identity of the community.
- ❖ Economic Dilution: Local businesses catering to lower-income residents may be replaced with upscale establishments, changing the economic landscape, and potentially not meeting the needs of the original residents.
- ❖ Political and Social Influence Dilution: The political and social power of existing residents may diminish as newer residents, often with greater resources, advocate for their own interests.

- ❖ **Visibility and Recognition:** The visibility of issues faced by the original community may decrease, making it harder to garner support or maintain a sense of community identity.

These impacts can significantly affect the health and well-being of historically underserved populations, making it harder to identify and address their specific needs.

Given the potential impact on patient populations historically served, the approach to ensuring healthcare access for low-income, uninsured, and under-insured individuals will need to adapt. This may involve:

- ❖ Shifting focus from geographically concentrated areas of need to identifying and serving dispersed "pockets" of high-need individuals.
- ❖ Strengthening primary care and population health management infrastructure to proactively identify and address health needs.
- ❖ Partnering with community organizations to reach and engage individuals who may be harder to identify due to the dilution effect.

Here are some other preliminary highlights from CommUnityCare's forthcoming CHNA:

- 1) The total number of people in our Health Resources and Services Administration (HRSA) federally approved service area increased by more than half (58.9%) from our last CHNA to this one. (2017-18: 966,934 vs. 2021: 1,537,421).
- 2) Of the total population in Travis County, 79,195 live in a census tract identified as a vulnerable population footprint area (VPFA) representing a decrease of approximately 57.4% in the VPFA population from 2017-2018.
- 3) At least 1 in 4 individuals living in the VPFA are not a U.S citizen, in contrast to about 1 in 10 residents of Travis County and Texas, respectively.
- 4) While there is an abundance of inequity in the VPFA's, inclusive of disparate health outcomes, the need for women's health services, dental services, primary and other health care needs are evident.

Finally, our preliminary CHNA findings highlight the need for continued innovative approaches to healthcare delivery in the face of demographic changes. By focusing on effectiveness, targeted interventions, and community partnerships, we will collectively be better positioned to ensure equitable access to care for all residents of Travis County, regardless of income or geographic location.

- 3. Implementation of a New Pharmacy Management System:** When CommUnityCare transitioned its electronic health record (EHR) system to Epic in March 2021, our pharmacy department continued to use its legacy pharmacy management system.

As of January this is no longer the case following transition to Epic’s embedded pharmacy management system known as Willow Ambulatory. Some benefits already realized include: (1) availability of a patient’s full medication history to CommUnityCare’s clinicians including prescriptions from non-CommUnityCare prescribers; and, (2) our pharmacists having real time access to information such as allergies, lab results, visit summaries and medication profiles without having to go into a separate EHR system since Willow is a fully integrated module of Epic.

**4. Recognition as an USA Today National 2024 Top Workplace:**

Received recognition from Energage and USA Today, building on our regional recognition received last fall by the Austin American-Statesman. This national recognition is based on a third-party survey wherein our team members provided feedback on CommUnityCare’s organizational culture, workplace fulfillment and their overall perspectives of CommUnityCare as their place of employment. The honor recognizes organizations that prioritize people-first cultures and create exceptional workplace experiences.



**5. Received a clean opinion on CommUnityCare’s single audit performed by Maxwell, Locke, and Ritter (MLR):**

CommUnityCare as an independent 501.c.3 non-profit corporation is annually required to have a single audit performed by an independent evaluator to assure compliance with General Accepted Accounting Principles (GAAP) established by the Financial Accounting Standards Board (FASB). Additionally, and reflective of CommUnityCare’s receipt of numerous direct and indirect federal assistance awards, the audit must assess compliance with the federal Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly known as the Uniform Guidance or 2 CFR 200. Consistent with past years, CommUnityCare’s Board of Directors received and approved a unmodified opinion (i.e., clean audit) from MLR meaning that CommUnityCare’s financial statements: (1) provide a true and fair view of our financial position as non-profit, the results of our operations, and our cash flows; (2) demonstrate that our financial statements are prepared in accordance with GAAP; (3) that there were no significant errors or omissions that could mislead users of our financial statements; and, (4) all necessary disclosures have been made to provide a clear understanding of the CommUnityCare's financial health. Of note, our annual audits and 990 forms will be made available via our website in the very near future.

**6. Seeing more patients than ever and navigating a decreasing Medicaid payor mix:**

Although CommUnityCare is on track to see a record number of patients this fiscal year, the post pandemic shift in Medicaid eligibility, including some who should continue to be covered, has resulted in a year-to-date operating loss that is expected to increase by the end of the fiscal year. Not surprisingly, less Medicaid coverage has resulted in CommUnityCare serving more uninsured patients with our percent uninsured served closing in on pre-pandemic percentage levels. Of note, many of the increased uninsured

patients served have been identified as low-income Travis County residents although not yet covered through MAP / MAP Basic for a myriad of reasons including a reluctance to participate in Travis County Health Care District’s indigent care programs. To better understand barriers to enrollment, CommUnityCare is planning to conduct patient surveys and focus groups during the next quarter to better understand the reasons that patients are reticent to go through financial screening and to identify strategies for increasing the rate of patients willing to be screened.

Last year, CommUnityCare’s financial screeners evaluated more than 43,000 applications for MAP/MAP Basic, in addition to other payment options.

**ADDITIONAL INITIATIVES**

In addition to the above, CommUnityCare deliberately worked in the second quarter to:

- I. Advocate with state and national leaders for continued support of the Community Health Center Program, including a delegation of CommUnityCare executives and board members to educate Congress members in Washington, D.C., about the importance and work of the work happening in its health centers, which cared for 31.5 million individuals in 2022, or 1 out of 11. In Travis County, CommUnityCare cares for a similar proportion of residents, but with a higher degree of need.

Health Center priorities highlighted to Congress included continued funding of the community health center program, investments in development the next generation of health care workforce, protection of the 340B benefit for community health centers and its patients, and continuation of telehealth care provisions that were extended during the pandemic.

|  | <b>Nationally<br/>31.5 Million Served in 2022</b> | <b>CommUnityCare<br/>134,180 Served in 2023</b> |
|--|---|---|
| Population Penetration                       | 1 in 11 Americans                                 | 0.93 in 11<br>Travis County Residents           |
| Percent Patients Uninsured                   | 19%   | 51%   |
| Low-income                                   | 90%   | 98%   |
| Racial/Ethnic Minority                       | 64%   | 87%   |
| Best Served in a language other than English | 26%   | 61%   |

2. Partnered with the Central Texas Food Bank’s Mobile FARMacy program allowing community health workers and case managers to connect 363 food insecure families to fresh groceries and transportation.

3. Contracted with Resource Center of America (RCA) to assist in the efforts to screen patients for Medicaid eligibility, who may have been dropped due to the Medicaid redetermination efforts by the state. This effort is in addition to our partnership with Foundation Communities who is supporting financial / program benefit eligibility screening for CommUnityCare patients who live outside of Travis County.
4. CommUnityCare services at Barbara Jordan/ Northeast Resource Center (NERC) persisted with a provider currently providing care two days a week at this location following end of services as previously provided through the mobile medical unit (RV).



| <b>Financial Performance from January 1, 2024, to March 31, 2024</b> |                      |                      |                      |                   |                         |
|--|----------------------|----------------------|----------------------|-------------------|-------------------------|
| <b>REVENUES</b>  | <b>Actual</b>        | <b>Budget</b>        | <b>Variance</b>      | <b>Variance %</b> | <b>Last Year Actual</b> |
| Sliding Fee Scale/ Self Pay Patients                                 | \$1,858,298          | \$1,304,358          | \$553,940            | 42.47%            | \$2,193,125             |
| Commercial   | \$3,112,242          | \$1,926,085          | \$1,186,157          | 61.58%            | \$2,231,645             |
| Medicare   | \$2,392,993          | \$1,475,333          | \$917,660            | 62.20%            | \$1,502,709             |
| Medicaid   | \$20,740,557         | \$24,405,010         | (\$3,664,453)        | -15.02%           | \$22,473,906            |
| CHIP   | \$2,595,075          | \$2,205,977          | \$389,098            | 17.64%            | \$2,520,287             |
| Family Planning  | \$436,045            | \$690,355            | (\$254,310)          | -36.84%           | \$712,773               |
| Central Health Primary Care/Specialty Care Fee-For-Service           | \$24,301,040         | \$25,322,592         | (\$1,021,552)        | -4.03%            | \$17,766,034            |
| <b>Total Patient Services Revenue</b>                                | <b>\$55,436,250</b>  | <b>\$57,329,710</b>  | <b>(\$1,893,460)</b> | <b>-3.30%</b>     | <b>\$49,400,480</b>     |
| Other Pat Service Revenue  | \$248,373            | \$1,401,815          | (\$1,153,442)        | -82.28%           | \$832,148               |
| Bad Debt   | (\$2,547,019)        | \$(1,238,346)        | (\$1,308,673)        | 105.68%           | (\$2,988,777)           |
| Third Party Revenue  | \$53,137,604         | \$57,493,179         | (\$4,355,575)        | -7.58%            | \$47,243,851            |
| Pharmacy Revenue   | \$33,543,418         | \$28,254,996         | \$5,288,422          | 18.72%            | \$24,744,128            |
| Net Patient Revenue  | \$86,681,022         | \$85,748,175         | \$932,847            | 1.09%             | \$71,987,979            |
| Total Grant Revenue  | \$16,872,726         | \$16,995,462         | (\$122,736)          | -0.72%            | \$12,288,607            |
| Central Health Non-Contract Revenue                                  | \$6,462,218          | \$6,694,057          | (\$231,839)          | -3.46%            | \$8,226,833             |
| <b>TOTAL OPERATING REVENUE</b>                                       | <b>\$110,015,966</b> | <b>\$109,437,694</b> | <b>\$578,272</b>     | <b>0.53%</b>      | <b>\$92,503,419</b>     |
| <b>EXPENSES</b>  | <b>Actual</b>        | <b>Budget</b>        | <b>Variance</b>      | <b>Variance %</b> | <b>Last Year Actual</b> |
| Wages  | \$55,044,702         | \$51,750,843         | \$3,293,859          | 6.36%             | \$45,927,719            |
| Benefits   | \$15,020,841         | \$13,410,518         | \$1,610,323          | 12.01%            | \$11,712,912            |
| <b>Total Wages And Benefits</b>                                      | <b>\$70,065,543</b>  | <b>\$65,161,361</b>  | <b>\$4,904,182</b>   | <b>7.53%</b>      | <b>\$57,640,631</b>     |
| Contract Labor   | \$4,244,047          | \$3,963,543          | \$280,504            | 7.08%             | \$4,449,118             |
| Pharmacy Supplies  | \$20,293,947         | \$16,789,174         | \$3,504,773          | 20.88%            | \$15,339,805            |
| Direct Care Expenses   | \$6,804,464          | \$6,669,647          | \$134,817            | 2.02%             | \$5,405,536             |
| Total Indirect Expense   | \$7,864,971          | \$6,130,345          | \$1,734,626          | 28.30%            | \$5,643,593             |
| Total Occupancy Expense  | \$4,707,519          | \$4,805,885          | \$(98,366)           | -2.05%            | \$4,442,637             |
| Depreciation Expense   | \$290,463            | \$421,653            | \$(131,190)          | -31.11%           | \$157,910               |
| <b>Total Expenses</b>  | <b>\$114,270,954</b> | <b>\$103,941,608</b> | <b>\$10,329,346</b>  | <b>9.94%</b>      | <b>\$93,079,230</b>     |
| Total Non-Operating Revenue/Expense                                  | \$3,710,176          | \$3,786,828          | \$(76,652)           | -2.02%            | \$409,806               |
| <b>Net Surplus/(Deficit)</b>   | <b>(\$544,812)</b>   | <b>\$9,282,914</b>   | <b>(\$9,827,726)</b> | <b>-105.87%</b>   | <b>(\$166,005)</b>      |
| <b>Note:</b>   |                      |                      |                      |                   |                         |

**Quarterly Report to Central Health Budget and Finance Committee  
For the Period of January 1, 2024, to March 31, 2024**

**KEY SERVICE DELIVERY METRICS**

| <b>Overall Service Delivery</b>   | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 - 06/30/2024</b> |  | <b>07/01/2024 - 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
|---|--------------------------------|--------|--------------------------------|--------|--------------------------------|--|--------------------------------|--|---------------------|--------|
| Unduplicated Patients Served  | 68,203                         |        | 71,726                         |        |                                |  |                                |  | 101,431             |        |
| Face-to-Face Provider HRSA Countable Visits   | 118,517                        |        | 127,006                        |        |                                |  |                                |  | 245,523             |        |
| <b>Unduplicated Patients Served by Race + Ethnicity<br/>Number of Patients Served and % of Total Patients</b> | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 - 06/30/2024</b> |  | <b>07/01/2024 - 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Black / African American including Latinos/Hispanics  | 5,719                          | 8.40%  | 6,215                          | 8.66%  |                                |  |                                |  | 8,829               | 8.71%  |
| Asian / Pacific Islander including Latinos/Hispanics  | 1,599                          | 2.30%  | 1,068                          | 1.49%  |                                |  |                                |  | 1,800               | 1.77%  |
| More than One Race including Latinos/Hispanics  | 505                            | 0.70%  | 442                            | 0.62%  |                                |  |                                |  | 645                 | 0.64%  |
| Native American including Latinos/Hispanics   | 205                            | 0.30%  | 222                            | 0.31%  |                                |  |                                |  | 317                 | 0.31%  |
| White, Hispanic / Latino  | 43,453                         | 63.70% | 47,330                         | 65.99% |                                |  |                                |  | 65,493              | 64.57% |
| White, Non-Hispanic / Non-Latino  | 7,654                          | 11.20% | 8,754                          | 12.20% |                                |  |                                |  | 12,255              | 12.08% |
| Unreported Race   | 9,068                          | 13.30% | 7,695                          | 10.73% |                                |  |                                |  | 12,083              | 11.91% |
| <b>Unduplicated Patients Served by Ethnicity + Race<br/>Number of Patients Served and % of Total Patients</b> | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 - 06/30/2024</b> |  | <b>07/01/2024 - 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Hispanic / Latino, All Races  | 49,113                         | 72.0%  | 51,254                         | 71.46% |                                |  |                                |  | 71,977              | 70.97% |
| Hispanic / Latino, Non-White  | 710                            | 1.0%   | 4,066                          | 5.67%  |                                |  |                                |  | 1,009               | 0.99%  |
| Hispanic / Latino, White Only   | 43,453                         | 63.7%  | 47,188                         | 65.79% |                                |  |                                |  | 65,493              | 64.57% |
| Hispanic / Latino, Unreported Race  | 4,950                          | 7.3%   | 1,428                          | 1.99%  |                                |  |                                |  | 5,475               | 5.40%  |
| Non-Hispanic / Non-Latino, All Races  | 16,138                         | 23.66% | 51,291                         | 71.51% |                                |  |                                |  | 24,856              | 24.51% |
| Non-Hispanic / Non-Latino, Non-White  | 7,318                          | 10.7%  | 7,251                          | 10.11% |                                |  |                                |  | 10,582              | 10.43% |
| Non-Hispanic / Non-Latino, White Only   | 7,654                          | 11.2%  | 8,754                          | 12.20% |                                |  |                                |  | 12,255              | 12.08% |
| Non-Hispanic / Non-Latino, Unreported Race  | 1,166                          | 1.7%   | 1,460                          | 2.04%  |                                |  |                                |  | 2,019               | 1.99%  |
| Unreported Ethnicity  | 2,952                          | 4.3%   | 2,970                          | 4.14%  |                                |  |                                |  | 4,589               | 4.52%  |
| <b>Unduplicated Patients Served by<br/>Sex Assigned at Birth and % of Total Patients</b>                      | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 - 06/30/2024</b> |  | <b>07/01/2024 - 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Female  | 38,667                         | 57.1%  | 40,800                         | 56.88% |                                |  |                                |  | 56,864              | 56.07% |
| Male  | 29,536                         | 42.9%  | 30,926                         | 43.12% |                                |  |                                |  | 44,567              | 43.94% |

**Quarterly Report to Central Health Budget and Finance Committee  
For the Period of January 1, 2024, to March 31, 2024**

| <b>Travis County Unduplicated Patients Served by Sex Assigned at Birth and % of Total Patients</b>        | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 – 06/30/2024</b> |  | <b>07/01/2024 – 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
|---|--------------------------------|--------|--------------------------------|--------|--------------------------------|--|--------------------------------|--|---------------------|--------|
| Female  | 31,330                         | 56.60% | 34,119                         | 56.57% |                                |  |                                |  | 47,381              | 55.74% |
| Male  | 24,033                         | 43.40% | 26,197                         | 43.43% |                                |  |                                |  | 37,629              | 44.26% |
| <b>Unduplicated Patients Served by Age Group and % of Total Patients</b>                                  | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 – 06/30/2024</b> |  | <b>07/01/2024 – 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Under 18 Years Old  | 25,594                         | 37.50% | 25,441                         | 35.47% |                                |  |                                |  | 38,228              | 37.69% |
| 18 to 64 Years of Age   | 38,007                         | 55.70% | 40,901                         | 57.02% |                                |  |                                |  | 56,745              | 55.95% |
| 65 and Older  | 4,602                          | 6.70%  | 5,384                          | 7.51%  |                                |  |                                |  | 6,458               | 6.37%  |
| Under 18 Years Old: Travis County Resident  | 19,812                         | 35.80% | 20,866                         | 29.09% |                                |  |                                |  | 30,125              | 29.70% |
| 18 to 64 Years of Age: Travis County Resident   | 31,626                         | 57.10% | 34,689                         | 48.36% |                                |  |                                |  | 47,446              | 46.78% |
| 65 and Older: Travis County Resident  | 3,925                          | 7.10%  | 4,761                          | 6.64%  |                                |  |                                |  | 5,514               | 5.44%  |
| <b>Unduplicated Patients Served by Insurance Status and % of Total Patients</b>                           | <b>10/01/2023 - 12/31/2023</b> |        | <b>01/01/2024 - 03/31/2024</b> |        | <b>04/01/2024 – 06/30/2024</b> |  | <b>07/01/2024 – 09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Uninsured   | 37,171                         | 54.5%  | 39,994                         | 55.76% |                                |  |                                |  | 50,917              | 50.20% |
| Uninsured: Travis County including Central Health Indigent Care Programs (i.e., MAP/MAP Basic)            | 31,266                         | 45.8%  | 34,294                         | 47.81% |                                |  |                                |  | 44,356              | 43.73% |
| Uninsured: Low Income Travis County   | 28,215                         | 41.4%  | 33,822                         | 47.15% |                                |  |                                |  | 39,660              | 39.10% |
| Uninsured Central Health Indigent Program Individuals (i.e., MAP / MAP Basic Covered)                     | 27,133                         | 39.8%  | 28,874                         | 40.26% |                                |  |                                |  | 36,427              | 35.91% |
| Uninsured: Travis County excluding Central Health Indigent Care Programs (i.e., MAP/MAP Basic)            | 6,102                          | 8.9%   | 5,168                          | 7.21%  |                                |  |                                |  | 7,929               | 7.82%  |
| Uninsured: Low Income Travis County excluding Central Health Indigent Care Programs (i.e., MAP/MAP Basic) | 5,833                          | 8.6%   | 4,956                          | 6.91%  |                                |  |                                |  | 6,614               | 6.52%  |
| Medicaid  | 22,055                         | 32.3%  | 21,311                         | 29.71% |                                |  |                                |  | 31,426              | 30.98% |
| Private Insurance   | 5,576                          | 8.2%   | 6,906                          | 9.63%  |                                |  |                                |  | 14,355              | 14.15% |
| Medicare including Dual Eligibles (Medicare + Medicaid)   | 3,401                          | 5.0%   | 3,515                          | 4.90%  |                                |  |                                |  | 4,733               | 4.67%  |

**Quarterly Report to Central Health Budget and Finance Committee  
For the Period of January 1, 2024, to March 31, 2024**

| <b>Unduplicated Patients Served by<br/>Income Level and % of Total Patients</b>            | <b>10/01/2023 -<br/>12/31/2023</b> |       | <b>01/01/2024 -<br/>03/31/2024</b> |        | <b>04/01/2024 -<br/>06/30/2024</b> |  | <b>07/01/2024 -<br/>09/30/2024</b> |  | <b>Year-To-Date</b> |        |
|--|------------------------------------|-------|------------------------------------|--------|------------------------------------|--|------------------------------------|--|---------------------|--------|
| Below 200% of Federal Poverty  | 57,090                             | 83.7% | 61,338                             | 85.52% |                                    |  |                                    |  | 83,991              | 82.81% |
| Above 200% of Federal Poverty  | 1,341                              | 2.0%  | 1,524                              | 2.12%  |                                    |  |                                    |  | 2,129               | 2.10%  |
| Income Level Not Reported / Unknown  | 9,772                              | 14.3% | 8,864                              | 12.36% |                                    |  |                                    |  | 15,311              | 15.09% |
| <b>Unduplicated Patients Served by<br/>Language Best Served In and % of Total Patients</b> | <b>10/01/2023 -<br/>12/31/2023</b> |       | <b>01/01/2024 -<br/>03/31/2024</b> |        | <b>04/01/2024 -<br/>06/30/2024</b> |  | <b>07/01/2024 -<br/>09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Best Served in Language Other than English   | 43,561                             | 63.9% | 43,776                             | 61.03% |                                    |  |                                    |  | 64,040              | 63.14% |
| <b>Unduplicated Patients Served by<br/>Top 5 Languages and % of Total Patients</b>         | <b>10/01/2023 -<br/>12/31/2023</b> |       | <b>01/01/2024 -<br/>03/31/2024</b> |        | <b>04/01/2024 -<br/>06/30/2024</b> |  | <b>07/01/2024 -<br/>09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Spanish Language Preferred   | 41,514                             | 60.9% | 43,776                             | 61.03% |                                    |  |                                    |  | 61,079              | 60.22% |
| English Language Preferred   | 24,628                             | 36.1% | 25,841                             | 36.03% |                                    |  |                                    |  | 37,306              | 36.78% |
| Arabic Language Preferred  | 320                                | 0.5%  | 334                                | 0.47%  |                                    |  |                                    |  | 473                 | 0.47%  |
| Pashto Language Preferred  | 245                                | 0.4%  | 234                                | 0.33%  |                                    |  |                                    |  | 367                 | 0.36%  |
| Burmese Language Preferred   | 167                                | 0.2%  | 173                                | 0.24%  |                                    |  |                                    |  | 231                 | 0.23%  |
| <b>Unduplicated Homeless Patients by<br/>Housing Status and % of Total Patients</b>        | <b>10/01/2023 -<br/>12/31/2023</b> |       | <b>01/01/2024 -<br/>03/31/2024</b> |        | <b>04/01/2024 -<br/>06/30/2024</b> |  | <b>07/01/2024 -<br/>09/30/2024</b> |  | <b>Year-To-Date</b> |        |
| Patients Reporting as Homeless   | 2,933                              | 4.3%  | 3,259                              | 4.54%  |                                    |  |                                    |  | 4,278               | 4.22%  |
| Patients Reporting as: Living in a Shelter   | 163                                | 0.2%  | 256                                | 0.36%  |                                    |  |                                    |  | 323                 | 0.32%  |
| Patients Reporting as Homeless: Living on Street or Other                                  | 1,214                              | 1.8%  | 890                                | 1.24%  |                                    |  |                                    |  | 1,836               | 1.81%  |
| Face-to-Face HRSA Countable Visits - Homeless  | 2,617                              | 3.8%  | 6,921                              | 9.65%  |                                    |  |                                    |  | 4,783               | 4.72%  |

**Quarterly Report to Central Health Budget and Finance Committee  
For the Period of January 1, 2024, to March 31, 2024**

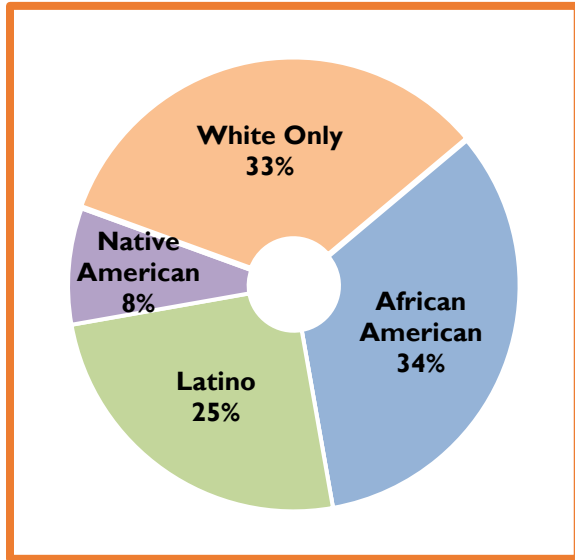
**KEY PATIENT ACCESS METRICS**

| <b>Call Center Hold Time and Call Volume</b>                    | <b>10/01/2023 - 12/31/2023</b> | <b>01/01/2024 - 03/31/2024</b> | <b>04/01/2024 - 06/30/2024</b> | <b>07/01/2024 - 09/30/2024</b> | <b>Year-To-Date</b> |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---------------------|
| Call Center: Avg Hold Time in Seconds                           | 78                             | 120                            |                                |                                | 198                 |
| Call Center: Avg Monthly Call Volume                            | 53,578                         | 61,303                         |                                |                                | 114,881             |
| <b>Patient Appointment Access Measures</b>                      | <b>10/01/2023 - 12/31/2023</b> | <b>01/01/2024 - 03/31/2024</b> | <b>04/01/2024 - 06/30/2024</b> | <b>07/01/2024 - 09/30/2024</b> | <b>Year-To-Date</b> |
| Average 3rd Next Available - Behavioral Health in Days          | 2.29                           | 1.51                           |                                |                                | 3.8                 |
| Average 3rd Next Available - Dental in Days                     | 2.02                           | 2.54                           |                                |                                | 4.56                |
| Average 3rd Next Available - Family Medicine in Days            | 1.75                           | 0.87                           |                                |                                | 2.62                |
| Average 3rd Next Available - Internal Medicine in Days          | 5.37                           | 4.17                           |                                |                                | 9.54                |
| Average 3rd Next Available - OB/GYN in Days                     | 2.28                           | 2.17                           |                                |                                | 4.45                |
| Average 3rd Next Available - Pediatrics in Days                 | 0.93                           | 0.61                           |                                |                                | 1.54                |
| Average 3rd Next Available - Specialty in Days                  | 18.44                          | 19.84                          |                                |                                | 38.28               |
| Average Lead - Pediatrics - New Patients in Days                | 13.67                          | 10.85                          |                                |                                | 24.52               |
| Average Lead - Pediatrics - Established Patients in Days        | 15.38                          | 14.07                          |                                |                                | 29.45               |
| Average Lead - Family Medicine - New Patients in Days           | 59.82                          | 66.55                          |                                |                                | 126.37              |
| Average Lead - Family Medicine - Established Patients in Days   | 22.79                          | 24.06                          |                                |                                | 46.85               |
| Average Lead - Internal Medicine - New Patients in Days         | 16.96                          | 32.03                          |                                |                                | 48.99               |
| Average Lead - Internal Medicine - Established Patients in Days | 25.48                          | 23.63                          |                                |                                | 49.11               |
| Average Lead - OB/GYN - New Patients in Days                    | 35.26                          | 38.58                          |                                |                                | 73.84               |
| Average Lead - OB/GYN - Established Patients in Days            | 42.63                          | 43.19                          |                                |                                | 85.82               |
| Average Lead - Dental - New Patients in Days                    | 32.35                          | 34.69                          |                                |                                | 67.04               |
| Average Lead - Dental - Established Patients in Days            | 37.41                          | 58.98                          |                                |                                | 96.39               |
| Average Lead - Specialty - New Patients in Days                 | 45.53                          | 50.84                          |                                |                                | 96.37               |
| Average Lead - Specialty - Established Patients in Days         | 41.00                          | 58.19                          |                                |                                | 99.19               |
| Average Lead -Mental Health- New Patients in Days               | 6.46                           | 3.89                           |                                |                                | 10.35               |
| Average Lead - Mental Health - Established Patients in Days     | 9.10                           | 16.43                          |                                |                                | 25.53               |

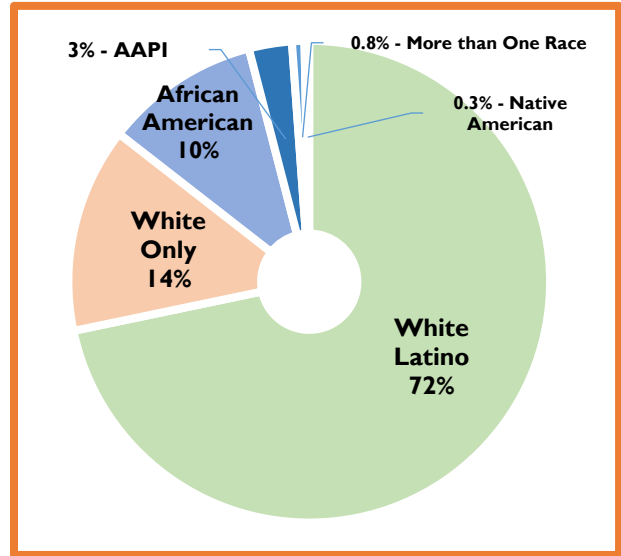
**COMMUNITYCARE BOARD OF DIRECTORS COMPOSITION AS OF MARCH 31, 2024**

| Attribute   | African American | Asian | Latino | Native American | Native Hawaiian | White | Total |
|---|------------------|-------|--------|-----------------|-----------------|-------|-------|
| Race / Ethnicity  | 4                | 0     | 3      | 1               | 0               | 4     | 13    |
| Consumers   | 3                | 0     | 2      | 1               | 0               | 2     | 8     |
| Non-Consumers   | 1                | 0     | 1      | 0               | 0               | 3     | 5     |
| Non-Consumers with Health Care Income   | 0                | 0     | 0      | 0               | 0               | 0     | 0     |
| Female  | 4                | 0     | 1      | 1               | 0               | 0     | 6     |
| Male  | 0                | 0     | 2      | 0               | 0               | 5     | 7     |
| Proportion of Consumer Board Members  |                  |       |        |                 |                 |       | 61.5% |
| Proportion of Non-Consumer Board Members  |                  |       |        |                 |                 |       | 38.5% |
| Proportion of Non-Consumer Board Members that derive 10% or more income from health care* |                  |       |        |                 |                 |       | 0.00% |

Racial / Ethnic Composition of Board as of March 31, 2024



Racial / Ethnic Composition of Patient Population as of December 31<sup>st</sup>, 2023



**Quarterly Report to Central Health Budget and Finance Committee  
For the Period of January 1, 2024, to March 31, 2024**

**Central Texas Community Health Center dba CommUnityCare Board of Directors as of March 31, 2023**

| Name                   | Consumer | Race and/or Ethnicity | Gender | Occupation & or Experience | TCHD Appointee | Special Population Represented | Position Held | Live in Service Area | Work in Service Area | Home Zip Code |
|------------------------|----------|-----------------------|--------|----------------------------|----------------|--------------------------------|---------------|----------------------|----------------------|---------------|
| Paul Ballard           | No       | White                 | Male   | Finance - Retired          | No             | No                             | Member        | Yes                  | Yes                  | 78746         |
| Barbara Brooks-Shirley | Yes      | African American      | Female | Minister/Mentor            | No             | Homeless                       | Member        | Yes                  | Yes                  | 78758         |
| Dr. Thomas Coopwood    | Yes      | White                 | Male   | Surgeon - Retired          | Yes            | N/A                            | Chair         | Yes                  | Yes                  | 78731         |
| Steven Garrett         | No       | White                 | Male   | Attorney                   | No             | N/A                            | Member        | Yes                  | Yes                  | 78704         |
| Carlos Gomez           | Yes      | Latino                | Male   | Executive Director         | No             | N/A                            | Member        | Yes                  | Yes                  | 78728         |
| Sedora Jefferson       | No       | African American      | Female | Attorney                   | Yes            | N/A                            | Member        | No                   | Yes                  | 78613         |
| Kimberly Johnson       | Yes      | African American      | Female | Retired                    | No             | N/A                            | Secretary     | Yes                  | Yes                  | 78723         |
| Debra Locklear         | Yes      | Native American       | Female | Massage Therapy.           | No             | N/A                            | Member        | Yes                  | Yes                  | 78723         |
| Dr. Bradley Price      | No       | White                 | Male   | Ob/Gyn - Retired           | No             | N/A                            | Treasure      | Yes                  | Yes                  | 78705         |
| Isaac Sanchez          | Yes      | Latino                | Male   | Hotel Mgmt.                | No             | N/A                            | Member        | Yes                  | Yes                  | 78741         |
| Karen Siles            | No       | Latino                | Female | IT                         | No             | N/A                            | Member        | Yes                  | Yes                  | 78729         |
| Guy Swenson            | Yes      | White                 | Male   | Retired                    | No             | HIV/AIDS                       | Vice-Chair    | Yes                  | Yes                  | 78758         |
| Claudia Williams       | Yes      | African American      | Female | Sub. Teacher               | No             | N/A                            | Member        | Yes                  | Yes                  | 78767         |



# 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.

*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.

## **BUDGET & FINANCE COMMITTEE MEETING**

**May 22, 2024**

## **AGENDA ITEM 4**

Receive and discuss a presentation on the Fiscal Year (FY) 2025 preliminary Budget and the financial forecast for subsequent fiscal years, including information on possible property tax rates to be assessed. (*Informational item*)





AGENDA ITEM SUBMISSION FORM

This form is to provide a general overview of the agenda item in advance of posting for the Board meeting. Proposed motion language is a recommendation only and not final until the meeting and may be changed by the Board Manager making the motion. All information in this form is subject to the Public Information Act.

Agenda Item Meeting Date May 22, 2024

Who will present the agenda item? (Name, Title) Nicki Riley, Deputy CFO  
Jeff Knodel, CFO

General Item Description Long term financial forecast for Central Health to begin the budget development process.

Is this an informational or action item? Informational

Fiscal Impact N/A

Recommended Motion (if needed – action item) N/A

Key takeaways about agenda item, and/or feedback sought from the Board of Managers:

- 1) Long term forecast of sources and uses of funds needed to achieve strategic priorities.
- 2) Evaluation of a proposed tax rate for the Central Health FY 25 Proposed Budget.
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_

What backup will be provided, or will this be a verbal update? (Backup is due one week before the meeting.) Powerpoint presentation

Estimated time needed for presentation & questions? 30 minutes

Is closed session recommended? (Consult with attorneys.) No

Form Prepared By/Date Submitted: Briana Yanes/ May 17, 2024

# CENTRAL HEALTH FY 2025 LONG-TERM FINANCIAL FORECAST

Central Health Budget & Finance Committee

May 22, 2024



CENTRAL HEALTH

# FINANCIAL FORECASTING

BEST PRACTICE

*AS RECOMMENDED BY  
GOVERNMENT FINANCE  
OFFICERS ASSOCIATION  
(GFOA)*



CENTRAL HEALTH

- Initial financial tool in the budget process to aid in evaluating current and future fiscal conditions.
- Presents future financial estimates to help evaluate revenue and expenditure trends to develop policies, strategic objectives, revenues, and services.
- Allows organizations to take longer financial view to prevent volatility and disruptions in funding sources and services.

# CENTRAL HEALTH FINANCIAL FORECAST OBJECTIVES



CENTRAL HEALTH

- Financial Forecast period FY 2025–2030
- Assists with financial planning of known and unknown risks or events to help mitigate organizational risk
- Evaluates organizational reserve levels to meet the future healthcare needs of our patients
- Establishes a staff recommended initial property tax rate to prepare the FY 2025 proposed budget

# BOARD VALIDATED AND SUGGESTED DRIVING FORCES



CENTRAL HEALTH

## Changing Landscape

- Artificial intelligence enhancements and safeguards
- Community focus on addressing homelessness
- UT hospitals construction announcement
- Shifting demographics impacting access and service planning
- Window of opportunity with new leadership at a number of organizations



## Workforce Competition and Market Conditions

- Need to continue to capitalize on what we learned about working together during the pandemic such as the need to address health disparities
- Affordability gap, including housing, childcare and transportation
  - Need to innovate, collaborate and drive towards equity
  - Increased competition for talent



## Data Sharing and Exchange Ecosystem

- TX Health & Human Services Commission focus on data strategy
- Health Information Exchange fatigue around challenges



## Regulatory and Funding Policies



- Resizing of Federal Funding Pool and Supplemental Payment Programs (e.g., Uncompensated Care)
- Regulatory uncertainty

# FINANCIAL FORECAST DRIVING FORCE RISK AREAS



CENTRAL HEALTH

## Workforce Competition and Market Conditions

- Economic downturn or recession
- Higher than anticipated inflation
- Workforce competition/Provider shortages
- Supply Chain shortages and higher costs

## Regulatory

- Legislation that creates unfunded mandates and/or property tax funding caps
- Federal regulations of Local Provider Participation Fund (LPPF) structure

## Funding

- Future supplemental program funding levels that could result in a Value of Services Shortfall
- Unanticipated insurance risk-based capital requirements

\*Risks not limited to list

# CENTRAL HEALTH FINANCIAL FORECAST HIGHLIGHTS



CENTRAL HEALTH

## Healthcare Equity Plan

- Initial 7-Year Plan approved by the Central Health Board of Managers on August 8, 2023
  - Year 2 of 7-year Plan
  - Significant financial and personnel investment required for successful implementation of healthcare delivery and necessary support infrastructure
  - Adjusted to augment service delivery by accelerating services and/or leveraging opportunities to meet the needs of our patients

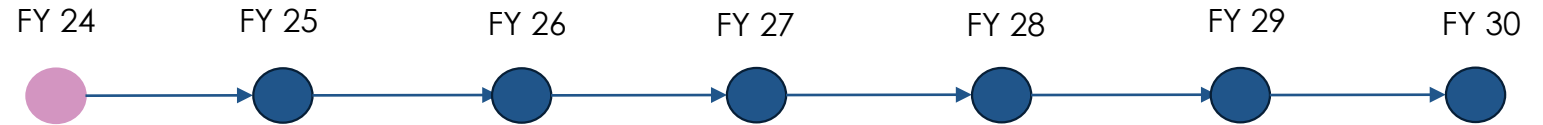
# FINANCIAL FORECAST FACTORS



CENTRAL HEALTH

## Financial Forecast Period

Estimate



- **FY24 Estimate - Reserve Levels higher than budgeted**
  - Interest Income significantly higher due to increased rates
  - Delayed openings of clinics have resulted in lower than budgeted expenditures
- **Accelerated and Expansion of Services in Healthcare Equity Plan**
  - Endocrinology and rheumatology direct specialty services
  - Medical respite services accelerating and scaling larger
  - Diversion services pilot and diversion center clinical services
  - Additional clinic-based and mobile bridge teams
  - Expanded hospital-embedded transition of care teams
  - Expanded skilled nursing/care at home teams
  - Anticipated expansion of primary care and dental services in high-need areas
  - Urgent care direct practice clinics
  - Continued support of Integral Care expanded services
  - Continued collaboration with Travis County Inmate health



# FINANCIAL FORECAST ASSUMPTIONS



CENTRAL HEALTH

## Property Tax Revenue:

- New construction assessed value additions lower than previous forecasts
- Steady, straight-line tax revenue to reduce revenue volatility
- Flattening values of commercial and other non-homestead properties will create more pressure on proportionate homestead residential property tax payment amounts

## Other Revenue:

- Higher interest income assumed than previous years
- Continued receipt of Tobacco Litigation payments
- Continued ground lease and parking garage lease revenue
- CEC lease revenue discontinued after FY 2024
- Minimal 3<sup>rd</sup> party patient revenue assumed

# FINANCIAL FORECAST ASSUMPTIONS



CENTRAL HEALTH

## Healthcare Services:

- Estimate 3-8% increase for medical inflation for existing purchased and direct services for continued operations over the forecast period
- Continued growth in enrollment and funding for ACA subsidy programs with Sendero
- Clinical facilities at Rosewood Zaragosa and Del Valle are fully operational in FY 2025
- Completion of additional clinical facilities sites (Hancock, Colony Park, and Cameron Centre) in future years
- Increases to Primary, Dental and Specialty Care purchased services

## Salary and benefits:

- Competitive compensation to maintain needed staffing levels
- Significant increase in FTEs to support implementation of direct practice of Specialty Care services at future clinical facilities

## Other:

- Sendero Risk-Based Capital in FY 2025 only
- Capital projects cash funded instead of debt financed resulting in significant interest cost savings

# 6-YEAR FORECAST FY25-FY30

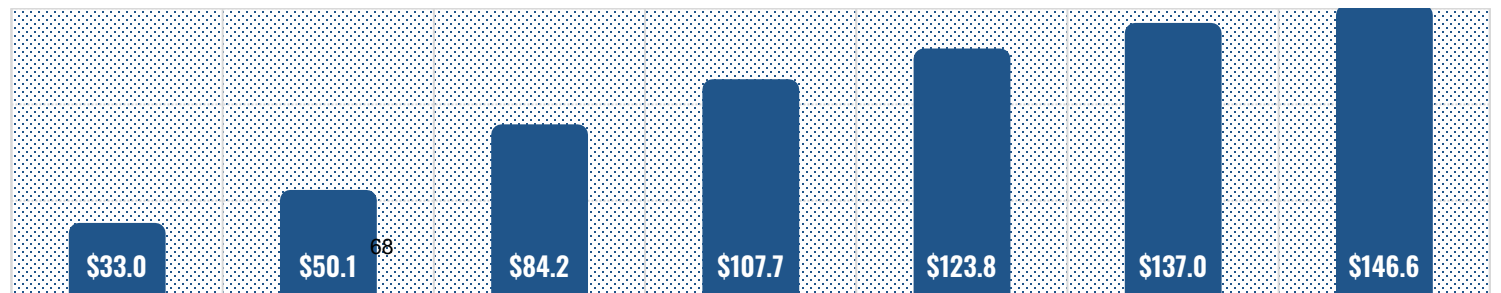
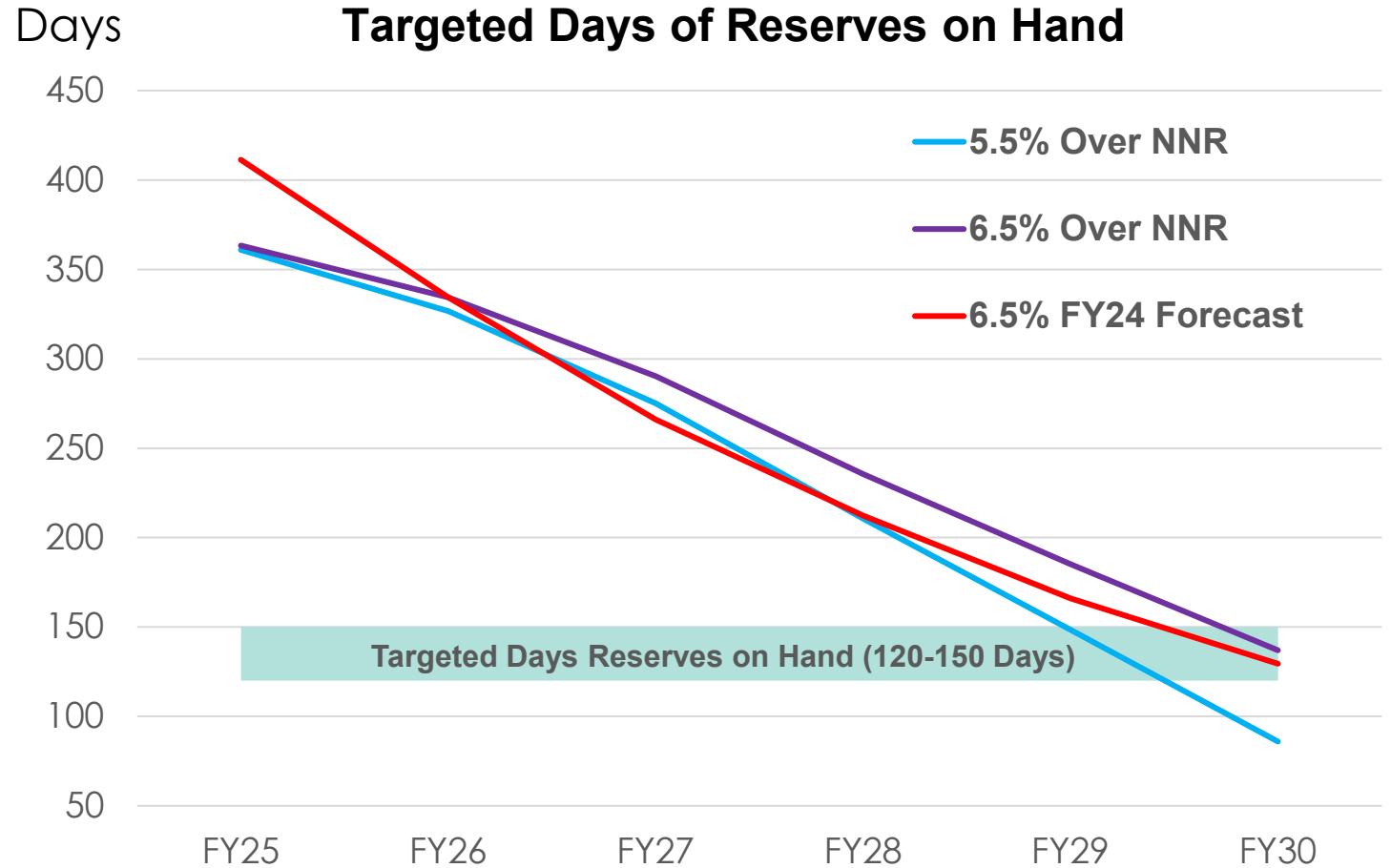
## DAYS OF RESERVES ON HAND



CENTRAL HEALTH

### Health Equity Plan

Year over Year Ongoing Costs  
As Adopted on August 8, 2023



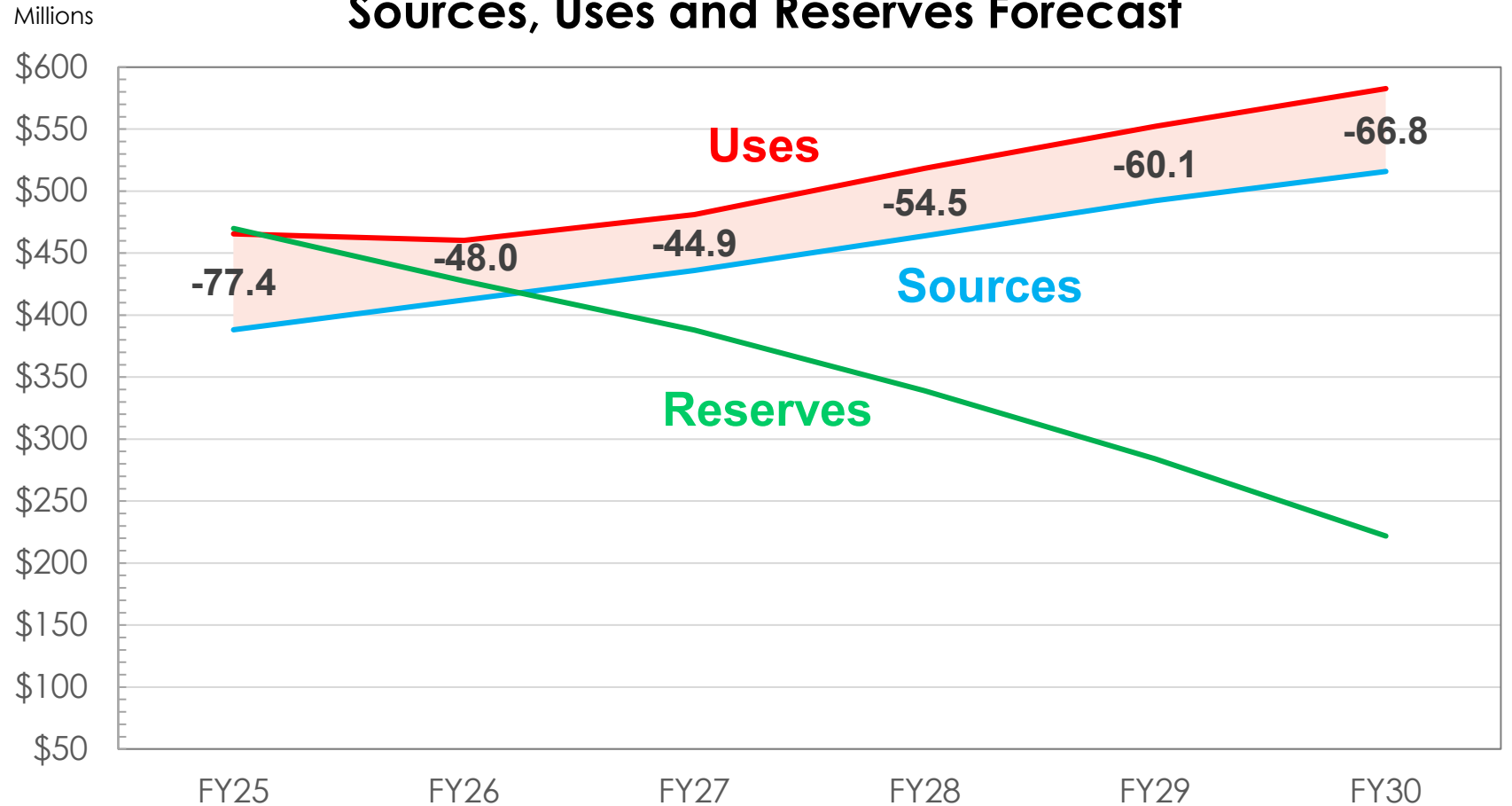
# 6-YEAR FORECAST

6.5% Year Over Year increase in No New Revenue Rate



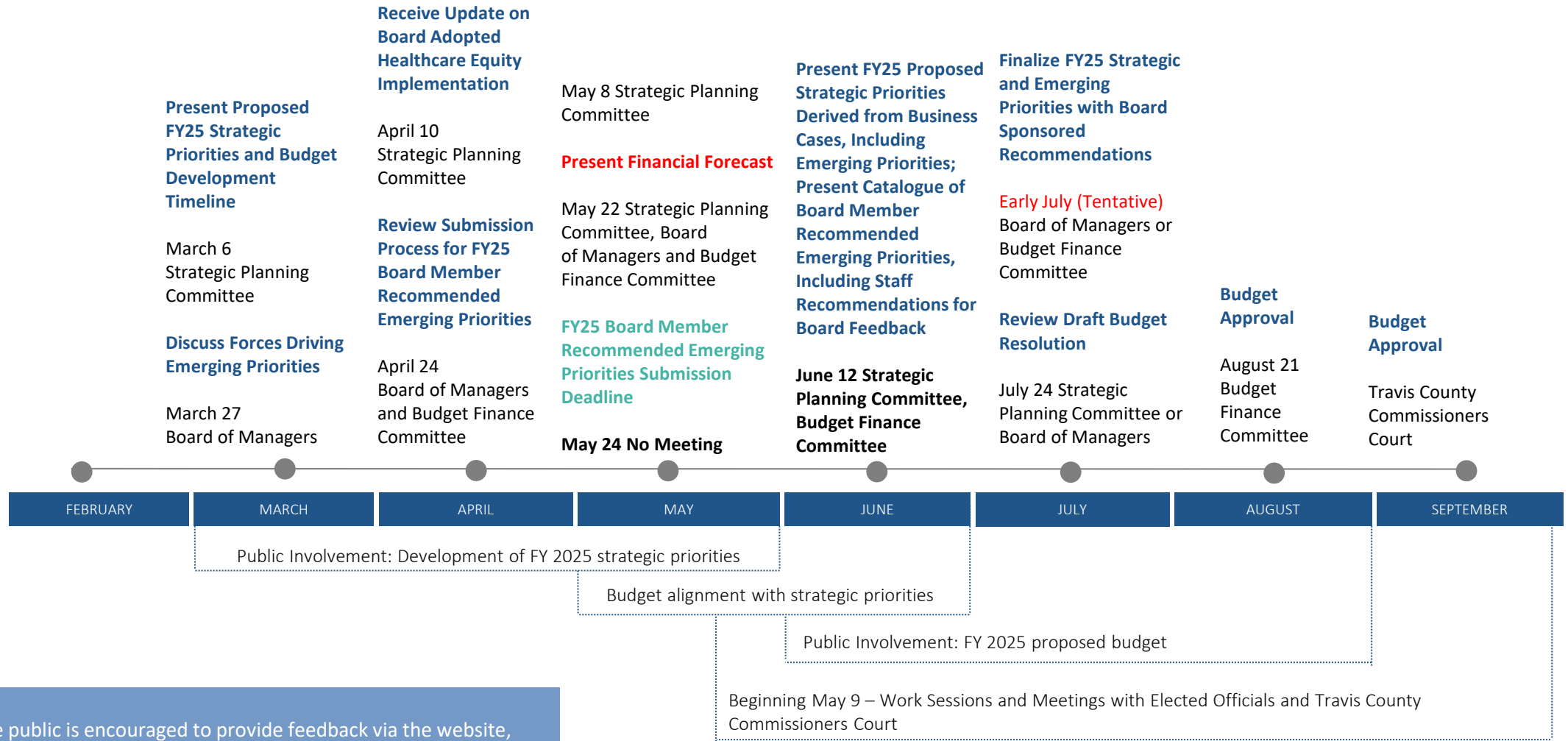
CENTRAL HEALTH

## Sources, Uses and Reserves Forecast



|                | FY25    | FY26    | FY27    | FY28    | FY29    | FY30    |
|----------------|---------|---------|---------|---------|---------|---------|
| Sources        | \$388.1 | \$412.3 | \$436.1 | \$463.9 | \$492.2 | \$515.9 |
| Uses           | \$465.5 | \$460.2 | \$481.0 | \$518.4 | \$552.3 | \$582.7 |
| Difference     | -\$77.4 | -\$48.0 | -\$44.9 | -\$54.5 | -\$60.1 | -\$66.8 |
| Total Reserves | \$470.0 | \$427.4 | \$387.9 | \$339.0 | \$284.0 | \$221.7 |

# FY 2025 Strategic Priorities and Budget Development Timeline



The public is encouraged to provide feedback via the website, Central Health Board and Committee meetings, during Community Conversations, and at public hearings.

Beginning May 9 – Work Sessions and Meetings with Elected Officials and Travis County Commissioners Court



FY 2025  
PROPOSED BUDGET  
STAFF  
RECOMMENDATION



CENTRAL HEALTH

Staff plans to prepare the FY 2025 proposed budget at a property tax rate of 6.5% over the M&O no new revenue rate. This will achieve the priorities approved by the Board of Managers in the Central Health Healthcare Equity Plan including accelerating certain services to further improve the health of our patients.

# Questions?



CENTRAL HEALTH

# APPENDIX



# Initiatives Were Phased Over the Next 7 Years To Respond to Unmet Community and Patient Needs

## Estimated Cost by Fiscal Year For Initiatives by Community Need

| Community Need   | Initiatives   | FY 2024       | FY 2025       | FY 2026       | FY 2027       | FY 2028       | FY 2029       | FY 2030       |
|--|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expanded Access to Specialty Care                          | <ul style="list-style-type: none"> <li>Direct Clinical Capacity</li> <li>Specialty Care, Care Coordination</li> <li>Specialty Care Contracting and Relationships</li> </ul>     | \$ 12,191,280 | \$ 18,204,033 | \$ 34,075,825 | \$ 45,872,649 | \$ 51,335,031 | \$ 54,596,707 | \$ 57,170,949 |
| Access to Mental Health Services                           | <ul style="list-style-type: none"> <li>Mental Health Clinical Processes and Staffing</li> <li>Mental Health Data Access and Triage</li> <li>Mental Health Facilities</li> </ul> |               |               |               |               |               |               |               |
| Robust Post-Acute Care, Including Respite and Extensivists | <ul style="list-style-type: none"> <li>Post-Acute Care Contracting and Operations</li> <li>Post-Acute Care Funding Support</li> </ul>   | \$ 2,007,566  | \$ 3,773,148  | \$ 6,410,173  | \$ 8,890,371  | \$ 9,892,545  | \$ 12,198,492 | \$ 13,484,543 |
| Primary Care, including CUC HIV/AIDS Program and Pharmacy  | <ul style="list-style-type: none"> <li>Patient Navigation</li> <li>Primary Care Capacity</li> </ul>   | \$ 2,000,000  | \$ 3,050,000  | \$ 3,775,200  | \$ 4,358,144  | \$ 5,284,791  | \$ 6,039,411  | \$ 6,512,896  |
| SUD and Addiction Medicine Services                        | <ul style="list-style-type: none"> <li>Respite and Recuperative Care</li> <li>SUD Clinical Processes and Staffing</li> <li>SUD Data Access and Triage</li> </ul>                | \$ 833,750    | \$ 2,168,166  | \$ 4,687,813  | \$ 7,282,079  | \$ 7,535,751  | \$ 7,786,153  | \$ 8,041,888  |
| Access to Hospital Care                                    | <ul style="list-style-type: none"> <li>Hospital Capacity</li> <li>Hospital Care Coordination</li> </ul>   | \$ 750,000    | \$ 768,750    | \$ 787,500    | \$ 3,493,750  | \$ 3,575,000  | \$ 3,656,250  | \$ 3,737,500  |
| Health Care for the Homeless                               | <ul style="list-style-type: none"> <li>Connection to Supportive and Affordable Housing</li> <li>Funding Support</li> <li>Mobile Care Clinic</li> </ul>                          | \$ -          | \$ 405,410    | \$ 1,672,159  | \$ 1,891,316  | \$ 1,943,442  | \$ 1,995,345  | \$ 2,048,206  |
| Expanded Access to Dental Care                             | <ul style="list-style-type: none"> <li>Dental Care Capacity and Facilities</li> <li>Dental Staffing and Contracting</li> </ul>  | \$ 400,000    | \$ 704,688    | \$ 1,275,750  | \$ 1,644,750  | \$ 1,980,000  | \$ 2,227,500  | \$ 2,484,000  |
| Care Coordination  | <ul style="list-style-type: none"> <li>Care Coordination Program Alignment and Augmentation</li> </ul>  | \$ 2,876,863  | \$ 5,592,723  | \$ 9,195,487  | \$ 10,825,531 | \$ 12,011,684 | \$ 12,962,561 | \$ 13,750,123 |
| Enrollment and Eligibility                                 | <ul style="list-style-type: none"> <li>Enrollment &amp; Eligibility Technology Optimization</li> <li>Enrollment &amp; Eligibility Procedures &amp; Coordination</li> </ul>      |               |               |               |               |               |               |               |
| Coverage Programs, Benefits, and Structures                | <ul style="list-style-type: none"> <li>Coverage Program Benefit Enhancement</li> <li>Coverage Program Information Delivery</li> </ul>   |               |               |               |               |               |               |               |

\*Financial estimates were prepared in conjunction with Central Health leadership based upon agreed upon assumptions.

\*\*Cost estimates associated with crosscutting projects and initiatives are attributed to one community need to promote efficiency and maximize available resources.



# Initiatives Were Phased Over the Next 7 Years To Respond to Unmet Community and Patient Needs

## Estimated Cost by Fiscal Year For Initiatives by Community Need

| Community Need  | Initiatives  | FY 2024              | FY 2025              | FY 2026               | FY 2027               | FY 2028               | FY 2029               | FY 2030               |
|---|--|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Pharmacy  | <ul style="list-style-type: none"> <li>Pharmacy Care Coordination</li> <li>Pharmacy Capacity</li> <li>Pharmacy Program Aug.</li> <li>340B Pricing</li> </ul>                     | \$ -                 | \$ -                 | \$ 3,300,000          | \$ 3,300,000          | \$ 5,600,000          | \$ 5,600,000          | \$ 5,900,000          |
| Same-Day Care and Extended Hours                            | <ul style="list-style-type: none"> <li>Primary Care, Care Coordination</li> <li>Primary Care Processes and Staffing</li> <li>Urgent and Convenient Care</li> </ul>               | \$ -                 | \$ -                 | \$ 105,000            | \$ 161,250            | \$ 220,000            | \$ 281,250            | \$ 287,500            |
| Expanded Access to Surgical and Procedural Care             | <ul style="list-style-type: none"> <li>Surgical Clinical Capacity</li> <li>Surgical Care Coordination</li> </ul>   | \$ -                 | \$ -                 | \$ -                  | \$ -                  | \$ 3,335,833          | \$ 7,356,794          | \$ 10,044,058         |
| Social Determinants of Health (SDOH)                        | <ul style="list-style-type: none"> <li>SDOH Contracting and Relationships</li> <li>SDOH Funding</li> </ul>   | \$ 1,024,375         | \$ 1,312,043         | \$ 1,808,618          | \$ 1,899,756          | \$ 1,956,748          | \$ 2,015,451          | \$ 2,075,914          |
| Health Systems Interop. and Technology / Data and Analytics | <ul style="list-style-type: none"> <li>IT Governance, Reporting, and Interoperability</li> <li>IT Career Dev. &amp; Training</li> </ul>  | \$ 6,844,420         | \$ 8,122,919         | \$ 9,623,362          | \$ 10,293,991         | \$ 11,105,906         | \$ 12,036,995         | \$ 12,571,620         |
| <b>Support Functions</b>                                    |  |                      |                      |                       |                       |                       |                       |                       |
| General Support Costs                                       | <ul style="list-style-type: none"> <li>Human Resources</li> <li>Finance</li> <li>Communications</li> <li>General Administration</li> <li>Strategy</li> <li>Compliance</li> </ul> | \$ 4,069,065         | \$ 6,040,577         | \$ 7,531,054          | \$ 7,756,986          | \$ 7,989,695          | \$ 8,229,386          | \$ 8,476,268          |
| <b>Total Operating Expenses</b>                             |  | <b>\$ 32,997,319</b> | <b>\$ 50,142,455</b> | <b>\$ 84,247,942</b>  | <b>\$ 107,670,572</b> | <b>\$ 123,766,427</b> | <b>\$ 136,982,295</b> | <b>\$ 146,585,465</b> |
| Capital Expenditures  | <ul style="list-style-type: none"> <li>Debt Service</li> </ul>   | \$ 14,653,762        | \$ 18,130,282        | \$ 18,132,747         | \$ 19,491,882         | \$ 19,491,349         | \$ 19,491,217         | \$ 19,495,810         |
| <b>Operating Expenses + Capital Expenditures</b>            |  | <b>\$ 47,651,081</b> | <b>\$ 68,272,737</b> | <b>\$ 102,380,688</b> | <b>\$ 127,162,454</b> | <b>\$ 143,257,775</b> | <b>\$ 156,473,513</b> | <b>\$ 166,081,274</b> |

|   |                       |
|---|-----------------------|
| Total Operating Expenses (FY24-FY30)    | \$ 682,392,474        |
| Capital Expenditures (FY24-FY30)        | \$ 128,887,048        |
| <b>Total Estimated Cumulative Costs</b> | <b>\$ 811,279,522</b> |

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

## **BUDGET & FINANCE COMMITTEE MEETING**

**May 22, 2024**

## **AGENDA ITEM 5**

Receive a presentation on the April 2024 financial statements for Central Health. (*Informational Item*)



# Central Health

## Financial Statement Presentation

FY 2024 – as of April 30, 2024 (Preliminary)

Central Health Board of Managers

Budget and Finance Committee

May 22, 2024

Jeff Knodel, CFO

Nicki Riley, Deputy CFO

Patti Bethke, Controller



Slide 2 Index

Slide 3 Highlights

Slide 4 Balance Sheet

Slide 5 Sources & Uses

Slide 6 Blank

Slide 7 HCD - Summary

Slide 8 HCD - Specialty



- April fiscal year-to-date collected net property tax revenue is \$312 million (97.1%), compared to \$278 million (97.0%) year-to-date April 2023 (as percent of adjusted tax levy).
- Healthcare Delivery is \$129 million for the year as of 04/30/2024, compared to \$86 million for prior year.
- TCHD LPPF total restricted balance as of 04/30/2024 is \$81 million.
- Tobacco Settlement \$5.2M received in April 2024, favorable to budget \$694K (115%).

GAAP: Generally Accepted Accounting Principles refer to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board. GAAP primary focus is to improve clarity, consistency, and comparability of the communication of financial information.

Financial Statement may include rounding differences



|   | Preliminary as of<br>4/30/2024 | as of<br>4/30/2023   |
|---|--------------------------------|----------------------|
| <b>ASSETS</b>                                     |                                |                      |
| CURRENT ASSETS                                    |                                |                      |
| CASH AND CASH EQUIVALENTS                         | 3,793,126                      | 3,142,714            |
| SHORT TERM INVESTMENTS                            | 692,159,057                    | 549,887,622          |
| LEASE RECEIVABLE SHORT TERM*                      | 10,587,339                     | 10,810,475           |
| ACCOUNTS RECEIVABLE TAX                           | 7,361,864                      | 6,831,897            |
| OTHER RECEIVABLES                                 | 9,684,882                      | 4,341,201            |
| <b>TOTAL UNRESTRICTED CURRENT ASSETS</b>          | <b>723,586,267</b>             | <b>575,013,910</b>   |
| RESTRICTED CASH & INVESTMENTS                     |                                |                      |
| RESTRICTED TCHD LPPF CASH & INVESTMENTS           | 80,798,228                     | 1,341,047            |
| RESTRICTED FOR CAPITAL ACQUISITION                | 169,132,766                    | 111,544,023          |
| <b>TOTAL RESTRICTED CASH &amp; INVESTMENTS</b>    | <b>249,930,994</b>             | <b>112,885,070</b>   |
| <b>TOTAL CURRENT ASSETS</b>                       | <b>973,517,260</b>             | <b>687,898,980</b>   |
| LONG TERM ASSETS                                  |                                |                      |
| SENDERO PAID-IN CAPITAL                           | 83,000,000                     | 71,000,000           |
| SENDERO SURPLUS DEBENTURE                         | 37,083,000                     | 37,083,000           |
| ADVANCE RECEIVABLE                                | 4,000,000                      | 4,000,000            |
| LEASE RECEIVABLE LONG TERM*                       | 237,739,004                    | 240,248,424          |
| <b>TOTAL LONG TERM ASSETS</b>                     | <b>361,822,004</b>             | <b>352,331,424</b>   |
| <b>TOTAL CAPITAL ASSETS, NET of DEPRECIATION</b>  | <b>171,671,523</b>             | <b>149,505,889</b>   |
| <b>TOTAL ASSETS</b>                               | <b>1,507,010,788</b>           | <b>1,189,736,292</b> |
| <b>LIABILITIES</b>                                |                                |                      |
| CURRENT LIABILITIES                               |                                |                      |
| ACCOUNTS PAYABLE                                  | 17,656,970                     | 15,896,582           |
| SALARIES & BENEFITS PAYABLE                       | 5,436,266                      | 3,052,937            |
| DEBT SERVICE PAYABLE                              | 9,165,576                      | 4,445,000            |
| DEFERRED TAX REVENUE                              | 5,941,236                      | 5,573,879            |
| <b>TOTAL CURRENT LIABILITIES</b>                  | <b>38,200,049</b>              | <b>28,968,398</b>    |
| RESTRICTED OR NONCURRENT LIABILITIES              |                                |                      |
| FUNDS HELD FOR TCHD LPPF                          | 80,798,228                     | 1,341,047            |
| DEBT SERVICE PAYABLE                              | 160,259,679                    | 71,605,525           |
| LEASE & SUBSCRIPTION LIABILITIES*                 | 56,763,268                     | 45,550,936           |
| DEFERRED REVENUE*                                 | 231,913,075                    | 241,133,604          |
| <b>TOTAL RESTRICTED OR NONCURRENT LIABILITIES</b> | <b>529,734,249</b>             | <b>359,631,113</b>   |
| <b>TOTAL LIABILITIES</b>                          | <b>567,934,298</b>             | <b>388,599,511</b>   |
| <b>NET ASSETS</b>                                 |                                |                      |
| RESTRICTED FOR CAPITAL ASSETS                     | 205,819,280                    | 119,939,676          |
| RESTRICTED  | 46,739,076                     | 38,719,836           |
| UNRESTRICTED                                      | 686,518,133                    | 642,477,269          |
| <b>TOTAL NET ASSETS</b>                           | <b>939,076,489</b>             | <b>801,136,781</b>   |
| <b>LIABILITIES AND NET ASSETS</b>                 | <b>1,507,010,787</b>           | <b>1,189,736,292</b> |

\* GASB87 & GASB96 reporting requirement for leases and Subscription-Based Information Technology Arrangements.



| SOURCES / USES                 | APR 2024           | FY24 YTD           | FY24 Budget         | Percent of Budget Used | FY23 YTD           |
|--------------------------------|--------------------|--------------------|---------------------|------------------------|--------------------|
| <b>SOURCES</b>                 |                    |                    |                     |                        |                    |
| PROPERTY TAX REVENUE           | 366,823            | 312,082,090        | 312,456,814         | 100%                   | 278,182,743        |
| LEASE REVENUE                  | 1,159,508          | 11,374,129         | 12,022,497          | 95%                    | 11,260,186         |
| INVESTMENT AND OTHER REVENUE   | 3,064,127          | 18,199,087         | 7,500,000           | 243%                   | 9,602,460          |
| TOBACCO SETTLEMENT REVENUE     | 5,194,413          | 5,194,413          | 4,500,000           | 115%                   | 4,828,924          |
| <b>TOTAL SOURCES</b>           | <b>9,784,871</b>   | <b>346,849,718</b> | <b>336,479,311</b>  | <b>103%</b>            | <b>303,874,312</b> |
| <b>USES OF FUNDS</b>           |                    |                    |                     |                        |                    |
| HEALTHCARE DELIVERY PROGRAM    | 17,958,193         | 128,770,741        | 295,246,807         | 44%                    | 85,888,582         |
| ADMINISTRATIVE PROGRAM         | 1,666,567          | 14,902,134         | 30,944,445          | 48%                    | 10,339,576         |
| UT AFFILIATION AGREEMENT       | 0                  | 0                  | 35,000,000          | 0%                     | 0                  |
| TRANSFER TO EMERGENCY RESERVES | 0                  | 8,019,240          | 8,019,240           | 100%                   | 23,000,000         |
| <b>TOTAL USES</b>              | <b>19,624,760</b>  | <b>151,692,115</b> | <b>369,210,492</b>  | <b>41%</b>             | <b>119,228,158</b> |
| <b>EXCESS SOURCES / (USES)</b> | <b>(9,839,889)</b> | <b>195,157,603</b> | <b>(32,731,181)</b> |                        | <b>184,646,154</b> |
| <b>RESERVE BALANCES:</b>       |                    |                    |                     |                        |                    |
| EMERGENCY RESERVE              |                    | 46,739,076         | 46,739,076          |                        | 38,719,836         |
| CONTINGENCY RESERVE            |                    |                    | 377,296,303         |                        | 441,168,057        |





Details for Health Care Delivery on the following slides.

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| HEALTHCARE DELIVERY SUMMARY                    | APR 2024          | FY24 YTD           | FY24 Budget        | Percent of Budget Used | FY23 YTD          |
|--|-------------------|--------------------|--------------------|------------------------|-------------------|
| <b>PURCHASED HEALTHCARE SERVICES</b>           |                   |                    |                    |                        |                   |
| PRIMARY CARE                                   | 4,186,795         | 36,153,735         | 71,782,200         | 50%                    | 32,098,472        |
| SPECIALTY CARE, INCLD DENTAL                   | 2,150,082         | 9,510,942          | 30,188,000         | 32%                    | 7,068,347         |
| SPECIALTY BEHAVIORAL HEALTH AND SUBSTANCE USE  | 3,154,974         | 10,485,288         | 20,675,000         | 51%                    | 4,282,348         |
| PHARMACY                                       | 1,447,557         | 6,950,952          | 18,000,000         | 39%                    | 6,317,864         |
| POST ACUTE CARE                                | (74,380)          | 2,410,298          | 7,250,000          | 33%                    | 2,180,586         |
| COMMUNITY HEALTHCARE INITIATIVES FUND          | 80,400            | 119,000            | 875,000            | 14%                    | 66,107            |
| ALL OTHER HEALTHCARE SERVICES                  | 0                 | 0                  | 2,000,000          | 0%                     | 0                 |
| <b>SUBTOTAL PURCHASED HEALTHCARE SERVICES</b>  | <b>10,945,427</b> | <b>65,630,215</b>  | <b>150,770,200</b> | <b>44%</b>             | <b>52,013,723</b> |
| <b>DIRECT SERVICES</b>                         | <b>1,145,316</b>  | <b>5,330,711</b>   | <b>29,276,374</b>  | <b>18%</b>             | <b>199,786</b>    |
| <b>MAP ELIGIBILITY - INCREASE IN PERIOD</b>    | <b>0</b>          | <b>0</b>           | <b>1,000,000</b>   | <b>0%</b>              | <b>0</b>          |
| <b>SUBTOTAL HEALTHCARE SERVICES</b>            | <b>12,090,743</b> | <b>70,960,925</b>  | <b>181,046,574</b> | <b>39%</b>             | <b>52,213,509</b> |
| ACA PREMIUM ASSIST                             | 982,567           | 7,196,850          | 18,587,364         | 39%                    | 7,823,335         |
| HEALTHCARE FACILITIES AND CAMPUS REDEVELOPMENT | 219,715           | 1,603,825          | 2,957,400          | 54%                    | 1,557,174         |
| HEALTHCARE OPERATIONS & SUPPORT                | 4,128,741         | 25,702,240         | 71,689,007         | 36%                    | 19,038,425        |
| DEBT AND TRANSFERS                             | 536,426           | 23,306,901         | 20,966,462         | 111%                   | 5,256,138         |
| <b>TOTAL HEALTHCARE DELIVERY</b>               | <b>17,958,193</b> | <b>128,770,741</b> | <b>295,246,807</b> | <b>44%</b>             | <b>85,888,582</b> |



| HEALTHCARE DELIVERY -<br>SPECIALTY CARE           | APR 2024         | FY24 YTD         | FY24<br>BUDGET    | Percent<br>of<br>Budget<br>Used | FY23 YTD         | Comments  |                    |
|---|------------------|------------------|-------------------|---------------------------------|------------------|---|--------------------|
| HCD-Ancillary Services                            | 582,764          | 744,647          | 2,998,000         | 25%                             | 338,359          | Includes additional services: Anesthesia, Mammography, DME, Prosthetics, Transportation |                    |
| HCD-Cardiology                                    | 183,554          | 423,147          | 1,215,000         | 35%                             | 192,424          |   |                    |
| HCD-Dental  | 258,667          | 1,047,538        | 1,500,000         | 70%                             | 831,766          |   |                    |
| HCD-Dermatology                                   | 135,530          | 539,038          | 915,000           | 59%                             | 145,868          |   |                    |
| HCD-Dialysis                                      | 19,006           | 771,498          | 3,000,000         | 26%                             | 419,739          |   |                    |
| HCD-Endocrinology                                 | 51,770           | 326,953          | 830,000           | 39%                             | 327,069          |   |                    |
| HCD-Ear, Nose & Throat ENT                        | 39,258           | 215,269          | 900,000           | 24%                             | 94,738           |   |                    |
| HCD-Gastroenterology                              | 40,148           | 643,465          | 2,030,000         | 32%                             | 602,390          |   |                    |
| HCD-General Surgery                               | 44,660           | 183,429          | 600,000           | 31%                             | 187,303          |   |                    |
| HCD-Gynecology                                    | 439,200          | 994,906          | 1,550,000         | 64%                             | 715,224          |   |                    |
| HCD-Infectious Disease                            | 90               | 1,231            | 100,000           | 1%                              | 0                |   |                    |
| HCD-Musculoskeletal                               | 174,095          | 1,200,483        | 2,500,000         | 48%                             | 1,228,648        |   |                    |
| HCD-Nephrology                                    | 8,190            | 65,390           | 200,000           | 33%                             | 56,713           |   |                    |
| HCD-Neurology                                     | 4,550            | 31,850           | 100,000           | 32%                             | 24,294           |   |                    |
| HCD-Oncology                                      | 41,788           | 382,292          | 2,900,000         | 13%                             | 243,447          |   |                    |
| HCD-Ophthalmology                                 | 135,728          | 849,417          | 3,100,000         | 27%                             | 706,529          |   |                    |
| HCD-Podiatry                                      | 38,910           | 386,189          | 1,300,000         | 30%                             | 361,037          |   |                    |
| HCD-Project Access                                | 0                | 0                | 330,000           | 0%                              | 0                |   | Agreement Inactive |
| HCD-Pulmonology                                   | (12,247)         | 145,118          | 425,000           | 34%                             | 175,291          |   |                    |
| HCD-Referral Management                           | 1,931            | 37,586           | 585,000           | 6%                              | 91,245           |   |                    |
| HCD-Rheumatology                                  | 13,390           | 147,290          | 300,000           | 49%                             | 133,900          |   |                    |
| HCD-Sexual & Reproductive Svc                     | (50,900)         | 371,284          | 2,210,000         | 17%                             | 189,537          |   |                    |
| HCD-Specialty Care Reserve                        | 0                | 0                | 300,000           | 0%                              | 0                |   |                    |
| HCD-Urology                                       | 0                | 2,923            | 300,000           | 1%                              | 0                |   |                    |
| <b>Total Healthcare Delivery - Specialty Care</b> | <b>2,150,082</b> | <b>9,510,942</b> | <b>30,188,000</b> | <b>32%</b>                      | <b>7,065,522</b> |   |                    |



# Questions ? Comments ?

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## Balance Sheet

### Current Assets

Cash and Cash Equivalents – \$3.8M compared to \$3.1M same month prior year.

Short-term Investments – Short-term investments were \$692M at month-end.

Short-Term Lease Receivables GASB87\* - \$11M

Ad Valorem Taxes Receivable – \$7.4M balance is composed of:

|   |          |
|---|----------|
| Gross Tax Receivables                   | \$ 14.2M |
| Taxable Assessed Valuation Adjustment   | (3.3)M   |
| Est. Allowance for Doubtful collections | (3.5)M   |
| Total Taxes Receivable                  | \$ 7.4M  |

Other Receivables – Other receivables total \$9.7M and includes intercompany balances:

- Accrued Interest - \$3.9M
- CUC - \$3.2M
- Sendero - \$1.6M, including risk payment - \$828k
- Prepaid Expenses – \$512k
- Miscellaneous - \$274k

Restricted TCHD LPPF Cash & Investments - \$81M

Restricted for Capital Acquisition - \$169M

**Total Current Assets – \$974M**



**Long Term Assets**

Sendero Paid-in-Capital – \$83.0M includes \$12M additional funding in current year (unchanged)

Sendero Surplus Debenture – \$37.1M (unchanged)

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

Long-Term Lease Receivables GASB87\* - \$238M

Capital Assets – \$172M, net of accumulated depreciation.

**Total Assets – \$1.5B**

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### **Current Liabilities**

Accounts Payable – Major components of the \$18M balance are:

- \$14M estimated IBNR for healthcare services.
- \$3M invoices payable

Salaries and Benefits Payable – \$5.4M balance is comprised of the accrued liability for salary costs unpaid at month-end, the value of accrued personal time off.

Debt Service Payable, Short-Term – \$9.2M in Certificates of Obligation and Interest Payable for Series 2020, 2021 and 2023 Taxable and non-Taxable debt.

Deferred Tax Revenue - \$5.9M

**Total Current Liabilities – \$38M**

### **Restricted or Noncurrent Liabilities**

Funds held for TCHD LPPF - \$81M receipts from participants in the LPPF.

Debt Service Payable, Long-Term – \$160.3M balance (changed):

|            | Series 2020                 | Series 2021                         | Series 2023                         |                |
|------------|-----------------------------|-------------------------------------|-------------------------------------|----------------|
|            | General<br>Obligation Bonds | Certificates of<br>Obligation Bonds | Certificates of<br>Obligation Bonds |                |
| Non-tax LT |                             | 11.7 M                              | 7.0 M                               |                |
| Taxable LT | 1.3 M                       | 51.9 M                              | 85.8 M                              |                |
| Premium    |                             | 1.9 M                               | 0.7 M                               |                |
| Totals     | <b>1.3 M</b>                | <b>65.5 M</b>                       | <b>93.5 M</b>                       | <b>160.3 M</b> |

\$7.285M was originally issued in 2011 for the North Central clinic and refunded May 2020. \$72.9M was issued in 2021 for two clinics and an administration building. \$99.4M was issued in 2023 for two clinics. Annual payments are due on 3/1 for all Series.

Lease/SBITA Payable GASB87 and GASB96\* - \$57M

Deferred Revenue Long-Term GASB87\* - \$232M

**Total Restricted or Noncurrent Liabilities – \$530M**

**Total Liabilities – \$568M**

**Net Assets**

Restricted For Capital Assets - \$206M

CO Construction – \$129M

Investment in Capital Assets – \$77M

Emergency Reserve - \$47M





Unrestricted Net Assets – \$686M

**Total Net Assets – \$939M**

**Total Liabilities and Net Assets – \$1.5B**

\*Governmental Accounting Standards Board statements 87 & 96, Leases (GASB87) and Subscription-Based Information Technology Arrangements (GASB97 SBITAs), new accounting standards require entities to report future long-term obligations, previously reported as operating activity, on the balance sheet to convey control of the right to use the non-financial asset. This will significantly increase long term governmental balance sheets as a result of these requirements. The new rules require recognition of a lease or SBITA liability and an intangible asset while lessors are required to recognize lease receivables and a deferred inflow of resources on their financial statements.



## **Sources and Uses Report**

April financials → seventh month, 58% of the fiscal year.

### **Sources – Total \$9.8M for the month**

Property Tax Revenue – Net property tax revenue for the month was \$367k. Net revenue includes \$567K current month's collections; \$133K Penalties and Interest; and (\$333K) in adjustment for prior year delinquent taxes.

Lease Revenue – \$1.2M for Downtown Campus, Cameron, Hancock Clinic, and land leases

Investment and Other Revenue/Expense – \$3M primarily for investment income

Tobacco Settlement Revenue - \$5.2M to budget of \$4.5M

### **Uses of Funds – Total \$20M for the month**

Total Healthcare Delivery Program – Total healthcare delivery expenses were \$18M for the month and \$129M YTD compared to \$86M Prior YTD.

Administration Program – \$1.7M in expense for the month and \$15M YTD compared to \$10M Prior YTD.

UT Affiliation Agreement - \$0, to be expensed in August 2024.

Transfer to Emergency Reserve - \$8M YTD to budget of \$8M

**Excess Sources/(Uses)** – (\$9.8M) current month. Current YTD is \$195M compared to \$185M Prior YTD.



# 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.

*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.

## **BUDGET & FINANCE COMMITTEE MEETING**

### **May 22, 2024**

## **AGENDA ITEM 6**

Confirm the next Budget and Finance Committee meeting date, time, and location. (*Informational Item*)