

2023 ANNUAL REPORT



CENTRAL
HEALTH





CENTRAL HEALTH

VISION

Central Texas is a model healthy community.

MISSION

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

VALUES

Central Health will achieve excellence through:

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

Innovation: We create solutions to improve health care access.

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

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

To our community:

As we mark our 20th anniversary in 2024 and make more than \$750 million in new investments by 2030 through our Healthcare Equity Plan, Central Health is creating a new healthcare reality for the more than 280,000 Travis County residents with low income who need and deserve and could use our help.

Our job and our mission is not to check boxes by performing disconnected services, but to treat the whole person and ensure that families and communities are truly getting better. We're bridging and filling gaps to provide vital health and wellness services for people with low income, from prenatal nutrition to end-of-life-care, from childhood vaccines to emergency dialysis, tending to all aspects of the body and mind. You'll see some highlights of our ongoing transformation in this annual report.

Central Health stands for high-quality, equitable, accessible, compassionate, and comprehensive healthcare services that make whole lives better. Through our mission and our track record, we work to earn the trust of Travis County taxpayers and policymakers. We've been able to allocate our strategic reserves to jump-start essential services that have long been lacking in Travis County's safety-net system.

We don't have to negotiate with restrictive insurers or wait until our patients are in crisis to help them. We can meet people where they are and prevent disease in their communities, rather than wait to treat them with more advanced illness and at far greater cost in hospitals and emergency rooms. We can create better health that creates better value for all Travis County residents.

Healthcare faces long-standing systemic failures that need to be resolved at a system level. Delivering high-quality whole-person care at scale, as Central Health is doing more and more skillfully as we grow, is the right thing to do and the most effective way to build a safety-net system. It takes many forms.

Removing one toe, as our new podiatry team in East Austin did recently for an 86-year-old woman with a severe infection, saved her foot, her ability to get around independently, and possibly her life. We intervened at the right moment with the right skills and put that woman's health front and center in our sights as an organization.

We did the same thing recently by providing a safe place for another man to sleep at night, as he recovered from surgery in our medical respite program. That bed, along with caring attention and wraparound social services, not only supported and speeded his recovery, but allowed him to visualize a life after homelessness, to take action to find work and shelter and ultimately purchase the black Camaro he'd always dreamed of. Being that man's trusted partner in health when he needed one is our mission and the job we exist to perform.

We're fired up and optimistic about our work and our future. As Central Health's new President and CEO, I stand on the shoulders of those who came before me, grateful for their vision and dedication, particularly my predecessor Mike Geeslin. As we enter our third decade, I am proud to lead the Central Health system as we demonstrate our unwavering commitment to make healthcare better in Travis County.

With appreciation,

PATRICK LEE, MD

Central Health President and CEO



CENTRAL HEALTH ENTERPRISE PARTNERS

The Central Health system: Central Health is Travis County's public hospital district. It plans, pays for, and provides care to county residents with low income. It's joined in this work by:



CommUnityCare Health Centers is the backbone of the Central Health system. CommUnityCare provides integrated primary, dental, behavioral health, and substance use care to more than 140,000 patients each year. Together, Central Health and CommUnityCare leverage the strengths of the hospital district and the Federally Qualified Health Center (FQHC) models to deliver the best possible care for Travis County residents with low income.



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

2023 BY THE NUMBERS

As Travis County's hospital district, Central Health plans, pays for, and provides care that allows residents with low income to get well and stay healthy. Central Health's mission is to improve the health of the community by caring for those who need it most. To better fulfill this mission, in 2023 Central Health developed new primary care locations in underserved areas, expanded its network of specialty care providers, and improved eligibility and health coverage enrollment services.

ACCESS TO COVERAGE

52,046

uninsured Travis County residents with incomes at or below the federal poverty level (\$15,000 for an individual, \$30,000 for a family of four) received health coverage through Central Health's Medical Access Program (MAP).

76,327

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

2,054

received insurance premium assistance from Central Health.

84,332

enrollment assistance calls taken at the Central Health Call Center.

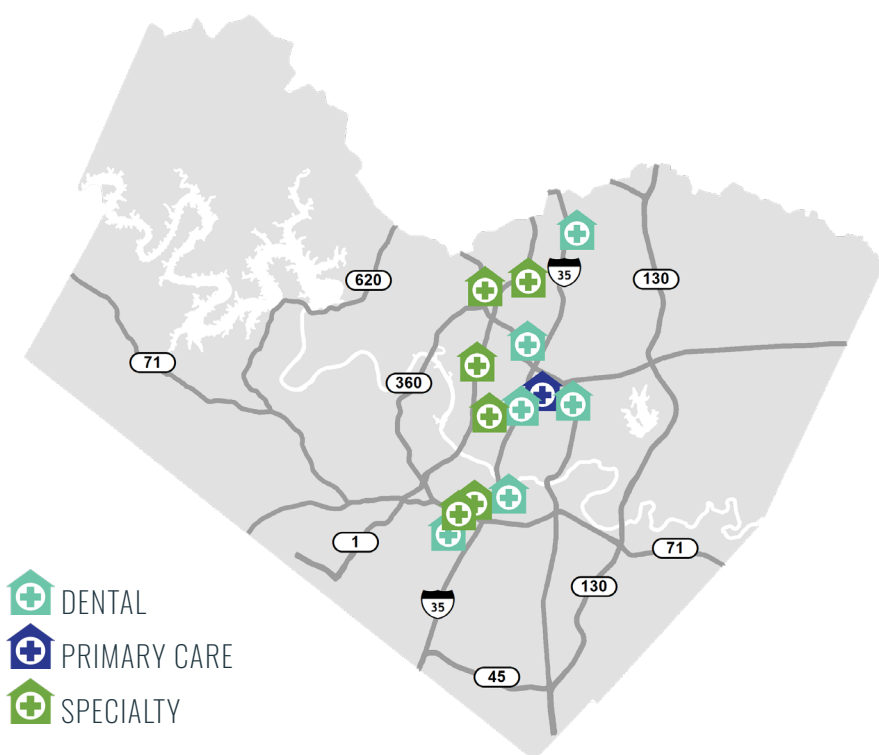
22,487

online applications submitted.

57,548

total applications processed (+7.5% YOY).

2023 SERVICE EXPANSION



ACCESS TO CARE

OUR PATIENTS

155,685 people served in FY2023 – a 2% year-over-year increase.

OUR CARE

612,964 primary care visits provided through Central Health's broad network of health care partners.

OUR NETWORK

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

OUR GROWTH

In 2023 Central Health's provider network **increased by 12%**. Nineteen new providers were added to the network including opioid treatment, primary care, and specialty providers.

2023 MILESTONES & HIGHLIGHTS

Central Health's work is guided by its equity-focused strategic plan for service delivery – the Healthcare Equity Plan – which is built on four pillars, or strategic imperatives: Access & Capacity, Care Coordination, Member Engagement, & System of Care.

SERVICE PLANNING & EXPANSION

- ✚ Central Health continued to implement its Healthcare Equity Plan, a seven-year strategic roadmap for the hospital district as it grows rapidly to provide direct care that patients need, and to reduce barriers to care that perpetuate health disparities between different parts of the county.
- ✚ Central Health joined CommUnityCare in transitioning to a new electronic health record (Epic), with the goal of improving care and coordination for patients.
- ✚ Central Health's Healthcare Delivery teams launched new service lines in podiatry, medical respite, skilled nursing, and GI care, including serving the hospital district's first (podiatric) surgical patient. These specialty and post-acute care service lines are closing significant gaps in care in the safety-net system.
- ✚ Central Health's doctors, nurses, medical assistants, counselors, social workers, and community health workers focused forward, to the opening of Central Health's first clinical spaces in fiscal year 2024 and the rapid growth of its service lines.

COMMUNICATION & COMMUNITY ENGAGEMENT

- ✚ The Central Health Communications team worked to educate, inform, and motivate Travis County residents – especially those with low incomes – to learn about and participate in the Healthcare Equity Plan and Central Health's ongoing service expansion.
- ✚ Central Health conducted 285 grassroots outreach activities, engaging 13,304 individuals, resulting in 530 MAP leads, and connecting 105 people to health coverage.
- ✚ Central Health hosted 55 community engagement events, involving 1,014 community members in its work, marking a 61% increase over FY 2022.
- ✚ Central Health observed consistent audience growth across all digital channels, leading to a 17% rise in engagement with its social media content and a 46% increase in link clicks to its landing pages compared to FY 2022. The Central Health website experienced a 16% boost in both new and total users from FY 2022 to FY 2023.

POPULATION HEALTH

- ✚ Central Health, CommUnity Care and Integral Care publicly committed to provide culturally and gender-affirming care for LGBTQIA+ patients. To do this, these providers adopted policy, system, and environmental changes in more than 70 clinics across Travis County.
- ✚ The Pandemic Equity Committee worked with city, county and federal officials to enact systemic changes within the disaster response system. These changes include improving language access during emergencies, providing English and Spanish text alerts to the community, and establishing effective models for community advisory panels.

CAPITAL IMPROVEMENTS

- ✚ To continue planning for future needs, Central Health acquired land in the planned village center in Colony Park and a three-building office-commercial complex at US 183 and Cameron Road. It also continued its work to transform the former Sears flagship store at Hancock Center, in north central Austin, into its new headquarters campus, including both primary and specialty clinics.
- ✚ In FY 2023, CommUnityCare opened two new full-service clinics, one in Pflugerville and one at the new Pathways at Chalmers Courts affordable housing complex, in a collaboration with the Housing Authority of the City of Austin.



HEALTH COVERAGE

- ✦ Central Health staff completed 7,649 in-person eligibility appointments - a 17% increase over 2022 - and processed 57,548 MAP applications.
- ✦ Centers for Medicare & Medicaid Services awarded Sendero Health Plans the 4-Star Marketplace Quality rating for the third consecutive year.
- ✦ Sendero enrolled more than 7,600 individuals in health insurance plans, including more than 750 former MAP members through Central Health's CHAP-Expansion program.

BEHAVIORAL & MENTAL HEALTH

- ✦ Central Health expanded Methadone and Buprenorphine access for patients in need of substance use disorder treatment in the face of the ongoing opioid epidemic.
- ✦ Central Health increased access to inpatient psychiatric and crisis respite services through a new agreement with Integral Care.

PAIN MANAGEMENT & REHABILITATION

- ✦ With support from Central Health, People's Community Clinic launched its Integrated Pain Management Program for MAP and MAP Basic patients, including unique services such as group yoga, massage, and acupuncture along with traditional medication.

TRANSPORTATION

- ✦ Central Health began work on a contract with Acadian Ambulance Service of Texas to fill the gap of non-emergent stretcher transportation.

INVESTING IN EASTERN TRAVIS COUNTY

- ✦ Central Health neared completion of new wellness center locations in Hornsby Bend (which opened in October 2023) and Del Valle as well as two new specialty care clinics in East Austin.

DENTAL CARE

- ✦ In FY 2023, Central Health funded 48,950 primary care dental encounters through its three FQHC partners (CommUnityCare, People's, and Lone Star Circle of Care).
- ✦ Central Health's new contract with Manos de Cristo adds a 4th primary care dental option for all MAP and MAP Basic enrollees.

URGENT CARE

- ✦ Central Health partners served 948 unique MAP and MAP Basic patients in urgent care in 2023.

SPECIALTY CARE

- ✦ In addition to its direct patient care in skilled nursing, medical respite, podiatry, and gastroenterology, Central Health improved specialty care access with new contracts in pulmonology, gynecology, ophthalmology, urology, and oncology.
- ✦ For ENT services, Central Health worked with Austin Regional Clinic to reduce cancellations and improve turnaround time from patient appointments and follow-up procedures.
- ✦ Central Health contracted with Dr. Daniel J. Leeman for ENT and Audiology services.

PATIENT EXPERIENCE

- ✦ The Central Health system improved its ability to receive and take action on member concerns with services and bills.

STEWARDSHIP

- ✦ As Central Health continued to expand services and completed its long-term planning to implement the Healthcare Equity Plan, it also engaged in long-term financial sustainability planning to attain the financial resources required to support the major, long-term investments that will be required to address those community healthcare needs.

CENTRAL HEALTH'S STRATEGIC PILLARS

ACCESS & CAPACITY

INCREASING PROVIDERS AND CARE TEAMS

CARE COORDINATION

OPTIMIZING TRANSITIONS OF CARE

MEMBER ENGAGEMENT

ENHANCING ENGAGEMENT FOR ENROLLEES AND EXPANDING ENROLLMENT IN HIGH-NEED REGIONS

SYSTEM OF CARE

JOINT SERVICE-DELIVERY PLANNING AND TIMELY SHARING OF HEALTHCARE DATA





COMMUNITY ENGAGEMENT

Central Health's community conversation in July 2023 at Austin Community College's Eastview campus (home to ACC health professions programs) saw record attendance as the hospital district's subject-matter experts presented the implementation strategy for the Healthcare Equity Plan.

OUTREACH

Jessica Ramirez receives her MAP Basic eligibility card on the spot at the Central Health Northeast Health Resource Center in Colony Park.



CAPITAL IMPROVEMENTS

Austin Mayor Kirk Watson, CommUnityCare leadership, and residents of the Pathways at Chalmers affordable housing complex cut the ribbon on CUC's new Chalmers clinic.

HEALTH COVERAGE

Year-round public awareness and outreach efforts are part of Central Health's comprehensive playbook to get eligible Travis County residents covered. As MAP members, they can establish medical homes and work with provider teams dedicated to whole-person care, which keeps taxpayer money from being used ineffectively in hospitals and emergency rooms.





INVESTING IN TRAVIS COUNTY

Central Health and CommUnityCare staff and local volunteers signed a structural beam that's now part of the Hornsby Bend Health and Wellness Center, which opened in October 2023. Leading up to that opening, Central Health and CommUnityCare worked to make sure patients were ready and able to take advantage of this new option available in what has been one of Travis County's largest "healthcare deserts".

IMPROVING PATIENT CARE

Central Health's medical respite program provides short-term residential care that gives patients who are experiencing homelessness a safe place to rest, recover and heal, rather than being discharged back to the street. Respite patients can access basic clinical care, health education, and wraparound supportive services that can help sustain their health moving forward. The average length of stay is about 40 days, but patients are able to stay as long as necessary.

Under the direction of Dr. Audrey Kuang, Central Health's medical respite program began in March 2022 with 5 beds, and by the end of FY 2023 had 25 beds and had received more than 280 referrals from hospitals, skilled nursing facilities, and CommUnityCare clinics.



2023 PARTNER HIGHLIGHTS



CUC ADDICTION MEDICINE CLINIC

Under the leadership of CommUnityCare Chief Medical Officer Dr. Nick Yagoda and addiction medicine specialist Dr. John Weems, CUC is working to develop a cascade of care that integrates substance use disorder treatment with a patient's ongoing primary care while reducing barriers to that care. Patients are guided by experienced peer coaches as well as trained counselors and case managers who work with CUC's medical care teams. In 2023, the CUC substance use program added more than 350 new patients for treatment of opioid use disorder as well as other addictions.



HEALTH ALLIANCE FOR AUSTIN MUSCIANS (HAAM)

Singer-Songwriter Benji Lamar performs for HAAM day 2023 at Central Health's offices. Lamar is a member of the Health Alliance for Austin Musicians (HAAM), and through HAAM was able to purchase a Sendero IdealCare plan on the Affordable Care Act insurance exchange. Central Health pays the premiums for HAAM members' coverage through Sendero. Lamar said part of the reason he performs is to raise awareness for mental and behavioral health. "Since getting HAAM I've accessed the wellness services. ...The dental and the vision," Lamar said. "I'll have health care for another year and keep focusing on the music."



LOOKING AHEAD TO FY 2024

GROWING AND FOCUSING TO MEET TRAVIS COUNTY'S NEEDS

As fiscal year 2023 neared its end in late September, the Travis County Commissioners Court approved Central Health's budget for FY 2024, which includes more than \$80 million in new investments in patient care and organizational capacity:

- ✦ Direct specialty care at three sites in East Austin: the East Clinic (2nd and Comal), Capital Plaza (I-35 at 51st Street), and Rosewood-Zaragosa (Webberville and Pleasant Valley)
- ✦ Opening Hornsby Bend and Del Valle Health and Wellness Centers
- ✦ Increased services at the Black Men's Health Clinic in East Austin
- ✦ Support for CommUnityCare's street medicine and mobile clinic teams
- ✦ Expansion of medical respite and transitions of care teams
- ✦ Substance use disorder treatment and addiction medicine
- ✦ Inmate health at the Travis County Jail
- ✦ 24-7 staffing of Psychiatric Emergency Services in partnership with Integral Care
- ✦ Establishing a Navigation Center to guide patients to appropriate care
- ✦ Building out the Central Health system's technology infrastructure and data analytics

Healthcare Equity Plan Implementation

Year-over-Year Increase (in millions) - Total: \$682.4 million



TRAVIS COUNTY HOSPITAL DISTRICT dba CENTRAL HEALTH

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION SEPTEMBER 30, 2023

ASSETS	PRIMARY GOVERNMENT		COMPONENT UNITS	
	BUSINESS-TYPE ACTIVITIES	COMMUNITYCARE	SENDERO (DECEMBER 31,2022)	COMMUNITY CARE COLLABORATIVE
Current Assets:				
Cash and cash equivalents	\$ 5,170,053	\$ 14,438,414	\$ 17,834,603	\$ 104,038
Cash restricted for Local Provider Participation Fund (Note 15)	25,883	-	-	-
Short-term investments	489,985,824	14,887,547	3,105,399	-
Ad valorem taxes receivable, net of allowance for uncollectable taxes of \$3,476,718	2,240,662	-	-	-
Accounts receivable, net of allowance for doubtful amounts of \$7,144,240	-	19,691,493	-	-
Accounts receivable	-	-	1,838,817	-
Risk adjustments receivable	-	-	47,004,179	-
Premium receivable, net	-	-	-	-
Reinsurance recoverables	-	-	7,132,314	-
Grants receivable	-	5,033,955	-	-
Lease receivable	5,729,943	-	-	-
Other receivables	12,689,926	-	-	83,962
Inventory	-	703,375	-	-
Prepaid expenses and other assets	941,148	1,089,489	720,970	-
Total current assets	516,783,439	55,844,273	77,636,282	188,000
Noncurrent Assets:				
Investments restricted for capital acquisition	48,831,502	-	-	-
Investments restricted for Local Participation Fund (Note 15)	3,425,476	-	-	-
Investments restricted for facilities	133,115,569	-	-	-
Long-term receivables	4,000,000	-	-	-
Investment in Sendero	71,000,000	-	-	-
Sendero surplus debenture	37,083,000	-	-	-
Lease receivable	237,834,083	-	-	-
Goodwill	-	17,849,487	-	-
Capital assets:				
Land	28,846,314	-	-	-
Right to use leased assets - land	42,921,307	-	-	-
Capital projects in progress	25,945,756	-	-	-
Buildings and improvements	74,060,409	6,903,768	-	-
Right to use leased assets - buildings	4,044,219	7,659,091	637,344	-
Equipment and furniture	18,042,702	2,546,514	38,215	-
Subscription-based IT assets	5,869,627	-	-	-
Less accumulated depreciation and amortization	(38,492,160)	(1,582,519)	(40,408)	-
Total current assets, net	161,238,174	15,526,854	635,151	-
Total noncurrent assets	696,527,804	33,376,341	635,151	-
Total assets	1,213,311,243	89,220,614	78,271,433	188,000
LIABILITIES & DEFERRED INFLOWS OF RESOURCES				
Current Liabilities:				
Accounts payable	5,834,644	5,666,936	1,028,641	-
Unpaid losses, loss adjustment expenses and risk adjustment payable	-	-	8,957,517	-
Claims payable	-	-	651,754	-
Funds held under reinsurance agreements	-	-	39,289,132	-
Medical loss ratio rebate	-	-	1,383,981	-
Salaries and benefits payable	5,629,019	7,945,458	-	-
Accrued interest	2,329,628	-	-	-
Deferred rent	-	-	-	-
Other accrued liabilities	12,746,649	342,282	3,460,746	188,000
Bonds and certificates of obligations payable	7,440,000	-	-	-
Premium tax payable	-	-	287,312	-
Lease payable	1,195,661	2,083,284	252,294	-
Subscription-based IT payable	1,694,062	-	-	-
Unearned revenue	-	1,036,313	2,167,755	-
Surplus debenture	-	-	37,083,000	-
Seller note payable	-	2,888,081	-	-
Note payable	-	1,140,000	-	-
Due to Central Health	-	2,106,431	2913,704	-
Total current liabilities	36,869,663	23,208,785	95,475,836	188,000
Noncurrent Liabilities:				
Bonds and certificates of obligations payable	168,365,736	-	-	-
Due to Local Provider Participation Fund (Note 15)	3,451,359	-	-	-
Subscription-based IT payable	45,140,938	5,411,183	385,050	-
Lease payable	2,874,797	-	-	-
Note payable	-	760,000	-	-
Due to Central Health	-	4,000,000	-	-
Total noncurrent liabilities	219,832,830	10,171,183	385,050	-
Total liabilities	256,702,493	33,379,968	78,951,756	188,000
Deferred Inflows of Resources:				
Leases	237,291,717	-	-	-
Total noncurrent liabilities and deferred inflows of resources:	493,994,210	33,379,968	95,860,886	188,000
NET POSITION				
Net investment in capital assets	64,133,855	-	-	-
Restricted for capital acquisition and facilities	52,340,196	-	-	-
Restricted for HMO	-	-	71,000,000	-
Unrestricted	602,842,982	55,840,646	(88,589,453)	-
Total net position	719,317,033	55,840,646	(17,589,453)	-

TRAVIS COUNTY HOSPITAL DISTRICT dba CENTRAL HEALTH

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION SEPTEMBER 30, 2023



	PRIMARY GOVERNMENT	COMPONENT UNITS		
	BUSINESS-TYPE ACTIVITIES	COMMUNITYCARE	SENDERO (DECEMBER 31, 2021)	COMMUNITY CARE COLLABORATIVE
OPERATING REVENUES				
Lease revenue	\$ 17,434,382	\$ -	\$ -	\$ -
Ground sublease revenue	2,263,902	-	-	-
Net patient service revenue	-	163,819,825	-	-
Premium revenue, net	-	-	62,595,603	-
Grant revenue	2,692,792	27,760,314	-	-
Foundation grant revenue	-	1,357,082	-	-
Revenue received from Central Health	-	16,438,643	-	-
Revenue received from Delivery System Reform Incentive Payment	-	-	-	9,045,686
Revenue received from Seton Affiliation	-	133,245	-	-
Personal services received from an affiliate	-	-	-	131,876
Total operating revenues	22,391,076	209,509,109	62,595,603	9,177,562
OPERATING EXPENSES				
Health care delivery	152,359,531	-	-	486,630
Program services	-	172,729,787	-	-
Medical expenses, net of reinsurance	-	-	46,952,539	-
Supporting services	-	30,266,445	-	-
Administration	15,706,222	-	3,041,417	392,725
Salaries and benefits	-	-	3,680,747	-
Outsourced services	-	-	3,505,073	-
UT Affiliation	22,430,000	-	-	12,570,000
Depreciation and amortization	5,618,690	-	-	-
Total operating expenses	196,114,443	202,996,232	57,179,776	13,449,355
Operating income (loss)	(173,723,367)	6,512,877	5,415,827	(4,271,793)
NONOPERATING REVENUES (EXPENSES)				
Ad valorem tax revenue	280,038,350	-	-	-
Tax assessment and collection expense	(2,181,657)	-	-	-
Tobacco settlement revenue, net	4,828,924	-	-	-
Investment income	18,829,914	-	-	-
Interest expense	(4,190,302)	-	-	-
Loss on sale of capital assets	(42,630)	-	-	-
Other revenue (expense)	5,063,162	975,329	122,240	333,385
Total nonoperating revenues, net	302,345,761	975,329	122,240	333,385
Change in net position	128,622,394	7,488,206	5,538,067	(3,938,408)
Total net position - beginning of year	590,694,639	48,352,440	(23,127,250)	3,938,408
Total net position - end of year	719,317,033	55,840,646	(17,589,453)	-

VISIT CENTRALHEALTH.NET/LIBRARY/FINANCIAL-REPORTS/ANNUAL-FINANCIAL-AUDIT-REPORTS/ TO SEE THE COMPLETE FY2023 FINANCIALS, INCLUDING THE NOTES THAT ARE AN INTEGRAL PART OF THESE STATEMENTS.

FISCAL YEAR 2023
CENTRAL HEALTH

BOARD OF MANAGERS



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Chairperson



DR. CYNTHIA BRINSON
Vice-Chairperson



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Treasurer



CYNTHIA VALADEZ
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CENTRAL HEALTH

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