



2019 **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.

CENTRAL HEALTH ENTERPRISE PARTNERS



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



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

www.centralhealth.net
[@CentralHealthTX](https://twitter.com/CentralHealthTX)

MISSION. 147,504. That's how many Travis County residents Central Health and its partners served in 2019, 5,870 more than the prior year. Central Health's mission is simple: By caring for those who need it most, we improve the health of the community. We do this by partnering with dozens of health care providers and organizations who provide care at more than 180 locations. Together, we bring comprehensive care to Travis County, including inpatient and outpatient hospital care, primary care, specialty care, recuperative and hospice care, and services for patients discharged from the hospital transitioning back into their lives. These services are at the core of Central Health's mission.

CHANGE. As communities in Travis County change, Central Health is positioned to meet their immediate needs and work toward longer-term solutions. In 2019, we deployed a mobile health clinic in partnership with CommUnityCare Health Centers to underserved parts of Travis County; began planning and purchased land for future health and wellness centers; and ramped up community outreach efforts to connect more people to care. We also created a new division—Health Care Delivery—that is focused on our local health care system. By dedicating resources to access to care, provider contracts, care management, data and analytics, and health coverage enrollment, the new division will be at the forefront of care innovation. These examples represent a much bigger body of work that all comes back to our mission of caring for those who need it most.

OBJECTIVES. The Central Health Board of Managers established three strategic objectives that guide our allocation of resources:

- + Deliver health care based on people and place – where people live, work, and gather;
- + Create a patient-centered, well-coordinated health care system; and
- + Use a fiscal strategy founded on sustainability, which includes revenues from our downtown property (former home of University Medical Center Brackenridge).

These objectives ensure our resources are dedicated to better health and health equity for those who need it most. It's already working, evidenced by both the temporary and long-term services in eastern Travis County; the shifts in budget allocations to more primary and specialty care; and preliminary steps taken to position our downtown property as an exciting and revenue-generating development in Austin's Innovation District.

VALUES. Financial and service-level reports are important because they demonstrate how Central Health uses funds. Our values—Stewardship, Innovation, Respect, and Collaboration—demonstrate how the people side of our organization works day-to-day. This report is a culmination of our values as seen in our Board of Managers, the staff of Central Health and its Enterprise partners CommUnityCare and Sendero Health Plans, and our many volunteers. Their commitment, talents, energy and drive to improve the health of those we serve are the reason our results are possible.

We're honored to provide health and health care for almost one in every seven people in Travis County. Focused on mission, preparing for change, guided by objectives, and grounded in values – it is an honor to submit our Fiscal Year 2019 Report.

Respectfully Submitted,

Mike Geeslin

Central Health President and CEO





CENTRAL HEALTH

2019 BY THE NUMBERS

Central Health is the public healthcare district serving the residents of Travis County. Among Central Health's core tenets is ensuring all residents enjoy access to quality and timely health care services; and providing low-income and uninsured residents access to health coverage programs. In 2019, Central Health treated more patients, at more locations, than ever before.

ENSURING ... ACCESS TO CARE

OUR PATIENTS

147,504 PATIENTS SERVED
an increase of 5,870 patients from
the previous year.

OUR NETWORK

183 PROVIDER LOCATIONS
including community health centers,
hospitals, specialists, dentists and
urgent care locations.

OUR CARE

394,425 PRIMARY CARE VISITS
provided through Central Health's
broad network of health care
partners.

OUR GROWTH

in 2019, Central Health's provider
network continued to expand
and innovate, providing new
and convenient care options for
community members.



2019 EXPANSIONS

JONESTOWN
*Lone Star
Circle of Care
walk-in clinic*

COLONY PARK
*CommUnityCare
mobile clinic*

DOVE SPRINGS
*CommUnityCare
primary care clinic*

CREEDMOOR
*CommUnityCare
mobile clinic*

MONTOPOLIS
*CommUnityCare
walk-in clinic*

HORNSBY BEND
*CommUnityCare
house calls*

DEL VALLE
*CommUnityCare
weekend
appointments*

PROVIDING ... ACCESS TO COVERAGE

47,532

uninsured Travis
County residents
received health
coverage through
Central Health's
Medical Access
Program (MAP).

1,883

received insurance
premium
assistance from
Central Health—
including 1,220
Austin musicians
and music industry
professionals.

96,536

enrollment
assistance calls
were taken at the
Central Health
Call Center.

2019

MILESTONES & HIGHLIGHTS

Central Health helped thousands of Travis County residents achieve better and healthier lives in 2019. The healthcare district's work is guided by three strategic objectives, which provide a roadmap toward achieving our vision and supporting our values—*Stewardship, Innovation, Respect and Collaboration.*

OBJECTIVE 1

Develop and execute health care delivery based on people and space

SERVICE EXPANSION

- + Central Health Enterprise partner CommUnityCare launched a house call program in the Hornsby Bend community of eastern Travis County, providing residents at-home visits with a family nurse practitioner and a bilingual medical assistant.
- + Central Health purchased a 40-foot mobile clinic featuring two exam rooms, a lab and a four-person waiting area. Operated by CommUnityCare, the mobile clinic offers primary care, preventive care, vaccines, labs, disease management and pharmacy services five days per week at set locations in the Colony Park and Creedmoor communities.
- + CommUnityCare created convenient care options by adding walk-in primary care at the Central Health Southeast Health & Wellness Center, and incorporating Saturday clinic hours at the Del Valle Health Center.
- + Central Health partner Lone Star Circle of Care opened a new convenient care location in Jonestown, providing MAP and MAP BASIC members access to walk-in services seven days a week.

COMMUNICATION AND COMMUNITY ENGAGEMENT

- + Central Health's outreach teams reached 4,874 people through face-to-face encounters, a 1,573 increase versus the previous year.
- + A public education initiative developed to connect people to care resulted in 39.2 million impressions.

CAPITAL ACQUISITIONS

- + Central Health purchased a 10-acre lot in Hornsby Bend to support future health care services for the residents of East Travis County.

HEALTH CENTER REALIGNMENT

- + CommUnityCare's William Cannon clinic began offering primary care services to better serve the health needs of the Dove Springs community.
- + The Blackstock Family Residency Program—the primary training site for the Dell Medical School's family residency program—moved into the Central Health Southeast Health & Wellness Center, providing an estimated 8,000 additional annual primary care visits.

POPULATION HEALTH

- + Central Health partnered with Austin Public Health and Travis County Health and Human Services to create neighborhood profiles of Del Valle, Pflugerville, and Hornsby Bend to guide health care and social service planning in the communities.
- + The Central Health Equity Policy Council worked with Travis County safety-net providers to ensure routine HIV screening and implementation of a rapid linkage to care treatment model in partnership with the Fast Track Cities Initiative.
- + Central Health launched a transportation initiative in partnership with Lyft and United Way for Greater Austin. The program provided free rides to and from the Central Health Southeast Health & Wellness Center for medical appointments, pharmacy visits and social services.

OBJECTIVE 2

Implement a patient-focused and coordinated health care system

HEALTH COVERAGE

- + Sendero Health Plans provided full health care coverage and over \$10 million in care for 224 CHAP members (former high-needs MAP members whose coverage is sponsored by Central Health).
- + Central Health's eligibility team provided 26,792 in-person appointments at six Travis County eligibility office locations.
- + In April, Central Health launched MAP BASIC—a coverage program for low-income residents in need of primary care and prescription services—and enrolled 27,415 new members.

PRIMARY CARE

- + CommUnityCare shifted its model of care to a team-based approach, utilizing collaborative teams of providers, medical assistants, dietitians, clinical pharmacists and behavioral health counselors to advocate for better patient care.

SPECIALTY CARE

- + Central Health increased access to specialty care for MAP members, adding specialists in general surgery, gastroenterology, dermatology and ear, nose and throat (ENT) to its provider network.

WOMEN'S HEALTH

- + CommUnityCare began offering free pregnancy testing at the North Central Health Center, expanding on the success of a program launched in 2018.
- + Central Health introduced \$0 co-pays for MAP members seeking oral contraception.

MENTAL HEALTH SERVICES

- + CommUnityCare provided more than 15,800 behavioral health visits, allowing patients to receive comprehensive services through their primary care provider.

SERVICES FOR HOMELESS PATIENTS

- + Central Health enrolled 11,635 Travis County residents experiencing homelessness in MAP, providing them with no-cost co-pays and prescription coverage.
- + Central Health launched a residential rooming services pilot, providing homeless MAP patients a place to rest and recover from short-term illnesses.

OBJECTIVE 3

Implement a sustainable financial model for health care delivery and system strategies through 2024

STEWARDSHIP

- + Central Health continued to maintain the lowest tax rate among the six major urban Texas hospital districts.
- + Central Health's net position increased \$29.1 million, a 10 percent increase compared to the previous year.

OPTIMIZING THE BRACKENRIDGE CAMPUS

- + Central Health increased lease revenue from the Brackenridge Campus by more than \$2.4 million versus the previous year, providing additional funding to support health care in the community.

PLANNING

- + New budget priorities were approved by the Central Health Board of Managers, including priority projects in East Travis County; continued redevelopment of the Brackenridge Campus; women's and mental health initiatives; and community outreach and engagement efforts.

TRAVIS COUNTY HEALTHCARE DISTRICT dba CENTRAL HEALTH

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

SEPTEMBER 30, 2019

	Primary Government		Component Units	
	Business-type		Sendero	Community Care
	Activities	CommUnityCare	(December 31, 2018)	Collaborative
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,036,369	\$ 20,377,341	\$ 51,418,408	\$ 33,956,192
Cash restricted for Local Provider Participation Fund (Note 16)	25,717	-	-	-
Short-term investments	96,060,587	-	2,461,405	-
Ad valorem taxes receivable, net of allowance for uncollectible taxes of \$2,384,240	1,203,466	-	-	-
Accounts receivable, net of allowance for doubtful amounts of \$13,698,736	-	13,259,236	-	-
Accounts receivable	-	-	2,550,064	-
Premium tax refund	-	-	1,001,007	-
Premium receivable	-	-	13,914	-
Reinsurance recoverables	-	-	136,823	-
Grants receivable	-	1,395,284	-	-
Other receivables	4,124,703	-	-	393,998
Inventory	-	658,019	-	-
Prepaid expenses and other assets	328,274	856,814	663,137	221,069
Total current assets	102,779,116	36,546,694	58,244,758	34,571,259
Noncurrent assets:				
Investments restricted for capital acquisition	5,991,347	-	-	-
Investments restricted for Local Provider Participation Fund (Note 16)	12,787,671	-	-	-
Long-term receivables	4,000,000	-	-	-
Investment in Sendero	71,000,000	-	-	-
Sendero surplus debenture	37,083,000	-	-	-
Goodwill	-	1,412,400	-	-
Capital assets:				
Land	12,546,211	-	-	-
Construction in progress	1,483,800	2,601	-	-
Buildings and improvements	130,395,331	1,178,215	-	-
Equipment and furniture	9,551,256	1,148,418	38,215	-
Less accumulated depreciation	(43,094,537)	(1,398,751)	(38,215)	-
Total capital assets, net	110,882,061	930,483	-	-
Total noncurrent assets	241,744,079	2,342,883	-	-
Total assets	344,523,195	38,889,577	58,244,758	34,571,259
LIABILITIES				
Current liabilities:				
Accounts payable	3,356,631	3,237,005	260,700	752,175
Unpaid losses and loss adjustment expenses and risk adjustment payable	-	-	35,849,892	-
Claims payable	-	-	2,243,627	-
Salaries and benefits payable	1,446,078	5,615,306	-	-
Accrued interest	27,203	-	-	-
Deferred rent	-	297,998	-	-
Other accrued liabilities	30,719	2,116,535	3,443,999	14,858,779
Certificates of obligation	1,065,000	-	-	-
Capital lease obligation	91,563	-	-	-
Unearned revenue	616,466	1,968,589	2,795,163	1,961,042
Surplus debenture	-	-	37,083,000	-
Due to Central Health	-	1,526,927	554,305	1,267,478
Total current liabilities	6,633,660	14,762,360	82,230,686	18,839,474
Noncurrent liabilities:				
Unearned revenue, net of current portion	610,000	-	-	-
Certificates of obligation	7,285,000	-	-	-
Due to Local Provider Participation Fund (Note 16)	12,813,388	-	-	-
Capital lease obligation, net of current portion	21,793	-	-	-
Due to Central Health	-	4,000,000	-	-
Total noncurrent liabilities	20,730,181	4,000,000	-	-
Total liabilities	27,363,841	18,762,360	82,230,686	18,839,474
NET POSITION				
Net investment in capital assets	102,532,061	-	-	-
Restricted for capital acquisition	5,991,347	-	-	-
Restricted for HMO	-	-	71,000,000	-
Unrestricted	208,635,946	20,127,217	(94,985,928)	15,731,785
Total net position	\$ 317,159,354	\$ 20,127,217	\$ (23,985,928)	\$ 15,731,785

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

TRAVIS COUNTY HEALTHCARE DISTRICT dba CENTRAL HEALTH

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED SEPTEMBER 30, 2019

	Primary Government		Component Units	
	Business-type		Sendero	Community Care
	Activities	CommUnityCare	(December 31, 2018)	Collaborative
Operating revenues:				
Downtown Campus lease revenue	\$ 12,270,652	\$ -	\$ -	\$ -
Ground sublease revenue	934,177	-	-	-
Net patient service revenue	-	70,875,066	-	-
Premium revenue, net	-	-	121,038,135	-
Grant revenue	-	11,904,654	-	-
Foundation grant revenue	-	524,256	-	-
Revenue received from Central Health	-	-	-	-
Revenue received from CCC	-	15,769,560	-	35,348,600
Revenue received from Delivery System Reform Incentive Payment	-	19,161,911	-	-
Revenue received from Seton Affiliation	-	10,142,365	-	75,365,262
Personnel services received from an affiliate	-	-	-	21,266,490
Personnel services received from an affiliate	-	-	-	691,333
Total operating revenues	13,204,829	109,215,901	121,038,135	132,671,685
Operating expenses:				
Health care delivery	172,374,509	36,155,469	121,543,683	123,546,002
Health Information Technology	-	-	-	2,234,412
Administration	-	-	-	1,870,564
Salaries and benefits	4,147,108	71,178,057	3,760,029	-
Other purchased goods and services	2,635,440	234,845	15,676,666	-
Depreciation and amortization	4,481,896	342,120	-	-
Total operating expenses	183,638,953	107,910,491	140,980,378	127,650,978
Operating income (loss)	(170,434,124)	1,305,410	(19,942,243)	5,020,707
Nonoperating revenues (expenses):				
Ad valorem tax revenue	197,810,630	-	-	-
Tax assessment and collection expense	(1,577,987)	-	-	-
Tobacco settlement revenue, net	3,523,773	-	-	-
Investment income	3,109,557	-	207,034	-
Interest expense	(356,605)	-	-	-
Loss on disposal of capital assets	(3,009,588)	-	-	-
Other revenue	10,940	-	-	622,771
Total nonoperating revenues, net	199,510,720	-	207,034	622,771
Change in net position prior to capital contribution	29,076,596	1,305,410	(19,735,209)	5,643,478
Capital contribution received from Central Health	-	-	26,000,000	-
Change in net position after capital contribution	29,076,596	1,305,410	6,264,791	5,643,478
Total net position - beginning of year	288,082,758	18,821,807	(30,250,719)	10,088,307
Total net position - end of year	\$ 317,159,354	\$ 20,127,217	\$ (23,985,928)	\$ 15,731,785

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

FISCAL YEAR 2019
CENTRAL HEALTH
BOARD OF MANAGERS



Sherri Greenberg
Vice-Chairperson



Dr. Charles Bell
Treasurer



Katrina Daniel
Manager



Shannon Jones
Manager



Cynthia Valadez, Sr.
Manager



Julie Oliver
Manager



Dr. Guadalupe Zamora
Chairperson



Dr. Abigail Aiken
Secretary



Maram Museitif
Manager



Julie Zuniga
Manager



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