

**Connecting  
People to Health  
Care + Bringing  
Providers Together  
+ Tackling the  
Community's  
Challenges +  
Maximizing the  
Taxpayers'  
Investment**



**CENTRAL HEALTH**

**2009 Annual Report**

Formerly Travis County Healthcare District



## Table of Contents



From the President & CEO	1
From the Board Chairperson	2
Creating Positive Change	3
• Connecting People to Health Care	
• Bringing Providers Together	
• Tackling the Community's Challenges	
• Maximizing the Taxpayers' Investment	
Program Highlights	6
Financial Statements	10
Board of Managers and Executive Staff	IBC

## From the President & CEO

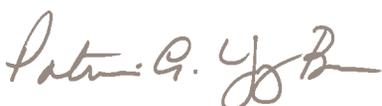
Five years ago when Central Health was created, we established a vision of Travis County as a model healthy community. We also moved forward with a plan — a series of steps to close gaps in healthcare access and services and improve the efficiency and effectiveness of both public and private investments in health care.

Our careful groundwork and commitment to responsible stewardship positioned us in 2009 to take additional steps that will create positive outcomes for many in our community. As you'll see in this report, we've expanded access to care for enrollees in the Medical Assistance Program while also significantly improving the efficiency and user-friendliness of the program. Our network serving eligible uninsured residents of the community has been broadened with new primary care, specialty care and mental health providers. With Central Health's support, CommUnityCare's network of health centers is growing with new facilities and investments, including federal stimulus dollars.

Fiscal Year 2009 also saw Central Health join with other institutions to develop constructive solutions to the region's healthcare challenges. The TexHealth Central Texas program provides local small businesses with an affordable option for employee health coverage — a critical regional need. Our partnership with Lone Star Circle of Care and other community providers creates additional access to care for Medical Assistance Program enrollees and eligible uninsured residents of our community. Central Health's participation in Centex Systems Support Services and the Integrated Care Collaboration's health information exchange supports systemic efficiencies through shared investments in health information technology. Central Health invested along with the Seton Family of Hospitals to bring University Medical Center Brackenridge to Level I Trauma Center status, a vital resource for Travis County and all of Central Texas.

Central Health sees its mission as providing both financial support to ensure access to care for eligible residents as well as leadership to the county and the region to optimize the effectiveness of our healthcare system for all who need it. That mission, in turn, calls for us to reach out to our community, including those who need care, those who provide care, those who make decisions that affect care, and those who help to fund this care through the support of their tax dollars.

Our new name reflects this commitment to inclusion, to bringing people together and to being both a hub and a guide for important decision-making on health care. Moving ahead to 2010 and beyond, we look forward to continuing to work with all stakeholders to use our resources strategically to achieve our vision of a model healthy community.



Patricia A. Young Brown, C.P.A.

*President & CEO*



## From the Board Chairperson

Central Health is in the healthcare business, but it is also in the partnership business. The Board of Managers, our exceptional executive team, and all of the dedicated and skilled staff aim to be partners to Travis County and Central Texas and to all the people we serve. We consistently look for the best ways to be a valued partner to clients, enrollees, providers, other institutions and agencies, and most of all to the taxpayers of Travis County.

Those taxpayers have for years been clear in their commitment to making Travis County a place where everyone can and will be healthy, one where quality care is effectively delivered to all who need it. Our job at Central Health is to make investments, develop plans and create collaborations that fulfill that commitment. It is an important and sometimes daunting task, particularly in the context of a national healthcare system that faces so many well-known challenges. We endeavor to do that job every day with the utmost care and responsibility and ensure that our promise to the community is delivered.



Thomas B. Coopwood, M.D.

*Chairperson, Central Health Board of Managers*

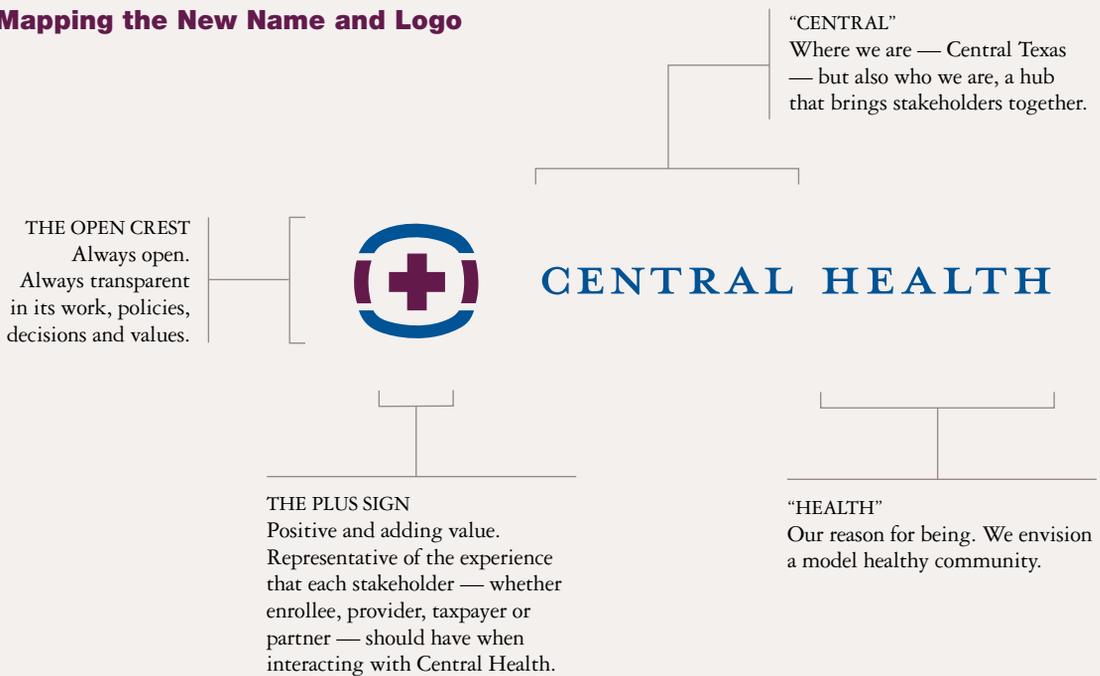


**Central Health is in the healthcare business, but it is also in the partnership business.**

# Creating Positive Change

In 2009, the Travis County Healthcare District changed its name but not its focus. Over its five years of existence, Central Health has endeavored to further a shared vision of Central Texas as a model healthy community through making strategic investments, forging partnerships, and creating efficiencies that help all in Travis County access the health care they need. This past year saw notable achievements that both meet the needs of the community today and set the stage for future progress.

## Mapping the New Name and Logo



## Connecting People to Health Care

Both acute economic conditions and chronic challenges facing the healthcare system led Central Health to increase enrollment in the Medical Assistance Program (MAP) by nearly 50 percent in 2009. Central Health was able to respond to this significant growth in demand with expansions to the MAP provider network and by implementing a number of changes to the eligibility and enrollment process for MAP, creating a more efficient and user-friendly system. These included relocating the main MAP enrollment office, contracting for a customer service line, and allowing for mail-in MAP enrollment renewal and electronic scanning of key documents. Further enhancements to the system, including fully electronic “virtual” eligibility determination, are under development as Central Health and the community move toward the concept of a “no wrong door” entry to services.

In 2009, Central Health oversaw the transition, on time and within budget, of both MAP and CommUnityCare from their prior status as programs of the City of Austin. Central Health’s partnership with CommUnityCare, an affiliated nonprofit Federally Qualified Health Center (FQHC) system, includes both management support and significant investments that allowed the health center network to add staff and services in 2009 to meet the needs of patients and to move forward with new and needed facilities, including health centers at Braker Lane (in design) and Rundberg Lane (now open).

CommUnityCare now operates 19 locations, including two University of Texas health centers (in Central Austin and in Del Valle) now affiliated with the community health center system, and two urgent care sites, including the Red River Clinic, designed to provide more effective access to care for patients seeking services at University Medical Center Brackenridge.

## Bringing Providers Together

Central Health extended the MAP provider network in 2009 through new or expanded contracts with 10 additional community providers, including People’s Community Clinic and Lone Star Circle of Care (LSCC). Enrollees in MAP also gained access to new and enhanced specialty services through the Paul Bass Clinic, urgent care services through NextCare Urgent Care, and home care through House Call Doctors.

LSCC was also added to the primary care provider network for self-pay/sliding-fee patients, and expanded services for this population — which, along with MAP enrollment, grew significantly in 2009 — were also funded at El Buen Samaritano. In the arena of mental health, a key focus area of Central Health since its inception, contracted crisis services were enhanced to include intensive outpatient treatment, and new providers and services were added to the network at Austin Lakes Hospital, People’s Community Clinic and LSCC.

**Central Health extended the MAP network through new or expanded contracts with additional providers.**

## Tackling the Community's Challenges

Central Health's role in strengthening, supporting and guiding the regional healthcare system was exemplified in 2009 with several efforts that brought together an array of public and private partners to address ongoing challenges in Central Texas. The work in information technology is one such effort, bringing together multiple safety-net providers serving patients both in and outside of Travis County.

Another high-profile collaborative effort in 2009 was the launch of TexHealth Central Texas, an affordable employee health benefits program for small businesses that currently lack insurance coverage. Central Health provided both investment and management support, including community outreach, to TexHealth, in partnership with other agencies in the program's service area of Travis, Williamson and Hays Counties.

As part of the ongoing enhancement and evolution of the "no wrong door" approach to connecting patients with needed health care, Central Health is working with the Community Action Network to explore options for integrating a range of social and community services into the model. Meanwhile, one of the most important regional service providers, University Medical Center Brackenridge, was able to obtain Level 1 Trauma Center status thanks to investments from Central Health, providing residents throughout Central Texas with important access to critical emergency care.

## Maximizing the Taxpayers' Investment

Central Health's vital role as steward of the taxpayers' dollars governed its responses in 2009 to the community's healthcare needs. The timely, efficient transition of CommUnityCare set the stage for the community health center system to increase services, move forward with infrastructure investments, and receive nearly \$1.8 million in federal stimulus funding to support increased access through renovations to the South and East Austin Health Centers, scheduled for 2010.

The community's investment in access to care is also leveraged through partnerships and collaborations spearheaded by Central Health. This includes the ongoing work of Central Health, LSCC and other providers to implement electronic health records and other community health information technology among local safety-net providers. LSCC, People's Community Clinic and El Buen Samaritano all saw electronic records implemented in 2009. Federal stimulus funding is also being sought to expand these efforts.



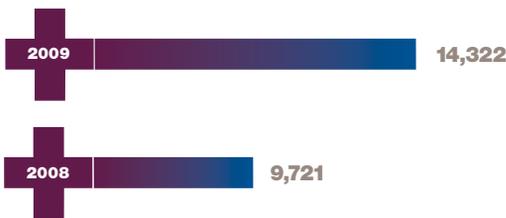
Texas Senator Kirk Watson speaks at an event commemorating the first Travis County business to enroll in TexHealth Central Texas, an affordable health benefits program for small businesses.

## 2009 Program Highlights

### Medical Assistance Program

- Medical Assistance Program (MAP) enrollment increased from 9,721 in October 2008 to 14,322 in September 2009 for an increase of 47% over the course of the year.
- Central Health implemented or initiated a number of changes to the enrollment process to facilitate access for individuals seeking coverage:
  - Enhanced and implemented the Medicaider system, used by many safety-net partners throughout the community
  - Implemented mail-in renewal process
  - Implemented expedited process with contracted providers which allows the providers to initiate the screening process and fax information for processing
  - Implemented pilot sites to test virtual eligibility application process
- Central Health held focus groups with MAP enrollees and facilitated a meeting with community stakeholders to solicit feedback on enrollment processes. Data will be used to inform Central Health's ongoing planning and dialogue with community stakeholders.
- Central Health relocated the main eligibility/enrollment services office to 110 Chalmers Avenue to provide better parking and interview space for clients.
- Central Health enhanced the MAP medical management function by establishing a unit to focus on performance improvement. This unit has developed new processes for tracking and trending complaints, reporting incidents, and supporting onsite provider facility and chart reviews, and has established a performance improvement committee to review this data and propose corrective feedback.
- Central Health contracted for a customer service line to more quickly respond to questions about MAP and the enrollment process and to schedule appointments for interviews.

### MAP ENROLLMENT



**MAP enrollment increased 47% over the course of FY 2009.**

## 2009 Program Highlights

### Provider Network

- Central Health expanded MAP enrollee access to current services and added new specialty services through the Paul Bass Clinic – gastroenterology, orthopedics, ENT, endocrinology, rheumatology and cardiology. Enrollees also can now receive urgent care services through NextCare Urgent Care and physician home visits as needed from House Call Doctors.
- Central Health expanded the MAP provider network for primary medical care and behavioral health care to include Lone Star Circle of Care (LSCC) and behavioral health services at People’s Community Clinic. Self-pay/sliding-fee patients can also access care from LSCC and through expanded services at El Buen Samaritano.

### CommUnityCare

- The transition of CommUnityCare from the City of Austin to Central Health was completed on time and under budget.
- Central Health funded a new CommUnityCare center that is now open at Rundberg Lane. CommUnityCare also added two University of Texas health center locations to its network and now operates urgent care sites at William Cannon Drive and on Red River near University Medical Center Brackenridge.



University Medical Center Brackenridge earned Level 1 Trauma Center status in 2009.

- Work commenced on neighborhood outreach and planning for the approved North Central Health Center on Braker Lane.
  - Central Health initiated a collaborative planning effort with LSCC and CommUnityCare to ensure efficiency and consistency of care in both Travis County and the surrounding counties served by LSCC.
  - Central Health and CommUnityCare received almost \$1.8 million in federal stimulus dollars to support increased access to primary medical care at the South and East Austin Health Centers.
- ### University Medical Center Brackenridge
- Central Health provided financial support to the Seton Family of Hospitals to assist University Medical Center Brackenridge to meet requirements to obtain Level 1 Trauma Center status.

## 2009 Program Highlights

### Mental Health Services

- Central Health added intensive outpatient services to contracted mental health crisis services.
- Central Health expanded the provider network for inpatient psychiatric services to include Austin Lakes Hospital, and expanded the scope of services funded at People's Community Clinic and LSCC to include behavioral health care.

### Community and Regional Collaborations

- Central Health worked with regional partners to fund and implement TexHealth Central Texas, a nonprofit corporation offering reduced-cost health benefits options to small employers in Travis, Williamson and Hays Counties. Learn more at [www.TexHealthCentralTex.org](http://www.TexHealthCentralTex.org).
- Central Health began joint planning processes with the Seton Family of Hospitals and CommUnityCare to better coordinate care for shared enrollees and patients as well as to identify further opportunities to collectively meet community needs.
- Central Health reached out to stakeholders to develop consensus regarding eligibility criteria, including a "no wrong door" concept of access to service. This has also led to dialogue with the Community Action Network (CAN) about expanding the concept to integrate other social and community services. Central Health will be leading explorations of this effort through CAN in 2010.

- Centex Systems Support Services (CSSS), the nonprofit organization created by Central Health and its partners to implement electronic health records capability for safety-net providers, met its objectives by bringing electronic health records to LSCC, People's Community Clinic and El Buen Samaritano. CSSS is pursuing additional opportunities to implement and enhance health information technology, including federal funding.
- Central Health worked collaboratively as a charter member of Children's Optimal Health to enhance access to regional planning data.
- Central Health worked to reorganize and repurpose the Integrated Care Collaboration to focus on maximizing and expanding ICare data resources and analysis and their application to improve service delivery.
- Central Health was successful in its legislative efforts during the 2009 session. These included broadening hospital districts', counties' and public hospitals' ability to purchase health coverage for their enrollees, specifically including the ability to purchase three-share coverage, and permitting loan repayment for physicians who choose to work in underserved areas.

**Central Health added intensive outpatient services to contracted mental health crisis services.**

## 2009 Program Highlights

### Board of Managers and Administration

- In August 2009, Central Health recognized the dedicated service of three retiring board members: Eduardo Sanchez, Carl Richie and Rose Lancaster. During the summer of 2009, Central Health welcomed three new board members: Brenda Coleman-Beattie, Anthony Haley and Katrina Daniel.
- Central Health and its leaders were recognized with several community awards and nominations, including Healthcare Hero nominations for board Chairperson Tom Coopwood and Vice Chair Rosie Mendoza; a Central Texas Women of Influence Profiles in Power award for President & CEO Patricia Young Brown; and a Founder's Spirit award from the Conference of Southwest Foundations for retiring board member Rose Lancaster.
- Central Health's renaming and rebranding process culminated in late 2009 with the adoption of the new name for the former Travis County Healthcare District. A phased rollout of the new brand will be implemented in fiscal 2010.
- Central Health developed and launched a new Web site that received a Silver Quill award from the Southern Region of the International Association of Business Communicators. Other communications activities included more than 40 stories in local media about Central Health and its activities.
- Community relations efforts in 2009 included work with East Side planning groups and other community groups as well as with stakeholders and neighbors of the new North Central Community Health Center on Braker Lane. Central Health staff delivered presentations to more than 1,800 individuals about the organization and its activities.



Board Chairperson Dr. Tom Coopwood and President & CEO Patricia Young Brown attend University Medical Center Brackenridge's 125th Anniversary celebration.

**TRAVIS COUNTY HEALTHCARE DISTRICT, dba CENTRAL HEALTH,  
A COMPONENT UNIT OF TRAVIS COUNTY, TEXAS**

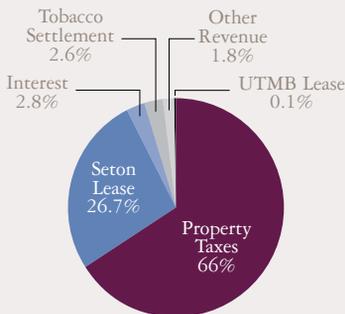
**STATEMENTS OF NET ASSETS  
SEPTEMBER 30, 2009**

	Primary Government Governmental Activities	Component Unit CommUnityCare
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 209,195	\$ 4,385,905
Restricted cash and cash equivalents	12,738,733	-
Short-term investments	86,438,890	-
Ad valorem taxes receivable, net of allowance for uncollectible taxes of \$126,696	347,393	-
Accounts receivable, net of allowance for doubtful amounts of \$3,916,747	-	6,361,473
Grants receivable	-	1,595,197
Other receivables	4,853,189	-
Inventory	-	110,898
Prepaid expenses	74,436	340,413
Total current assets	<u>104,661,836</u>	<u>12,793,886</u>
Noncurrent assets:		
Short-term investments restricted for capital acquisition	21,541,453	-
Long-term receivables	4,000,000	-
Capital assets:		
Land	10,345,124	-
Buildings and improvements	91,177,877	-
Equipment and furniture	2,451,077	210,338
Construction in progress	398,329	-
Less accumulated depreciation	<u>(9,635,482)</u>	<u>(2,658)</u>
Total capital assets, net	<u>94,736,925</u>	<u>207,680</u>
Total noncurrent assets	<u>120,278,378</u>	<u>207,680</u>
Total assets	<u>224,940,214</u>	<u>13,001,566</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	3,376,681	1,554,419
Private UPL payable	12,738,733	-
Salaries and benefits payable	354,539	2,142,060
Accrued retention bonus	-	350,078
Due to other governments	39,766	-
Other accrued liabilities	-	256,312
Current portion due to Travis County Healthcare District	-	4,322,187
Refundable advances - grants and contracts	-	129,047
Total current liabilities	<u>16,509,719</u>	<u>8,754,103</u>
Long-term portion due to Travis County Healthcare District	-	4,000,000
Total current and long-term liabilities	<u>16,509,719</u>	<u>12,754,103</u>
<b>NET ASSETS</b>		
Invested in capital assets	94,736,925	-
Unrestricted	<u>113,693,570</u>	<u>247,463</u>
Total net assets	<u>\$ 208,430,495</u>	<u>\$ 247,463</u>

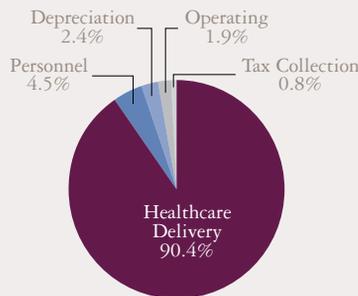
**TRAVIS COUNTY HEALTHCARE DISTRICT, dba CENTRAL HEALTH,  
A COMPONENT UNIT OF TRAVIS COUNTY, TEXAS**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEAR ENDED SEPTEMBER 30, 2009**

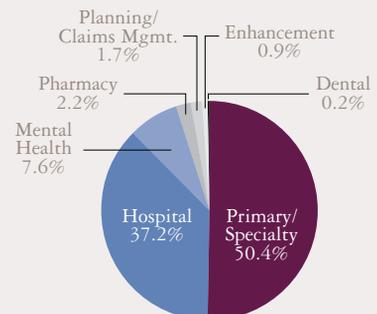
	Primary Government Governmental Activities	Component Unit CommUnityCare
<b>Operating revenues:</b>		
DSH/UPL program	\$ 25,129,307	\$ -
Operating lease revenue	1,155,396	-
Patient service revenue	-	8,143,994
Grant revenue	-	3,153,889
Revenue received from Travis County Healthcare District	<u>-</u>	<u>20,390,451</u>
Total operating revenues	<u>26,284,703</u>	<u>31,688,334</u>
<b>Operating expenses:</b>		
Healthcare delivery	78,274,127	9,922,621
Salaries and benefits	3,927,428	20,497,038
Other purchased goods and services	1,613,167	1,018,554
Depreciation	<u>2,069,504</u>	<u>2,658</u>
Total operating expenses	<u>85,884,226</u>	<u>31,440,871</u>
Operating income (loss)	<u>(59,599,523)</u>	<u>247,463</u>
<b>Nonoperating revenues (expenses):</b>		
Ad valorem tax revenue	64,717,711	-
Tax assessment and collection expense	(716,917)	-
Tobacco settlement revenue, net	2,573,184	-
Investment income	2,774,658	-
Other revenue	<u>1,767,021</u>	<u>-</u>
Total nonoperating revenues, net	<u>71,115,657</u>	<u>-</u>
Change in net assets	<u>11,516,134</u>	<u>247,463</u>
Total net assets - beginning of year	<u>196,914,361</u>	<u>-</u>
Total net assets - end of year	<u>\$ 208,430,495</u>	<u>\$ 247,463</u>



**EARNED REVENUE**



**EXPENSES**



**HEALTHCARE EXPENDITURES**

**TRAVIS COUNTY HEALTHCARE DISTRICT, dba CENTRAL HEALTH,  
A COMPONENT UNIT OF TRAVIS COUNTY, TEXAS**

**STATEMENTS OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2009**

	2009
<b>Cash flows from operating activities:</b>	
Cash received from DSH/UPL program, net	\$ 94,365,329
Cash payments for DSH/UPL program	(69,236,022)
Cash payments for private UPL program	(22,834,481)
Cash received from operating leases	1,155,396
Cash payments for goods and services	(55,476,578)
Cash payments to employees	<u>(3,714,148)</u>
Net cash used in operating activities	<u>(55,740,504)</u>
<b>Cash flows from noncapital financing activities:</b>	
Ad valorem taxes received	64,648,764
Payments for tax assessment and collection	(716,917)
Tobacco settlement received, net	2,573,184
Other nonoperating revenue received	326
Payments to CommUnityCare, net	<u>(8,322,187)</u>
Net cash provided by noncapital financing activities	<u>58,183,170</u>
<b>Cash flows from investing activities:</b>	
Receipts of interest income	212,360
Net proceeds from sale of investment pools	11,085,861
Purchase of certificates of deposit	(200,000)
Purchase of investment securities	(19,000,000)
Proceeds from maturities of investment securities	12,000,000
Purchase of capital assets	(3,459,536)
Non-cash capital assets conveyed	<u>1,766,695</u>
Net cash provided by investing activities	<u>2,405,380</u>
Net increase in cash and cash equivalents	4,848,046
Cash and cash equivalents - beginning of year	<u>8,099,882</u>
Cash and cash equivalents - end of year	<u><u>\$ 12,947,928</u></u>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss	\$ (59,599,523)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation expense	2,069,504
Changes in operating assets and liabilities that provided (used) cash:	
Due from other governments	986,144
Other receivables	558,125
Prepaid expenses	(72,046)
Accounts payable	(4,560,235)
Private UPL payable	4,684,135
Salaries and benefits payable	213,280
Due to other governments	<u>(19,888)</u>
Net cash used in operating activities	<u><u>\$ (55,740,504)</u></u>

## Board of Managers



Thomas B. Coopwood, M.D.



Rosie Mendoza, C.P.A.



Frank Rodriguez



Bobbie Barker



Clarke Heidrick, J.D.



Donald Patrick, M.D., J.D.



Brenda Coleman-Beattie, M.A.



Anthony Haley, J.D.



Katrina Daniel, R.N.



Eduardo Sanchez, M.D.\*  
(Retiring Board Member)



Carl Richie, J.D.\*  
(Retiring Board Member)



Rose Lancaster\*  
(Retiring Board Member)

### Executive Staff

Patricia A. Young Brown, C.P.A.  
President & Chief Executive Officer

Larry Wallace  
Chief Service Delivery Officer

Christie Garbe, M.A.  
Chief Communications & Planning Officer

Carolyn Konecny  
Chief Financial Officer

\* Central Health thanks retiring board members Eduardo Sanchez, Carl Richie and Rose Lancaster for their many years of selfless service.

1111 E Cesar Chavez St.  
Austin, Texas 78702  
Phone: 512 978-8000  
Fax: 512 978-8156  
[www.centralhealth.net](http://www.centralhealth.net)



CENTRAL HEALTH