



**CAROLINA HEALTH CENTERS, INC.
PRESIDENT/CEO REPORT TO THE BOARD OF DIRECTORS
JULY 23, 2018**

Advocacy and Health Policy:

Federal:

- Ongoing oversight of the 340B Drug Pricing Program:
 - A 3rd hearing was held by House Energy and Commerce Committee. This hearing focused on covered entities use of contract pharmacy. There are currently 15 bills addressing reform of the 340B Program circulating through the House. Though none specifically target health centers, if interest in limiting patient eligibility to low-income and uninsured patients gains additional support, this could have significant negative impact on CHC.
 - The Government Accountability Office (GAO) issued a report on contract pharmacy with recommendations focusing primarily on increased HRSA oversight to prevent duplicate discounts
 - Provided both written and oral testimony to the National 340B Commission convened by the Community Access National Network. The hearing was held on Tuesday, July 10, 2018 during the 340B Coalition Summer Conference in Washington DC and my written testimony will be made available on the Board portal.
 - Comments on President Trump's Blueprint to Lower Drug Prices were due on Monday, July 16, 2018. We participated with a team of health center 340B experts to develop NACHC's official comments. In addition, CHC submitted independent comments, which aligned with those submitted by NACHC. CHC's comments will be uploaded to the Board portal.
- NACHC has begun ramping up it's' preparations for funding requests in the upcoming Congressional session.

State:

- No new developments to report on the LLR interpretation that could impact our RX delivery service.
- SCPHCA has begun preparing its budget request for 2019 State funding.

CHC Staff and Leadership Development Activities:

- Monthly senior leadership team meeting are held on at least a monthly basis.

Strategic and Operational Activities

- **Department of Pharmacy:**
 - Breaking news: Chris Christian, CHC's Financial Analyst/340B Compliance Manager has successfully completed the Apexus Certified Expert and is one of only a handful of certified 340B Aces in the nation.
 - The data review portion of our independent audit is underway with the onsite portion of the audit scheduled for 3 days the week of August 6th. A report will be provided to the board once the auditor's report is finalized.
 - Onboarding of our first contract pharmacy – Curant – continued with a presentation at the upcoming quarterly meeting of the medical staff on July 12th.
 - We continue to evaluate options for a 3rd pharmacy location Clinton. Meetings have been held with GHS/Laurens County Hospital in order to consider various collaborative approaches to this expansion. Paul Grogan may provide an update during this Board meeting.
 - The clinical pharmacist candidate interviewed last month has accepted position with another organization. An active recruiting effort is underway.
- **Department of Family Medicine:**
 - We had to initiate a terminal action with the physician at LC4. I reviewed the circumstances related to this action with the Board Chair. We are working with both GHS and various recruiting firms to secure adequate physician coverage for this difficult to staff site.
- **Department of Pediatrics:**
 - Finalized a contract with Dr. Shelly Brigman, a developmental pediatrician who will be joining the staff at TCC on or before October 1, 2018 with a planned 80/20 between general pediatrics and developmental pediatrics.
 - Continuing to recruit for a 3rd pediatrician at Hometown Pediatrics. To date have conducted phone interviews with 4 candidates, two of whom were favorably received by the interview team (Drs. Simons, Bonettii, and Jenkins and Sue Veer) and Coursey will be coordinating an on-site interview visit with at least one of them.
- **Behavioral Health:**
 - Beckman positions are currently fully staffed and seeing patients.
- **CIMS:**
 - CIMS Mid-Year Partners meeting is scheduled for July 29-31, 2018. This meeting will be attended by CEO, CFO, CMO, COO and Director of Quality and Population Health.

Consulting:

- Consulting engagements completed and billed during the month:

- Completed contract with 340B Health – the coordinating structure for the National 340B Coalition –to plan and organize health center specific programming for the upcoming 2018 340B Coalition Summer Conference held July 19-22, 2018.
 - Billed for the month of May: 17 hours @ \$125 per hour = \$2,125
 - Billed for month of June: 15 hours @ \$125 per hour = \$1,875
 - Billed for the month of July = 9 hours @ \$125 per hour = \$1,125
- Consulting engagements in progress:
 - Customized 1-day 340B Summit for the California Primary Care Association to be conducted on Monday, October 1, 2018.
- Consulting agreements pending: None
- Total billed in July 2018 = \$3,000

Miscellaneous CEO Activity:

No miscellaneous activity to report.

If you have any questions or would like additional information on any of the above my contact information is as follows:

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Report of travel and personal time in July 2018

Business travel:

July 6-12, 2018 – Washington DC for 340B Coalition Summer Conference and CANN testimony

July 17-18, 2018 – Greenville SC for SCPHCA Annual Strategic Planning Retreat

July 18-19, 2018 – Columbia, SC for meeting with CIMS CEO and CHC legal counsel

July 22-25, 2018 – Chicago, IL for Apexus Board meeting

Personal Time:

None taken in July.

Planned: August 1-3, 2018 (24 hours Annual Leave).