



CAROLINA HEALTH CENTERS, INC.
PRESIDENT/CEO REPORT TO THE BOARD OF DIRECTORS
FEBRUARY 26, 2018 WZ

Advocacy and Health Policy:

Federal:

- THE CLIFF IS FIXED! At least for the next two years. The funding package provides a two-year moratorium on the mandatory funding caps established by sequestration, establishing the base funding for the community health center program and provides an additional \$600 million for expansion. While this is good news, the reality is that we will be right back at the table with our legislators within the next few weeks to begin advocating for a long term funding package for the health centers.
- The 340B Drug Pricing Program remains front and center in Congress. With the release of the report and recommendations from the Energy and Commerce Committee, attention has shifted to proposed bills: HR4710 the 340B PAUSE Act and S.2312 the 340B HELP Act. Though both of these impact hospitals more significantly than health centers, both would greatly increase the oversight authority of HRSA and have provisions that could result in a more restrictive definition of patient eligibility. Both would also result in required reporting on the amount and use of savings/revenue, and one bill proposed a billing modifier that would identify all 340B claims to all payers. The risk of this passing would be that commercial payers could use this to reimburse for 340B prescriptions at a reduced rate. These bills are expected to move very quickly with votes as early as late March, so the advocacy on this issue will be intense over the next few weeks.

State:

- Serving on the SCPHCA Legislative Committee – no notable activity.

CHC Staff and Leadership Development:

- Leadership team meetings have been occurring on a monthly basis and we are continuing to work on team development, communication and collaboration, and continuity planning.
- All plans have been put in place for re-organizing administrative support and interviews for the expanded Executive Assistant position should begin in the next 2-weeks.
- We added a position in the Finance Department for a Financial Analyst/340B Program Compliance Manager, who has convened a Pharmacy Oversight Committee to review the

compliance and policy framework, as well as to drive expansion and clinical program development.

- Spring corporate-wide staff meeting will be held on Tuesday, April 10, 2018. We are planning to review the role and responsibilities of the Board of Directors and all board members are invited to attend. In light of recent events we are also planning active shooter training.

Strategic and Operational Activities

- Department of Pharmacy:
 - We added a position in the Finance Department for a Financial Analyst/340B Program Compliance Manager, who has convened a Pharmacy Oversight Committee to review the compliance and policy framework, as well as to drive expansion and clinical program development. This individual has completed the online 340B University and is enrolled in the Advanced Certificate Program. In addition, he attended 340B University onsite and the 340B Coalition 2018 Winter Meeting. The Oversight Committee has held its first meeting, which was very productive in terms of clearly defining some essential policies and procedures. The Committee will be meeting monthly.
 - A team comprised of CEO, CFO Director of Pharmacy, and 340B Program Compliance Manager visited the home office of Equiscript to evaluate their program as a possible contract pharmacy partnership. We will be continuing to evaluate other models over the next few months in order to select a contract partner that best meets the needs of our patients and provides the most financially appropriate business model.

2018-21 Strategic Planning:

- Leadership team has identified additional items for the 2018-21 Strategic Plan. These have been proposed to the Strategic Planning Committee of the Board of Directors.

Consulting:

- CHC's 2017 contract with NACHC for consulting services related to the 340B Drug Pricing Program concluded this month with the 34B Coalition Annual Winter Meeting. We were responsible for programming for health center specific sessions at this conference attended by over 1,600 from all 340B covered entity types health centers, (hospitals, and other grantees). We arranged for speakers for all the plenary and open sessions, designed and coordinated two health center "expert" sessions, and facilitated a health center roundtable meeting that included representatives from hundreds of health centers across the country. No activity during this reporting period.
- Consulting engagements pending:
 - March 1, 2018 - statewide 340B training for the Maine Primary Care Association

- March 6, 2018 - statewide 340B training for the Wisconsin Primary Health Care Association
- March 20, 2018 - 340B webinar presented to the NACHC CFO Institute
- March 30, 2018 – statewide 34B training for the Kentucky Primary Care Association

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:

sveer@carolinahealthcenters.org

sveer0710@gmail.com

864-554-7102

Report of travel and personal time in February 2018

Business travel:

February 5th – 6th – Traveled to Charleston to fly in to DC for Red Alert Advocacy Day. Cancelled trip due to illness but worked the Red Alert Day remotely via phones and computer.

February 15th – Charleston for site visit with Equiscript.

February 18th – 25th – Coronado, CA for 340B Coalition 2018 Winter Conference and Meeting

February 28th (pending) – Portland, ME to conduct statewide 340B training.

Personal Time:

No paid time off taken.

