



**CAROLINA HEALTH CENTERS, INC.**  
**PRESIDENT/CEO REPORT TO THE BOARD OF DIRECTORS**  
**JANUARY 28, 2019**

**Advocacy and Health Policy:**

Federal:

- The senate HELP Committee takes up discussion of health center funding this month and Senator Scott, who is a member of that Committee, had his staff reach out to request input from CHC in advance of those funding discussions. Following is the statement we provided via email:

Good afternoon Kate. Hope your week is going well.

Please thank the Senator for requesting input from Carolina Health Centers as the HELP Committee starts deliberating health center funding.

First and foremost, if the health centers are going to continue to serve as one of the cornerstones of the nation's primary care delivery system it is critical that we adopt a long-term, stable approach to funding for the Community Health Center Fund as well as the National Health Service Corps and Teaching Health Center Program. Two of the major challenges we have with facing a funding cliff every three years are: 1) strategic planning and enhancing medical capacity to see more patients; and 2) provider recruitment and retention. As we identify communities with unmet need, it is very difficult to consider expanding services to reach into those communities when we fear our funding may be reduced when we reach the next cliff. The same is true when recruiting providers – it is difficult to assure a graduating resident that they will have stability to grow their practice and become a part of the community when we have a funding cliff looming ahead.

I also can't emphasize enough how the Community Health Center Fund, NHSC funding, and the Teaching Health Center Program go hand in hand to enable health centers to compete against large hospital systems with more diverse profit centers for the limited pool of provider candidates. The HPSA Modernization Project that is underway is threatening to lower some HPSA scores across the country, so it is critical that NHSC be sufficient to fund down to that lowered need threshold. The Teaching Health Center Program allows some health centers to "grow their own", and studies point to a reality that students that are trained in settings that serve medically underserved and disenfranchised populations are more likely to devote their careers to that type of service.

Both the Murray/Alexander bill and the Blunt/Stabenow CHIME bill include five years of additional funding, so at the minimum that is what are advocating for. Of course, additional funding for growth over time is ideal, including some potential support for facility modernization. For example, our Children's Center is at capacity operating 6-days a week with seven total providers. We are seeing over 700 new babies a year and increasing our emphasis on well child care to meet HEDIS

quality measures. However, without modernizing the facility to create more efficient space utilization and patient flow – or having funding to open a second pediatric site – we are unable to add providers to meet the increasing demand. We also find ourselves having to send overflow to the hospital emergency department during peak sick season, which only bends the cost curve for the overall delivery system in the wrong direction. However, future growth may be a conversation for a later date. What is desperately needed today is the long term stability to support the comprehensive primary care services we are already providing. There would be nothing worse than engaging people in a primary care medical home, seeing incredible improvements in their health and well-being, and then being forced to limit services, putting access to primary care once again outside of their reach.

I understand our National Association of Community Health Centers plans to get some material out to members of the HELP Committee and I will be happy to answer any follow-up questions.

Again, I am sorry we had to cancel our first of the year meeting. I am not sure I will be able to make a trip to DC until March, but as always, I am available by phone or email should you or Senator Scott need to contact me.

Take care,

Sue

Sue Veer, MBA, CMPE  
President and CEO  
864-554-7102 (mobile)  
864-388-0648 (fax)

- 340B Drug Pricing Program: Discriminatory reimbursement models continue to proliferate among the commercial payers and Pharmacy Benefit Managers (PBMs). The threat has escalated to the point that it was planned as a topic for discussion at the 2019 NACHC Winter Strategy Session being held this week and will be a main focus of the 340B Coalition 2019 Winter Meeting, which is being held next week and will be attended by Dr. Dominic Mellette, Chris Christian, and myself. We expect a three pronged strategy to emerge including legislative proposals at the federal and state level and a public relations campaign.

State:

The South Carolina Primary Health Care Association has finalized its Legislative Agenda for the upcoming session of the general Assembly. The agenda includes a request for increased state funding. I continue to serve on the Legislative Committee of the SCPHCA whose meetings are held monthly by teleconference.

The SCPHCA sponsored state Policy and Issues Forum will be held Tuesday February 19<sup>th</sup> and Wednesday, February 20<sup>th</sup>. Brooke Holloway and Rachel Davis will represent CHC at this event.

### **CHC Staff and Leadership Development Activities:**

- Second-tier management retreat was held Wednesday, November 28<sup>th</sup> from noon – 5PM and covered the agenda items listed below. These meetings will be held quarterly to facilitate the ongoing professional development of these managers and alignment with corporate values.
  - Review of Employee Satisfaction Survey (ESS) scores and comments specific to managers and supervisors and discussion of strategies for response and improvement;
  - Review of ESS suggestions for training and development and discussion of training plan for 2019-21;
  - The never-ending discussion of appearance and dress code;
  - Input on staff recruitment and retention; and
  - Guidance on various personnel issues.
- Designated members of the senior leadership team, along with Credentialing and Contracts Management Specialist Kacie McCutcheon conducted a provider contracts review for the upcoming contract renewal period. We determined no substantive changes were necessary to either the contracts or the provider compensation plan.
- Senior Leadership Team meeting on Friday, January 25, 2019

### **Strategic and Operational Activities**

- Department of Pharmacy: No specific activity to report.
- Department of Family Medicine: No specific activity to report.
- Department of Pediatrics:
  - Dr. Austin Lively declined our offer based on his family's decision regarding location.
  - Issued a Letter of Intent to hire Dr. Anthony Johnson; however, no official response received to date. Word of mouth indicates that Dr. Johnson may have accepted a position with the Self regional Healthcare pediatricians.
  - Previously reported that we are considered expanding capacity at TCC, which will require a facility reconfiguration. To that end, we have retained a consulting firm that specializes in practice design and patient flow to conduct an assessment of the space and provide us with recommendations for optimizing the space to accommodate our short term needs as well as long term expansion. That assessment began this month and members of the senior team will report on it under New Business.
- Behavioral Health: Nothing specific to report.
- CIMS:
  - The CIMS Annual meeting was held during the period I was out on sick leave. It was attended by Dr. Locke Simons, Paul Grogan, Miriam Ferguson, and Director of Quality and Population Health Terri Woodrome. At that meeting the following notable things occurred:
    - CHC won the award for most gaps in care closed for the Molina Health Plan.
    - Terri Woodrome was awarded a bonus for her extraordinary effort during the last 12 weeks of the year.

- I rolled off the roster as Managing Partner, though I will still attend those meetings in an ex officio capacity as immediate past chair.
- SCPHCA:
  - No activity to report.

**Consulting:**

- Consulting engagements in progress:
  - Under contract with 340B Health for the design and coordination of two CHC Expert Sessions for the 340B Coalition 2019 Winter Conference. Consulting fee = \$5,000 plus waiver of \$1,000 conference registration. All deliverables complete and we will be invoicing in early February.
  - 2<sup>nd</sup> 340B Summit for Indiana Primary care Association scheduled for March, 12, 2019. Conducted 1<sup>st</sup> 340B Summit in 2016. Consulting fee = \$2,500 plus expenses.
  - 340B Module for 2019 NACHC CFO Institute in March, 2019 (conducted as webinar). Consulting fee = \$500
- Consulting agreements pending:
  - In early stages of planning 1-day Strategic Planning and Staff Development Retreat for the Florida Association of Community Health Centers. Date is Thursday, February 28, 2019 and location is Calloway Gardens, GA. Fee still under negotiation.

**Miscellaneous CEO Activity:**

No miscellaneous activity to report.

**Report of travel and personal time in December 2018/January 2019**

**Business travel:**

- December 3 – 5, 2018 – Washington, DC for Hill visits and NACHC meeting with Chief Strategy Officer.
- December 10 – 13, 2018 – Washington DC for Contract Pharmacy Intensive Training (with Paul Grogan), Hill visits, and South Carolina Business Council Holiday Congressional reception.
- December 18 – 20, 2018 – Columbia for CIMS and SCPHCA meetings.

**Personal Time:**

**Annual leave:**

December 26 and December 28, 2018 (16 hours)

**Sick leave:**

January 2, - January 11, 2019 total of 64 hours

Week of January 14 – 18, 2019 total of 24 hours

Week of January 21 – 25, 2019 total of 8 hours

If you have any questions or would like additional information on any of the above my contact information is as follows: [sveer@carolinahealthcenters.org](mailto:sveer@carolinahealthcenters.org) or 864-554-7102