



**CAROLINA HEALTH CENTERS, INC.
PRESIDENT/CEO REPORT TO THE BOARD OF DIRECTORS
MONDAY, JANUARY 20, 2020**

Advocacy and Health Policy:

Federal:

- Health Center funding: in mid-December congressional leadership reached agreement on the 12 spending bills to fund the federal government through the end of the fiscal year, or September 30, 2020 the 12 bills were split into two minibus bills one of which included the annual appropriations funding for health centers in the amount of \$1.6 billion. Stable and long-term funding for the Community Health Center Fund (\$4.0 billion in FY19) however has been delayed with that fund being funded only through May 2020. The “ask” for stable and long-term funding continues to be the advocacy message going into this congressional session.
- 340B Drug Pricing Program:
 - Maintaining the integrity of the 340B drug pricing program and limiting the ability of third parties such as PBMs to take savings away from the covered entities remains a component of the advocacy message; however all covered entities remain hesitant to open the statute to reform due to the potential for collateral damage. The efforts to minimize or eliminate discriminatory reimbursement practices continue to be at the state level with at least 10 states planning to introduce new legislation this year.
 - The Centers for Medicare and Medicaid released a bulletin entitled “Best Practices for Preventing Duplicate Discounts” suggesting universal carve-out of 340 B to be a best practice that states should consider. The impact of this bulletin will be followed at the national level as well as by the South Carolina Primary Health Care Association.
- MIECHV/Early Childhood Services: No recent activity has occurred around HRSA’s goal of furthering the alignment of health centers and home visitation programs.
- General: Along with Rudy Williams, governmental relations consultant for CHC, I attended the January meeting of the South Carolina Business Council. The January meeting is always a roundtable discussion with the chiefs of staff for our congressional delegation and provides a preview of their potential legislative agendas. At this meeting there were no surprises or major deviation from the known agenda of our congressional delegation. In addition to attending the SCBC meeting, Mr. Williams and I made courtesy Hill visits in anticipation of the kickoff of this congressional session.

State:

- The 2020 legislative agenda for the South Carolina Primary Care Association includes a request for \$8 million in state funding. This request was reduced to \$5 million in the budget proposal presented by SC DHHS.
- In addition to state funding, we are actively supporting Senate Bill 16 which allows emergency refills by pharmacists; however we have specifically requested the addition of wording to the labeling requirements. Representative Ann Parks sits on the House Conference Committee to which this bill has been assigned and has been asked to support our recommendation. Unfortunately the pharmacy industry lobbyists are working in opposition to adding the language to this bill.
- Sen. Floyd Nicholson was nominated for and received the Marion Carnell award at the State Policy and Issues forum sponsored by the South Carolina Primary Health Care Association. Plans are underway for a luncheon that will honor Sen. Nicholson and present the award at a local venue. Board members will be invited to attend.

CHC Staff and Leadership Development Activities:

- Plan re in place for the Leadership Team to kick off the internal planning process during a half-day session on February 6, after which meetings will be scheduled to include middle managers to incorporate their input regarding the services of each of their departments provide. In addition to strategic planning, the February 6 meeting is intended to take a critical look at our organizational infrastructure and team performance to identify: a) opportunities for improvement; and b) gaps and misalignment.
- Site-specific meetings have been conducted with staff as needed to address workflow changes and resultant impact on employee morale related to last year's EHR conversion.

Strategic and Operational Activities

- Administration:
 - Focus on returning to “business as usual” following the Operational Site Visit, with the holidays following immediately on the heels there. In addition the team has been actively engaged in responding to the OSV findings during the 14 day compliance resolution period and the two remaining in the final report.
 - Due to an unexpected complication, the new board member orientation that was scheduled for October 16 will be rescheduled.
- Department of Pharmacy:
 - Continuing to monitor growth of affiliated pharmacy business.
 - Actively involved in preparations for the upcoming 340 B coalition 2020 Winter conference.
 - Continued collective efforts to modify our reimbursement practices to achieve optimal financial performance and maintain compliance
 - Involved in responses to potential discriminatory contract changes.

- Department of Family Medicine:
 - Working with team to evaluate the impact of the EHR conversion on provider compensation specific to the productivity model. This would affect both family medicine and pediatrics.
- Department of Pediatrics:
 - Recruitment ongoing for potential future needs.
 - Evaluating call pay structure as it relates to providers on call over holidays.
- Behavioral Health: Nothing new to report

Partnerships and Affiliations:

- CIMS:
 - Participation in regularly scheduled meetings of the Development and Nominating Committee and Managing Partners.
 - Preparation for the upcoming annual partners meeting scheduled for Sunday, January 26 through Tuesday, January 28. CHC attendees include: Dr. Locke Simons, Paul Grogan, Miriam Ferguson, Terri Woodrome, and Sue Veer.
- SCPHCA:
 - Brooke Holloway and Rachel Davis represented CHC at the State Policy and Issues forum sponsored by the South Carolina Primary Health Care Association. Brooke Holloway acted on my behalf at the meeting of the Board of Directors which was held in conjunction.
- Apexus Advisory Council:
 - Participated in the quarterly meeting of the Apexus Advisory Council which was held by telephone. During this meeting the announcement was made the Apexus was awarded the five-year contract to continue as HRSA's prime vendor for the 340 B drug pricing program.
 - Scheduled for a one day visit on January 29th to the Apexus headquarters in Dallas to address their all staff meeting as a national representative of the Health Center 340B pharmacy community.
- OCHIN CEO Advisory Council:
 - Orientation schedule via webinar for Wednesday, January 22, 2020.
 - Will attend my first meeting on the Advisory Council in April 2020 in conjunction with OCHIN's Annual Learning Forum. Miriam Ferguson will also be attending the Forum.

Consulting:

- Consulting engagements completed and billed during the month:
 - Completed assignment with the Pennsylvania Association of Community Health Centers to develop a comprehensive statewide 340B training program that will

consist of several topic specific webinars and conclude with a face-to-face capstone summit in January 2020. Total fees = \$7,500

- Needs assessment survey developed and distributed to membership on July 15, 2019 and initial analysis and research complete.
- Five webinars complete and received positive reviews.
- In person C-Suite capstone presented on Wednesday, January 15th in Harrisburg, PA.
- Consulting engagements in process:
 - Design and coordination of Community Health Center Expert Sessions for the 340B Coalition 2020 Winter Conference. Negotiations secured an increase in the health center programming to three sessions. Consulting fee = \$6,875 plus waiver of \$1,000 conference registration.
 - All sessions complete and prepared for conference to be held February 10-12, 2020.
 - Retained by the Kansas Primary Care Association as a legislative consultant and 340B content expert for the purpose of introducing state legislation prohibiting discriminatory reimbursement. Hourly rate equals \$125 per hour. Assignment will be ongoing throughout the 2020 session of the Kansas legislature; however it is not anticipated that any travel or out of office time will be required.
 - Participating has a policy and strategy consultant for a project with the health center owned accountable care organization (ACO) for the state of Massachusetts. The goal of the project is to create an ACO operated pharmacy coalition. Hourly rate equals \$125 per hour.
 - Phase 1 of the project complete and findings presented to the ACO Board of Directors in Boston on January 16th. Total billed = \$1,500 and travel expenses.
- Consulting engagements pending:
 - 340B Health has indicated their desire for CHC to continue in our role of planning and coordinating the Health Center specific sessions for the biannual Coalition Conferences.

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 September 23, 2019 – October 28, 2019

Business travel December 16, 2019 – January 20, 2020:

December 17-18, 2019: Columbia, SC for CIMS and SCPHCA meetings.

January 12 – 17, 2020: DC, Harrisburg, and Boston for above referenced meetings and projects.

Personal Time:

Annual Leave: December 26 – 27, 2019 (16 hours)