

**South Central Family Health Center
Board of Directors
CEO Report**

January 27, 2015

SCFHC Health Center Overview for the month:

I'd like to wish everyone a Happy New Year as we move forward with new and exciting opportunities ahead of us as well as continuing to improve and grow our health center. Over the last several months of last year for a number of reasons we were unable to recruit needed providers to see our growing patient population which affected us financially. However, I'm happy to report that our recruiting efforts have been much better and we have hired two new Family Nurse Practitioners, a new Physician Assistant, and a full time and part time MD who will start shortly. We still have open provider positions and have prospects we are hopeful will join us after Residency graduation in June.

Additional attachments support key issues for this meeting's report:

- **Update: My Health LA (MHLA):** We have started to enroll patients who are uninsured into this program which will provide us with needed revenue from the County Department of Health. One issue still outstanding is whether we can re-enroll those patients who enrolled in other health centers and now want to come back to us as their Medical Home but are told that they must wait a year. I have met with Supervisor Mark Ridley-Thomas office regarding this issue and have their support to meet with the County DHS to resolve this matter in our favor.
- **Update on Construction of our new Vernon street building:** We have all of the certification and permits ready to move forward but need to acquire permission from the property owners next to our site for an easement permit to allow us to move cranes into their property for construction purposes. This negotiation is ongoing and has delayed our progress somewhat. We are talking to our architect and construction company to see if we can build without this easement requirement.
- **Parking at SCFHC:** In order to increase parking space for our staff and patients we have been able to sell our movable bungalow in the rear of our Health Center as well as move into the space between our building and the More For Less building. These moves will enable us to open up 10-15 more car spaces. This is important since we will lose the vacant lot where some of our staff park once we start construction of our Vernon Building.
- **SCFHC Christmas Party:** I want to thank our staff and especially Genevieve Filmardirossean along with our "Fun Committee" for organizing and facilitating a very enjoyable Christmas Party for our staff on the afternoon of December 19. I also want to thank the generous contributions made by many of our vendors and especially our Board of Directors that enabled us to fully fund this party well as our Christmas Toy giveaway for our patients.

- **Transforming Clinical Practice Initiative (see attachment):** This is a new opportunity to participate in new delivery system reform as we prepare for changes in FQHC reimbursement methodology being proposed in California and HRSA. As established by the Affordable Care Act a new \$50 million grant initiative has been released to support small medical practices and safety net providers over the next 4 years in sharing, training, adapting and developing comprehensive quality improvement clinical strategies so that safety net providers and others can survive in a changing health care world. With this in mind CCALAC, HCLA and a consortium of St. Francis, California, and White Memorial Hospital, have all separately applied for this grant funding. All three applications if funded would involve our participation as well as the other safety net clinics that we currently work with. Grant funding winners will be announced in late spring, early summer 2015.
- **Department of Health Consolidation Proposal:** Last week, the LA Times made public a previously withheld “confidential” memo from LA County Department of Health Services (LADHS) Director Mitch Katz that described a proposal to consolidate Departments of Public Health and Mental Health under his department. The Board of Supervisors approved in concept the consolidation of the departments of Health Services, Mental Health and Public Health in an agency model. The Board instructed the Chief Executive Officer (CEO) to conduct a planning process that includes stakeholder input.
- **Governor Brown proposed 2015-16 Budget:** On January 9, 2015 Governor Brown released a \$164 billion budget proposal for the upcoming fiscal year. This budget calls for an \$113 million increase in General Fund spending. Overall the budget dedicates a sizable appropriation to paying down debt while strengthening the states rainy day fund. Although no cuts were made in the health care budget several issues were not addressed including Medi-Cal provider 10% rate cuts which is maintained despite the Medi-Cal population increases form 7.9 million in 2013 to a projected 12.2 million by this year. Another issue not addressed is health care coverage for undocumented individuals. In November President Obama announced a plan to allow up to 5 million qualified undocumented immigrants to apply for a program to avoid deportation. It was expected that the Governor would appropriate General Fund dollars to expand health care coverage for undocumented immigrants. However, the budget is silent on this matter. These issues will be raised in the legislature this session.
- **2015 NACHC Policy & Issues Forum, March 18th-22th :** The National Association of Community Health Centers’ (NACHC) Policy & Issues Forum (P&I) will take place from March 18-22, 2015 in Washington, D.C. 2015 is the 50th anniversary of the community health center program.