

Illinois Legislative Medicaid Transformation Task Force

Below is the transcript from New RCH President & CEO Tim Egan's testimony in front of the Illinois Legislative Hospital Transformation Review Committee on 8.8.18

Good morning members of the Hospital Transformation Review Committee. My name is Tim Egan and I am the CEO of Roseland Community Hospital. It is an honor to be here with you this morning on behalf of our Hospital and the greater South Side of Chicago. Our hospital is a safety-net hospital located on the far south side of Chicago and we employ 475 people in a community that is 96% African American with an unemployment rate of almost 15%.

It is no secret to anyone in this room that our hospital is number one on the hospital transformation list. There is no hospital in the state of Illinois that needs transformation like Roseland Community Hospital. There is also no community in Illinois that deserves transformation like the Roseland community. But let's explore why exactly our hospital is so high on everyone's hit-list.

First, in the hospital assessment redesign, we all know the data that was used was inaccurate, but how inaccurate was it? The data said Roseland was not even considered a safety-net. The data alleged our Medicaid rate was 47%, under the 50% threshold required to be a safety-net. The reason our Medicaid rate was so under-reported was due the incredible amount of denials by the MCOs. We do not have an extremely sophisticated billing department like wealthy hospitals do. Thus, MCOs prey on us. They know that we do not have the staff or the resources to chase claims, so they deny and deny until we settle for pennies on the dollar. These denials also cause double jeopardy because these cases cannot be allocated toward our charity care percentage.

Not only is that hurting our bottom line, but it also skewed our data in a drastically negative way. Since the data was so poor the Department used "completion factors" meant to estimate and fill-in the missing claims, but this did very little to help Roseland. All of those denied claims went un-reported, our volumes were lowered,

our Medicaid utilization was deflated, and we got absolutely killed in the assessment.

This inaccurate data cost Roseland Community Hospital over \$6 million per year. This devastation brought us absolutely to the point of closure. If it were not for the leadership of Senator Emil Jones and members of the Black Caucus, who were able to secure a state grant, we would currently be in the process of closing.

It is also no secret that our hospital is significantly behind in its assessment payments to the state. This is true. However, my hospital is behind a significantly mount less than I am owed by the MCOs. Under the fee-for-service program safety-net hospitals were expedited providers, meaning we were paid first in recognition of how dependent we were on the Medicaid program. Under the MCOs, not only do they not pay us in an expedited manner, they deny over 20% of our claims. I am currently owed over \$7.7 million from the MCOs, most of it over 180 days old - a herculean amount to try and collect. Please tell me how I can pay my assessment tax while this is happening? How do we transform my hospital or move money to live-rates when the MCOs do this to us? The Department continues to want to transition money to live-rates while at the same time doing nothing to fix the MCO denial issue.

These issues are not severable.

The reason that the data is so important is that Roseland Community Hospital has over \$9 million at-risk in the hospital transformation pool. If we see any impairment in that amount, it would be the fatal blow. Is it being proposed that the same inaccurate data be used to transform our hospital?

Before the assessment, Roseland Community Hospital received \$25 million per year. Now, we receive less than \$19 million. Is this Committee and the IHA truly considering taking another \$9 million?

That \$25 million was spent in the Roseland Community, generating more than \$50 million in economic activity on the South side of Chicago. What happens to our community if we are gone? We are an area that is inflicted with high-instances of trauma; we treat gunshot victims, stab wounds, violent crimes and car accident victims on a regular basis. Just last week a 14 year old, opioid addicted, pregnant girl walked into our ER in labor without ever seeing a doctor for prenatal care. After the delivery, the patient walked out of our hospital against Medical Advice and without the baby. What happens to victims of violence if we are not there anymore? What happens to abandoned babies?

With that said, if you truly want us to transform, please help us. Help us attract quality doctors, which is impossible given the current payment structure. If a Medicaid recipient on the South Side of Chicago needs to see a specialist they are forced to travel miles and miles and likely wait months to access the care they need.

How is this fair?

Help us increase our behavioral health capacity, something that the South side of Chicago drastically needs. Currently we average 5 Adult Behavioral Health referrals out of our hospital a day because we do not have an Adult Behavioral Unit. A stunning 95% of the addiction cases we treat are related to opioid abuse.

Help me transform an institution that has provided healthcare in the Greater Roseland Community since 1924 to meet the current needs of the community. I will be an eager and willing partner, but true transformation takes time and a thoughtful process.

The people on the South side of Chicago deserve the dignity of accessing care in the community where they live.

I stand here ready and eager to be a partner with the state to produce value and provide quality services to those who need them the most.

Thank you.

The Greater Roseland Behavioral Health Crisis

In November of 2016, Cook County Health and Hospitals System (CCHHS) opened the Community Triage Center (CTC) in the Roseland community. Unlike most of CCHHS's other community-based primary care clinics, this one has a very specific health care mission: to treat patients' behavioral health problems before they escalate and require hospitalization or result in law enforcement intervention.

The CTC, located at 200 E. 115th Street and staffed 24/7, has had no positive impact on the Roseland Emergency Department. In fact Adult Behavioral Health cases have increased in the RCH ED:

2014 - 3,947 cases
 2015 - 5,442 cases
 2016 - 5,955 cases
 2017 - 6,662 cases
 2018 - 2,876 cases already by June 30.

So that means comparing their opening in 2016 and after a full year of service, despite the County's CTC's efforts, Behavioral Health cases in the RCH Emergency Department increased by 11%.

IDPH Grant Update

The following update was received on 8.23.18 from the Illinois Department of Public Health:

"Our office has reviewed your EGrAMS grant application for the FY19 Hospital Health Protection Grant Program (HHPGP). We are recommending your application to receive an award but with revisions. Therefore, before we receive Director's office approval and send a grant agreement for your signature, we are requesting revisions to your grant application and budget. Below is a listing of the requested revisions and additional narrative.

You will receive an email notification from EGrAMS once your application is ready for revisions. I will follow up this email with a phone call so we can address any issues or concerns you might have. Please let me know if you have any questions. Thank you.

Roseland Community Hospital

Grant Award: \$6,000,000.00

Tim Egan – CEO"

Our team will dedicate the time to complete the revisions and submit on 8.24.18.

The Shriver Center Annual Gala 10.18.18

The Shriver Center is excited to announce that April Ryan will be the featured speaker at its Annual Gala on October 18. White House Correspondent Ryan has a unique vantage point as the only black female reporter covering urban issues from the White House – a position she has held since the Clinton era.

On behalf of the American Urban Radio Networks, and through her "Fabric of America" news blog, she relentlessly pursues the truth. Her position as a White House Correspondent has afforded her unusual insight into the racial sensitivities, issues, and attendant political struggles of our nation's last presidents. April is on the frontlines of the media at a time



when truth is under fire. She is sharing untold stories of the many facets of America that speak to our common values and inspire us all to change. April will be signing copies of her forthcoming book, *Under Fire: Reporting from the Front Lines of the Trump White House*, at the gala dessert reception.

Join the frontlines of resistance:

Thursday, October 18, 2018

Hyatt Regency Chicago Grand Ballroom

151 E. Upper Wacker Dr.

Chicago, IL 60601

5:30 - 9:30 pm

Sponsorship opportunities are available now. Contact Harleen Singh at (312) 263-3830 to learn more about how your company can support justice and opportunity.

Registration for individual tickets opening soon; stay tuned to povertylaw.org.