NC COMMUNITY HEALTH CENTER ASSOCIATION

REPORT FOR THE PERIOD 2010-2016

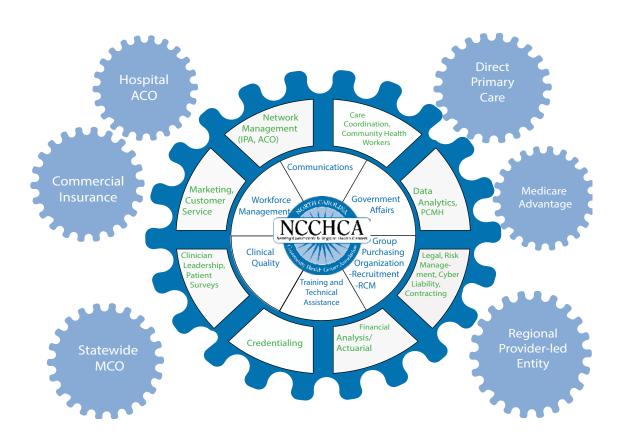


ABOUT NCCHCA

The North Carolina Community Health Center Association (NCCHCA) was formed in 1978 by the leadership of community health centers, NCCHCA is comprised of membership from 39 health center grantees (including one migrant voucher program) and 1 Look-Alike organization (membership of 1 new start organization is pending). NCCHCA is singularly focused on the success of health centers.

NCCHCA is the HRSA funded state Primary Care Association (PCA). The non-profit, consumer-governed Federally Qualified Health Centers (FQHCs) we represent provide integrated medical, dental, pharmacy, behavioral health, and enabling services to nearly one-half million patients in North Carolina. FQHCs receive federal assistance to provide sliding-fee services to assure no one is denied access to care. NCCHCA represents FQHCs to state and federal officials and provides training and technical assistance on clinical, operational, financial, administrative, and governance issues.

Going forward, NCCHCA is positioning health centers as the state's largest primary care provider network through shared administrative services and support.



PRESIDENT'S REPORT

Dear Members,

Over the past 6 years, North Carolina's Community Health Centers experienced a period of tremendous growth spurred by the Affordable Care Act. This report reflects a few of the Association's milestones.

For years, community health center sites were located in certain regions of the state, with the western counties and far eastern regions lacking access to affordable high quality primary care. Through the foresight of the Kate B. Reynolds Charitable Trust, a health center incubator program was established that prepared non-profit community-based health care organizations to develop health center



programs and successfully compete in the federal application process. This initiative positioned North Carolina to have the fourth highest number of funded Section 330 applications in the nation. Since 2010, health centers have increased from 18 to 40 organizations, and sites expanded from 135 to 220. Community health centers are now located in 85 of state's 100 counties.

The incubator program fostered a spirit of collaboration among our primary care safetynet partners that transformed the NCCHCA Annual Meeting to the NC Primary Care Conference; now the state's largest safety-net primary care conference, co-hosted by NCCHCA, the North Carolina Association of Free and Charitable Clinics, and the NC Office of Rural Health. This core group, along with other safety-net provider associations, meet monthly to strategically plan for the most efficient delivery of services to meet the needs of low-income and uninsured North Carolinians.

The ACA impact in North Carolina was significantly muted due to the legislature's refusal of federal funding to expand Medicaid to cover uninsured adults. Despite this obstacle, health centers led the way in outreach and enrollment – empowering patients to make informed decisions regarding available coverage options.

This period has ushered in a movement away from fee-for-service based care to quality and value practices. Through the generous support of the Blue Cross and Blue Shield of NC Foundation, a patient centered medical home and informatics project that positioned health centers to achieve PCMH recognition and lead safety-net connect initiatives with the NC Health Information Exchange. The BCBS of NC Foundation investment positioned NCCHCA to successfully compete for federal Bureau of Primary Health Care Health Center Controlled Network (HCCN) funding. The HCCN has organized health centers as Carolina Medical Home Network – the largest statewide primary care network focused on delivering high quality care through participation in value-based payment models in

PRESIDENT'S REPORT

ACA and commercial contracts and establishment of a Medicare Shared Savings Program Accountable Care Organization. The Centers for Medicare and Medicaid Services (CMS) recognized our unique, highly rural, primary care focused model and provided ACO Investment Model (AIM) funding to jump-start population health initiatives.

Innovation often looks to the past for guidance. Health Centers have a legacy of going beyond addressing a patient's health needs and working to address the social factors impacting their health. Again, the Blue Cross Blue Shield of North Carolina Foundation stepped forward to fund our Data-Informed Outreach which utilizes community health workers as part of the care team at health centers to enhance care coordination by addressing social determinants of health.

In 2015, legislation was passed transitioning North Carolina to Medicaid managed care by July 2019. The Association's efforts to increase access, enhance quality, and prepare for value-based reimbursement prepared health centers – through their Carolina Medical Home Network Independent Practice Association – to responsibly pursue partnerships that would enhance the wellbeing of health center Medicaid patients. In January 2017, NCCHCA partnered with the NC Medical Society and Centene Corporation on Carolina Complete Health – a Medicaid Managed Care Network well positioned to successfully bid on a statewide contract.

This growth is reflected in significant changes in the Association funding and staff. During the period 2010-15, NCCHCA grew from \$1,617,100 budget and 11 staff, to a budget of \$2,802,419 and 19 staff in 2016. Midway through 2017, the Association is reorganizing to align the PCA and Network functions in support health center performance improvement. Going forward, NCCHCA will be an even more integral partner in health center success. Most importantly, low-income residents will have access to high-quality services, not limited by their income or insurance status.

These accomplishments would not have been possible without generous contributions and partnership from our major funders – the Bureau of Primary Health Care, the Blue Cross Blue Shield of North Carolina Foundation, and the Kate B. Reynolds Charitable Trust. We look to forward to serving our health centers, and their patient-governed boards of directors for many years to come.

Respectfully yours,

E. Benjamin Money, MPH President & CEO

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Rose Turner, Gateway Community Health Centers, Inc., Elizabeth City

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Teresa Strom, Hot Springs Health Program, Marshall

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Thomas McRary, West Caldwell Health Council, Lenoir

William Crumpton, Caswell Family Medical Center, Yanceyville

INCREASING HEALTH CARE ACCESS

Kate B Reynolds Charitable Trust: NC Health Center Development Incubator

This project, begun in 2010, provided hands-on training and assistance to communities and existing safety-net organizations that were contemplating developing applications to the Bureau of Primary Health Care in order to establish new community health center sites and organizations.









New FQHCs 2010-2016

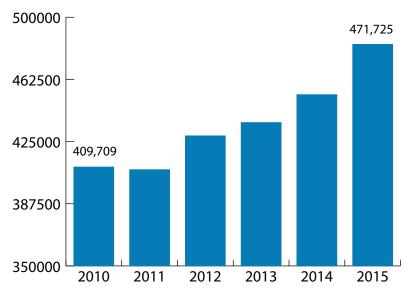
- AppHealthCare (formerly Appalachian District Health Department)
- Charlotte Community Health Clinic
- Craven County Health Department
- Gateway Community Health Centers, Inc
- High Country Community Health
- Ocracoke Health Center Inc
- Opportunities Industrialization Center, Inc
- United Health Centers (formerly Southside United Health Center)
- Triad Adult and Pediatric Medicine, Inc.
- Appalachian Mountain Community Health Center
- Mountain Community Health
 Partnership (formerly Bakersville and Celo Community Health Centers)
- South Central Community Health Center (Community Interventions and Sickle Cell Agency)
- Wilkes County Health Department

From 2010-2016, NCCHCA added 13 Community Health Centers, and now the association totals 40 CHCs.

As of 2015, these new CHCs provided medical homes to over 52,000 individuals.

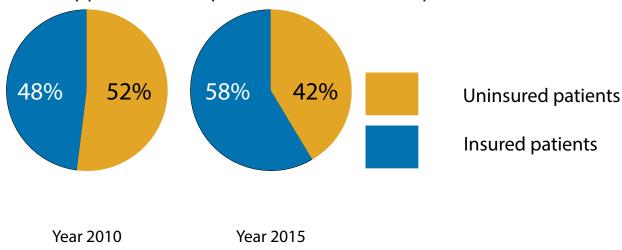
ACCESSIBLE

Total Patients at all North Carolina Community Health Centers increased by 15% from 2010-2015



Since the implementation of the ACA, North Carolina Community Health Centers have seen an increase in patients covered by Medicaid, a decrease in uninsured patients, and an overall increase in number of patients served.

North Carolina Community Health Centers' uninsured patients dropped 10% despite NC's refusal to expand Medicaid



INNOVATIVE

Carolina Medical Home Network – Accountable Care Organization (CMHN-ACO) is a partnership of 8 NC health centers that have entered into the Medicare Shared Savings Program (one-sided model). Currently in Program Year 3, CMHN-ACO received funding from the Center for Medicaid and Medicare Services (CMS) for ACO Investment Model (AIM) to support care coordination efforts at ACO member health centers and network administrative services. CMHN-ACO serves as the pilot for identification of population health strategies to scale up to the larger CMHN network.

Through Blue Cross Blue Shield of NC Foundation grant funding, NCCHCA launched a Data-Informed Outreach project in collaboration with CMHN that supports community health workers in health centers to augment care coordination efforts.

Quick Facts about CMHN ACO

- CMHN-ACO was a result of the Affordable Care Act
- 12,500 Medicare beneficiaries have been assigned to our CMHN-ACO
- There are 567 ACOs across the country, only 15% are exclusively FQHCs (innovative--primary care as central point of ACO model)
- Carolina Medical Home Network is the only health center controlled ACO in North Carolina



ACCOUNTABLE CARE ORGANIZATION

HEALTH CENTER CONTROLED NETWORK

NCCHCA is a HRSA Health Center Controlled Network (HCCN) grantee. Participating in the HCCN - Carolina Medical Home Network (CMHN) -health centers have the opportunity to work together on quality improvement and operational system redesign initiatives and engage in payment reform models through the Independent Practice Association (IPA) and Accountable Care Organization (ACO) initiatives.

During the first round of funding 27 health centers participated. In the second round of funding, 33 health centers are HCCN members.

The HCCN grant focuses on

- Meaningful use for providers
- Connecting to HIE
- Achieving PCMH
- Achieving healthy people 2020 quality metrics
- Transition to team based models of care



Carolina Medical Home Network – Independent Practice Association (CMHN-IPA) is a network of 31 NC health centers progressing towards clinical integration with the goal of leveraging size, scope and coordinated performance improvement in third-party payer negotiations. The IPA couples CMHN-ACO tested methods with business strategies to involve CHCs in value-based care.

Since 2013, the IPA has helped health centers enroll in Blue Cross Blue Shield's Blue Quality Physician Program and the Coventry Carelink program.

Members generated shared savings through Coventry Carelink, with quality incentives totaling

2014: \$97,710 2015: \$265,596 Total: \$363,306

COLLABORATION



The NC primary care conference is a collaboration of safety net providers in the state of North Carolina, including the NC association of free & charitable clinics. What started as an annual conference just for Community Health Centers is now a gathering for primary care safety net providers from all over NC.



Clinical Conference on Quality & Chronic Disease



NC Primary Care Safety Net Partners:

- NC Association of Free & Charitable Clinics
- NC Foundation for Health Leadership & Innovation
- Care Share Health Alliance
- North Carolina Association of Local Health Directors
- North Carolina Office of Rural Health



QUALITY

In 2015, 82% of North Carolina Community Health Centers met at least 1 of the Healthy People 2020 Goals

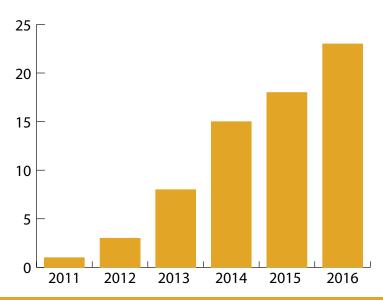
- 78.8% of pregnant patients begin prenatal care in 1st trimester
- 89.5% of babies are born at normal birth weight
- 84.7% of all child patients receive appropriate immunizations
- 72.8% of diabetic patients have their disease under control
- 60.5% of patients have blood pressure under control

2015 HRSA Quality awards

30 NC CHCs received at least 1 award.

- •17 were recognized for pulling all clinical measures from EMR
- •30 were recognized for significantly improving their clinical quality measures

PCMH certifications in NC CHCs, by year



A Patient Centered Medical Home is a "home" for patients that is accountable for meeting the large majority of their physical and mental health care needs, including prevention and wellness, acute care, and chronic care; and uses a team approach to care.

Substance Abuse Services

In North Carolina CHCs, we have

- 72 full time equivalent Health Professionals
- Almost 60,000 behavioral health clinic visits
- 29 CHCs have behavioral health diagnosis and treatment

EMPOWERING PATIENTS

NCCHCA and North Carolina health centers have played a leading role in helping North Carolinians understand their health insurance options and enroll in affordable coverage that best meets their needs.

FQHCs have dedicated, expert staff who educate their communities about health insurance options and help people enroll in coverage through Medicaid, NC Health Choice, Health Insurance Marketplace, and Medicare.

Each year, NC FQHCs send volunteers to help consumers and patients learn about coverage options, apply for and enroll in coverage, stay covered, and access health care. Their assistance goes beyond enrollment - including helping people understand their options, access care, and get connected to other needed health and social resources. In some counties, especially rural ones, FQHCs are one of the only sources of free inperson enrollment help. As established members of their communities, health centers have become a trusted resource for health insurance information, especially in rural areas.

Annually, NC FQHCs train 150 staff and volunteers to help consumers and patients learn about coverage options, apply for and enroll in coverage, stay covered, and access health care. Since 2013, NC FQHCs have reported more than 300,000 contacts.

OUTREACH

NC FQHC O&E staff help bring the health center and health insurance options to community members.

O&E staff connect with community members through partnerships with hospitals

- places of worship
- child care providers, schools
- social service providers
- tax preparers
- business owners,
- malls
- the correctional system
- domestic violence programs
- employment programs.

Many health centers have focused efforts on special populations, including farmworkers, immigrants, refugees, and other populations. in helping eligible farmworkers access health insurance options.



COVERAGE TO CARE- The assistance that O&E staff provide is aimed at helping people get covered, stay covered, and access care. Staff help consumers get connected to other needed health and social resources, help consumers understand what they need to do to stay enrolled, help them address any issues with their coverage, and promote access to primary care.

INNOVATION IN MEDICAID REFORM



North Carolina Community Health Center Association (NCCHCA), the North Carolina Medical Society (NCMS), and Centene Corporation (NYSE: CNC) announced earlier this year that they have signed a definitive agreement to collaborate on a patient-focused approach to Medicaid under the reform plan enacted in the state of North Carolina.

Under the agreement, the organization created a joint venture, Carolina Complete Health, to establish, organize and operate a physician-led health plan to provide Medicaid managed care services in North Carolina. A key feature of the joint venture will be the active participation of physicians in the ownership and governance of the health plan. Centene will manage the financial and daily operations, while the Carolina Complete Health Network, which will be owned jointly by NCMS, physicians, Physician Assistants, Nurse Practitioners and Federally Qualified Health Centers, will provide medical management services, hold a majority on the Board of Directors and oversee the medical policies for the health plan.

North Carolina Federally Qualified Health Centers (FQHCs) are key providers of primary care services to Medicaid recipients across North Carolina. The patient-centered medical home model at FQHCs, and their focus on providing a broad spectrum of services to low-income and underserved populations, make them uniquely prepared to meet the state's Medicaid reform goals. NCCHCA believes partnering with the North Carolina Medical Society and Centene will enable FQHCs to work more closely with physician specialists and health systems in their local communities to improve patient continuity of care, quality and cost.

ACCOUNTABILITY TO NORTH CAROLINA



On February 21, 2017, NCCHCA partnered with other safety net primary care providers in meetings with North Carolina state legislators to update them on the impact of the state's Community Health Grant program. Over 100 staff, board members, and patients provided first-hand reports on the return of the state's investment.

Our close working relationship with safety net partners is unique to North Carolina. Together, we made a powerful statement about the value of the state's safety net.



North Carolina's Department of Health and Human Services issued a request for additional comments on the state's 1115 waiver, and NCCHCA and member health centers contributed both written and inperson comments, ensuring the best outcomes for North Carolina's Community Health center patients.



ACCOUNTABILITY TO WASHINGTON, DC



CHCs are accountable to the Federal Government and citizens for the HRSA grant investment. Health Centers submit annual Universal Data System (UDS) reports, documenting their services, quality, and use of federal funds. Health Center reports are publically available on the Bureau of Primary Health Care website.

Health Centers regularly invite elected officials to tour their facilities and learn more about the high quality services and health outcomes they provide to their constituents.



STAFF

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LUWAM DEBRU Training Assistant

UZOAMAKA OBODO Intern



Sharon Brown-Singleton received the Henry Fiumelli Patient Advocate award at the 2016 PCA HCCN conference in Pasadena, California.

NC COMMUNITY HEALTH CENTER SITE LIST

Alamance | Piedmont Health Services

Alleghany | AppHealthCare

Anson | Anson Regional Medical Services

Ashe | AppHealthCare

Avery | High Country Community Health

Beaufort | Metropolitan Community Health Services

Bertie | Bertie County Rural Health Association | Roanoke

Chowan Community Health Center

Bladen | CommWell Health

Brunswick | CommWell Health | Goshen CHC

Buncombe | Western NC Community Health Services,

Appalachian Mountain CHC

Cabarrus | Cabarrus Rowan CHC

Caldwell | West Caldwell Health Council

Caswell | Caswell Family Medical Center | Piedmont Health

Services

Catawba | Gaston Family Health Services

Chatham | Piedmont Health Services

Cherokee | Appalachian Mountain Health Center

Chowan | Gateway Community Health Centers

Columbus | Goshen Medical Center | Robeson Health Care

Corporation

Craven | Goshen Medical Center | Craven County CHC

Cumberland | Stedman-Wade Health Services |

South Central CHC

Davidson | Gaston Family Health Services

Duplin | Goshen Medical Center

Durham | Lincoln CHC

Edgecombe | Carolina Family Health Centers | OIC Family

Medical Center | Rural Health Group

Forsyth | United Health Center Southside

Franklin | Advance Community Health

Gaston | Gaston Family Health Services

Gates | Gateway CHC

Graham | Appalachian Mountain Health Center*

Greene | Greene County Health Care

Granville | Blue Ridge Health

Guilford | Triad Adult and Pediatric Medicine

Halifax | Rural Health Group

Harnett | First Choice Community Health Center

Haywood | Appalachian Mountain Health Center

Henderson | Blue Ridge Community Health Services

Hertford | Roanoke Chowan CHC

Hyde | Ocracoke Health Center

Iredell | Gaston Family Health Services

Jackson | Appalachian Mountain Health Center

Johnston | CommWell Health

Jones | Goshen Medical Center

Lenoir | Kinston CHC

Lincoln | Gaston Family Health Services

Macon | Appalachian Mountain Health Center

Martin | Metropolitan Community Health Services

Madison | Hot Springs Health Program

Mecklenburg | C.W. Williams CHC | Charlotte Community Health

Mitchell | Mountain Community Health Partnership

Montgomery | Robeson Health Care Corporation

Nash | Carolina Family Health Centers

New Hanover | MedNorth Health Center

Northampton | Rural Health Group

Onslow | Goshen Medical Center

Orange | Piedmont Health Services

Pamlico | Greene County Health Care

Pasquotank | Gateway Community Health Centers

Pender | CommWell Health

Person | Person Family Medical Center

Polk | Blue Ridge Community Health Services

Pitt | Greene County Health Care

Randolph | Randolph Family Health Care at MERCE

Richmond | Anson Regional Medical Services

Robeson | Robeson Health Care Corporation

Rockingham | Triad Adult and Pediatric Medicine

Rowan | Cabarrus Rowan Community Health Centers

Rutherford | Blue Ridge Community Health Services

Sampson | CommWell Health | Goshen Medical Center

Scotland | Robeson Health Care Corporation

Transylvania | Blue Ridge Community Health Services

Union | Anson Regional Medical Services

Vance | Rural Health Group

Wake | Advance Community Health

Warren | Rural Health Group

Washington | Roanoke Chowan CHC | Metropolitan CHC

Watauga | High Country Community Health

Wayne | Goshen Medical Center

Wilkes | Wilkes County Health Department

Wilson | Carolina Family Health Centers

Yancey | Mountain Community Health Partnership

