



Testimony on behalf of Health & Medicine Policy Research Group
Cook County Health and Hospitals Systems Board
Margie Schaps, MPH, Executive Director

In 2008, many organizations and organized labor came together in recognition of the ever increasing complexity of running a health system of 3 hospitals, 17 community clinics, a large jail health service and a public health department, to create an independent board of to govern the health system. With the assistance of County Commissioners who believed this was the right way to manage the health system, and the direction leading systems around the country were headed, this ordinance passed and the Independent board of the Cook County Health system was created.

While never fully independent because the system is public and ultimately the County board is responsible for the budget, the Systems board has done an impressive job navigating the turbulent waters that is public system health care in the 2000s. The members on this board devote countless hours of uncompensated work to reviewing financial, quality and human resources documents, sitting on committees, hiring new CEOs and overseeing the creation of an insurance program for Medicaid eligible county residents, and more. They deserve our utmost respect and gratitude for the work they have done.

Health care systems and financing are getting more complex. And the complexities and uncertainties will surely continue as the courts are now hearing the Administration seek to eliminate the Affordable Care Act. Obama Care through the expansion of Medicaid has allowed hundreds of thousands of Cook County residents to obtain health insurance. The influx of Medicaid revenue has allowed the County Taxpayers to roll back its contribution to County Health.

Cook County Health has announced a deficit of \$500 million for FY 2020, a figure foreshadowed by the recent Inspector General report. This announcement brings into focus a number of frustrations from the health system board as well as elected County Commissioners. The lack of transparency to some portions of senior management, the health system board members, and the commissioners is perhaps the most disturbing fact of our present situation.

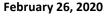
It is reasonable, after twelve years to re-evaluate how this critical safety net system is working. We believe the new ordinance takes us in the wrong direction. While ostensibly seeking to create better communication and transparency between the health system and the County government, in our view it takes away significant independence from the systems board and creates a level of "oversight" that may discourage qualified people from seeking positions on the independent board, and from seeking the CEO position at the Health System. If what we want is an advisory board, let's call it that.

To be sure, we are in support of good governance, and collaboration with "downtown", and there have been challenges to communication and transparency over the past several years. But, to have the President appoint a 12th voting member of the Independent board that is an employee of the County, not a person nominated by the nominating committee, the president's approval for a new CEO required, and salaries and HR functions being subject to County board approval, all undermine the spirit and functioning of the Independent board.

We need to strengthen, not weaken the Independent board.

To restrain a governing body focused on the health system and return to more direct control by commissioners is to go backwards thirty years. New York City, , Denver, Dallas and most of our peer systems stopped direct governance by politicians years ago. Let us instead learn from these systems about what has worked for them and use best practices to guide us forward.

Let us have a thoughtful public discussion about what should we as county taxpayers be paying for in our health system. What are the best structures for facilitating the ability to our elected County Commissioners to meet their





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public duty of providing health care to our residents? How can we structure a governance body that is skilled, transparent and accountable? How can we recruit and retain excellent staff? Should we continue to own and run an insurance company?

It is the mission of the County health system to care for all in need, regardless of their ability to pay. These are challenging times to be sure, making it incumbent on us all to get this right. We cannot threaten the system and the health of the people who count on it by making quick decisions to change governance and accountability without a comprehensive look at what works best across the country. Unlike twelve years ago, County Care the insurance s systems insurance instrument is integrated throughout our region's safety net. We cannot afford mis-steps by Cook County Health to threated the entire safety net.

We have a competent interim CEO in place, let us take the time we need to get it right. We ask the President and the Commissioners to create a public task force calling on the health care, social service, academic and business leaders to come together to examine options and recommend a path forward.

As always, Health & Medicine stands ready to work with all who want to develop a stronger Cook County Health System.

Margie Schaps