

AGENDA

FINANCE COMMITTEE

MEETING DATE: JANUARY 13, 2015
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET
BOARD ROOM

BOARD OF DIRECTORS

CALL TO ORDER

BERNARD ROSEN

ADOPTION OF THE DECEMBER 9, 2014 MINUTES

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

KEY INDICATORS & CASH RECEIPTS/DISBURSEMENTS REPORTS

KRISTA OLSON
FRED COVINO

INFORMATION ITEM

FINANCIAL STATEMENT OF REVENUE & EXPENSES AS OF 9/30/2014 & 2013

JAY WEINMAN

OLD BUSINESS
NEW BUSINESS
ADJOURNMENT

BERNARD ROSEN

MINUTES

MEETING DATE: DECEMBER 9, 2014

FINANCE COMMITTEE

BOARD OF DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held on December 9, 2014 in the 5th floor Board Room with Bernard Rosen presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Bernard Rosen
Antonio D. Martin, (Representing Dr. Raju, President)
Steven Banks, Commissioner, HRA
Josephine Bolus, RN
Mark Page
Patsy Yang, (Representing Deputy Mayor Lilliam Barrios-Paoli in a voting capacity)

OTHER ATTENDEES

J. DeGeorge, Analyst Comptroller's Office, State
N. Horrell, Research Analyst, Unite Here Health
R. McIntyre, Account Executive, Siemens
K. Raffaele, Analyst, OMB
D. Woodnoff, Analyst, OMB

HHC STAFF

P. Albertson, Senior Assistant Vice President, Corporate Operations/Procurement
M. Brito, CFO, Coler/Hank Carter Hospital & Nursing Facility
L. Brown, Senior Vice President, Corporate Planning, Community Health & Intergovernmental Rel
T. Carlisle, Associate Executive Director, Corporate Planning
D. Cates, Chief of Staff, Board Affairs

MINUTES OF THE DECEMBER 9, 2014 FINANCE COMMITTEE MEETING

A. Cohen, CFO, Southern Manhattan Health Network
D. Collington, Assistant Director, Coney Island Hospital
F. Covino, Corporate Budget Director, Corporate Budget
J. Cuda, CFO, MetroPlus Health Plan, Inc
N. Doyle, Senior Assistant Vice President, Corporate Human Resources
V. Fleming, Assistant Controller, Coney Island Hospital
L. Free, Assistant Vice President, Corporate Managed Care
D. Frimer, Controller, Coney Island Hospital
K. Garramone, CFO, North Bronx Health Care Network
M. Genee, Deputy Corporate Comptroller, Corporate Comptroller's Office
T. Green, CFO, Metropolitan Hospital Center
G. Guilford, Assistant Vice President, Office of the Senior Vice President/Finance/Managed Care
J. John, CFO, Central Brooklyn Health Network
L. Johnston, Senior Assistant Vice President, Medical & Professional Affairs
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
B. Keller, Deputy Counsel, Office of Legal Affairs
K. Kolodziejki, Assistant Director, Corporate Workforce Development
P. Lockhart, Secretary to the Corporation, Office of the Chairman
A. Marengo, Senior Vice President, Corporate Communications/Marketing
A. Moran, CFO, Elmhurst Hospital Center
K. Olson, Assistant Vice President, Corporate Budget
K. Park, Associate Executive Director, Queens Health Network
N. Peterson, Senior Associate Director, Woodhull Medical & Mental Health Center
L. Sainbert, Assistant Director, Office of the Chairman
C. Samms, CFO, Generations Plus/Northern Manhattan Network
W. Saunders, Assistant Vice President, Intergovernmental Relations
B. Stacey, Chief Financial Officer, Queens Health Network
J. Wale, Senior Assistant Vice President, Office of Behavioral Health
M. Williams, Assistant Vice President, EEO/Affirmative Action
R. Wilson, Senior Vice President/CMO, Medical & Professional Affairs
M. Zurack, Senior Vice President/CFO, Corporate Finance

MINUTES OF THE DECEMBER 9, 2014 FINANCE COMMITTEE MEETING

CALL TO ORDER

BERNARD ROSEN

The meeting of the Finance Committee was called to order at 9:10 a.m. The minutes of the November 12, 2014, Finance Committee meeting were amended and approved to reflect the following correction on Page 7. Open enrollment last year started October 1, 2013 through April 15, 2014.

CHAIR'S REPORT

BERNARD ROSEN

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

Ms. Zurack stated that HHC began FY 15 with an open cash balance of approximately 18 days of cash on hand (COH) compared to the current level of 13 days. However, based on the projected receipt of DSH and UPL payments before the end of the current FY 15, HHC is expected to end the year with 35 days of COH. The expected payments include \$200 million in DSH funding by February 2015 and \$1.3 billion in outpatient and inpatient UPL payments by April 2015. It is important to note that these payments are pending the review and approval of CMS that is currently underway.

In response to questions raised by Mr. Rosen and Mr. Page regarding the approval of those payments by CMS and the month those payments are expected, Ms. Zurack stated that the State has requested the approval of CMS of the \$200 million expected in February 2015 and the April 2015 date is based on the required change in the State law which is expected to come as part of the State budget at that time.

Mr. Rosen asked if the change in State law has to happen in the legislative session beginning in January 2015 to which Ms. Zurack stated that the pre-work is now underway but that it is expected in January 2015.

Mrs. Bolus asked if any opposition was expected. Ms. Zurack stated that as of now there is none.

Ms. Zurack moving to the next item which addressed the NYC Budget in which the November Plan was issued by the City that included significant funding for HHC relative to collective bargaining (CB) as follows: \$127 million in FY 15; \$68 million in FY 16; \$112 million in FY 17; \$127 million in FY 18 and \$132 million in FY 19. These allocations will fund the full cost of the CB COLA adjustments net of the health insurance savings. In addition, HHC was allocated \$20 million for EBOLA costs and \$5 million for the Guns Down Life Up Initiative. As part of the January 2015 Plan, agencies are required to submit their administrative savings program. HHC Finance has prepared a narrative for Dr. Raju's review and submission to the Mayor's office. The narrative was shared with the NYC OMB reflecting those savings as part of the financial plan which includes \$72 million for revenue cycle improvements; \$75 million for supply chain savings; \$53 million in staff reductions; \$20 million in laboratory savings; \$30 million in FQHC enhanced revenue; \$7 million in 340B savings. These savings were included in HHC financial plan

MINUTES OF THE DECEMBER 9, 2014 FINANCE COMMITTEE MEETING

and when the January Plan is release next year a full presentation will be made to this Committee shortly thereafter.

Ms. Zurack stated that the next item on the agenda related to the retirement of a very prominent CFO who has been a part of the HHC finance family for thirty one years and acknowledging the enormous contributions made by Aaron Cohen was particularly noteworthy. Mr. Cohen served as CFO at two facilities but most notably as the CFO at Bellevue Hospital since 1996 and on two occasions as the Acting Senior Vice President for Finance and deputy director of the South Manhattan Network. Mr. Cohen has been a scholar at HHC and lead many efforts in transforming some of the key finance methodologies used by HHC today.

Mr. Cohen thanked Ms. Zurack and the Committee for their acknowledgement adding that as Tom Paxton said in one of his songs “the pleasure was all mine” but as it relates to his tenure the pleasure was mostly his. It has been a privilege to work at HHC for the last thirty one years and to have been a part of the leadership team at Bellevue for the last eighteen years when the world changed around us with 911 and Bellevue played a major role in some of those changes.

Mr. Rosen on behalf of the Committee congratulated Mr. Cohen on his retirement.

The reporting was concluded.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

KRISTA OLSON/FRED COVINO

Ms. Olson reported that utilization as of October 2014 continued to decline; however, there appeared to be a decrease that might be an indication that the trend is leveling out. Discharges were down by 3.5% since last year for the first time it appeared that the reduction was due to a decline in one-day stays and readmissions. Visits were down by 1.9%; D&TC visits were down by 2.4% compared to last year at 6.5%. Nursing home days remained fairly consistent with last year which is an improvement over the declines last year. Specifically, Henry J. Carter had a decline of 17.6% compared to 25% earlier this fiscal year. This is due to the reduction in beds at the new facility and a slower phase-in of the long term care beds. This is countered by a significant increase at Gouverneur, whereby several new floors were opened with a 64% increase in workload. The ALOS all of the facilities with the exception of Coney Island were below the corporate average. Coney Island’s patient population is a contributing factor to its higher LOS. The CMI was up by 2.6% over last year which is consistent with the decline in one-day stays and readmissions.

Mr. Covino continuing with the reporting stated that FTEs were up by 240 since the end of last fiscal year. The details of the increase would be covered in the PS Key Indicators quarterly report later on the agenda. Receipts were \$57 million worse than budget and disbursements were \$21 million over budget for a net year-to-date deficit of \$78 million. A comparison of receipts and disbursements against last year for the same period, receipts were \$29 million less due to the receipt of a \$100 million

MINUTES OF THE DECEMBER 9, 2014 FINANCE COMMITTEE MEETING

“risk pool” payments from MetroPlus in October FY 14 that was received this FY 15 in November 2014 which will balance out going forward. That reduction was offset by an increase in Medicare and Medicare managed care over last year due to an increase in the DSH that began last year in October and November; an additional \$26 million due to the City’s prepayment of tax levy for the fiscal year. Expenses were \$145 million more than last year for the same period due to an increase in PS by \$100 million for collective bargaining payments for various unionized contract settlements; an increase of \$13 million due to allowances and an increase of 60 FTEs compared to last year. Fringe benefits were \$22 million less than last year due to a retroactive health payment for equalization to the City which is a timing issue compared to payments made last year during this period. This payment will be made at the end of the current fiscal year. OTPS expenses were up by \$35 million due to an increase in pharmaceuticals of \$9 million; utilities up by \$4 million; other purchased services up by \$3 million for new cost associated with hospital medical home, DSRIP and Meaningful use and consulting costs associated with the labs IT related to Cerner and QuadraMed were up by \$13 million. Affiliation expenses were up by \$29 million due to a change in the payment methodology from one payment per month to biweekly payments. There was a \$12 million offset payment for physician UPL which was funneled back and counted as a contract expense but for this FY 15 it will be reflected as a receipt. Bond debt was up by \$2.1 million due to the refinancing of the debt to get a lower interest rate. A comparison of actual versus budget, total receipts were down by \$57 million due to a decrease in workload and PS expenses were \$5 million under budget and OTPS expenses were \$28 million over budget. The reporting was concluded.

PS KEY INDICATORS REPORT AS OF OCTOBER 2014 – FY 15 1ST QTR

FRED COVINO

Mr. Covino reported that disbursements in comparison to budget were \$5 million less than budget which was due to a slight reduction in the projected increase in FTEs budgeted at 280 compared to 240 for the period. Overtime expenses were under budget by \$2.3 million. A comparison of overtime by major categories, nursing, plant maintenance and all other, there was a total decline of 2.5%. Nurse registry was up by \$7.9 million compared to last year for the same period. The bulk of that increase was due to a change in the payment methodology with the vendor whereby payments are now made within 90 days. Several facilities, Harlem, Lincoln and Metropolitan hospitals have significant lags in payments that are now up to-date including prior year payments. Bellevue was up by \$2.8 million due to an increase in usage relative to the hiring of 53 nurses who are in training. Allowances were up by \$13 million due to a reduction in agency and temporary staffing costs and extended hours for weekend and night coverage. The reporting was concluded.

ADJOURNMENT

BERNARD ROSEN

There being no further business to discuss the meeting was adjourned at 9:43 a.m.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

AS OF NOVEMBER 2014

KEY INDICATORS
FISCAL YEAR 2015 UTILIZATION

Year to Date
 November 2014

| NETWORKS | UTILIZATION | | | | | | AVERAGE LENGTH OF STAY | | ALL PAYOR CASE MIX INDEX | |
|--------------------------------|-------------|-----------|--------|-----------------|---------|--------|------------------------|----------|--------------------------|--------|
| | VISITS | | | DISCHARGES/DAYS | | | ACTUAL | EXPECTED | FY 15 | FY 14 |
| | FY 15 | FY 14 | VAR % | FY 15 | FY 14 | VAR % | | | | |
| <u>North Bronx</u> | | | | | | | | | | |
| Jacobi | 175,059 | 176,300 | -0.7% | 8,177 | 8,501 | -3.8% | 5.7 | 6.1 | 0.9884 | 0.9784 |
| North Central Bronx | 84,888 | 83,384 | 1.8% | 1,842 | 2,042 | -9.8% | 5.4 | 5.8 | 0.8404 | 0.8615 |
| <u>Generations +</u> | | | | | | | | | | |
| Harlem | 128,666 | 142,507 | -9.7% | 4,801 | 4,667 | 2.9% | 5.3 | 5.9 | 0.9507 | 0.9411 |
| Lincoln | 223,509 | 232,219 | -3.8% | 9,676 | 10,019 | -3.4% | 5.1 | 5.5 | 0.8321 | 0.8281 |
| Belvis DTC | 22,251 | 23,103 | -3.7% | | | | | | | |
| Morrisania DTC | 34,602 | 34,520 | 0.2% | | | | | | | |
| Renaissance | 18,553 | 21,203 | -12.5% | | | | | | | |
| <u>South Manhattan</u> | | | | | | | | | | |
| Bellevue | 237,910 | 239,484 | -0.7% | 9,986 | 9,827 | 1.6% | 6.5 | 6.3 | 1.0994 | 1.0915 |
| Metropolitan | 164,259 | 165,085 | -0.5% | 3,639 | 4,935 | -26.3% | 4.8 | 5.4 | 0.8490 | 0.7419 |
| Coler | | | | 113,633 | 113,657 | 0.0% | | | | |
| Goldwater/H.J. Carter | | | | 47,795 | 54,858 | -12.9% | | | | |
| Gouverneur - NF | | | | 30,745 | 18,873 | 62.9% | | | | |
| Gouverneur - DTC | 108,780 | 115,695 | -6.0% | | | | | | | |
| <u>North Central Brooklyn</u> | | | | | | | | | | |
| Kings County | 284,325 | 290,265 | -2.0% | 9,163 | 9,538 | -3.9% | 6.5 | 6.3 | 1.0283 | 0.9888 |
| Woodhull | 198,992 | 206,645 | -3.7% | 4,897 | 5,433 | -9.9% | 5.2 | 5.2 | 0.8264 | 0.7918 |
| McKinney | | | | 47,458 | 47,901 | -0.9% | | | | |
| Cumberland DTC | 34,390 | 35,973 | -4.4% | | | | | | | |
| East New York | 33,244 | 30,896 | 7.6% | | | | | | | |
| <u>Southern Brooklyn / S I</u> | | | | | | | | | | |
| Coney Island | 139,858 | 141,859 | -1.4% | 6,456 | 5,693 | 13.4% | 6.7 | 6.1 | 0.9665 | 0.9715 |
| Seaview | | | | 45,620 | 45,704 | -0.2% | | | | |
| <u>Queens</u> | | | | | | | | | | |
| Elmhurst | 260,480 | 260,778 | -0.1% | 8,560 | 9,350 | -8.4% | 5.8 | 5.5 | 0.9117 | 0.8599 |
| Queens | 165,698 | 173,002 | -4.2% | 5,180 | 5,093 | 1.7% | 5.4 | 5.2 | 0.8265 | 0.8437 |
| Discharges/CMI-- All Acutes | | | | | | | | | | |
| Visits-- All D&TCs & Acutes | | | | | | | | | | |
| Days-- All SNFs | | | | | | | | | | |
| | 2,315,464 | 2,372,918 | -2.4% | 72,377 | 75,098 | -3.6% | | | 0.9405 | 0.9158 |
| | | | | 285,251 | 280,993 | 1.5% | | | | |

Notes:

Utilization

Acute: discharges exclude psych and rehab; reimbursable visits include clinics, emergency department and ambulatory surgery

D&TC: reimbursable visits

LTC: SNF and Acute days

All Payor CMI

Acute discharges are grouped using the 2013 New York State APR-DRGs for FY 14 and FY 15 as of December 2013. Beginning in September 2014, FY 14 discharges are regrouped using the 2013 scheme.

Average Length of Stay

Actual: discharges divided by days; excludes one day stays

Expected: weighted average of DRG specific corporate average length of stay using APR-DRGs

FY 14 utilization at Coney Island reflects a gradual reopening of services following the temporary closure due to Hurricane Sandy in October 2012. All services were fully restored as of April 10, 2014.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.

KEY INDICATORS

FISCAL YEAR 2015 BUDGET PERFORMANCE (\$s in 000s)

Year to Date
November 2014

| NETWORKS | FTE's VS 6/14/14 | RECEIPTS | | DISBURSEMENTS | | BUDGET VARIANCE | |
|-------------------------------|---------------------|----------------------------|---------------------------|----------------------------|---------------------------|----------------------------|---------------------|
| | | actual | better / (worse) | actual | better / (worse) | better / (worse) | |
| <u>North Bronx</u> | | | | | | | |
| Jacobi | 16.0 | \$ 206,773 | \$ (10,186) | \$ 224,131 | \$ (7,218) | \$ (17,404) | -4.0% |
| North Central Bronx | <u>(3.0)</u> | <u>59,125</u> | <u>(5,209)</u> | <u>72,918</u> | <u>2,784</u> | <u>(2,425)</u> | <u>-1.7%</u> |
| | 13.0 | \$ 265,898 | \$ (15,394) | \$ 297,048 | \$ (4,434) | \$ (19,829) | -3.5% |
| <u>Generations +</u> | | | | | | | |
| Harlem | (5.5) | \$ 130,275 | \$ 1,147 | \$ 149,065 | \$ (10,041) | \$ (8,894) | -3.3% |
| Lincoln | 42.5 | 207,211 | 981 | 202,956 | 7,725 | 8,706 | 2.1% |
| Belvis DTC | 5.0 | 5,217 | 363 | 5,701 | 1,347 | 1,710 | 14.4% |
| Morrisania DTC | 12.0 | 8,908 | 910 | 10,083 | 1,040 | 1,950 | 10.2% |
| Renaissance | <u>(1.0)</u> | <u>9,671</u> | <u>2,970</u> | <u>8,355</u> | <u>75</u> | <u>3,045</u> | <u>20.1%</u> |
| | 53.0 | \$ 361,281 | \$ 6,371 | \$ 376,160 | \$ 147 | \$ 6,518 | 0.9% |
| <u>South Manhattan</u> | | | | | | | |
| Bellevue | 72.5 | \$ 282,216 | \$ (8,811) | \$ 304,502 | \$ (12,165) | \$ (20,976) | -3.6% |
| Metropolitan | (14.0) | 105,092 | (14,424) | 125,400 | 2,536 | (11,888) | -4.8% |
| Coler | (37.5) | 37,424 | (4,960) | 56,377 | (5,584) | (10,544) | -11.3% |
| Goldwater/H.J. Carter | (3.0) | 38,324 | (10,336) | 47,701 | (5,861) | (16,196) | -17.9% |
| Gouverneur | <u>38.5</u> | <u>35,473</u> | <u>(440)</u> | <u>40,958</u> | <u>1,196</u> | <u>755</u> | <u>1.0%</u> |
| | 56.5 | \$ 498,529 | \$ (38,971) | \$ 574,939 | \$ (19,878) | \$ (58,850) | -5.4% |
| <u>North Central Brooklyn</u> | | | | | | | |
| Kings County | 10.5 | \$ 269,092 | \$ 1,100 | \$ 275,043 | \$ 10,430 | \$ 11,531 | 2.1% |
| Woodhull | 31.5 | 149,284 | (4,453) | 163,224 | (4,703) | (9,156) | -2.9% |
| McKinney | 5.5 | 21,015 | (795) | 19,004 | 40 | (755) | -1.8% |
| Cumberland DTC | 5.0 | 12,838 | 276 | 10,957 | 1,144 | 1,420 | 5.8% |
| East New York | <u>(3.5)</u> | <u>10,659</u> | <u>2,751</u> | <u>9,600</u> | <u>209</u> | <u>2,960</u> | <u>16.7%</u> |
| | 49.0 | \$ 462,888 | \$ (1,121) | \$ 477,828 | \$ 7,120 | \$ 5,999 | 0.6% |
| <u>Southern Brooklyn/SI</u> | | | | | | | |
| Coney Island | (17.0) | \$ 120,883 | \$ (18,446) | \$ 155,960 | \$ (5,210) | \$ (23,656) | -8.2% |
| Seaview | <u>5.5</u> | <u>21,068</u> | <u>(579)</u> | <u>21,622</u> | <u>(176)</u> | <u>(755)</u> | <u>-1.8%</u> |
| | (11.5) | \$ 141,951 | \$ (19,024) | \$ 177,582 | \$ (5,386) | \$ (24,410) | -7.3% |
| <u>Queens</u> | | | | | | | |
| Elmhurst | 54.0 | \$ 197,531 | \$ (4,507) | \$ 226,096 | \$ (7,203) | \$ (11,710) | -2.8% |
| Queens | <u>42.0</u> | <u>126,811</u> | <u>(5,478)</u> | <u>149,490</u> | <u>(3,007)</u> | <u>(8,485)</u> | <u>-3.0%</u> |
| | 96.0 | \$ 324,342 | \$ (9,986) | \$ 375,585 | \$ (10,210) | \$ (20,195) | -2.9% |
| NETWORKS TOTAL | <u>256.0</u> | <u>\$ 2,054,889</u> | <u>\$ (78,125)</u> | <u>\$ 2,279,142</u> | <u>\$ (32,641)</u> | <u>\$ (110,767)</u> | <u>-2.5%</u> |
| Central Office | 1.0 | 74,127 | 5,503 | 125,761 | 4,615 | 10,118 | 5.1% |
| HHC Health & Home Care | 2.5 | 6,322 | (7,017) | 15,779 | (2,777) | (9,794) | -37.2% |
| Enterprise IT | <u>23.0</u> | <u>5</u> | <u>5</u> | <u>83,370</u> | <u>3,228</u> | <u>3,233</u> | <u>3.7%</u> |
| GRAND TOTAL | <u>282.5</u> | <u>\$ 2,135,342</u> | <u>\$ (79,634)</u> | <u>\$ 2,504,053</u> | <u>\$ (27,575)</u> | <u>\$ (107,209)</u> | <u>-2.3%</u> |

Notes:

FY 14 utilization at Coney Island reflects a gradual reopening of services following the temporary closure due to Hurricane Sandy in October 2012. All services were fully restored as of April 10, 2014.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.

New York City Health & Hospitals Corporation
Cash Receipts and Disbursements (CRD)
Fiscal Year 2015 vs Fiscal Year 2014 (in 000's)
TOTAL CORPORATION

| | Month of November 2014 | | | Fiscal Year To Date November 2014 | | |
|--|------------------------|-------------------|---------------------|-----------------------------------|---------------------|---------------------|
| | actual 2015 | actual 2014 | better / (worse) | actual 2015 | actual 2014 | better / (worse) |
| Cash Receipts | | | | | | |
| Inpatient | | | | | | |
| Medicaid Fee for Service | \$ 60,831 | \$ 58,590 | \$ 2,241 | \$ 336,557 | \$ 345,905 | \$ (9,349) |
| Medicaid Managed Care | 46,400 | 53,371 | (6,971) | 263,599 | 268,579 | (4,980) |
| Medicare | 43,702 | 44,340 | (637) | 237,715 | 211,416 | 26,298 |
| Medicare Managed Care | 27,799 | 21,833 | 5,966 | 139,405 | 112,935 | 26,470 |
| Other | <u>17,050</u> | <u>16,790</u> | <u>259</u> | <u>91,861</u> | <u>93,878</u> | <u>(2,017)</u> |
| Total Inpatient | \$ 195,782 | \$ 194,924 | \$ 858 | \$ 1,069,136 | \$ 1,032,714 | \$ 36,422 |
| Outpatient | | | | | | |
| Medicaid Fee for Service | \$ 10,624 | \$ 12,291 | \$ (1,667) | \$ 88,834 | \$ 93,465 | \$ (4,631) |
| Medicaid Managed Care | 26,138 | 27,705 | (1,567) | 158,793 | 241,981 | (83,188) |
| Medicare | 4,989 | 4,240 | 750 | 26,537 | 19,919 | 6,618 |
| Medicare Managed Care | 7,680 | 14,645 | (6,965) | 40,283 | 45,330 | (5,047) |
| Other | <u>11,099</u> | <u>10,712</u> | <u>387</u> | <u>59,952</u> | <u>73,354</u> | <u>(13,403)</u> |
| Total Outpatient | \$ 60,531 | \$ 69,593 | \$ (9,062) | \$ 374,399 | \$ 474,049 | \$ (99,650) |
| All Other | | | | | | |
| Pools | \$ (1,990) | \$ 15,129 | \$ (17,119) | \$ 124,499 | \$ 128,338 | \$ (3,839) |
| DSH / UPL | 287,887 | 193,600 | 94,287 | 430,887 | 357,943 | 72,943 |
| Grants, Intracity, Tax Levy | 3,896 | 9,442 | (5,545) | 122,561 | 92,891 | 29,670 |
| Appeals & Settlements | (2,197) | (2,386) | 189 | (9,579) | 4,550 | (14,129) |
| Misc / Capital Reimb | <u>3,991</u> | <u>3,377</u> | <u>614</u> | <u>23,439</u> | <u>21,519</u> | <u>1,920</u> |
| Total All Other | \$ 291,587 | \$ 219,162 | \$ 72,425 | \$ 691,807 | \$ 605,241 | \$ 86,565 |
| Total Cash Receipts | \$ 547,900 | \$ 483,679 | \$ 64,221 | \$ 2,135,342 | \$ 2,112,004 | \$ 23,338 |
| Cash Disbursements | | | | | | |
| PS | \$ 200,403 | \$ 191,139 | \$ (9,264) | \$ 1,129,220 | \$ 1,019,052 | \$ (110,168) |
| Fringe Benefits | 59,067 | 59,070 | 3 | 340,475 | 362,540 | 22,065 |
| OTPS | 115,920 | 108,737 | (7,182) | 602,481 | 559,983 | (42,499) |
| City Payments | - | - | 0 | - | - | 0 |
| Affiliation | 73,109 | 76,152 | 3,044 | 398,008 | 384,513 | (13,494) |
| HHC Bonds Debt | <u>6,838</u> | <u>2,876</u> | <u>(3,962)</u> | <u>33,869</u> | <u>27,803</u> | <u>(6,066)</u> |
| Total Cash Disbursements | \$ 455,336 | \$ 437,975 | \$ (17,362) | \$ 2,504,053 | \$ 2,353,890 | \$ (150,162) |
| Receipts over/(under) Disbursements | \$ 92,563 | \$ 45,705 | \$ 46,859 | \$ (368,711) | \$ (241,886) | \$ (126,825) |

Notes:

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New York City Health & Hospitals Corporation
Actual vs. Budget Report
Fiscal Year 2015 (in 000's)
TOTAL CORPORATION

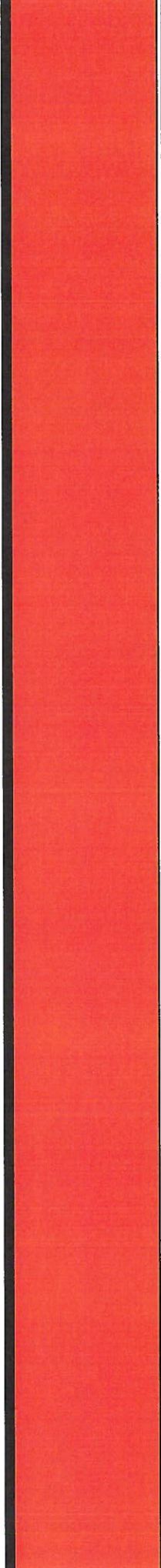
| | Month of November 2014 | | | Fiscal Year To Date November 2014 | | |
|--|------------------------|-------------------|---------------------|-----------------------------------|---------------------|---------------------|
| | actual 2015 | budget 2015 | better / (worse) | actual 2015 | budget 2015 | better / (worse) |
| Cash Receipts | | | | | | |
| Inpatient | | | | | | |
| Medicaid Fee for Service | \$ 60,831 | \$ 67,560 | \$ (6,729) | \$ 336,557 | \$ 372,112 | \$ (35,555) |
| Medicaid Managed Care | 46,400 | 49,097 | (2,697) | 263,599 | 273,483 | (9,885) |
| Medicare | 43,702 | 43,745 | (43) | 237,715 | 244,355 | (6,640) |
| Medicare Managed Care | 27,799 | 29,092 | (1,293) | 139,405 | 141,635 | (2,230) |
| Other | <u>17,050</u> | <u>20,368</u> | <u>(3,319)</u> | <u>91,861</u> | <u>104,322</u> | <u>(12,460)</u> |
| Total Inpatient | \$ 195,782 | \$ 209,861 | \$ (14,079) | \$ 1,069,136 | \$ 1,135,907 | \$ (66,771) |
| Outpatient | | | | | | |
| Medicaid Fee for Service | \$ 10,624 | \$ 12,022 | \$ (1,399) | \$ 88,834 | \$ 94,389 | \$ (5,554) |
| Medicaid Managed Care | 26,138 | 27,684 | (1,545) | 158,793 | 157,918 | 876 |
| Medicare | 4,989 | 4,483 | 506 | 26,537 | 24,657 | 1,880 |
| Medicare Managed Care | 7,680 | 7,517 | 163 | 40,283 | 39,331 | 951 |
| Other | <u>11,099</u> | <u>12,132</u> | <u>(1,033)</u> | <u>59,952</u> | <u>62,650</u> | <u>(2,698)</u> |
| Total Outpatient | \$ 60,531 | \$ 63,838 | \$ (3,308) | \$ 374,399 | \$ 378,944 | \$ (4,545) |
| All Other | | | | | | |
| Pools | \$ (1,990) | \$ (1,591) | \$ (399) | \$ 124,499 | \$ 126,146 | \$ (1,648) |
| DSH / UPL | 287,887 | 287,887 | 0 | 430,887 | 430,887 | 0 |
| Grants, Intracity, Tax Levy | 3,896 | 5,347 | (1,450) | 122,561 | 115,999 | 6,562 |
| Appeals & Settlements | (2,197) | - | (2,197) | (9,579) | - | (9,579) |
| Misc / Capital Reimb | <u>3,991</u> | <u>5,304</u> | <u>(1,313)</u> | <u>23,439</u> | <u>27,093</u> | <u>(3,654)</u> |
| Total All Other | \$ 291,587 | \$ 296,946 | \$ (5,359) | \$ 691,807 | \$ 700,125 | \$ (8,318) |
| Total Cash Receipts | \$ 547,900 | \$ 570,645 | \$ (22,746) | \$ 2,135,342 | \$ 2,214,976 | \$ (79,634) |
| Cash Disbursements | | | | | | |
| PS | \$ 200,403 | \$ 196,195 | \$ (4,208) | \$ 1,129,220 | \$ 1,130,059 | \$ 839 |
| Fringe Benefits | 59,067 | 60,962 | 1,896 | 340,475 | 344,540 | 4,065 |
| OTPS | 115,920 | 112,066 | (3,854) | 602,481 | 570,459 | (32,023) |
| City Payments | - | - | 0 | - | - | 0 |
| Affiliation | 73,109 | 73,092 | (17) | 398,008 | 398,008 | 0 |
| HHC Bonds Debt | <u>6,838</u> | <u>6,882</u> | <u>44</u> | <u>33,869</u> | <u>33,412</u> | <u>(457)</u> |
| Total Cash Disbursements | \$ 455,336 | \$ 449,198 | \$ (6,139) | \$ 2,504,053 | \$ 2,476,477 | \$ (27,575) |
| Receipts over/(under) Disbursements | \$ 92,563 | \$ 121,448 | \$ (28,884) | \$ (368,711) | \$ (261,501) | \$ (107,209) |

Notes:

FY 14 utilization at Coney Island reflects a gradual reopening of services following the temporary closure due to Hurricane Sandy in October 2012. All services were fully restored as of April 10, 2014.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.

FINANCIAL STATEMENT OF REVENUES & EXPENSES
AS OF SEPTEMBER 2014 AND 2013



NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

(A Component Unit of the City of New York)

Statement of Revenue and Expenses

Periods ended September 30, 2014 and 2013

(in thousands)

| | HHC | | MetroPlus | | Inter-Company Elimination Entries | | Totals | | Variance |
|--|--------------|-----------|-----------|---------|-----------------------------------|---------------|-----------|-----------|----------|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | |
| Operating revenues: | | | | | | | | | |
| Net patient service revenue | \$ 1,456,178 | 1,523,857 | - | - | (184,364) (1) | (216,169) (1) | 1,271,814 | 1,307,688 | (35,874) |
| Appropriations from (remittances to) the City, net | 51,488 | 1,225 | (4,041) | - | - | - | 47,447 | 1,225 | 46,222 |
| Premium revenue | - | - | 621,476 | 575,947 | (5,593) (2) | (5,676) (2) | 615,883 | 570,271 | 45,612 |
| Grants revenue | 110,155 | 48,429 | - | - | - | - | 110,155 | 48,429 | 61,726 |
| Other revenue | 13,026 | 11,269 | 2 | 1 | - | - | 13,028 | 11,270 | 1,758 |
| Total operating revenues | 1,630,847 | 1,584,780 | 617,437 | 575,948 | (189,957) | (221,845) | 2,058,327 | 1,938,883 | 119,444 |
| Operating expenses: | | | | | | | | | |
| Personal services | 665,357 | 607,959 | 16,766 | 14,073 | - | - | 682,123 | 622,032 | 60,091 |
| Other than personal services | 346,859 | 353,045 | 585,066 | 543,280 | (184,364) (1) | (216,169) (1) | 747,561 | 680,156 | 67,405 |
| Fringe benefits and employer payroll taxes | 203,486 | 179,286 | 6,233 | 3,995 | (5,593) (2) | (5,676) (2) | 204,126 | 177,605 | 26,521 |
| Pension | 49,498 | 108,919 | - | - | - | - | 49,498 | 108,919 | (59,421) |
| Postemployment benefits, other than pension | 83,820 | 75,597 | 1,802 | 3,266 | - | - | 85,622 | 78,863 | 6,759 |
| Affiliation contracted services | 244,889 | 231,842 | - | - | - | - | 244,889 | 231,842 | 13,047 |
| Depreciation | 73,368 | 65,543 | 632 | 671 | - | - | 74,000 | 66,214 | 7,786 |
| Total operating expenses | 1,667,277 | 1,622,191 | 610,499 | 565,285 | (189,957) | (221,845) | 2,087,819 | 1,965,631 | 122,188 |
| Operating income (loss) | (36,430) | (37,411) | 6,938 | 10,663 | - | - | (29,492) | (26,748) | (2,744) |
| Nonoperating revenues (expenses): | | | | | | | | | |
| Investment income | 163 | 600 | 305 | 554 | - | - | 468 | 1,154 | (686) |
| Interest expense | (36,183) | (28,081) | - | - | - | - | (36,183) | (28,081) | (8,102) |
| Noncapital contributions | 232 | 237 | - | - | - | - | 232 | 237 | (5) |
| Total nonoperating revenues (expenses), | (35,788) | (27,244) | 305 | 554 | - | - | (35,483) | (26,690) | (8,793) |
| Income (Loss) | \$ (72,218) | (64,655) | 7,243 | 11,217 | - | - | (64,975) | (53,438) | (11,537) |

Note: Pension expense for 2014 is reported under new accounting guidelines (GASB 68). The 2013 expenses have not been restated in accordance with GASB 68.

- (1) Represents payments by Metroplus to HHC for medical services. Revenue and expenses are eliminated for consolidation purposes
- (2) Represents health benefits paid to Metroplus for HHC employees. Revenue and expenses are eliminated for consolidation purposes