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| <p><b><u>CALL TO ORDER - 3 PM</u></b></p>  | <p>Mr. Campbell</p>            |
| <p>1. Adoption of Minutes: September 22, 2016</p>  |                                |
| <p><b><u>Acting Chair’s Report</u></b></p>   | <p>Mr. Campbell</p>            |
| <p><b><u>President’s Report</u></b></p>  | <p>Dr. Raju</p>                |
| <p>► <b>Information Item: *Correctional Health Services Update</b><br/> <b>Presenter:</b> Patricia Yang, Dr. PH, Senior Vice President, Correctional Health Services<br/>         &gt;&gt;<b>Action Items</b>&lt;&lt;</p>  |                                |
| <p>2. RESOLUTION authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals” or the “System”) to execute an agreement with <b>Manatt Health</b>, a division of Manatt, Phelps &amp; Phillips LLP (“Manatt”) to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System’s Office of Transformation at cost not to exceed \$3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.<br/>         (Capital Committee – 10/13/2016)<br/>         EEO: / VENDEX: Pending</p> | <p>Ms. Youssouf</p>            |
| <p>3. RESOLUTION authorizing the New York City Health + Hospitals to execute an agreement with <b>The Advisory Board</b> to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed \$5,680,997 including a 2% contingency.<br/>         (Med &amp; Professional Affairs Committee – 10/11/2016)<br/>         EEO: / VENDEX: Approved</p>  | <p>Dr. Calamia</p>             |
| <p>4. RESOLUTION authorizing the NYC Health + Hospitals to execute a revocable five year <b>license agreement</b> with <b>New York University School of Medicine</b> for its continued use and occupancy of 9,500 square feet of space at <b>NYC Health + Hospitals   Bellevue</b> for the NYU-HHC Clinical Translational Science Institute (“CTSI”) with the occupancy fee waived.<br/>         (Capital Committee – 10/13/2016)<br/>         VENDEX: Pending</p>   | <p>Dr. Raju</p>                |
| <p>5. RESOLUTION authorizing the New York City Health and Hospitals Corporation (the “NYC Health + Hospitals”) to approve a <b>Capital Project</b> for an amount not-to exceed \$9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration (CHP) System (the “Project”) at <b>NYC Health + Hospitals   Kings County</b>.<br/>         (Capital Committee – 10/13/2016)</p>   | <p>Ms. Youssouf</p>            |
| <p>6. RESOLUTION appointing <b>Steven Bussey</b> as a <b>member of the Board of Directors of MetroPlus Health Plan, Inc.</b> a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York, to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.<br/>         (MetroPlus – 09/27/2016)</p>  | <p>Mr. Rosen</p> <p>(over)</p> |

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| <b><u>Committee Reports</u></b>   | Ms. Youssef<br>Ms. Youssef<br>Dr. Calamia |
| ➤ Audit<br>➤ Capital<br>➤ Medical & Professional Affairs                          |   |
| <b><u>Subsidiary Board Report</u></b>   | Mr. Rosen<br>Dr. Raju                     |
| ➤ MetroPlus Health Plan, Inc.<br>➤ HHC Accountable Care Organization (HHC/ACO)    |   |
| <b><u>Executive Session / Facility Governing Body Report</u></b>                  |   |
| ➤ NYC Health + Hospitals   Coney Island<br>➤ NYC Health + Hospitals   Sea View    |   |
| <b>Semi-Annual Governing Body Report (Written Submissions Only)</b>               |   |
| ➤ NYC Health + Hospitals   Coler<br>➤ NYC Health + Hospitals   Carter             |   |
| <b>2015 Performance Improvement Plan and Evaluation (Written Submission Only)</b> |   |
| ➤ NYC Health + Hospitals   Gotham Health   Renaissance                            |   |
| >>Old Business<<  |   |
| >>New Business<<  |   |
| <b>Adjournment</b>  | Mr. Campbell                              |

## NYC HEALTH + HOSPITALS

A meeting of the Board of Directors of NYC Health + Hospitals was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 22nd day of September 2016 at 3:00 P.M. pursuant to a notice which was sent to all of the Directors of NYC Health + Hospitals and which was provided to the public by the Secretary. The following Directors were present in person:

Dr. Lilliam Barrios-Paoli  
Dr. Ramanathan Raju  
Ms. Helen Arteaga Landaverde  
Mr. Steven Banks  
Dr. Gary S. Belkin  
Josephine Bolus, R.N.  
Dr. Jo Ivey Boufford  
Dr. Vincent Calamia  
Mr. Gordon J. Campbell  
Barbara A. Lowe, R.N.  
Mr. Robert Nolan  
Mr. Mark Page  
Dr. Herminia Palacio  
Mr. Bernard Rosen  
Ms. Emily A. Youssouf

Dr. Barrios-Paoli chaired the meeting and Mr. Salvatore J. Russo, Secretary to the Board, kept the minutes thereof.

### ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on July 28, 2016 were presented to the Board. Then on motion made by Dr. Raju and duly seconded, the Board unanimously adopted the minutes.

1. **RESOLVED**, that the minutes of the meeting of the Board of Directors held on July 28, 2016, copies of which have been presented to this meeting, be and hereby are adopted.

**CHAIRPERSON'S REPORT**

Dr. Barrios-Paoli thanked the Board members who attended the public hearing on September 7, 2016 at NYC Health + Hospitals/Queens. She also thanked the Board members who participated in the educational session held on September 12, 2016.

Dr. Barrios-Paoli received approval from the Board to honor Mrs. Bolus' request to be removed from the Finance and Strategic Planning Committees due to personal commitments. She also received Board approval to remove Dr. Jo Ivey Boufford from the Audit Committee and appoint her to the Strategic Planning Committee.

Dr. Barrios-Paoli updated the Board on approved and pending Vendex.

Dr. Barrios-Paoli announced that she has resigned as Chairperson of the Board of NYC Health + Hospitals effective October 7, 2016. Vice Chairman Gordon J. Campbell will act as Chairman until a permanent Board Chair is appointed. Dr. Raju thanked Dr. Barrios-Paoli for her service to the NYC Health + Hospitals.

**PRESIDENT'S REPORT**

Dr. Raju's remarks were in the Board package and made available on NYC Health + Hospitals' internet site. A copy is attached hereto and incorporated by reference.

ACTION ITEMS

## RESOLUTION

2. Adopting NYC Health + Hospitals Mission Statement and Performance Measures as required by the Public Authorities Reform Act.

Dr. Barrios-Paoli moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

## RESOLUTION

3. Adopting, in the name of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") Board of Directors, the **twelve Implementation Strategies** prepared for each of NYC Health + Hospitals' eleven acute care hospitals and for the Henry J. Carter Specialty Hospital and Rehabilitation Center as **supplemental documents to the Community Health Needs Assessments**, which were approved by the Board of Directors in June 2016.

After discussion, Mr. Campbell moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

## RESOLUTION

4. Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a 99 year **sublease** (including tenant renewal options) with **T Building Housing Development Fund Company, Inc.** a to-be-formed single purpose as entity of which NYC Partnership Housing Development Fund Company, Inc. is the sole member as nominee for T Building LLC, a to-be-formed single purpose limited liability company, the managing member of which will be T Building Managers LLC a to be formed single purpose entity of which **Dunn Development Corp.** will be the sole member ("**Tenant**"), to rent a parcel of approximately 167,000 square feet including the existing 10 story "**T Building**" of approximately 238,000 gross square feet on the campus of **Queens Hospital Center, Jamaica, Queens, New York** together approximately 129,000 square feet of surrounding land to be used for approximately 103 parking spaces for the building along with other uses. The building is to be renovated to create approximately 206 residential units including approximately 75 supportive housing units for single adults who are appropriate for independent living

in the community and whose income is less than 60% of the Area Median Income ("AMI"); approximately 79 affordable units for households earning less than 60% of the AMI; and approximately 51 moderate/middle income housing units for households earning less than 100% of AMI with 8,000 square feet to be provided for a community facility use; provided that, in lieu of rent to NYC Health + Hospitals approximately 12,000 gross square feet will be retained by NYC Health + Hospitals at no charge other than for utilities and maintenance for the Facility's non-directed medical care uses.

After discussion, Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

#### RESOLUTION

5. Authorizing the NYC Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a **sub-lease** with **Emblem Health** for a term of approximately seven years and six months for approximately 37,459 square feet of space on the 9<sup>th</sup> floor at 1 Metrotech Center, Borough of Brooklyn, **to house MetroPlus' call center and associated functions** at an initial rent of \$26 per square foot, or \$568,128 for the first year of the term after factoring five months of free rent, and with the rent escalating for the balance of the term at a rate of 2.5% per year for a total base rent for the lease term of approximately \$7,620,309 plus a total of \$710,164 for electricity over the term for a total cost of \$8,330,473.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

#### RESOLUTION

6. Authorizing the NYC Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a **sub-lease** with the **New York State Shipping Association, Inc. - International Long Shoremen's Association Pension Trust Fund** for a term of approximately four years and eight months for approximately 16,899 square feet of space on the 16<sup>th</sup> floor at 77 Water Street, Borough of Manhattan, **to house the Office of the Inspector General** at an initial rent of \$45 per square foot, or \$570,342 for the first year of the term after factoring three months of free rent, and with the rent escalating for the balance of the term at a rate of 2% per year

for a total base rent for the lease term of approximately \$3,492,944 plus a total of \$216,869 for electricity over the term for a total cost of \$3,709,813.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

#### RESOLUTION

7. Authorizing the NYC Health and Hospitals Corporation ("NYC Health + Hospitals") to **increase** the aggregate not-to-exceed **threshold established for the Construction Management services contract pool**, including the following firms: **Gilbane Building Company; HAKS; Hunter Roberts Construction Group; Jacobs Engineering; LiRo Program and Construction Management; and TDX Construction Corporation**, by \$6.5 million, from \$8.5 million to \$15 million, to provide professional construction management services on an as-needed basis at various facilities throughout the system.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

#### RESOLUTION

8. Authorizing the NYC Health and Hospitals Corporation ("NYC Health + Hospitals") to **increase** the aggregate not-to-exceed **threshold established for the Life Safety services contract pool**, including the following firms: **Code Consultants Professional Engineers; Hughes Associate Fire & Safety Engineers of New York, PC; Safety Management Services; and TSIG Consulting, Inc.**, by \$3.5 million, from \$1 million to \$4.5 million, to provide professional Life Safety services on an as-needed basis at various facilities throughout the system.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

#### BOARD COMMITTEE REPORTS

Attached hereto is a compilation of reports of the NYC Health + Hospitals Board Committees that have been convened since the last meeting of the Board of Directors. The reports were received

by Dr. Barrios-Paoli at the Board meeting.

Dr. Barrios-Paoli received the Board's approval to convene an Executive Session to discuss matters of quality assurance and personnel.

**FACILITY GOVERNING BODY/EXECUTIVE SESSION**

The Board convened in Executive Session. When it reconvened in open session, Dr. Barrios-Paoli reported that, 1) the Board of Directors, as the governing body of NYC Health + Hospitals/Woodhull, received an oral and written governing body submission and reviewed, discussed and adopted the facility's report presented; (2) as governing body of NYC Health + Hospitals/Lincoln, the Board reviewed and approved its semi-annual written report; and (3) as governing body of NYC Health + Hospitals/Gouverneur, the Board reviewed and approved its semi-annual written report.

Additionally, the Board received and approved the 2015 performance improvement plans and evaluations from NYC Health + Hospitals/Cumberland, a Gotham Health Center.

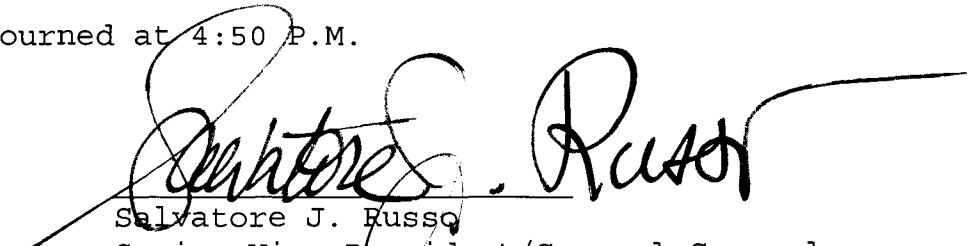
During the Executive Session, the Board approved the following corporate officers' appointments on the recommendation of the Governance Committee: Andrea Cohen, Vice President for Transformation; Dona Green, Vice President for Post-Acute/Long-Term Care; and Dr. Rosa Colon-Kolacko as Senior Vice President, Chief People Officer.



The Board also reviewed Dr. Raju's performance evaluation and unanimously approved an overall superior rating.

**ADJOURNMENT**

Thereupon, there being no further business before the Board, the meeting was adjourned at 4:50 P.M.

  
Salvatore J. Russo  
Senior Vice President/General Counsel  
and Secretary to the Board of Directors

# COMMITTEE REPORTS

## Audit Committee – September 8, 2016 As reported by Ms. Emily Youssouf

Ms. Youssouf turned to Chris Telano for the Internal Audit update.

Mr. Telano saluted the Committee Members and said to turn to page three of the briefing. The first audit completed was of corporate bank accounts. First, we should recognize who is going to respond to these findings; PV Anantharam, Chief Financial Officer and James Linhart, Deputy Corporate Comptroller. Mr. Telano then stated that he will go through all the findings first, and they can respond to each one afterwards. The first finding was that eight individuals who no longer work for Health + Hospitals still had authorized signatories on 15 bank accounts. Seven of those individuals were terminated from dates ranging from 1990 to 2012, and one individual had been transferred.

The next item was that there was reconciling items on two payroll bank accounts that was described as "differences under investigation." Those differences totaled \$940,000. The next issue was about one individual who had excessive amount of responsibility as he was receiving and endorsing and depositing checks and preparing the corresponding journal entries and the bank reconciliation for some of those checks. Next was bank reconciliations were not always completed timely both from the facilities and by the Corporate Office, and the last issue was that there was an excessive amount of stale dated checks dated as far back as January 2014 on the reconciliations.

Mr. Anantharam stated that he wanted to say thank you. There are a whole lot of findings here that clearly need addressing. Mr. Linhart will elaborate on each one of those items.

Mr. Linhart reported that the Office of Internal Audits issue related to removal of unauthorized signers on bank accounts, was that we should perform semiannual review of authorized signers on all corporate bank accounts and follow up with the bank to ensure that all actions that are pertaining to signatories are acted upon timely. We took those people that were on the account, that process was started in July of 2016, and we received confirmation from the banks that the process had been completed as of August 2016. There are two initiatives that we can take when we are sending information to the banks. We can do the add and delete notification, which is the replacement of individuals as they come on board and as people leave, or we can use the replacement notification with the bank, which we would actually say send all new signatures for everybody regardless if they are still on board or if there are any new. Moving forward we are going to use the add/delete if there is only one individual that is coming on board, but if there are more than one, we will do a replace.

We met with the Chief Financial Officers (CFOs) and we are going to use this process and will spread this out to the facilities as well because at the facility level there are 117 additional bank accounts that we want to make sure the proper signatories at the facilities are on file too. The CFOs are going to bring that back to their staff at the facilities, and they are going to implement that process as well.

Ms. Youssouf stated that that sounds like a plan.

Mr. Telano added that that is good because we just completed an audit of cash at Woodhull, and we did have the same finding of their bank accounts.

Ms. Youssouf said that having one system throughout creates great solutions.

Mr. Linhart continued and said that with regards to the irreconcilable payroll differences, Mr. Telano and his team found \$940,000 that was irreconcilable. We actually asked our Payroll Department to perform a reconciliation. They inquired with Enterprise Information Technology Systems (EITS) to assist them. In the interim, we decided to request Office of Internal Audits' assistance as well to perform a forensic review to find out where the differences reside. We do not feel that there is money going out the door. The actual amounts that posts to the payroll ledger move over to the GO every cycle, so that's not the issue. The issue is something happened in the past which is causing this irreconcilable difference right now. It is believed that it has something to do with cancellations, but like I said, the Office of Internal Audits is going to assist us and help us track that.

Mr. Linhart reported that the lack of segregation of duties for check receipts, when we were notified, the next day I implemented procedures that take apart all of the transactions that one individual was doing. Mr. Matthew Lee was accepting the checks, endorsing the checks, logging the checks and sending them in for the machine to actually deposit them. Now there are three individuals who

take part in the check receipt process. One person receives the checks, creates a log, and submits that to the assistant director of cash receipts, who reviews that log to make sure that all the checks are accounted for. Then the checks are given to Mr. Matthew Lee to endorse and deposit the checks, then the assistant director for cash management, cash receipts, reviews the log daily to make sure that everything was deposited. This was enacted immediately, and the Office of Internal Audits noted that in their review as well.

Untimely completion of bank reconciliations – yes, there were 26 of 151 of the facility bank accounts that were not reconciled timely, and 19 of 19 or 100 percent of the Central Office bank accounts that were not reconciled within the time frame notified within Operating Procedure 40-15, which is completed by the 25th day of the following month or the next business day thereafter. These accounts consist of at the facility level collection accounts, cap corp accounts, debt payroll accounts, Medicaid transportation accounts and custodial accounts. From our perspective in Corporate, there are cap corps' accounts where all the pooled payments, the HIPAA payments go through, a collection account, two payroll accounts and an accounts payable account and then the main operating account, which is the sweep account. Once everything goes to the cap corps' account and we pay off our bond liabilities, it gets swept into the main account. We are in agreement with their findings, and we will start enforcing Operating Procedure 40-15, and we will require all facilities to also send copies of the quarterly bank recs to us as well to make sure they are in compliance too.

We also had the absence of financial guidelines, which is the treatment of stale dated checks. We do follow a procedure which is under New York General Municipal Law Section 21, which deals specifically with wage payments related issued by a municipal agency, so we do follow that, but we just do not have a process, we don't have an outline that we state how we follow it.

Ms. Youssouf asked if they are putting an outline together. To which Mr. Anantharam replied yes, we will outline a policy that will spread across the Health + Hospitals.

Mr. Youssouf then said that I would like to thank you because you guys have taken care of everything really quickly and acted upon it, so it makes us happy.

Mr. Anantharam stated that we definitely see this process as illuminating, and I think we can find a lot of these arise because of the fact that we had a metro pay system, and now they are trying to bring them all together so it is integrated. He then thanked the Internal Audit team.

Ms. Youssouf added, as you said earlier, Internal Audits is your friend.

Mr. Linhart added that we always say that.

Mr. Telano said thank you and continued with the next audit, system access controls at MetroPlus. He asked for the representatives to approach the table and introduce themselves. They did as follows: Dr. Arnold Saperstein, President; Alex Goldfarb, MIS Development; Edward Alonso, Director; Aleem Baig, Director; Shamin Kabir, Security Manager.

Mr. Telano stated that he will go through all the findings at one time, and then you can respond to them in order. The first finding was that at the time of the audit the portal that was available for MetroPlus members on their website was very limited. We noted that certain features that are available on some of their competitors such as viewing the explanation of benefits, viewing claims, reviewing recent services and searching for invoices or bills and checking eligibility, they were all examples of what was not on their website at the time of our audit.

Second, we found that some employees had some segregation of duties issues regarding some of their systems, For PowerSTEPP, which is the application used for processing claims primarily, the Finance and Claims Department have access to that, and this presents a risk that they can process claims issued in their own names. We also found the Utilization Management Administrative Staff have the ability to approve a claim within CareConnect, which is an application used to communicate and track claim authorizations.

The next finding was about upon starting the audit, we had requested a list of all applications, all systems that are utilized by MetroPlus, and by the end of the audit, we had still not received a full listing of all their applications.

The next finding is regarding what they call "LAN forms" that are completed manually to provide employees with access to systems and also completed to deactivate system access. Many of those forms were late. Many employees still had access to these systems although they were terminated, and these systems are PowerSTEPP and VPN in the network.

Another finding has to do with PowerSTEPP in which the audit logs feature was not utilized, and this provides a history of activity of transactions, and no one was looking at that, which we recommend that as a valuable control.

Lastly we found that within PowerSTEPP and the network applications there were many generic users set up with names such as "Test" and "Training" and very ambiguous names that had no accountability of who was signing in at the time. Those were our findings, and you can address them.

Dr. Saperstein saluted the committee and stated that he will try to address each one in a succinct manner, and if you have any questions or want more details, the people that are with me can help. First of all on the portal access, we actually were in the process of upgrading our portal and adding more functionality before the time of the audit, and as of May 6th we launched our new portal, and now individuals can search claims by date range. The individual can view their own claim status, whether it was paid or not paid or how much was paid. They can view their account summary with their own payment history of how much we paid out for them and also how much they have paid in for those individuals that pay for their own premium, and they can also verify their own eligibility.

Ms. Youssouf if everything is done for the first one? Dr. Saperstein answered everything is done.

Dr. Saperstein added that he should have said that at the beginning. The last, functionality, since a couple of years already an individual can go online and pay for their premium, but now we are actually going to be adding a secure payment setting that they can put in their credit card and have it billed every month. It was one of the suggestions. Basically everything that was suggested and a little more has actually been accomplished.

The second item was about the role based access controls in PowerSTEPP. That is in the process of being fully completed. There are currently 99 levels of security access in our system, and there are 24 different set ups. What we used to do is for example if I left, somebody could say set up the profile like Arnold Saperstein. What was suggested was that we have role-specific designations rather than people-specific designations. Mr. Baig is currently in the process of documenting the nine, there are nine departments, and specific roles in each department. That's currently in the process of being documented. We have set up the security already, but we are documenting the specific roles, and we expect that we will need about six more months to get all of the different areas fully documented, but it is well in process now.

Ms. Youssouf asked what that means for the 99 levels, what is going to change. Dr. Saperstein responded that the system allows 99 different levels of security, like read only one screen, the member screen, read only member and claim, so there is multiple read only. Then there's we could actually do data entry. Then there's system setup.

Mr. Baig added that we currently use 26.

Dr. Saperstein said that we are specifically documenting those roles now, and rather than saying it's a person, it's now going to be a role, this department, this role to make it very clear.

Ms. Youssouf asked that you will have a title and whatever the title is, and then the system will allow them to access 15 let's say of the items of the screens or whatever, that will be seamless, and you think six months. Dr. Saperstein answered correct.

Mr. Baig added that we started this project a few weeks back. We just completed our estimation. It will take somewhere between four to six months to complete the documentation, and it will change from where today we just mimic somebody's role to actually saying "Claim Examiner Level One." That's the role that's being assigned. It is a very good recommendation and we are going to follow it.

Ms. Youssouf said that she is sure Mr. Telano will follow up. Mr. Telano said that we will follow up as always.

Dr. Saperstein continued with the next areas about role-based access because we had care management associates and administrative staff that were doing similar jobs. We actually eliminated all of the administrative staff titles and made everybody one title so that -- because there were people doing similar functions under two different titles, so we merged the two titles into one. They were doing the same work even though they had two different titles, so now there is a specifically defined role for the function that they were doing, so that was also completed.

Mr. Martin asked if the administrative staff were doing UM, and then you had clinical staff doing care management.

Dr. Saperstein answered that this is not referring to the clinical staff. It's CMA which is a care management associate, which is also an admin staff that would do follow up to the patients and documentation, and due to the need for staff, all of the people called admins were trained to do the same thing, but they were functioning of two different titles. They are all administrative support to the clinical staff, but they are now all functioning under one title rather than two.

The next was the question that at the time the applications and the security hadn't been documented. I checked with OMI. All the documentation was actually completed. We are doing security risk assessments on every single one of the applications, and we completed them on 104 of our MetroPlus applications. We have done the documentation and the security assessment, so that's also completed.

Mr. Kabir reported that we have less than a hundred left. About 80 left we have to do for risk assessment. We have identified all the applications, but now we are going through the process of actually performing a risk assessment of the applications.

Ms. Youssouf asked if this was brought to your attention by Internal Audits. Mr. Kabir responded that actually we started prior to Internal Audits coming in. That was one of the first things we started when I was there. I started in January. We anticipate another 40 being completed by the middle of October and the rest will be completed toward the end of the year.

Dr. Saperstein stated that the next item is dataflow in PowerSTEPP, and Mr. Baig has told me that everything has been documented, and we shared with the audit team our response.

Mr. Baig said that at the time of the audit, this wasn't available, but we did complete the documentation, and they were sent to the audit team right after.

Mr. Martin asked how long was the audit within MetroPlus. How long did they have to respond to your request? To which Mr. Telano responded that we were there for four months. It took us a long time, we started in January and we completed first week of May. We request documentation, and then we give individuals five business days to provide it. Either it exists or it doesn't exist or we at least want to see it, see the original documents, and then we can go through the documents that we requested specifically. In most cases we did not receive these documents within five days. We may have received it much later, which at that time we can't verify the validity that it would have existed at the time of our request. We may have received it at the end of the audit, but now since we have a limitation as to length of time as to when you can provide the documents, we don't know if they just prepared it based on our request or it really existed, so we don't accept it as a valid document.

Mr. Martin stated that he just wanted to get that point across.

Ms. Youssouf added that obviously from what I understand it's important because in an audit if you take too long, it can appear as though you created it just to answer the question, which is kind of backwards.

Mr. Telano said that if this exists, five business days I believe is reasonable, and if there are extenuated circumstances, we will give an additional five days. It is up to ten business days, and sometimes if it's in storage, we will wait, and just to expedite the process, we will say show us where it is, you can pull it out later and then show us, bring us to the filing cabinet or wherever it might be. In this case it wasn't in existence.

Mr. Saperstein stated that the next item you had mentioned had to do with LAN forms and people that were terminated. On the outset when a person is terminated we eliminate their access into our network, so they could not have gotten into these secondary applications. However, it is very important to ensure that every application is removed and shutdown. But the old process was is the HR department would send an e-mail to our helpdesk, and they would have to go and manually turn off the access to the application. We are switching to a system called Service Now that will be fully implemented by the end of this year.

Mr. Alonso added that we are going to do what is called a service catalog, which would help with this process. We will also streamline the process with HR, so we are taking every bit of Internal Audits' recommendation.

Ms. Youssouf asked if there are any systems that we have – it sounds like you are buying and implementing new systems, which is going to be expensive.

Mr. Telano said that they use some of our financial systems already.

Ms. Youssouf then stated that for some of these other items, is there anything that we already have?

Mr. Alonso answered that he believes NYC Health + Hospitals uses PMC Remedy. We made an effort not to use that. We would rather use Service Now. PMC Remedy we felt it's very difficult to configure. It takes very specific subject-matter experts where Service Now is a cloud-based solution that is quite easy to implement.

Ms. Youssouf asked do you coordinate or do you speak to the head of IT at H + H to see if there's some built-in solutions for some of these things rather than just because obviously it's got a much bigger organization? And if you don't, going forward I would suggest it because it makes sense I think since they have looked at so many systems and are expanding.

Mr. Martin added that it makes a lot of sense, and I don't know the extent of collaboration between the two entities. I would certainly make a recommendation to Sal Guido that he get with Arnie and his team to see how we could mutually support each other. I agree.

Then Ms. Youssouf stated that that would be great. I think we might be able to save money all the way around if that happens.

Dr. Saperstein stated that the next item is the E1B, which has to do with tracking, being able to audit who accesses what systems and what pages. As of September 1, 2016, we fully implemented audit flags, and anyone accessing any member information on any page is now tracked and being able to be audited on PowerSTEPP. The audit flag is fully on and functioning.

The last item I think was about the question of the generic user names such as "Test," "Update" and all. Those were all set up as training IDs. At the recommendation of the Audit team, we eliminated a hundred training IDs. So we are now actually going to give somebody their own ID to be able to train them, but there are 40 system IDs that are not ours that are internal to the vendor that allows them to process claims, and Aleem knows a lot more about this. Those system IDs are not available to an outsider to log in. They are actually batch processing IDs that are used, and six of these can't be turned off. If we wanted more information on that, Mr. Baig would have that.

Mr. Baig said sure. The training IDs were terminated, and as Dr. Saperstein said, we are going to assign user IDs specific to the user that's being trained, so that's been eliminated. In the background, there's system functionality where multiple systems talk to each other. For example, we have for authorization a system called ePower. In order for ePower to communicate back to the core system, there are system IDs that are set up in the background where a user can't log into it but system communication needs to happen, so those we cannot eliminate. There are four different production IDs that we use on a regular basis. Those have business needs, and based on the recommendation from the audit, we are going to document the need for those user IDs to be around. One of them is a CheckRun. It might be like on a Wednesday night when we schedule a check run. It needs to be scheduled under an ID. It can't be just scheduled, so one of them is used for that.

Ms. Youssouf asked if there is an individual or people that's a certain title within the organization that runs some of these items. Are you telling me the system just does it's automatically by itself?

Mr. Baig responded that we schedule it, and those are scheduled under specific IDs. For example, check run is scheduled to run Wednesday nights. There's one ID that the check run is under. The way the system is configured, certain processes can only run under specific user IDs. That's why they have to be scheduled under user IDs, and those IDs are IDs that pull EDI files for example. So when H + H is submitting their claims, we have a process where it pulls those claims into the system, so those IDs are set up to pull those claims automatically from the process.

Ms. Youssouf asked if they have their own internal audit. Dr. Saperstein responded yes, we actually have our own internal audit department.

Ms. Youssouf asked how many people? To which answered It is two people. We have an audit and compliance committee that's part of our board. Our audit and compliance committee meets each quarter and reports up to our full board, and Mr. Rosen on a quarterly basis submits a report to the full board.

Ms. Youssouf asked did your internal audit group find any of these things.

Dr. Saperstein answered that we have done many different audits over the last few years. The one that's been most evident to us has been the LAN issue, the forms to turn off people's access. That's something that KPMG focuses on every single year. We put very strict policies in our HR department to make sure it happens. Though we realized it is not as good, so we put the manual process in place to try to meet KPMG. Because of that we are actually making the investment in a system to ensure that the controls are in place and that there isn't room for an individual to make a mistake.

Mr. Martin added that he would recommend a closer relationship with Mr. Telano, I don't know how you feel about that.

Dr. Saperstein stated that he met the new internal auditor who has worked in health plan internal audits. He's been at Horizon and at Emblem. He has a tremendous amount of internal audits specific to health plans. Our risk is HIPAA, which involves some of this, is marketing infractions, which we've actually audited a number of times to make sure that everything is done aboveboard, to make sure

that we pay our claims and our prompt pay is done on time, to make sure our customer service meets regulatory needs. Those are audits that we have done. This person has knowledge. He told me he is starting two weeks from this past Monday. We will have our audit team fully back in place.

Ms. Youssouf suggested that the new auditor meets with Mr. Telano to come up with some understanding because as far as all the HIPAA stuff, our compliance is right on top of it, and Mr. Telano with Internal Audit, I think it would good before he starts even or the week he starts he can have meetings so everybody is on the same page if that's not overstepping our authority.

Dr. Saperstein said that he spoke with the new auditor about the need to meet with Mr. Telano and to align what we do and Health + Hospitals. We want to work all year and do our internal audits. We also understand the relationship with Health + Hospitals, so it is our goal to collaborate as much as possible to share whatever information we find and also that Mr. Telano is involved and sometimes when the external auditors coming in. In our minds Mr. Telano was very open and sharing everything we did, and we would like to continue that relationship.

Ms. Youssouf said that she thought it would be a good to have this set up in the beginning and she thanked MetroPlus.

Mr. Telano continued with the briefing and stated that our next audit was operating room management at Jacobi. He asked the representatives to approach the table and introduce themselves. They did as follows: George Pagan, Assistant Director of Hospital Police; Pamela Turner, Director of Perioperative Services and Director of Nursing; Amanda Cassidy, Chief of Staff; Dr. John McNelis, Chair of Surgery; Gail Gantt, Director of HIM.

The first finding has to do with cancelled cases. We had selected 79 cases that were cancelled, and we found that in 55 instances they were unable to replace the cancelled case, and that means that 125 operating room hours were not utilized. Our finding basically deals with that there was a lack of statistics being kept to monitor the reason that surgeries are being cancelled, and we felt that this was important in order to ensure that the high number that we found would not continue. The second finding had to do with the reasons that these cases were cancelled. Of the 79 selected cases, we found 25 in which the explanation was not noted in the electronic medical records system, QuadraMed. The third finding has to do with operative reports, and there were over 6500 operative reports for the calendar year 2015. We found 190 in which the attending physician did not authenticate their own dictation in QuadraMed or dictation done by a resident. The way it works is that they verbalize the procedures that occurred during the case, and a dictation company or vendor will write it up, and they need to confirm that the vendor properly wrote everything.

Ms. Youssouf asked if any of these items put us at risk. To which Mr. Martin responded yes, particularly the one Mr. Telano just spoke about.

Mr. Telano continued with the last finding that has to do with the system which provides access to the operating room. The report mechanism was not adequate as it showed over a thousand individuals had access of which we found 420 names that we could not trace to any employee record or agency record or student or resident, so we questioned the validity of that report and of the system being used.

Ms. Cassidy stated that we can start with the first comment about cancellations. At Jacobi, we have in this year that the audit took place about 6200 procedures, and certainly we do have some cancellations. As it relates to statistics, we have 14 different reasons for cancellation, we track them by service. We know the top three, the top one is orthopedics, and there are valid reasons for those cancellations. I think Mr. Telano's group was really looking at if you have a cancellation, what do you do at that time, which is elective time in an operating room, which is very expensive we can all agree, and it becomes unproductive time. In the last five, six years H + H has had perioperative counsel that we report on a monthly basis cancellation as one of our metrics. We have consistently addressed it at the OR committee, which is our medical executive committee, where we trend and track, and I agree we probably should try to even do better; however, many of the cancellations are beyond control. The ones that are administratively possible to control, we put more systems in place, so I should say enhance the system of reviewing on a daily basis at the end of the elective day and the following morning for those cases where we did not capture the reason for the cancellation.

We still continue and I'll acknowledge it when you look at the reports, we still fail in capturing 100 percent of the reasons for the cancellations. We have gotten better, and the audit really brought it to the forefront that we really have to continue to track down the resident, the PA or the attending to find out the reason. Now, if we do, the reason is documented by administrative staff who do not go into the electronic medical record, can only put it in the tool, which captures the reason.

Ms. Youssouf asked could it be a doctor or intern who gives the information to the administrative staff to put it in the medical record. To which Ms. Cassidy responded absolutely.

Dr. McNelis added that our expectation is that three things will happen. The reason will be documented on the medical record and as far as broken down by service and reason, we did find that orthopedics and some of the other specialty services, there are two things that have to happen, one the documentation, and two there must be a discussion with the primary team letting them know at the time of cancellation why the case is being cancelled.

Ms. Cassidy said that it is noteworthy also to point out that 80 percent of our cancellations are performed within the next month to two months, so it's not that we lose our cases or that there's leakage.

Ms. Youssouf said that that is not the issue. The issue is that the operating room is fully staffed, everything is ready to go, and as you correctly noted it is very expensive.

Mrs. Bolus asked if you have a system where if people are waiting to have surgery, could they actually be moved up within a half hour or an hour to really utilize that space. Ms. Cassidy answered absolutely – the only time we cannot is if that surgeon is already involved in another procedure or is not available, and there may be other reasons, the right team doing the particular specialty or even the instrumentation that has to be prepared in advance if it's a different type of case.

Mrs. Bolus then asked how successful are you with that? To which Ms. Cassidy responded that I think we do a really good job.

Dr. McNelis referred to the second issue pertaining to completing the medical record in a timely fashion. The issue isn't so much that -- there's a 30-day time period to have our medical records completed. Unfortunately, some of our attendings were not aware of the fact that when they dictate a case, when they themselves dictate they must go ahead and then verify it, so they were reeducated on that, and secondly we are getting a more timely report, almost a daily report as to which cases are still outstanding, and we are also getting reports as to which cases are within 30 days.

Ms. Youssouf asked if the attendings were not aware they had to verify.

Dr. McNelis answered yes, they thought when they dictated the case, they were done, and the other problem was a delay in getting cases into the queue. That is not the case anymore, now the case they dictated yesterday is in their box today.

Dr. Barrios-Paoli asked if that is when they have to go and verify. To Dr. McNelis answered yes, and as long as they are checking it could be for anything. For instance if you are in clinic and you want to sign off on all your clinic notes, your discharge summaries will appear among the clinic notes, so it's very hard to miss them now.

Mr. Martin added that that is your job, to make sure your people know what they are supposed to do, and this is a serious regulatory issue. If you had a regulatory body come in and look, you couldn't give that as an excuse.

Ms. Cassidy said that I want to make one thing clear though. The attendings do verify when a resident or PA is dictating. This issue, which came as a surprise to me, that if the attending dictates he has to go in and hit another button verifying his own dictation. It's really a system failure that we weren't even aware of, so now we are trying to raise everyone's awareness that Dr. McNelis, who usually dictates his own notes, has to verify his own notes.

Dr. McNelis said that I think there might be a misconception. They had been so used to verifying the resident notes that there was an assumption that when they physically did the dictation themselves and reviewed and then didn't click the accept button that was somehow -- that was the missing piece in all this. So it is ironic that when the attending actually is doing the dictation themselves and not delegating to a resident, that's when we were getting into trouble.

Mr. Page asked what verification accomplishes. Does the physician actually -- you are expecting him or her to read the transcript and see what it says? Does the transcript often not reflect the words spoken by the person who dictated the notes?

Dr. McNelis answered that the second part is no. It's a transcription of what was dictated, so if I was to do a hernia repair today, I would dictate the hernia repair and it would come back to me. Yes, the expectation is, and this is across the board, that they look at the dictation, make sure there are no errors that may or may not be theirs, that everything is transcribed as they had dictated it that particular day and as they were called, so the answer to that question is yes. The second part of the question is no. We don't anticipate there would be great differences between what gets transcribed and what the surgeon says. Often what is missing in the piece is sometimes words over a telephone line will be unintelligible, so there will be blank spots that needs to be filled in.

Mr. Page asked does the person reviewing the transcript amend it as they are reviewing it.



Dr. McNelis responded yes, that if required there is a method to amend it.

Mr. Page then stated that dictation sounds like a significant timesaver. The go-back sounds like the kind of thing that if you are extremely busy you don't do and put off.

Dr. McNelis said that most of us actually will go back and review it because we want to make sure that what gets on the permanent record -- actually all of us do it. The question is the fact that it was dictated and they had reviewed it that it was automatically going in the chart and it was automatically completed. It wasn't that they are not dictating. It's not that they are not reading. It's not that they are not even verifying the resident's note. It was just this crazy assumption they could have thought that because it was done and they didn't hit the accept button that everything was okay. That is now as far as we are concerned until they hit that accept button it's an incomplete record.

Mr. Martin asked if it's a legal document. The expectation is once there was a dictation that there is a validation by a signature that what is on that piece of paper actually occurred, and that's why the rule is that it should be done within 24 hours of dictation because think about if you are waiting a month to think about what you did a month ago, you forget, so it's an issue.

Dr. McNelis stated that it is standard, the dictation, but the review time depends on when it gets back to you too, but the expectation is that the dictation will be done laterally within 24 hours, but the real expectation is that the verbal dictation is to be done at the end of the case.

Mr. Pagan said that in agreement with the audit team, the access controls that we have in place is first generation. It's really, really outdated approaching end-of-life, so we are in talks with IT and our current vendor to upgrade the system to a newer version, and that's something that is necessary to move forward. We already have a quote in place and are trying to identify any other problems that we can take care of.

Ms. Cassidy stated that the department has enhanced it based on the audit.

Mr. Pagan added that we did enhance, with Human Resources, they give us daily e-mails informing us of anybody that separated in the facility. Before we didn't get that at all. Now we have that support.

Ms. Youssouf asked have you increased in the meantime anything to check access. How do you check access now? Because my only concern is that if you wait until IT, this could take a long time.

Mr. Pagan responded no, if you need access, we get permission from the higher-ups to give you access, and that access level is dated, so the beginning date if you start today to the end date would be two years from now. If you're terminated before that date is up, we are notified immediately and are terminating your access.

Mr. Page stated that I guess what bothers me about this is, it sounds to me as though, you have this sort of expedience for somebody who I would imagine most of the time is actually supposed to be present in the room and is getting themselves there and they don't necessarily, and the technical question is whether they have official electronic access that has fallen behind, and then you have these expedience to get around that ultimately it would seem to me that we are talking about the edits, but you probably have a system problem, which is why people have these workarounds, and it would seem to me that you really need to be focusing on the functionality of the system then, the convenience of the system to meet what people need to get their jobs done in order to really fix your difficulties with compliance, which are coming up here.

Ms. Cassidy said that the system is limited in what the department head could do or get a report, so it really is right now a manual system where we collaborate with HR related to who is leaving and who is being on boarded, and it's being done on a daily basis versus what used to happen before when it was either quarterly or every six months. Since the audit, the system has been cleaned up. They are pursuing an upgrade to the system, and it's a matter of allocating the funds to do that and working with IT to maybe even get a better system instead of working with this 20 years old.. It's also important to note that unless you have a swipe card, you cannot access this restricted area. Now, the trick to that is the workaround is they wait for someone and slip out. The good thing is the OR staff is very diligent about noticing or excuse me who are you even at the point where if it's a vendor, they must sign in, identify themselves, know where they are. They wear an unusual red color hat so the staff knows this is a vendor, not one of our staff. We have a lot of systems in place. I just think the automation works against us because it's an old system.

Mr. Martin added that Ms. Cassidy is right. We need to do more to upgrade our systems, but the broader issue that is being referred to is an issue of the terminated employees and us making sure. That was my charge from a while ago, and we were capturing at the time you had asked me 55 percent of our employees. We are now at 85 percent, so there are a number of systems that have been

put in place so that when people separate, there is notification to HR, IT is notified, and they are sort of like separated from all the systems within our hospital. We haven't gotten 100 percent right yet, but we have made a lot of progress.

Mr. Telano continued on with the briefing, an audit was conducted of the training center and construction project at Metropolitan. He asked the representatives to approach the table and introduce themselves. They did as follows: Roslyn Weinstein, Vice President for Operations; Louis Iglhaut, Associate Executive Director.

Overall, we found that the records and documents were not maintained in accordance to policies and procedures. For example, four work orders did not include a clear scope of services, four capital contracts were lacking documentation on the employees' pay stubs related to prevailing wages, contractor's daily reports and construction managers logs were not always maintained, and four change orders we found were approved after the project was completed.

Ms. Weinstein thanked and appreciated Mr. Telano and his group for coming. Then stated that it puts us on our toes, and we always learn something new. To answer the four items, Mr. Iglhaut is here to respond.

Mr. Iglhaut saluted everyone and reported that the four work orders that did not include a clear scope of services outlining the contractor responsibility, we did have walkthroughs with our design people to verify a scope of work for all our contracts. What we weren't able to produce was the documentation. This project was on a 90-day schedule. We had to meet the EPIC rollout project for the IT people within 90 days. We cannot make this linear, so we actually had our design people walk through, verify scope, and later on with the change order the same architectural and design people also verified change orders.

Ms. Youssef asked as I kind of understand it, Chris, you said you did not think any of these were major items. To which Mr. Telano responded no, they had to do with the disconnect between the written policies and procedures and the current practices, and it could either be that they are not following the policies and procedures or the policies and procedures are in need of an update.

Ms. Youssef stated that one of them has to be done, and you kind of indicated that you are going to.

Ms. Weinstein answered yes, we have not finished yet. This is a huge book, but we have a committee of people from all the facilities to make sure that it's updated. This certainly points out the places though that we still have gaps.

Ms. Youssef thanked them and said that that is all we need on that.

Mr. Telano continued with the briefing and stated that an audit of other inventory was conducted at three different facilities, Lincoln, Bellevue and Metropolitan.

Mr. Youssef said that I don't think we necessarily need it. I think we should explain what the agreement is on how to fix this.

Mr. Telano said that we found that there was an inconsistency with what's being recognized as other inventory. We found that the manner in which inventory was recorded within the General Ledger upon purchase may not be proper and also that items were expensed, recognized value was improper, and that there was also access issues at some of the sites. In general this is a financial audit, and some of the policies and procedures have to be changed and rolled out consistently throughout the Corporation, and that's basically the primary issue.

Mr. Youssef asked that I thought also that on the amount being 10 million in total that you were going to be contacting or do you want to talk about this?

Mr. Anantharam responded yes, we agreed there needs to be consistency in recording other inventory and the guidelines of the recording. We will reach out to KPMG to evaluate. We already discussed the matter with the CFOs and are in concurrence that we all need to do the same thing and not different things. In addition, we will reach out to KPMG to understand the magnitude of the inventory and its impact on our financial status.

Mr. Telano stated that that concludes his presentation.

Ms. Youssef turned the meeting over to Compliance.

Mr. McNulty saluted the committee and introduced himself as Wayne McNulty, Senior Assistant Vice President, Chief Corporate Compliance Officer. He stated that he will start with the monitoring of excluded providers. As previously advised to the Committee, federal regulations provide that no payment may be made by Medicare, Medicaid or any other federal health care program to an

excluded provider or entity. If you would turn to page four of the report, paragraphs five and six, since the last time we reported to the Audit Committee in June, we had no providers that were excluded from the OIG or OMIG programs for Medicare and Medicaid. However, we do have one vendor that appeared on one of the Government Services Administration's list of excluded parties, and we have stopped, suspended business with that particular vendor. That is a condition of Medicare that we do not engage with any vendors that are excluded on that particular list.

Moving on to section two of the report, privacy incidents and related reports for the second quarter of calendar year 2016 on April 1st to June 30, 2016, we had 30 HIPAA complaints that we received. Out of those 30 complaints, 20 were confirmed to be HIPAA violations and nine of those complaints, nine of the 20 confirmed violations were breaches of protected health information. If you would go to the top of page six, I would like to go through some of those breaches.

The first I would like to discuss is at the Lincoln Medical Center. We had an incident that stemmed from a patient complaint that a Metropolitan employee accessed her Lincoln medical record without authorization and released laboratory results to two unauthorized individuals. We did confirm that this occurred. Breach notification was sent to the affected patient, and the person was immediately suspended and is pending disciplinary action.

Moving on to the next incident at Jacobi Medical Center this occurred in May 2016. This incident occurred when a portion of a package containing copies of a record were lost in transit by the US Postal Service, so we sent breach notification to the affected patients.

Moving on to Gouverneur Health Services right below that, there were 21 blood specimens that were being transported via H + H courier to Northwell Health Laboratory. Those 21 blood specimens were lost. They pertained to 19 patients, and we sent a breach notification to the 19 patients.

Turning to Gouverneur, this incident occurred when we had an employee request for Workers Compensation information to be sent to the Workers' Compensation Board. The facility fulfilled that request but did not send the minimum necessary. They sent information that was beyond the actual Workers' Compensation inquiry, and the Workers' Compensation Board informed the patient but could not return information once the information is admitted into evidence. It can't be returned under their rules, so we had to send a breach notification with respect to that.

Right below that at Kings County, we had an employee release patient information to a mutual acquaintance of the employee and the patient. This employee is pending disciplinary action, and we sent a breach notification to the patient.

The last bullet, we had two incidents at Lincoln Medical Center. The first incident was with an employee that accessed inappropriately a patient's record to obtain the patient's personal cell number and then contact the patient to discuss matters that did not relate to patient care or the employee's job functions. The person was immediately suspended, and disciplinary action is pending. We had a second incident in June at Lincoln which was similar where we had an employee patient care provider contact the personal cell of a patient. Although, the inquiry was related to patient care, it was beyond the scope of that person's duties, and so this person was suspended and further disciplinary action is being looked at for that person also.

Moving on, and it's the privacy and security awareness training at Health + Hospitals facility programs and units. Over the past several months, the Office of Corporate Compliance has visited numerous facilities to discuss HIPAA privacy, security and information governance. If you turn to the top of page ten, the facilities that we have visited have been Coney Island, Lincoln, Harlem, Bellevue, Metropolitan, Coler-Carter had a joint meeting, Queens.

We also had a discussion with OneCity Health on DSRIP privacy matters and Health + Hospitals own health. At those meetings I provide a 30 to 40 minute PowerPoint presentation. Information Technology has now joined us to speak throughout all the facilities. We also started that at the end of the PowerPoint presentation we go through the facilities and actually do a privacy and security walkthrough. We speak to the staff members. We interview staff members and make sure that they are aware of HIPAA privacy and security. We also look nationally at all the breaches that have occurred. We have an Office of Civil Rights, so the Department of Health and Human Services has levied fines and penalties to different hospitals, and over the recent months, these penalties have been in the range from one million to five million dollars, so these penalties issued by the Office of Civil Rights are very significant, so we go over all of those scenarios so they are aware of these are pitfalls for them to avoid.

I think that has been very successful. We have met with all of the chiefs of services at the different facilities and the chief of administration. After we go through all of the Health + Hospitals facilities, we are then going to start at the clinical care level, department of nursing, physical therapy and so forth to then go and speak to the line level staff with respect to HIPAA privacy and security. This is on top of the HIPAA privacy and security training that they have to take that is computer based.

With respect to the compliance reports for the second quarter found in year 2016, we had 112 complaints or inquiries that we received through our compliance hotline. Out of those, we had zero priority A reports. Those are reports that require immediate attention. We had 49 priority B reports and 63 priority C reports. We did have two reports that were noteworthy. One was a priority B and one was a priority C. One involved a Stark matter and one involved a coding matter. Because these are still under investigation, I will brief the committee on them once the investigation is concluded.

Just briefly, a breakdown on how we receive these complaints. Nearly 60 percent of the complaints are received through the health line and another 20 percent are received through e-mail.

We have done a great job with respect to compliance training. We train all our health care providers, physicians, general workforce members and governing body members. We have done a great job. We have 81 percent of the Board of Directors trained and we expect to have 100 percent.

Ms. Youssouf stated that she had been assured those who had not, will be doing it shortly.

Dr. Barrios-Paoli stated that she had done the training, and they lost it, and had to do it again. For the record she took it twice.

Mr. McNulty continued and stated that with respect to the health care providers, we have 94 percent complete, so out of 17,500 health care providers, and these individuals, nurses, physical therapists, occupational therapists, any individual that's licensed under the Title 8 of the Education Law excluding physicians, so out of 17,000, 16,492 have completed and are at 94 percent. For physicians, 4546 of 4820 have completed for 94 percent, and general workforce, out of 6822, 5948 have completed for 87 percent, so we are very pleased with those numbers.

Ms. Youssouf stated that those are great statistics.

Mr. McNulty stated that I am pushing for by mid-October to have all these numbers at 98 percent.

Ms. Youssouf said that because we are so over time, can we just get to whatever you think is most important in here? You have done a great job of writing everything out.

Mr. McNulty stated that I just want to mention briefly then we have a DSRIP Compliance Committee coming up where we are going to discuss DSRIP compliance matters, and we will finalize our updated DSRIP compliance plan and DSRIP training for the partners.

HHC ACO update, by law we're required to periodically update our ACO compliance plan, so we will be doing that at the next ACO Compliance Committee.

With regard to the update on Gotham Health, HRSA performed an audit of the Cumberland FQHC. They look at 19 specific points. There were some requirements that they found deficiencies in. One of the requirements was with respect to the bylaws, and the bylaws state with respect to the Gotham that they provide care and treatment that is to the people of the State of New York and the City of New York because it's a federal program the bylaws had to be amended to make sure it encompasses everyone within the United States and all its territories. Everything else is in the report. If you have any questions, please free to reach me. That concludes my report.

### **Capital Committee – September 8, 2016**

#### **As reported by Ms. Emily Youssouf**

#### **Action Items:**

*Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to execute a sub-sublease with Emblem Health for a term of approximately seven years and six months for approximately 37,459 square feet of space on the 9<sup>th</sup> floor at 1 Metrotech Center, Borough of Brooklyn, to house MetroPlus' call center and associated functions at an initial rent of \$26 per square foot, or \$568,128 for the first year of the term after factoring five months of free rent, and with the rent escalating for the balance of the term at a rate of 2.5% per year for a total base rent for the lease term of approximately \$7,620,309 plus a total of \$710,164 for electricity over the term for a total cost of \$8,330,473.*

Arnold Saperstein, MD, President, MetroPlus Health Plan, Inc., read the resolution into the record. Mr. Saperstein was joined by Seth Diamond, Chief Operating Officer, MetroPlus Health Plan, Inc.

Mr. Saperstein noted that MetroPlus had exceeded their space capacity over the past year. The organization had since begun occupying offices and cubicles with multiple individuals, and had turned conference space into office space in an effort to accommodate staff. He explained that newly developed programs required additional staff, but at present there was nowhere to house them and so hiring was being delayed until office space was identified. There were over 100 vacancies, including call center staff, for which an appropriate work location was needed. Space identified at MetroTech would accommodate the entire call center staff, who were currently operating in separate areas within 160 Water Street.

Mr. Saperstein explained that the sublease at MetroTech, for space leased by JP Morgan Chase to Emblem Health, would be for a seven and one half year term, including five free months of rent, at a reasonable rate negotiated by Legal Affairs.

Dr. Barrios-Paoli asked how many staff would be moving. Mr. Saperstein said they were hoping to relocate up to 274 people to MetroTech.

Dr. Barrios-Paoli asked how much work would need to be completed for the space to be functional. Mr. Saperstein said, virtually none. The space previously housed a call center and so wiring was complete and furniture was in place. It was fully outfitted for their needs.

Dr. Barrios-Paoli asked what would happen at the end of the term and whether there would be an option to extend. Mr. Saperstein said that the lease termination would align with leases at 33 Maiden Lane and 160 Water Street, so it was possible that a lot of relocating would be happening within the organization. Dr. Barrios-Paoli recommended groups start thinking about that sooner rather than later. Mr. Saperstein agreed.

Mr. Saperstein noted that this lease would be brought before the MetroPlus Board of Directors in the coming week, prior to the NYC Health + Hospitals full Board of Directors meeting.

There being no questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

*Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to execute a sub-sublease with the New York State Shipping Association, Inc. – International Long Shoremen's Association Pension Trust Fund for a term of approximately four years and eight months for approximately 16,899 square feet of space on the 16<sup>th</sup> floor at 77 Water Street, Borough of Manhattan, to house the Office of the Inspector General ("H+H OIG") at an initial rent of \$45 per square foot, or \$570,342 for the first year of the term after factoring three months of free rent, and with the rent escalating for the balance of the term at a rate of 2% per year for a total base rent for the lease term of approximately \$3,492,944 plus a total of \$216,869 for electricity over the term for a total cost of \$3,709,813.*

Jonathan Weiner, Office of the Inspector General, read the resolution into the record. Mr. Weiner was joined by Andrew Weiss, Office of the Inspector General.

Mr. Weiner explained that the Office of the Inspector General was operating with approximately 25 staff but at full capacity, as they expanded, were anticipating operating with 75. Their limited office space was preventing them from filling of vacancies. He noted that although the new space would not add significant square footage, the layout would allow for much better use of space.

Dr. Barrios-Paoli asked if the space was near their current location. Mr. Weiner said yes. He explained that the entire workforce would move, vacating their existing office space. Ramanathan Raju, MD, President, New York City Health + Hospitals, noted that he was aware that the workforce would be expanding in numbers and so it was expected and reasonable that they would require space to accommodate them, and he supported it.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

*Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the Construction Management services contract pool, including the following firms: Gilbane Building Company; HAKS; Hunter Roberts Construction Group; Jacobs Engineering; LiRo Program and Construction Management; and, TDX Construction Corporation (the "CMs"), by \$6.5 million, from \$8.5 million to \$15 million, to provide professional construction management services on an as-needed basis at various facilities throughout the system.*

Louis Iglhaut, Assistant Vice President, Office of Facilities Development, read the resolution into the record.

Mr. Iglhaut advised that the spending cap for the Construction Management pool of contracts had been reached, and although the procurement process for new contracts was underway, they would not be in place until the end of the year. In the meantime, there was ongoing work being performed under the existing contracts, and that work should not be stopped. Work related to the Mayor's Primary Care initiative, infrastructure work supporting the EPIC rollout, and construction at 155 Vanderbilt Avenue were all in need of continued services under the existing contracts.

Ms. Weinstein noted that the Request for Proposals, for the new contracts, had been delayed as the organization finalized the Project Labor Agreement (PLA), which was now in place. That meant that the not-to-exceed cap had been extended passed its anticipated term of three years. She explained that the new pool of contracts would be operating under the terms of the new PLA and therefore work begun under the current contracts would need to continue.

Josephine Bolus, RN, asked how long the term of the initial contracts was. Mr. Iglhaut said the initial term is typically three years but these contracts had been extended passed that term while awaiting execution of the PLA.

Mrs. Bolus asked if there were firms that had not been paid while they awaited this increase in contract funds. Ms. Weinstein said no, everyone has been paid. Jeremy Berman, Deputy Counsel, Legal Affairs, added that we had not yet exceeded the threshold, but were close and that was why the increase was necessary.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

*Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the Life Safety services contract pool, including the following firms: Code Consultants Professional Engineers; Hughes Associate Fire & Safety Engineers of New York, PC; Safety Management Services; and TSI Consulting, Inc., (the "Consultant Pool"), by \$3.5 million, from \$1 million to \$4.5 million, to provide professional Life Safety services on an as-needed basis at various facilities throughout the system.*

Louis Iglhaut, Assistant Vice President, Office of Facilities Development, read the resolution into the record.

Mr. Iglhaut explained that Life Safety consultants assisted in preparation for Joint Commission surveys, regulatory inspections, and responses to regulatory inspections, and monitoring of the physical environment of the hospitals. He noted that the contracts were originally approved by the Contract Review Committee (CRC) in May 2015 with a \$1 million not-to-exceed threshold. That threshold was below the \$3 million requirement to present to the Capital Committee, and so they had not been before the Committee before. He added that it was known at the time of approval that an increase would likely be needed, however that dollar amount could not be accurately estimated until the first year of contract activity could be monitored.

Mr. Iglhaut advised that services previously contracted by individual facilities were now being managed through these central office contracts, and so those previously spent dollars had also been factored in to reach the new aggregate total.

Dr. Barrios-Paoli asked what types of services were provided. Mr. Iglhaut said that life safety features were most commonly associated with the infrastructure of the hospitals; fire alarms, dampers, doors, egress corridors, fire pumps, and documentation of these items, which was mandatory for regulatory and compliance surveys.

Mrs. Bolus said she would appreciate if these types of items were approved by the Finance Department. Mr. Iglhaut said that a budget authorization form had been signed-off by Finance.

Ms. Weinstein added that the Gotham/Primary Care sites were now monitored under these contracts as well, and that increased scope had also contributed for the increased not-to-exceed threshold. Mr. Berman noted that these were now centralized contracts.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

*Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a 99 year sublease (including tenant renewal options) with T Building Housing Development Fund Company, Inc. a to-be-formed single purpose as entity of which NYC Partnership Housing Development Fund Company, Inc. is the sole member as nominee for T Building LLC, a to-be-formed single*

*purpose limited liability company, the managing member of which will be T Building Managers LLC a to be formed single purpose entity of which Dunn Development Corp. will be the sole member ("Tenant"), to rent a parcel of approximately 167,000 square feet including the existing 10 story "T Building" of approximately 238,000 gross square feet on the campus of Queens Hospital Center Jamaica, Queens, New York (the "Facility") together approximately 129,000 square feet of surrounding land to be used for approximately 103 parking spaces for the building along with other uses. The building is to be renovated to create approximately 206 residential units including approximately 75 supportive housing units for single adults who are appropriate for independent living in the community and whose income is less than 60% of the Area Median Income ("AMI"); approximately 79 affordable units for households earning less than 60% of AMI; and approximately 51 moderate/middle income housing units for households earning less than 100% of AMI with 8,000 square feet to be provided for a community facility use; provided that, in lieu of rent to NYC Health + Hospitals, approximately 12,000 gross square feet will be retained by NYC Health + Hospitals at no charge other than for utilities and maintenance for the Facility's non-direct medical care uses.*

John Jurenko, Senior Assistant Vice President, Intergovernmental Relations, read the resolution into the record.

Mr. Jureko shared a presentation outlining the project. He noted that the Public Hearing, held the previous evening, had concluded with general consensus in support of the project.

Dr. Barrios-Paoli said she heard the Public Hearing was quite contentious. Dr. Raju thanked Mr. Jurenko for his work on the project, to date. He said that some community members had concerns, which they were able to address at the Public Hearing, with regards to the project. He noted that it was respectful and orderly and his Senior Staff, including Antonio Martin and Salvatore Russo were greatly appreciated.

Mrs. Bolus said that one concern from the neighborhood was that the site would be home to a large homeless population and would bring down property values. She said, that was a risk one takes when purchasing property, and it was also a misconception that the majority population at the site would be homeless. She said she wanted the community to be happy but there was a clear need for the type of development being proposed and it was the right thing to do.

Dr. Raju said the organization needed to be a positive member of the community. He had heard complaints about the effect the facility had on the community with regards to garbage and parking issues. Those were valid concerns and needed to be monitored and addressed.

Dr. Barrios-Paoli said she felt it was important that throughout the project there was continued outreach to the community. Mr. Jurenko explained that for the past two years there had been an open door policy with regards to the project and the community was welcome to voice their concerns. He explained that as the project had developed, there had been varying iterations of what the final scope and services would be, which contributed to misinformation out there. He said that communication helped clarify concerns related to those misconceptions and he was in favor of keeping communication flowing.

Mr. Jurenko noted that CAMBA would be providing services at the site, and there would be 12,000 square feet of space for Queens Hospitals Center administrative functions, as well as an 8,000 square-foot community space available to Health + Hospitals.

Mr. Jurenko showed renderings of the exterior of the building and outlined the Area Median Income (AMI) Breakdown. He noted that the community had requested that ranges be established on the median income of the area, and not a lower range.

Mrs. Bolus noted that data was from the 2012 census and asked if there was more current information. Mr. Jurenko said he did not have that information.

Mrs. Bolus asked if the units would be filled by lottery. Mr. Jurenko said yes, and there would be a portion of units set aside for preferences. Mr. Berman noted that litigation regarding preferences would not necessarily undermine preferences allowed prior to any ruling.

Dr. Raju again thanked Mr. Jurenko, Mr. Russo, Mr. Berman and Mr. Martin for their work.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

**Community Relations Committee – September 13, 2016**

**As reported by Josephine Bolus, RN**

**Chairperson’s Report**

Mrs. Bolus welcomed Committee Members and highlighted key NYC Health + Hospitals’ events that occurred since the May 3, 2016 meeting. She reported the following:

- The 12<sup>th</sup> Annual Marjorie Matthews Community Advocate Recognition Event, was held on Wednesday, July 20 on the lawn of NYC Health + Hospitals/Coler Campus. Mrs. Bolus stated that “this certainly has become a major tradition, not only for these awards but as a Health + Hospitals system wide family gathering and barbecue”. Mrs. Bolus noted that this year’s event was the largest participation in history with 300-plus CAB and Auxiliary members from all facilities; as well as facility liaisons and executives. She added that this year, all CAB and Auxiliary Presidents were given direct personal recognition and provided with portfolios as tokens of appreciation for their leadership, advocacy and volunteer service that they provide to our facilities and the patients we serve.
- The Board’s Annual Public meetings by borough were held, the final two borough meetings were held: for Queens at NYC Health + Hospitals/Queens Hospital Center on May 11<sup>th</sup> and for Brooklyn at NYC Health + Hospitals/Woodhull on May 18<sup>th</sup>. Mrs. Bolus noted that at these final two borough public meetings for this year, Dr. Raju, in his report, highlighted the specific health challenges of Queens and Brooklyn. Mrs. Bolus continued and noted that he also reported, on key accomplishments and improvement initiatives this included Queens facilities for being the initial “go live” launchpad state-of-the-art, Electronic Medical Records (EMR). Mrs. Bolus added that Dr. Raju focused on specific progress made on his 2020 Vision Plan.
- Health insurance information workshops are being promoted with the help of the CABs, Mrs. Bolus noted that the workshop are being held at five facilities across the system, beginning with NYC Health + Hospitals/Coney Island on October 6<sup>th</sup>; then, at NYC Health + Hospitals/Elmhurst, October 13<sup>th</sup>; NYC H+H/Gouverneur, October 20<sup>th</sup>; NYCH+H/Bellevue, October 28<sup>th</sup> and finally, at NYC H + H/Jacobi on November 16<sup>th</sup>.
- This year’s CABs Council Conference, to be held Friday, November 4<sup>th</sup>, at Baruch College. She added that a special feature of this year’s CABs Council Conference will be the presentation of the First Annual Agnes Magdalen Abraham Award for “Services to Humanity.”
- NYC Health + Hospitals/Harlem is among four New York City medical centers selected to take part in a federally funded National Institutes of Health (NIH) program called the PMI Cohort Program in support of President Obama’s Precision Medicine Initiative (PMI).
- In mid-August it was announced that eleven practitioners in NYC Health + Hospitals earned spots on *New York* magazine’s Best Doctors list for 2016. These “top docs” represent three of our system hospitals and practice a wide variety of specialties.
- The Health + Hospitals Accountable Care Organization (ACO) is among the 31% of “high-performing ACO’s” in the country, meeting both cost and quality performance targets. Mrs. Bolus noted that over the last three years of participation in the program, the NYC Health + Hospitals ACO had reduced costs for the Medicare program by \$27.6 million; returning more than \$12 million to Health + Hospitals in shared savings, including \$6 million for 2015.
- Announced that Dr. Martha Sullivan, CEO at NYC Health + Hospitals/Gouverneur received a prestigious award from the National Association of Social Workers and was named a “Social Work Pioneer”.

In concluding her remarks Mrs. Bolus asked members of committee, CAB Chairs and invited guests to join her as she congratulated Dr. Raju who had been named by *Modern Healthcare* for the third consecutive year as one of the “100 Most Influential People in Healthcare”.

Before turning the meeting over to Dr. Raju for his remarks, Mrs. Bolus called on Ed Shaw, Metropolitan CAB Chair. Mr. Shaw presented Anthony Rajkumar, CEO, Coney Island with an award of appreciation for his outstanding leadership during his tenure at NYC Health + Hospitals/Metropolitan.



## President's Remarks

Dr. Ram Raju greeted welcomed everyone to the first CRC meeting since May and extended congratulations to all NYC Health + Hospitals newly elected CAB Chairpersons. He reported the following:

- Reported that Sunday was the 15<sup>th</sup> Anniversary of the September 11<sup>th</sup> attack on the World Trade Center. NYC Health and Hospitals continues to provide health care and services to community members and workers who suffer health ailments resulting from the attack and cleanup efforts at NYC Health + Hospitals specialized WTC Environmental Health Center Clinics at Bellevue, Gouverneur and Elmhurst. Dr. Raju reminded members that NYC Health + Hospitals was successful in its efforts to get the Zadroga Act extended for 75 years! He added that this was critical to ensure that the WTC health programs would continue well into the future.
- Reported that earlier this year, the state legislature passed a bill that would create a new enhanced safety-net hospital definition and that will require the state to provide increased reimbursements to safety net, rural and critical access hospitals around the state. Dr. Raju noted that the NYC Health + Hospitals are working with staff in both the State Senate and State Assembly as well as coordinating with the Mayor's Office to advocate that Governor Andrew Cuomo sign this vital bill. Dr. Raju noted that of now, it appears that the bill will not be delivered to the Governor until later this fall, which gives NYC Health + Hospitals time to coordinate advocacy efforts with union leadership, our health advocacy partners, and our CABs.
- Announced that NYC Health + Hospitals health plan, MetroPlus, had hit above the 500,000 membership mark! Dr. Raju added that MetroPlus is focusing on member retention, outreach, expanding our market share on Staten Island, and promoting our MetroPlus Gold product for city employees.

Dr. Raju concluded his remarks by reporting that NYC Health + Hospital/ Harlem had received full Joint Commission Accreditation for the next three years. Dr. Raju noted that Harlem's CEO, Ebone Carrington, took the unprecedented step of requesting an early survey in August, resulting in the Joint Commission surveying Harlem Hospital 3 months ahead of their triennial December survey date. Dr. Raju added that the survey was thorough, with reviews conducted on the national patient safety goals, plan of care, patient rights, infection control, medication management, credentialing and privileging, facilities management, and ambulatory care, among others. He noted that there were recommendations for improvement but overall the organization did quite well. Dr. Raju continued and extended congratulations to CEO Ebone Carrington, Maurice Wright, CMO, Yanick Joseph, CNO, Pamela Bradley, Sr. AED, Quality Affairs and the staff of Harlem Hospital Center, for an excellent survey outcome.

## Community Advisory Board (CAB) Annual Reports

### NYC Health + Hospitals/Coney Island

Mrs. Bolus introduced Ms. Rosanne DeGennaro, Chairperson of NYC Health + Hospitals/Coney Island and invited her to present the CAB's annual report.

Ms. DeGennaro began her presentation by thanking Dr. Raju for the appointment of Mr. Antony Rajkumar, to the position of Chief Executive Officer and Mei Kong to the position of Chief Operating Officer. Ms. DeGennaro continued with key highlights of the Coney Island CAB's report:

- Reported that NYC Health + Hospitals/Coney Island have a new residency program agreement with Downstate.
- Announced a new Critical Care Suite opened in the ED and many of local elected officials attended the ribbon cutting ceremony. She added the new addition allows for more added space and houses state of the art equipment to treat patients with life threatening injuries.
- New York City Health & Hospitals/Coney Island had successfully integrated Northwell Management into the workflow of the lab to help improve patient safety and experience. She added that a new chemistry lab equipment had been added to help in the efficiency of testing.
- Announced NYC Health +Hospitals/Coney Island would be next to receive the GO EMR electronic medical records system scheduled to go live in early 2017.
- Reported that the Coney Island CAB took part in various community outreach events during the month of August. She noted that the community outreach events offered health education and information about the services that Coney Island Hospital offered.

Ms. DeGennaro concluded the Coney Island report by thanking Lakeisha Weston, CAB Liaison and Alvin Young, Director of Community Affairs, Central Office for their unwavering dedication and support to the Coney Island CAB.

### **NYC Health + Hospitals/Sea View**

Mrs. Bolus introduced Mr. Joseph Tornello, Chairperson of NYC Health + Hospitals/Sea View and invited him to present the CAB's annual report.

Mr. Tornello began his presentation by thanking members of the Community Relations Committee for the opportunity to present the Sea View CAB's annual report. Before highlighting key issues Mr. Tornello shared with Committee members, CAB Chairs and invited guests his family's history and their relationship with NYC Health +Hospitals/Sea View and the Staten Island community. He reported the following:

- Reported that the senior administration provides the CAB with a very comprehensive report about the plans and programs for the facility during the CAB's regular monthly meetings.
- Announced Meals on Wheels and Health and Wellness campus is coming soon to the residents of Staten Island.

Mr. Tornello concluded his presentation by informing members of the Committee and invited guests that Sea View provides high quality health care to its resident's.

### **NYC Health + Hospitals/Jacobi**

In the excused absence of Jacobi CAB Chairperson, Mr. Silvio, Mrs. Bolus introduced Ms. Emily Sanchez and invited her to present the CAB's annual report.

Ms. Sanchez began the Jacobi CAB report by thanking members of the Committee for the opportunity to present the CAB's annual report and she presented the following report summary:

- Reported that 2015-16 was another productive year for our CAB. Special CAB sponsored events, supported by the facility, included: the Annual 911 Memorial event which is attended by CAB members, community members, elected officials, district leaders and staff. She noted that the event is held at the 9/11 Jacobi Memorial Garden is accessible to the community and was established to pay homage to the Bronx victims of 911.
- The Jacobi CAB's legislative forum focused not only on legislative and fiscal issues that impact healthcare, but also on the critical role public hospitals play in responding to emergencies and crisis.
- The CAB's annual Mental Health conference focused on "Preventing Teen Suicide." Ms. Sanchez noted that this year's guest speakers were renowned specialists and that they presented to an audience that included CAB members, community members, staff and professionals from other organizations, including those who work in public and private school systems.
- Reported NYC Health +Hospitals/Jacobi continues to be led by its determination to become one of the safest hospitals in the nation. Ms. Sanchez noted that Jacobi's executive leadership sets a high standard for ongoing improvement hospital-wide, service excellence and patient satisfaction. Service excellent recognition of staff has increased throughout the facility, helping to enhance patient care experiences.
- Reported that the most significant health issues facing our community include obesity, diabetes, and hypertension. Ms. Sanchez noted that the Jacobi CAB learn about these serious illnesses and the hospital's unique programs to address these and other health issues at the CAB's monthly meetings.

Ms. Sanchez concluded her presentation by stating that "our CAB is proud of Jacobi's long history of medical accomplishments and innovations, unique services and programs, and staff who are dedicated, knowledgeable and compassionate.

### **NYC Health + Hospitals/North Central Bronx**

Mrs. Bolus introduced Esme Sattaur-Low, Chairperson of North Central Bronx CAB and invited her to present the CAB's annual report.

Ms. Sattaur-Low began her presentation by thanking member of Committee for the opportunity to present NYC Health + Hospitals/NCB CAB report. Ms. Sattaur-Low gave the following report:

- Reported the NCB CAB received periodic updates throughout the year on the Women’s Health Service and Labor and Delivery and we continue to participate in promotion of the services.
- Announced that since the reopening approximately one year ago, the Labor & Delivery Service had delivered its 1,000<sup>th</sup> baby! Ms. Sattaur-Low added the NCB CAB members are proud that the services is thriving and providing quality care to our community.
- Reported that NCB CAB had expanded its advocacy role by having a representative participate on the Patient Experience Committee. Ms. Sattaur added that the committee is comprised of executive leadership, administrative staff and chief nursing officer who listens intently to individuals speaking about their patient experience or speaking on behalf of a family member who had been a patient. She continued and noted the committee hears both good and bad experiences, and makes recommendations for improvement. Ms. Sattaur-Low stated that “it is truly a committee that impacts patient safety, quality improvement and enhanced patient satisfaction.”
- Reported that the community’s most significant health issues include obesity, diabetes and hypertension. She added that these health issues are addressed by the facility hosting health fairs where health education materials are distributed and free screenings are offered, and sponsoring a Farmer’s Market to provide the community with access to fresh fruits and vegetables.
- Reported at the NCB monthly meetings, the CAB receives presentations from the Executive Director, Administrators, Physicians and Nursing Leaders and updates on patient safety and what the hospital is doing to prevent hospital acquired infections.

Ms. Sattaur-Low concluded her report by stating “the NCB CAB is proud of our hospital and our community and will continue to work to make both stronger.”

Mr. Robert Nolan, Board member thanked Emily Sanchez and Esme Sattaur-Low for their dedication and commitment to the North Bronx community and he extended congratulations to Maureen Pode on her recent appointment as Chief Executive Officer.

## **NEW BUSINESS**

Mr. Bobby Lee, Bellevue CAB member expressed his dissatisfaction that Mr. Kent Mark, was not reappointed to the Bellevue CAB.

### **Equal Employment Opportunity Committee – September 8, 2016**

#### **As reported by Mr. Robert Nolan**

Salvatore J. Russo, Senior Vice President and General Counsel, Legal Affairs, reported EEO officer vacancies - out of the eight EEO Officers that work in the field, three have left to pursue other opportunities and one is on maternity leave. Mr. Russo hopes to fill the three vacancies soon.

Matilde Roman, Interim Chief Diversity Officer, reported that the Office of Diversity and Inclusion is exploring strategies and approaches to support Supply Chain Services and Human Resources as it relates to diversity among vendors and the workforce. The first step is compiling baseline data on the systems’ workforce and affiliate composition related to race and ethnicity. In addition, the Office of Diversity is working with Legal Affairs on workforce related topics that include ensuring implementation of single-sex facility signage and exploring opportunities to create accommodations for qualified employees with mental or physical impairment in some competitive-class titles.

Keith Tallbe, Associate Counsel, Legal Affairs reported that the organization only counts New York State certified vendors under New York State Executive Law Article 15A, which mandates 30% Minority and Women Business Enterprise (MWBE) utilization for each contract. This year, Supply Chain reexamined the spend and found increased MWBE utilization largely due to contracting with industries for the Blind, a NYS preferred source with whom NYC Health + Hospitals did approximately \$10 million in business during the State’s fiscal year for surgical gloves, incontinence and janitorial supplies. As a result, NYC Health + Hospitals spent seven percent of MWBE utilization. We are now live with the B2GNow database system which is a tool that allows us to better track spend for both prime contractors and their subcontracts. In addition, we will begin tracking NYC vendors which include veteran owned companies and reaching out and including certifications by other government entities such as the MTA and the Port Authority. Also, as we begin tracking subcontractors, we will ensure we assess them against a broader definition of eligible entities to obtain a more comprehensive picture of what our diversity spending looks like. In addition, Supply Chain Services is considering a revision to their procurement operating procedure to allow for restricted solicitations to a subset of diversity businesses which would be another tool to allow diversity contracts.

## **2016 Conditionally Approved Contractors Update**

The following four conditionally approved contractors reported to the Committee: Sungard Availability Services, LP; Altice USA d/b/a Cablevision Lightpath, Inc.; Microsoft Corporation; and Canon Solutions America, Inc.

Sungard Availability Services, LP had a female underutilization in Professionals Job Group 3 for the fourth year in a row, and the same Minority underutilization in Job Group 3 as last year. Sales Job Group 5 eliminated last years' female underutilization, but this year had a minority underutilization. Altice USA d/b/a Cablevision Lightpath, Inc., had four underutilizations, one each for minorities and females in Directors Job Group 1B for the fourth year in a row, VP & Executives JG 1A is consistent with last year and there is one new underutilization for females in Senior Sales Job Group 4B. Microsoft Corporation had underutilizations for females in Professionals Job Groups 1 & 2 for the third year and an underutilization of Minorities in Professionals Job Group 3 since last year. This year the title that had driven an underutilization for females in Professionals Job Group 6 for the past two years was realigned as the sole title in Professionals Job Group 12. The realignment resulted in eliminating the underutilization in Job Group 6, but added a new female underutilization in the new Professionals Job Group 12. Canon Solutions America, Inc. is reporting to the Committee for the first time this year. There are four female underutilizations consisting of Managers Job Groups 1C and 1D, Professionals Job Group 2A and Administrative Job Group 5C.

## **Finance Committee – September 8, 2016**

### **As reported by Mr. Bernard Rosen**

#### **Senior Vice President's Report**

Mr. P.V. Anantharam informed the Committee that the reporting would focus primarily on the year-end status for FY 16. Overall Health + Hospitals' utilization and activity levels operationally were lower than the previous FY 15; however, expenditures were slightly higher. The year-end closing balance was consistent with the FY 15 year-end status. A large portion of that was due to a pre-payment to the City which Mr. Linhart would cover as part of his reporting. Ms. Olson would present later on the agenda an overview of the FY 17 budget structure. It is important to note that throughout the year H+H made significant headway into some of the UPL/DSH issues that were ongoing and Ms. Dehart would update the Committee on those actions.

#### **Cash Flow**

Mr. James Linhart reported that Health & Hospitals year end cash flow as of June 30th 2016 was at approximately 28.5 days cash on hand ( or a balance of approx. \$465 million), somewhat higher than the previously expected at \$440 million. As reported last month, H+H received funding of \$400 million from the City related to FY 17 prepayments for services and subsidy as well as \$50 million in managed care enhancements. Additionally, DSH maximization (Max) payment of \$54 million was received as well as FEMA grant monies of \$14.9 million during the month of June 2016. These funds were offset by a delay in DSH Max funding of approximately \$100 million in inpatient UPL payments of \$186.8 million that which was received in July 2016, and DSRIP funding of \$37.6 million all of which were moved into FY 2017 receipts. Within the total liability at June 30<sup>th</sup> there were approximately \$504.3 million of amounts owed to the City related to fiscal years 2015 \$314.3 million and 2016 \$190.0 million. These represent amounts owed that were deferred into future years so that H+H could continue to meet its current cash flow issues. Also noted the amounts due to the City are payable for FY17 in FY 17 of \$335.6 million. The total amount payable to the City in FY17 is \$778.2 million related to fiscal years '15, '16, and '17. The closing cash balance as of August 2016 was approximately \$145.9 million. In order to preserve the cash situation, H+H postponed a \$40.3 million August pension payment to September 2016. In addition to a delay in the receipt of an outpatient UPL payment of approximately \$63 million which is expected the latter part of that month. The reporting was concluded.

#### **DSH/UPL Update**

Ms. Linda Dehart stated the State has approved a \$100 million DSH payment representing the residual DSH funding available for FFY16 ending this month. UPL receipts anticipated through October largely reflect finalization of payments for years earlier than 2015. CMS has approved final payments for outpatient 2011-2014 UPLs worth approximately \$63 million, which H+H expects to receive during September 2016. CMS has also reached an agreement with the State on the 2014 nursing home payments worth approximately \$63 million, which is scheduled for receipt in October 2016. With these payments, only the Clinic UPLs older than 2015 will remain outstanding (estimated \$32 million for 2012-2104). In terms of the UPLs for 2015 and later – which largely involve rebasing of the UPL calculation - as Mr. Linhart reported, H+H received a \$187 million advance against the 2015 inpatient UPL payment in July 2016. There was a meeting with CMS staff that week to initiate discussions of additional advance payments for both 2015 and 2016 UPLs. Dr. Raju is following up with senior CMS officials to secure a commitment on that issue. H+H will continue to work with both CMS and the State to obtain final approval of these payments as quickly as possible, and are closely coordinating with both OMB and City Hall on communication and advocacy toward that end. The reporting was concluded.

## Key Indicators Report

Ms. Krista Olson reported that the Fiscal Year ended with a continuation of the trends that had been reported in the past few months. Ambulatory care visits were down slightly more at year-end when compared with last year, by .1%. Acute visits were slightly up by .2%, but were offset by a decline in DTC visits of 2.3%. Discharges were down by 2.9%. Nursing home days were down by 1.1%. Coney Island Hospital remains an outlier on the length of stay – significantly higher than the expected average, however, Coney Island Hospital has been experiencing reductions in their length of stay in the last few months that have been dwarfed by significantly higher LOS in the first three quarters of the year. Finally, the CMI was up by 4.6% over last year, continuing the positive trend over the last few months.

Mr. Page asked what the improvement at Coney Island was attributable to. Ms. Olson stated that there were a number of initiatives that were started that centered on utilization management focusing on the LOS given that it had been very high over the years. However a more detailed report can be provided to the Committee next month when the improvements are expected to continue.

Mr. Martin added that there was a recent change in leadership at the hospital whereby the a new CEO, COO, medical director and nursing director were appointed and combined with those noted initiatives some inroads are being made at addressing some of the issues.

Mr. Page asked if a more specific report could be provided that would show where those improvements have occurred to which Ms. Olson stated that it would be provided to the Committee.

## Cash Receipts & Disbursements Report

Mr. Fred Covino reported that In June global FTE (GFTEs) declined by 277, bringing the total reduction since November to 1,529. During FY 16 GFTEs declined by 525, this reduction was primarily due to reductions in Agency of 525 or 14% and Hourly employees of 462 or 29%. During the fiscal year there was a significant transition of hourly and temporary staff to full time lines that lead to an increase in full and part time staff of 376. For the year Clinical positions increased by 209 positions or .8%; physicians increased by 64 or 2%, residents increased by 46 or 2%; however, the largest growth was in tech spec positions up by 154, or 2% (includes: Behavior Health Tech 53, Pharmacy techs 45 and Techs Creative Arts therapists 36). Non clinical positions declined by 733 positions or 3% primarily due to the reduction in non-clinical agency positions that decreased by 566, or 24%; environmental/hotel decreased by 113, or 2% and clerical staff declined by 103, or 2%. During the month of July 2016 FTEs increased by 22, due to an increased use of overtime up by 105 due to summer vacation schedules. Three of the “Networks” reached or exceeded their target (North Central Bronx (44), South Manhattan (224) and North Central Brooklyn (89) – the Queens network finished just 16 (.2%) GFTEs above target. While Generations and South Brooklyn finished 7% (567) and 6.6% (245) above their targets respectively. A comparison of cash receipts and disbursements to prior Fiscal Year actual, FY 16 receipts were up by \$567 million. During the Fiscal Year there were several major developments in Cash Receipts that included the transition of Behavioral health \$50 million and long term care \$6 million from Medicaid Fee-For-Service to managed care over the course of the fiscal year; there was also a reduction in pools of \$131 million primarily due to a change in the State’s distribution formula for the Indigent Care Adjustment Pool implemented at the end of FY; UPLs declined by \$242 million in FY 16 and in FY 15 there were multiple years of Inpatient UPLs received funding on behalf of FY 13 of \$318 million and FY 14 \$280 million; risk pool funding declined by \$70 million, Medicaid managed care, primarily due to MetroPlus advances in FY 15 of funds that would normally have been paid in FY 16. However, these reductions were offset by a \$900 million increase in City Funding. The City funding increase included a prepayment of \$400 million on behalf of FY 17, DSH/UPL support of \$204 million. Additional subsidy of \$160 million; collective bargaining funding of \$112 million and a FEMA advance of \$17 million. A prepayment of \$194 million for Collective Bargaining, \$138 million for Correctional Health & I/P services and \$67 million for programs and services. Outpatient Medicaid FFS was down by \$50 million due to non-recurring Hospital Medical Home Funding \$49 million in FY 15. Disbursements were up by \$492 million. The largest increase in FY 16 was related to City payments \$307 million increase as H+H reimbursed the City \$309 million on behalf of FY 14 medical malpractice \$127 million; debt service \$153 million, Health \$21 million & Admin \$8 million and \$33 million for EMS funds received during FY 15. PS costs increased due to increased staffing levels for the majority of the fiscal year, while fringe benefit rates increased by 8% or \$108 million due to: increased pension contributions \$50 million resulting from updated mortality tables implemented by the City’s Actuary; HIP HMO rate increase of 2.9% \$35 million; collectively bargained increases to Supplemental Welfare Fund benefits \$23 million. Affiliation expenditures also increased in FY 16 due to new contracts which included collective bargaining. FY 17, H+H owes the City \$504 million on behalf of prior fiscal years FY 15 \$314.3 million and FY 16 \$190 million. H+H anticipate paying City \$778 million in FY 17, FY 17 \$335.6 million; FY 16 \$190 million & FY 15 \$252.6 million. FY15, \$314.3 million \$252.6 million due in FY 17 and \$61.7 million due in FY 18. Cash Receipts and Disbursements Reports in comparison to budget, Fiscal Year 16 receipts were \$188 million less than budgeted. FY 16 Inpatient receipts were down by approximately \$81 million or 3% compared to budget. This is directly related to the decline in discharges for the fiscal year. Outpatient receipts were \$66 million or 6% less than budgeted, this is primarily due to two factors: First the budget forecasted a 7%

growth rate for MetroPlus. While MetroPlus enrollment did increase by 5%, the growth was mainly achieved with the Community Partners 11% while H+H declined 6%. Second, the budget planned for the receipt of \$25 million of additional receipts due to FQHC funding, however, these funds were not received in FY 16 due to ongoing follow up with HRSA. The transition of Behavioral Health to Medicaid Managed Care lead to an immediate decline in Medicaid FFS receipts, which were lagging on the MA Managed Care side due to a delay of uploading of rates into our systems which has been resolved. Pools receipts reflect the change in the Indigent Care Adjustment Pool formula mentioned earlier. Fiscal Year 16 disbursements were \$163 million greater than budgeted. The primary reason for overspending against the FY 16 budget was the delay in reducing the GFTEs. The reduction plan required a steady reduction of 1,000 GFTEs over the course of the fiscal year, however by November GFTEs had increased by 1,000. Since November, the system was able to reduce FTEs by over 1,500 – ending the year down by 527; however, still above the budgeted reduction. The increase in GFTEs also led to increased expenditures for fringe benefits. However, the overspending was understated as \$15 million in Equalization payments were delayed to FY 17. Finally Affiliation payments were \$16 million over budget. This was primarily due to the reconciliation of fringe benefit at the North Bronx Network that revealed that fringes were underfunded by \$3.7 million in the current year and was a major factor of \$10 million owed to the Affiliated on behalf of FY 12-14. The reporting was concluded.

## **Information Items**

### **Payor Mix Reports (Inpatient, Adult and Pediatrics – 4<sup>th</sup> Quarter)**

The Payor Mix was very consistent with the information presented to the Committee for the 3<sup>rd</sup> Quarter. Medicaid Inpatient discharges are down slightly, offset by slight increases in Medicare and Commercial. Outpatient adult payor mix shows a very slight uptick of .4 of a percentage point and Pediatric visits went up slightly in Child Health Plus.

Mr. Page asked what was included in the uninsured and other. Ms. Olson stated that other includes federal, state and city agencies, uniformed services and prisoners.

Mr. Page asked if H+H was paid for that care to the uniformed services and prisoners. Mr. Covino stated that claims are submitted to Medicaid for the prisoners and H+H also receives subsidy from the City as income.

Mr. Page asked what the calculation for the subsidy from the City was based on and whether it is related to a statement or actual documentation of expenses relative to the cost of providing care to that population.

Mr. Covino stated that it is done on a reimbursement basis and there is a calculation that has been historically shared with the City. Mr. Anantharam added that H+H finance was also working on identifying any additional costs that are not identified.

Dr. Barrios-Paoli asked why more children were not covered. Ms. Olson stated that this was an area that would be a part of the Transformation Office work that is being undertaken. There is one instance whereby patients that go to the pediatrics clinics that maybe nineteen years old and may not be covered by CHP. Another reason may relate to a family co-pay for CHP that may higher than what would be paid through HHC Options for their visit and another reason may be that some are hesitant to provide information. Dr. Barrios-Paoli added that the hesitancy in providing information may be due to a lack of understanding more education would be required.

Mr. Page asked if the H+H was being short sighted in allowing those individuals to go through Options as opposed to assisting them in getting health insurance.

Mr. Anantharam stated that some of it could be that but more detailed information would be needed in order to appropriately answer that question. However, it is a valid point and H+H must explore ways to ensure that those Options patients get onto an insurance program.

The reporting was concluded.

### **FY 17 Budget Overview**

Ms. Olson stated that the FY 2017 budget was developed with two primary goals in mind that included: tie to the Financial Plan incorporate gap-closing initiatives in the relevant Service Line Budgets; and Align with the new Service Line organizational structure that would empower Service Line Executives to manage at a higher level and decouple expense authority from revenue, enabling a more accurate representation of current revenues and expenditures. The methodology reflects Expense budgets are based on actual spending patterns. Service Line Budgets have been developed for Gotham, Long-Term Care, and Acute Care. Acute Facility budgets are further allocated between Inpatient and Outpatient. Both Revenue and Expense budgets tie to the bottom line of the Financial

Plan through the incorporation of targets. The FY 17 Institutional Plan for Expenses by service line reflect a total global PS total of \$4.128 billion; fringes of \$1.451 billion; OTPS of \$1.350 billion and \$407 million in City payments for grand total of \$7.337 billion. Facility Expense budget baselines are set using historical spending. Global Personnel Services (PS) budgets include Health + Hospital personnel, allowances and overtime, affiliation and temporary services. H+H staff are baselined based on June payrolls, affiliation expenses are based on contract commitments, and temporary services are based on the last quarter. Collective Bargaining for FY17 is being held in reserve, and will be allocated to facilities once awarded. Other than Personnel Services (OTPS) budgets include both discretionary and non-discretionary spending. Non-discretionary budgets are based on allocations set by Central Office and Enterprise IT for items such as utilities, management contracts, and facility-based IT expenses. Discretionary baseline budgets have been set based on historical spending. Financial Plan Corrective Action, Personnel Reductions the Financial Plan assumes a year-end reduction of 1,050 FTEs. FTE Targets are allocated based on the share of FTEs. Enterprise IT has been excluded from the FTE reductions. Senior Vice Presidents may modify the allocation within their service lines but facility allocations have been included as placeholders. Other than Personnel Reductions - The OTPS reduction is \$52 million and is allocated based on a facility's share of baseline OTPS spending. The FTE headcount reductions by Service Line include a total reduction of 1,050 FTEs, Gotham 34, Long Term Care Facilities 79; Acute Care Hospitals 907; central office 19; health & home care 11 and H+H Non-facility Total 30. The FY 17 Institutional Plan for Receipts by Service Line for the major payors includes a total of \$1.465 billion for FFS; \$2.109 billion for managed care; other \$86 million totaling \$3.660 billion in baseline revenues and \$87 million in revenue adjustments totaling \$3.747 billion in total patient care revenue, \$3.362 billion in total non-patient care revenue for a grand total of \$7.109 billion in total revenues. The patient care revenue budgets include baseline projections with modifications based on facility input and new changes such as FQHC rates, MetroPlus growth projections and the shift to Behavioral Managed Care. The non-patient care revenue includes the full DSH and UPL projections as well as the below the line revenue initiatives. Prior year UPL payments are included in Central Office so as not to skew the revenue versus disbursements at eh service line level. Included in the revenue-generating initiatives are: revenue cycle improvements and MetroPlus growth were added to the facility projections; facility-level targets have been included for the secondary diagnosis capture and third party recovery efforts led by Central Office; the below-the-line items still requiring Federal and State action are included in the budget but allocated to central office, worth approximately \$454 million. The budget will be evaluated on a monthly basis and modified on a quarterly basis; initiatives will be measured and reforecast; further expenditure reductions may be necessary if revenue targets are not achieved.

Dr. Raju thanked the finance team for a very transparent budget compared to prior years.

The presentation was concluded.

#### **Strategic Planning Committee – September 8, 2016**

#### **As reported by Mr. Gordon Campbell**

#### **Action Item:**

*Resolution - Adopting, in the name of the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) Board of Directors, the twelve Implementation Strategies prepared for each of NYC Health + Hospitals’ eleven acute care hospitals and for the Henry J. Carter Specialty Hospital and Rehabilitation Center (“HJC”) as supplemental documents to the Community Health Needs Assessments (“CHNA”), which were approved by the Board of Directors in June 2016.*

Mr. Fass said that The Affordable Care Act (ACA) mandates that each 501(c) (3) tax exempt hospital must update or conduct a Community Health Needs Assessment (CHNA) every three years. The goal of the CHNA is to improve community health by identifying opportunities to improve health care delivery or address other community needs. CHNAs conducted for New York City Health + Hospitals facilities were approved by the Board of Directors on June 30, 2016. Hospitals are also required to develop and make available to the public implementation strategies that address the high priority needs identified in the CHNA.

An Implementation Strategy (IS) identifies the actions, programs, or initiatives that will be undertaken that addresses each of the identified significant community health needs identified in the CHNA. If a facility does not intend to address an identified need, an explanation must be provided. Implementation strategies must be adopted by an authorized body of the facility no later than 4 months and 15 days after the end of the fiscal year, or November 15.

Below is a summary table of the 12 hospitals’ significant community health needs and some of the larger or more common implementation strategies employed. The leftmost column are the consolidated significant health needs of all 12 hospitals. The center column shows the DSRIP projects that directly addresses the significant health needs, and two projects that address multiple needs. The right column includes examples of some of the more common or larger projects employed at hospitals. The individual CHNA IS reports include a more complete inventory of projects. The table below shows that NYC Health + Hospitals is addressing all significant

community health needs identified in the CHNA report with large scale projects and evidence based interventions with carefully planned evaluations and outcome metrics.

**Community Health Needs and Commonly Employed Implementation Strategies at NYC Health + Hospitals**

| Community Health Need                  | DSRIP Projects   | Additional Projects  |
|--|--|--|
| <b>Hypertension and Heart Disease</b>  | Improve Cardiovascular Disease Management: Support primary care excellence and patient self-management   | Cardiovascular Risk Registry: Identify and manage patients with hypertension to ensure disease management, adherence to medications and other treatment plans                        |
|  |  | Treat to Target: Enroll patients with uncontrolled hypertension in an intensive care management program  |
| <b>Diabetes</b>                        | n/a  | Diabetes Registry: Identify and manage Diabetic patients to ensure disease management, adherence to medications and other treatment plans  |
|  |  | Diabetes Center of Excellence  |
| <b>Obesity</b>                         | n/a  | Farmers Market: Provide patients and staff access to fresh fruit and vegetables and promote healthy eating   |
|  |  | Community Garden: Educate community residents about healthy diet and nutrition, and grow to fresh produce  |
| <b>Mental Illness / Substance Use</b>  | Integrate Primary Care and Behavioral Health Services: Ensure optimal care coordination by providing coordinated, accessible behavioral health and primary care to patients with behavioral health issues  | Ambulatory Detox Program: Provide ambulatory access to substance abuse treatment services as an alternative to inpatient care.   |
| <b>Asthma</b>                          | Home Environmental Asthma Management Program: Reduce avoidable ED use and hospitalizations related to asthma by changing the patient's indoor environment to reduce exposure to asthma triggers  | Asthma Educators: Engage patients with Asthma before and after provider visit to provide general information and inhaler techniques to reduce the number of asthma related ED visits |
| <b>Cancer</b>                          | Integrate Palliative Care into the PCMH Model: Integrate palliative care into appropriate settings including PCPs and other community resources.   | No Cost Colon Cancer Screening Program   |
| <b>Smoking</b>                         | n/a  | Smoking Cessation Program: Provide education and support for tobacco cessation   |
| <b>Multiple Community Health Needs</b> | Care Transitions: For patients discharged from the hospital at high risk of readmission, special teams will bridge the patient to community resources  |  |
|  | Health Home At Risk: For patients with poor control of chronic disease; social problems; or behavioral health conditions, provide additional resources to address social determinants of health, including increased linkages to community support |  |

Mr. Fass said that the next steps would be to: disseminate the 12 reports to public before Nov. 15, 2016; collect public input which must be included in the subsequent CHNA report; keep the information current, including population and patient demographics, population health, available resources, and better understand the gap between community need and community resources.

Mr. Campbell brought this proposal to vote and it was passed unanimously.

#### Information Items:

#### Overview of Transformation - Ross Wilson, MD, Chief Transformation Officer

Dr. Raju addressed the members: Healthcare around us is changing very fast and this change got exacerbated by the implementation of Affordable Care Act across the country. It produced some pressure points to all public hospitals across the country. With that in mind, we came up with the Transformation Strategic Plan that is called 2020 Vision. This Plan is all about the efficiency and growth. Patient experience and access to care are two important aspects; together with the employee engagement, it will really drive us to better market share and better market share will eventually give us financial sustainability. Subsequently, City Hall worked with the NYC Health + Hospitals and came up with 12 strategies: revenue strategies, expense strategies, and other strategies on how to reduce expenses and increase revenue. One of the 12 strategies require us to create the Office of Transformation. The Office of Transformation will lead us into 2020 Vision and beyond that and also, will implement 12 strategies that were identified by City Hall. Dr. Ross Wilson was chosen and appointed to lead the Office of Transformation.

Dr. Wilson addressed the members: Discussion of appropriate ways to keep the Board of Directors informed about the aforementioned activities. It has been decided to have the Office of Transformation report as a standing item on the agenda.



- One New York Report - Data comparison overview
  - NYC Health + Hospitals and other NYC Hospital Systems
  - Hospitals within NYC H+H
- 3 key missions: quality, access to care, and financial performance
- Provision of sustainable coverage and access to the uninsured
  - Managing the uninsured
  - Establishing maximum revenue from other sources
  - Maximizing how many of uninsured could be eligible for coverage and help that to occur
- Move to Value-Based systems in a Managed Care environment
  - Incentive to manage patients in the community or at home and to minimize unnecessary encounters with the health system
- Expansion of the Community-based services
- Transformation of our system to a high-performing healthcare system
  - Focus on operational efficiency
- Maximization of Metro Plus revenue
- Establishment of workgroups and executive leadership

Dr. Wilson informed the members that City Hall sees it as the whole city transformation process. City Hall is developing an oversight process for this project. It is a very complicated process and needs to be carefully planned. It is an opportunity to leverage resources. We have to work constructively with other city agencies. We are still in early development stage.

Dr. Raju concurred and commented that this is a major project and needs to be properly coordinated with City Hall.

- Summarized Progress Report as of September 2, 2016 - Overview
  - Outline of 12 Strategies from the Mayors Report, Work groups, Progress made, Critical issues & Risks, and Actions

Mr. Campbell addressed the members with the following recommendations: Committee will be meeting 6 times a year instead of 11 for a 2-hour block of time and with the idea that in each of the meetings, it will be drilling-down one or two major recommendations and the reports out. Part of the discussion will be high level and part will be granular. The Office of Transformation report to be part of every Board meeting. Members in agreement to accept the recommendations.

**NYC Health + Hospitals' System Scorecard FY'16 Second Quarter Report-** Ross Wilson, MD, Chief Transformation Officer

Dr. Wilson presented the System Scorecard for Q2 2016 and explained the meaning of the color coded scoring. Green –on target, Yellow- trending towards target and Red- off target. He also pointed out to the committee the Glossary which has been added for convenience of the user. Dr. Raju explained that CEOs will evaluate the performance of their respective facilities and meet quarterly with Mr. Antonio Martin to report out. If they are not meeting target scores, the explanation and action plan will have to be provided.

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**SYSTEM SCORECARD 2016 Q2**

|   | LEAD        | TARGET Q2 | ACTUAL Q2 | VARIANCE TO TARGET |   | PRIOR QUARTER | PRIOR YEAR | TARGET 2020 |
|---|-------------|-----------|-----------|--------------------|---|---------------|------------|-------------|
| <b>Anticipate &amp; meet patient needs</b>  |             |           |           |                    |   |               |            |             |
| 1 Out-patient satisfaction (overall mean)   | COO         | 80%       | 78%       | -3%                | Y | 78%           | 78%        | 93%         |
| 2 In-patient satisfaction (rate-the-hospital top box score)                                 | COO         | 62%       | 62%       | -0%                | Y | 59%           | 63%        | 80%         |
| <b>Engage our workforce where each of us is supported &amp; personally accountable</b>      |             |           |           |                    |   |               |            |             |
| 3 Staff completing leadership programs  | COO         | 362       | 521       | +44%               | G | 385           | 381        | 1,200       |
| 4 Employee engagement (5 point scale)   | COO         | 4.1       | 3.6       | -13%               | Y | 3.5           | NA         | 4.1         |
| <b>Provide high quality safe care in a culturally sensitive, coordinated way</b>            |             |           |           |                    |   |               |            |             |
| 5 Hospital-acquired infections (CLABSI SIR)   | CMO         | 1.00      | 0.79      | -21%               | G | 1.07          | 0.92       | 0.50        |
| 6 DSRIP on track  | OneCity CEO | 90%       | 98%       | +9%                | G | 100%          | NA         | 90%         |
| <b>Expand access to serve more patients (market share)</b>                                  |             |           |           |                    |   |               |            |             |
| 7 Access to appts (new adult patient TNAA days)   | CMO         | 14        | 19        | +36%               | Y | 20            | 27         | 14          |
| 8 Unique patients (thousand)  | COO         | 1,200     | 1,171     | -2%                | Y | 1,172         | 1,167      | 2,000       |
| 9 MetroPlus members (thousand)  | M+ CEO      | 500       | 501       | +0%                | G | 493           | 474        | 675         |
| 10 Patient revenue (proportion of expense)  | COO         | 63%       | 56%       | -11%               | Y | 55%           | 56%        | 70%         |
| <b>Increase efficiency by investing in technology &amp; capital (organizational reform)</b> |             |           |           |                    |   |               |            |             |
| 11 EMR budget variance  | CIO         | 0%        | 0%        | 0%                 | G | 0%            | 0%         | 0%          |
| 12 EMR implementation on track (milestones)   | CIO         | 100%      | 90%       | -10%               | Y | 90%           | 90%        | 100%        |
| 13 Contractors performance at service level   | COO         | 100%      | 92%       | -8%                | Y | 91%           | NA         | 100%        |
| 14 FEMA projects on track   | COO         | 100%      | 91%       | -9%                | Y | 100%          | NA         | 100%        |
|   | LEAD        | TARGET    | ACTUAL    | VARIANCE           |   | PRIOR QUARTER | PRIOR YEAR | TARGET 2020 |

Note: Calendar year.

CLABSI data continually subject to change but considered to be most accurate after the CMS reporting deadline for the quarter (5 months after the close of the reporting period)

**G** on target  
**Y** trending toward target  
**R** off target

**NYC Health + Hospitals’ Facility Level Scorecard Template** - Antonio Martin, Executive Vice President and Chief Operating Officer

Mr. Antonio Martin addressed the members: Over the last 6 months, we have appointed 3 Service Line Leaders and 9 new CEOs at our facilities. It was clearly communicated that they will be held accountable for their facility’s performance.

- Overview of the Hospitals Scorecard
  - Metrics aligned at hospital level with system-wide measures, in some cases with more granularity
  - Developed in collaboration with CMO, Finance, IT, Planning, and Hospital CEOs
- Hospitals Scorecard: a utility for the hospital CEOs
  - Focuses on H+H key missions around patient experience, people, quality / patient safety, and finance
  - Provides a “true north,” clear goals and tracks progress of strategic initiatives
  - Promotes dialogue, accountability and standardization
  - Creates a fact base for performance improvement and helping the CEO group identify opportunities across hospitals
  - Supports informed decision-making and to set expectations for the direct reports
- Training/ Educational opportunities for the employees – Discussion followed and Mr. Martin said that the system was looking into hiring a new Chief Learning Officer

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2016 June

|   | TARGET | ACTUAL SYSTEM | ACTUAL HOSPITAL |   | PRIOR PERIOD | PRIOR YEAR | TARGET 2020 |
|---|--------|---------------|-----------------|---|--------------|------------|-------------|
| <b>Patient experience</b>                             |        |               |                 |   |              |            |             |
| 1 In-patient satisfaction (rate-the-hospital_9 or 10) | 62%    | 60%           | 65%             | G | 67%          | 64%        | 80%         |
| 2 Emergency Dept satisfaction (overall)               | 80%    | 73%           | 78%             | Y | 76%          | 81%        | 85%         |
| 3 Out-patient satisfaction (overall)                  | 80%    | 78%           | 74%             | Y | 72%          | 75%        | 93%         |
| <b>People</b>   |        |               |                 |   |              |            |             |
| 4 Recommend this org as a place to work (out of 5)    | 4.1    | 3.6           | 3.7             | Y | 3.5          | NA         | 4.1         |
| 5 Staff completing leadership programs                | NA     | 502           | 44              |   | 48           | NA         | TBD         |
| 5.a % eligible supervisors & managers trained         | 19%    | 16%           | 10%             | R | 11%          | NA         | TBD         |
| 6 Quality index based on NYSPFP *                     | 1.0    | 0.1           | 0.2             | Y | 0.4          | 0.22       | 1.0         |
| 7 ALOS (excluding psych & rehab - in days)            | 5.0    | 5.2           | 5.6             | Y | 5.6          | 6.37       | 5.0         |
| 8 Emergency Dept - left without being seen            | 6%     | 8%            | 4%              | G | 4%           | NA         | 3%          |
| 9 Access to appts (new adult patient TNAA days)       | 14     | 19            | 18              | Y | 21           | NA         | 14          |
| 10 Diabetic patients w A1c < 8 (outpatient 1ry care)  | 70%    | NA            | 65%             | Y | 66%          | 65%        | 70%         |
| 11 Unique patients (last 12 months, thousand)         | TBD    | 1,169         | 131             |   | 132          | 132        | TBD         |
| 12 Occupancy (staffed bed excluding psych & rehab)    | 85%    | 76%           | 77%             | Y | 76%          | NA         | 90%         |
| 13 FTEs   | TBD    | 48,406        | 5,899           |   | 5,831        | NA         | TBD         |
| 13.a % clinical FTEs                                  | 45%    | 39%           | 39%             | R | NA           | NA         | 51%         |

G on target  
Y trending toward target  
R off target - trending off target

**MetroPlus Updates** - Arnold Saperstein, MD, President and Chief Executive Officer of MetroPlus

Dr. Saperstein walked the committee through the current enrollment and planned enrollment at MetroPlus.

- Current state
  - Reached 500,000 members in July
  - Over 5% membership growth since January 2016
  - On track with five-year growth plan (at the current rate of enrollment by Q4,2020 MetroPlus enrollment could reach over 600,000 members)

| Membership as 8/1/2016 |                |
|------------------------|----------------|
| Line of Business       | Membership     |
| Medicaid               | 384,521        |
| QHP                    | 19,216         |
| EP                     | 58,436         |
| Other LOBs             | 38,594         |
| <b>Total</b>           | <b>500,767</b> |

- Increasing Enrollment
  - Identifying products to target increased enrollment (QHP and EP products)
  - Creating marketing and distribution campaigns to support enrollment (focused advertising, community offices, etc.)
  - Enhancing collaboration with H + H (enrollment, quality, access)
  - Developing and employing strategies to increase member satisfaction (enhance call center, member outreach, etc.)
  - Increasing marketing staff engagement (incentive programs)
  - Building stronger partnerships with City agencies
- Decreasing Enrollment
  - Deploying survey to catalogue drivers of member attrition
  - Rewarding members for engagement in care (Finity contract)
  - Electronic communications to members (text and email)
  - Partnering with ZocDoc
  - Enhancing member portal for increased member satisfaction (access to self-service modules)
  - Expanding network and developing closer relationships with providers

# SUBSIDIARY BOARD REPORT

## HHC Assistance Corporation – OneCity Health – July 25, 2016

### As reported by Subsidiary Board Chair - Dr. Ross Wilson

Among other matters, the Board discussed the following:

- The Board accepted Dr. Michael Stocker’s recommendation from June 6 to select an independent auditor to conduct Performing Provider System (PPS) audits on behalf of the CSO.
- Dr. Wilson provided background on a proposed resolution to engage a consultant with expertise in developing partner funds flow and readying DSRIP partners to engage in value-based payment arrangements. A motion was made to discuss the resolution authorizing New York City Health and Hospitals Corporation to execute an agreement with COPE Health Solutions (COPE) to provide consulting services.
- Dr. Christina Jenkins outlined New York State Department of Health requirements for developing an integrated delivery system, inclusive of a funds flow model that prepares PPS partner organizations for a value-based payment environment. COPE was among two finalist applicants that requested \$6.8 million to provide consulting services. Two other applicants that were not considered by the review committee were considerably lower priced; it was evident from their proposals that they did not understand the scope of work entailed in this engagement. Dr. Jenkins also noted that COPE has previous DSRIP consulting experience on the West Coast, has experience developing integrated delivery systems, and consults for other New York State PPSs seeking to accomplish similar work.
- COPE activities over the next 12 months would include a baseline assessment to understand current capabilities and form a basis of measuring contributions made by PPS partners toward improving health outcomes. The assessment is intended to drive contracting for DSRIP Year 3 set to begin in April, 2017.
- The Board unanimously accepted to adopt a resolution moving the decision to authorize New York City Health and Hospitals Corporation to execute an agreement with COPE Health Solutions for consulting services to full HHC Board approval.

**\* \* \* \* \* *End of Reports* \* \* \* \* \***

**RAMANATHAN RAJU, MD**  
**NYC HEALTH + HOSPITALS PRESIDENT AND CHIEF EXECUTIVE OFFICER**  
**REPORT TO THE BOARD OF DIRECTORS**  
**September 22, 2016**

**Positive Development in Discussions with CMS over Retroactive Upper Payment Limit Funds**

Over the last few weeks, we have made significant headway in negotiations with the Center for Medicare and Medicaid Services regarding outstanding Upper Payment Limit funding owed to our system. We have received a commitment to expedite advances on calendar year 2015 and 2016 payments totaling approximately \$475 million dollars. I want to take this opportunity to thank our friends at CMS regional and Washington offices, and our colleagues at the State Department of Health.

**Ruth's Dream Exhibit Illuminates Bellevue's Excellence in Behavioral Health**

As you entered the hallway outside the Boardroom today, I'm sure you noticed the beautiful works of art gracing the walls. They are part of an exhibit called Ruth's Dream that is currently on view at NYC Health + Hospitals/Bellevue. The gifted artist, Ruth Litoff, had many experiences in psychiatric facilities in New York City before she took her own life eight years ago. Ruth's Dream, curated by her sister Hope Litoff who is here today, reflects the artist's wish – her dream – that her art could someday be displayed at Bellevue, where she felt she had received the most compassionate, understanding, and respectful care.

Through Hope Litoff's generosity, this extraordinary series has been donated to The Fund for NYC Health + Hospitals. It will be on display at several facilities for the next few months before returning to Bellevue.

Please join me in thanking Ms. Litoff, and in saluting William Hicks and Bellevue's world-class psychiatric services and operations staff.

Thank you as well to The Fund for NYC Health + Hospitals for helping to create this important statement about the quality of care we provide.

**NYC Health + Hospitals/Jacobi Receives Level I Trauma Center Verification from American College of Surgeons**

NYC Health + Hospitals/Jacobi has been designated by the American College of Surgeons (ACS) as a Level I Trauma Center. ACS verification confirms that the medical center is equipped with the necessary resources to deliver the highest level of care to patients with the most serious injuries. This reaffirms that Jacobi provides trauma services that are second to none, to residents of the Bronx and Lower Westchester County. We congratulate Executive Director William T. Foley, Trauma Medical Director Dr. Sheldon Teperman and the entire team at Jacobi for working tirelessly and on a daily basis to save lives.

**MetroPlus Health Plan Launches Public Awareness Campaign Celebrates 500,000th Member Milestone**

In July MetroPlus Health Plan announced a public awareness campaign recognizing the plan's 500,000th member, Staten Island resident, Josephine Barroso, and furthering its effort to connect New Yorkers in all five boroughs with the care they need. MetroPlus has seen enrollment climb as it continues to consolidate its position as a leader in providing affordable health insurance.

Dr. Arnold Saperstein, President and CEO of the health plan, presented Ms. Barroso with her member ID card at a special ceremony to mark the occasion. She is a single mother who sought more affordable health care. When she discovered that MetroPlus had become available on Staten Island, she decided to explore this new option and ultimately enrolled as the "half-million member" of MetroPlus.

Traditionally offering coverage in Manhattan, Brooklyn, the Bronx and Queens, MetroPlus added Staten Island to its service area this year for its Marketplace and Essential Plans. The MetroPlus Essential Health Plan offers access

to an extensive network of participating physicians, with providers in over 30,000 sites across the City, including more than 12,000 primary care physicians, specialists, affiliates of NYC Health + Hospitals and community-based providers.

### **Public Health System Hosts Farmer's Markets to Increase Access to Fresh, Affordable Food Options**

NYC Health + Hospitals continues its commitment to addressing social determinants of health in New York City by increasing access to fresh and affordable produce. Through its partnerships with Harvest Home Farmer's Market and GrowNYC the health system is hosting farmer's markets or fresh food box programs at 12 patient care locations across NYC to make fresh fruits and vegetables more accessible for New Yorkers. NYC Health + Hospitals/Bellevue will partner with GrowNYC as part of its Fresh Food Box Program. Every week participants are provided with a selection of the best seasonally available, regionally-grown produce, along with recipes and instructions for proper storage.

### **NYC Health + Hospitals' Caswell Samms III Nationally Recognized Among "50 Healthcare Leaders Under 40"**

Caswell Samms III, Chief Financial Officer of NYC Health + Hospitals/Harlem and NYC Health + Hospitals/Lincoln has been recognized on Becker's Hospital Review's "50 Healthcare Leaders Under 40" list for 2016. This annual honor by Becker's Hospital Review recognizes administrative leaders who have made considerable accomplishments in their relatively short careers. Mr. Samms began his tenure at NYC Health + Hospitals in 2014. In addition to his role as CFO of NYC Health + Hospitals/Harlem and NYC Health + Hospitals/Lincoln, he oversees the finances of three community health centers, NYC Health + Hospitals/Gotham Health, Belvis; NYC Health + Hospitals/Gotham Health, Morrisania; and NYC Health + Hospitals/Gotham Health, Sydenham. We congratulate Mr. Samms on this well-deserved recognition.

### **American Cancer Society Honors Brooklyn Radiology Oncology Chief with "Leader In Cancer Care Award"**

Dr. Emmanuel Nwokedi, MD, Chief of Radiology Oncology and Chairman of the Cancer Committee at NYC Health + Hospitals/Kings County was honored by the American Cancer Society with its inaugural "Leader in Cancer Care Award." The Award is an acknowledgement of outstanding work and commitment to excellence in cancer care by the American Cancer Society. Dr. Nwokedi is recognized by the American Cancer Society as an advocate for screening, prevention, and early detection, especially for the underserved and uninsured.

Under Dr. Nwokedi's leadership, the Radiology Oncology program provides radiation treatment to approximately 600 patients annually and follow-up care to more than 2,800 patients annually as part of the Kings County Cancer Survivorship program. Last year Kings County acquired a new Linear Accelerator ("Linac") to improve access and targeted care for patients with cancer.

### **Program Of The Month And Person Of The Month Nyc Health + Hospitals Accountable Care Organization -- Dr. Nicholas Stine, Chief Medical Officer**

**Today we will combine the person and program we've chosen to recognize this month.**

In August we were tremendously proud when for the third year in a row, our Accountable Care Organization ranked among the country's top tier, high performing ACOs. We earned the greatest quality improvement ranking in New York – more than double that of the other 29 ACOs serving the state. And CMS's data shows that we were also #1 in achieving cost reductions.

This is remarkable success.

It demonstrates that despite all the challenges we face, our physicians, nurses, technicians and assistants are forging new and innovative approaches that offer the right care to the right patients in the right settings. And they're doing it while generating more than \$27 million in savings over the last three years.

Which is why September's person of the month is Dr. Nicholas Stine, Chief Medical Officer of our ACO. Nick, along with Dr. Ross Wilson, Megan Cunningham, Dr. Lana Vardanian at Coney Island, and a dynamic team of facility-based ACO Medical Directors all are demonstrating that a large public health care system can care for the highest risk patients with the steepest socio-economic obstacles, and nonetheless meet top quality and cost standards of performance ---all while incentivizing providers and generating savings. That's the Holy Grail for health care systems across the country today, and Nick and his team are helping us achieve it here in New York.

Our ACO is one piece of a larger puzzle, however.

As the largest DSRIP Performing Provider System in New York, **OneCity Health** is embracing value by building a delivery structure that will incentivize providers to improve quality outcomes, drive patient-centeredness, and transform the system so that we can care for our patients in community-based settings inclusive of medical, behavioral health, long-term care, community-based providers and social service organizations.

Another example of how we've been out front in the nationwide shift to value is the full risk agreement we have with **MetroPlus**, which pays our facilities a percent of premium for each patient in their risk pools, promoting integrated, community-based care by incentivizing our facilities to take responsibility for the whole aspect of member care.

Value based innovations like these, and others across our system, place us at the forefront of national reforms that maximize quality, effectiveness, and efficiency. They offer everyone in this room a reason to be proud of a system we believe in, and are fighting for each and every day. Please join me in offering a round of applause for Dr. Stine and more broadly for all of our value based initiatives.

#### **Appreciation for NYC Health + Hospitals Board of Directors Chair Lilliam Barrios-Paoli**

Throughout life's journey you encounter a lot of people, and many of them impart on you great gifts...of wisdom...of knowledge...of kindness...of philosophy.

And Lilliam, you've offered us all of these things... But in my opinion, at the end of the day, after all the heartfelt things we say about your leadership, the thing that comes to my mind first, is this:

You are a healer. You're a healer of healthcare systems...of patients...of communities...of smart, committed people sitting around a boardroom table who may disagree about a particular issue.

You're a healer in all of these settings. For old surgeons like myself, "healer" is the highest compliment we can offer. And Lilliam, no one fits that description, that quality, more completely than do you.

From the bottom of our hearts, thank you

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute an agreement with COPE Health Solutions (“COPE”) to provide consulting services to help structure the partners (the “Partners”) in the NYC Health + Hospitals-Led Participating Provider System (the “PPS”) under the Delivery System Reform Incentive Payment (“DSRIP”) program to yield a network obtaining 90% of its patient service revenue from value-based payments including structuring the method for making DSRIP payments to lead to such a state over a term of one year with two, one-year options to renew solely exercisable by the Corporation for total amount not to exceed \$6,810,000 in initial 12-month period, \$6,810,000 in the first renewal terms and \$5,450,000 in the second renewal term for a total not-to-exceed amount for the three-year period of \$19,070,000.

**WHEREAS**, the NY State Department of Health (“DOH”) accepted NYC Health + Hospitals’ application to participate in the DSRIP program under which it has established the PPS with Partners consisting of health care providers, governmental bodies, community organizations and other entities;

**WHEREAS**, among the key goals of the DSRIP program is to encourage health care providers to structure their payment models as value-based; and

**WHEREAS**, an additional and interrelated key goal of the DSRIP program and the NYC Health + Hospitals-Led PPS is the establishment of a sustainable integrated delivery system; and

**WHEREAS**, the PPS is challenged to structure DSRIP payments to its Partners to incentivize value-based billing and, over the long term, structure a sustainable value-based billing model; and

**WHEREAS**, NYC Health + Hospitals conducted a request for proposals (the “RFP”) competitive process to select a consultant to assist in meeting such challenges; and

**WHEREAS**, out of the five firms that responded to the RFP, the NYC Health + Hospitals’ Selection Committee selected COPE as the consultant in NYC Health + Hospitals’ best interest; and

**WHEREAS**, COPE has substantial experience working with other Participating Provider Systems operating under DSRIP programs across the country; and

**WHEREAS**, the Vice President heading the NYC Health + Hospitals’ DSRIP program will be responsible for managing the proposed COPE contract.

**NOW THEREFORE**, be it

**RESOLVED**, that the New York City Health and Hospitals Corporation is authorized to execute an agreement with COPE Health Solutions to provide consulting services to help structure the partners in the NYC Health + Hospitals-Led Participating Provider System under the Delivery System Reform Incentive Payment (“DSRIP”) program to yield a network obtaining 90% of its patient service revenue from value-based payments including structuring the method for making DSRIP payments to lead to such a state over a term of one year with two, one-year options to renew solely exercisable by the Corporation for total amount not to exceed \$6,810,000 in initial 12-month period, \$6,810,000 in the first renewal terms and \$5,450,000 in the second renewal term for a total not-to-exceed amount for the three-year period of \$19,070,000.



**RESOLUTION**

Adopting NYC Health + Hospitals' Mission Statement and Performance Measures as required by the Public Authorities Reform Act

**WHEREAS**, the New York State Public Authorities Reform Act of 2009 requires local public authorities such as NYC Health + Hospitals to adopt each year a mission statement and performance measures to assist NYC Health + Hospitals in determining how well it is carrying out its mission; and

**WHEREAS**, NYC Health + Hospitals has posted on its website a mission statement that is a refined version of the purposes of NYC Health + Hospitals as expressed in the legislation which created NYC Health + Hospitals and in the NYC Health + Hospitals By-Laws; and

**WHEREAS**, NYC Health + Hospitals keeps extensive data on numerous performance measures for internal monitoring and external reporting; and

**WHEREAS**, NYC Health + Hospitals has selected performance measures addressing the core functions and values of the Corporation for reporting to the Office of the State Comptroller's Authorities Budget Office (ABO) as required by the Public Authorities Reform Act; and

**WHEREAS**, the ABO has required reporting of NYC Health + Hospitals' mission and performance measures, as well as responding to certain additional questions, on a form provided by that office and requires that the Board of Directors read and understand the mission statement and read and understand the responses provided to the ABO; and

**WHEREAS**, the attached "Mission Statement and Performance Measures" uses the same indicators as the last report approved by the Board of Directors except that the performance measures have been updated;

**NOW, THEREFORE**, be it

**RESOLVED** that the attached "Mission Statement and Performance Measures" as required by the Public Authorities Reform Act is hereby adopted.

## Authority Mission Statement and Performance Measurements

### **Name of Public Authority:**

New York City Health and Hospitals Corporation (“NYC Health + Hospitals”)

### **Public Authority's Mission Statement:**

To extend equally to all New Yorkers, regardless of their ability to pay, comprehensive health services of the highest quality in an atmosphere of humane care, dignity and respect;

To promote and protect, as both innovator and advocate, the health, welfare and safety of the people of the City of New York;

To join with other health workers and with communities in a partnership which will enable each of our institutions to promote and protect health in its fullest sense -- the total physical, mental and social well-being of the people.

**Date Adopted:** September 22, 2016

### **List of Performance Measurements:**

|   | <b>Indicator Name</b>                                    | <b>Indicator Description</b>   | <b>FY16</b>       |
|---|--|--|-------------------|
| 1 | General Care Average Length of Stay (days)               | Average length of stay for a general care inpatient hospitalization  | 5.2               |
| 2 | Uninsured Served   | Number of patients without health insurance served   | 425,089           |
| 3 | Total Medicaid Managed Care Enrollment                   | Total number of individuals served enrolled in Medicaid managed care   | 564,554<br>(CY15) |
| 4 | MetroPlus Enrollment                                     | Total number of individuals enrolled in MetroPlus Health Plan  | 501,134           |
| 5 | Percent of eligible women receiving screening mammograms | Total number of women aged 40 to 70 who received a mammogram screening in the reporting period with a primary care or gynecology visit in the past two years | 76.7%%            |
| 6 | Adult Psychiatry Average Length of Stay (days)           | Average length of stay for adult psychiatry hospital stays   | 16.8              |
| 7 | Total outpatient visits                                  | Total outpatient visits  | 4,284,812         |
| 8 | Total emergency room visits                              | Total emergency room visits  | 1,125,059         |
| 9 | HIV connect to care                                      | Percent of diagnosed HIV patients who are linked to care within 90 days of diagnosis   | 82.41%            |

**RESOLUTION**

Adopting, in the name of the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) Board of Directors, the twelve Implementation Strategies prepared for each of NYC Health + Hospitals’ eleven acute care hospitals and for the Henry J. Carter Specialty Hospital and Rehabilitation Center (“HJC”) as supplemental documents to the Community Health Needs Assessments (“CHNA”), which were approved by the Board of Directors in June 2016.

**WHEREAS**, NYC Health + Hospitals operates eleven acute care hospitals and HJC, a long term acute care hospital; and

**WHEREAS**, NYC Health + Hospitals has 501(c)(3) tax exempt status under the Internal Revenue Code; and

**WHEREAS**, The Patient Protection and Affordable Care Act, signed into law in 2010 (the “Affordable Care Act”), added to Internal Revenue Code Section 501(r)(3) which requires that hospitals with 501(c)(3) tax status conduct a CHNA at least once every three years; and

**WHEREAS**, regulations adopted under the Affordable Care Act specify that a CHNA be prepared for each licensed facility operated by hospital organizations enjoying 501(c)(3) status; and

**WHEREAS**, regulations further specify that the hospital organization prepare an Implementation Strategy that list and describe the facility’s clinical programs intended to meet the health needs identified in the CHNA; and

**WHEREAS**, on June 30, 2016 the NYC Health + Hospital’s Board of Directors approved the CHNAs conducted for the eleven acute care hospitals and HJC; and

**WHEREAS**, new regulations allow the Implementation Strategies to be adopted and made publicly available within five months and 15 days of the end of the taxable year in which the CNHA is conducted; and

**WHEREAS**, NYC Health + Hospitals has prepared Implementation Strategies for each of NYC Health + Hospitals’ eleven acute care hospitals and for the Henry J. Carter Specialty Hospital and Rehabilitation Center (“HJC”); and

**WHEREAS**, under the Affordable Care Act, a hospital organization’s governing body or a committee authorized by the governing body must adopt the Implementation Strategy.

**NOW, THEREFORE, BE IT**

**RESOLVED**, that the New York City Health and Hospitals Corporation’s Board of Directors hereby adopts the twelve Implementation Strategies prepared for each of NYC Health + Hospitals’ eleven acute care hospitals and for the Henry J. Carter Specialty Hospital and Rehabilitation Center as supplemental documents to the Community Health Needs Assessments, which were approved by the Board of Directors in June 2016.

**RESOLUTION**

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a 99 year sublease (including tenant renewal options) with T Building Housing Development Fund Company, Inc. a to-be-formed single purpose as entity of which NYC Partnership Housing Development Fund Company, Inc. is the sole member as nominee for T Building LLC, a to-be-formed single purpose limited liability company, the managing member of which will be T Building Managers LLC a to be formed single purpose entity of which Dunn Development Corp. will be the sole member ("Tenant"), to rent a parcel of approximately 167,000 square feet including the existing 10 story "T Building" of approximately 238,000 gross square feet on the campus of Queens Hospital Center Jamaica, Queens, New York (the "Facility") together approximately 129,000 square feet of surrounding land to be used for approximately 103 parking spaces for the building along with other uses. The building is to be renovated to create approximately 206 residential units including approximately 75 supportive housing units for single adults who are appropriate for independent living in the community and whose income is less than 60% of the Area Median Income ("AMI"); approximately 79 affordable units for households earning less than 60% of AMI; and approximately 51 moderate/middle income housing units for households earning less than 100% of AMI with 8,000 square feet to be provided for a community facility use; provided that, in lieu of rent to NYC Health + Hospitals, approximately 12,000 gross square feet will be retained by NYC Health + Hospitals at no charge other than for utilities and maintenance for the Facility's non-direct medical care uses.

**WHEREAS**, Tenant is a leader in the development of affordable, moderate/middle income and supportive housing including mixed income and mixed use projects; and

**WHEREAS**, NYC Health + Hospitals and Tenant shall, consistent with applicable regulations, establish protocols allowing for the referral to Tenant of NYC Health + Hospitals' patients who qualify for residence in the planned supportive units and can benefit from a preference accorded to such patients; and

**WHEREAS**, the individuals who are to live in such supportive units shall be screened to ensure that they are suitable for independent living in the community; and

**WHEREAS**, CAMBA will provide a complement of social services for the benefit of the residents of the supportive units and will provide front desk attendant services for the building; and

**WHEREAS**, the negotiation and administration of the proposed sublease shall be the responsibility of the Vice President for Intergovernmental Relations; and

**WHEREAS**, a Public Hearing was held on September 7, 2016, in accordance with the requirements of the Corporation's Enabling Act; and

**WHEREAS**, prior to lease execution, the proposed sublease is subject to the approval of the City Council and the Office of the Mayor.

**NOW, THEREFORE**, be it

**Page Two – Resolution**  
**Sublease – Queens “T” Building**

**RESOLVED**, the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) be and hereby is authorized to execute a 99 year sublease (including tenant renewal options) with T Building Housing Development Fund Company, Inc. a to-be-formed single purpose as entity of which NYC Partnership Housing Development Fund Company, Inc. is the sole member as nominee for T Building LLC, a to-be-formed single purpose limited liability company, the managing member of which will be T Building Managers LLC a to-be-formed single purpose entity of which Dunn Development Corp. will be the sole member (“Tenant”), to rent a parcel of approximately 167,000 square feet including the existing 10 story “T Building” of approximately 238,000 gross square feet on the campus of Queens Hospital Center Jamaica, Queens, New York (the “Facility”) together with approximately 129,000 square feet of surrounding land to be used for approximately 103 parking spaces and other uses for the building which is to be renovated to create approximately 206 residential units including approximately 75 supportive housing units for single adults who are appropriate for independent living in the community and whose income is less than 60% of the Area Median Income (“AMI”); approximately 79 affordable units for households earning less than 60% of AMI with 8,000 square feet to be provided for a community facility use and approximately 51 moderate/middle income housing units for households earning less than 100% of AMI provided that, in lieu of rent to NYC Health + Hospitals, approximately 12,000 gross square feet will be retained by NYC Health + Hospitals at no charge other than for utilities and maintenance for the Facility’s non-direct medical care uses.

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to execute a sub-sublease with Emblem Health for a term of approximately seven years and six months for approximately 37,459 square feet of space on the 9<sup>th</sup> floor at 1 MetroTech Center, Borough of Brooklyn, to house MetroPlus' call center and associated functions at an initial rent of \$26 per square foot, or \$568,128 for the first year of the term after factoring five months of free rent, and with the rent escalating for the balance of the term at a rate of 2.5% per year for a total base rent for the lease term of approximately \$7,620,309 plus a total of \$710,164 for electricity over the term for a total cost of \$8,330,473.

**WHEREAS**, MetroPlus, a subsidiary of the NYC Health + Hospitals, currently occupies a total of 148,000 square feet at 160 Water Street and 24,047 square feet at 33 Maiden Lane; and

**WHEREAS**, MetroPlus' Customer Services Call Center currently occupies space on the 5<sup>th</sup> and 19<sup>th</sup> floors at 160 Water St. and Customer Services is an integral part of its strategy to expand membership; and

**WHEREAS**, MetroPlus' membership has grown by over 25,000 during the past year to over 500,000, and the H+H Transformation plan sets a MetroPlus goal of achieving membership of 675,000 by 2020; and

**WHEREAS**, to achieve the projected membership goal, MetroPlus will add Customer Service Call Center representatives and consolidate this function at 1 MetroTech Center, which will also make space at 160 Water Street available for other expanding MetroPlus functions.

**NOW, THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a sub-sublease agreement with Emblem Health for a term of approximately seven years and six months for approximately 37,459 square feet of space on the 9<sup>th</sup> floor at 1 MetroTech Center, Borough of Brooklyn, to house MetroPlus' call center and associated functions at an initial rent of \$26 per square foot, or \$568,128 for the first year of the term after factoring five months of free rent, and with the rent escalating for the balance of the term at a rate of 2.5% per year for a total base rent for the lease term of approximately \$7,620,309 plus a total of \$710,164 for electricity over the term for a total cost of \$8,330,473.

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to execute a sub-sublease with the New York State Shipping Association, Inc. – International Long Shoremen's Association Pension Trust Fund for a term of approximately four years and eight months for approximately 16,899 square feet of space on the 16<sup>th</sup> floor at 77 Water Street, Borough of Manhattan, to house the Office of the Inspector General ("H+H OIG") at an initial rent of \$45 per square foot, or \$570,342 for the first year of the term after factoring three months of free rent, and with the rent escalating for the balance of the term at a rate of 2% per year for a total base rent for the lease term of approximately \$3,492,944 plus a total of \$216,869 for electricity over the term for a total cost of \$3,709,813.

**WHEREAS**, in October 2105, the Board of Directors adopted a resolution authorizing the President to enter into a Memorandum of Understanding with the New York City Department of Investigation ("NYC DOI") to create an Office of the Inspector General for NYC Health + Hospitals under the authority and control of NYC DOI to replace the existing office within NYC Health + Hospitals; and

**WHEREAS**, pursuant to a letter agreement executed by NYC DOI and NYC Health + Hospitals the entire expenses of the H+H OIG, including but not limited to salaries and other benefits for the staff and the cost of office space shall be the responsibility of NYC Health + Hospitals; and

**WHEREAS**, the H+H OIG currently occupies approximately 16,500 square feet on the 17<sup>th</sup> floor at 160 Water Street and as a result of staffing increases, the 160 Water space no longer accommodates the existing staff and will not accommodate the anticipated new hires; and

**WHEREAS**, the space at 77 Water Street will temporarily house the H+H OIG pending their relocation to permanent space at 180 Maiden Lane, Borough of Manhattan that will be leased by NYC DOI.

**NOW, THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") be and hereby is authorized to execute a sub-sublease agreement with the New York State Shipping Association, Inc. – International Long Shoremen's Association Pension Trust Fund for a term of approximately four years and eight months for approximately 16,899 square feet of space on the 16<sup>th</sup> floor at 77 Water Street, Borough of Manhattan, to house the Office of the Inspector General at an initial rent of \$45 per square foot, or \$570,342 for the first year of the term after factoring three months of free rent, and with the rent escalating for the balance of the term at a rate of 2% per year for a total base rent for the lease term of approximately \$3,492,944 plus a total of \$216,869 for electricity over the term for a total cost of \$3,709,813.

## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the Construction Management services contract pool, including the following firms: Gilbane Building Company; HAKS; Hunter Roberts Construction Group; Jacobs Engineering; LiRo Program and Construction Management; and, TDX Construction Corporation (the "CMs"), by \$6.5 million, from \$8.5 million to \$15 million, to provide professional construction management services on an as-needed basis at various facilities throughout the system.

**WHEREAS**, the Corporation entered into contracts with the CMs for as-needed construction management services on November 30, 2011 for a not-to-exceed aggregate limit of \$6 Million following a competitive request for proposals process and pursuant to authorization of the Board of Directors; and

**WHEREAS**, the Board of Directors authorized a \$2.5 million increase to the not-to-exceed threshold, in November 20, 2014; and

**WHEREAS**, the Project Labor Agreement ("PLA"), executed in early 2016, had effected the issuance of a new Request for Proposals for the Construction Management Services pool; and

**WHEREAS**, the PLA is now in place, and revisions to reflect changes to the contract structure have been completed, solicitations for a new pool of contracts is underway, and anticipated for award in December of 2016; and

**WHEREAS**, work cannot be stopped on ongoing, time sensitive projects, utilizing the existing CM contracts (Mayor's Primary Care Initiative, EPIC network environmentals, and 155 Vanderbilt construction); and

**WHEREAS**, work orders issued for ongoing work cannot be reissued under the new contracts as a result of the changes in scope of services and labor requirements within the new contract structure; and

**WHEREAS**, dollars to complete ongoing projects have already been approved, and funded, and this request is to increase spending authority; and

**WHEREAS**, the additional aggregate funding will increase the pool allocation by \$6.5 million, bringing the new not-to-exceed threshold from \$8.5 million to \$15 million, and will allow for Construction Management related work to continue until new contracts are in place.

**NOW, THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the construction management services contract pool, including the following firms: Gilbane Building Company; HAKS; Hunter Roberts Construction Group; Jacobs Engineering; LiRo Program and Construction Management; and, TDX Construction Corporation (the "CMs"), by \$6.5 million, from \$8.5 million to \$15 million, to provide professional construction management services on an as-needed basis at various facilities throughout the system.



## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the Life Safety services contract pool, including the following firms: Code Consultants Professional Engineers; Hughes Associate Fire & Safety Engineers of New York, PC; Safety Management Services; and TSIG Consulting, Inc., (the "Consultant Pool"), by \$3.5 million, from \$1 million to \$4.5 million, to provide professional Life Safety services on an as-needed basis at various facilities throughout the system.

**WHEREAS**, the Contract Review Committee approved the Life Safety contracts on May 6, 2015, for a three year term comprised of one base year and two option years, with an aggregate not-to-exceed threshold of \$1 million; and

**WHEREAS**, Life Safety services include preparing corrective action plans; providing assistance in compliance with Environment of Care (EC) standards, readiness and documentation; providing electronic documentation of facility plant, systems, and conditions; providing assistance related to Joint Commission and other surveys; and other important compliance and regulatory related services; and

**WHEREAS**, the Office of Facilities Development conducted a selection process through a Request for Proposals (RFP), and determined that these consultants' proposals best met the system's needs; and

**WHEREAS**, \$905,706 in work orders have been issued against the existing threshold, leaving only \$94,294; and

**WHEREAS**, the additional aggregate funding will increase the pool allocation by \$3.5 million, bringing the new not-to-exceed threshold from \$1 million to \$4.5 million, and will allow for Life Safety contract services to continue to be provided through the remainder of their approved terms.

**NOW, THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the "NYC Health + Hospitals") to increase the aggregate not-to-exceed threshold established for the Life Safety services contract pool, including the following firms: Code Consultants Professional Engineers; Hughes Associate Fire & Safety Engineers of New York, PC; Safety Management Services; and TSIG Consulting, Inc., (the "Consultant Pool"), by \$3.5 million, from \$1 million to \$4.5 million, to provide professional Life Safety services on an as-needed basis at various facilities throughout the system.

# Correctional Health Services Update

Patsy Yang, DrPH  
Senior Vice President for  
Correctional Health Services

Board of Directors Meeting  
October 27, 2016



## **Safety Enhancements**

- Appointed a dedicated Safety Officer and established a Workplace Violence Prevention program
- Surveyed every clinical space and implemented significant facility safety enhancements in all 12 jails
- Established Workplace Safety Committee with 4 health unions, COBA and DOC

## **Collaboration with DOC**

- Daily and weekly meetings at executive and facility levels to problem solve and plan
- Established Joint Assessment and Review process to reduce recurrence of significant incidents
- Joint trainings w/ DOC on de-escalation, recognition & reporting of alleged sexual abuse
- Clarified parameters for better information sharing while protecting PHI
- Participated in a CHS/DOC Transformation Task Force
- Implementing targeted and system-wide pushes to ensure scheduled patients get to clinic



## CHS Improvements

### Organizational Infrastructure and Workforce

- As of October 1<sup>st</sup>, 2015, H+H became the direct health provider in all NYC correctional facilities
- Built new in-house system of employee review and tracking
- Hired 139 new staff between 1/1/2016 – 10/17/2016
- Created new departments and offices within the division:
  - Operations department to increase accountability, productivity and safety
  - Policy & Planning department to coordinate incident investigations and oversee data reporting and analysis
  - Clinical Quality Improvement office to singularly focus on quality of care
  - Addiction Medicine office centralizing all substance use programs and services
  - Integrated Mental Health & Discharge Planning into one professional Psychiatric Social Work service
  - Clinical Education office expanding staff education and training



## CHS Integration into NYC Health + Hospitals

### Infrastructure Improvements

- Integrated CHS QI/QA processes into the robust H+H QA program
- Efficiency savings through supply chain, procurement and inventory management
- Adopted H+H software for more efficient staff scheduling

### Patient Care During Incarceration

- **Patient scheduling:** Streamlined specialty clinic scheduling at Bellevue
- **Court scheduling:** Working with City Hall and OCA to increase court access at Bellevue
- **Telehealth program:** Increased access to specialty services on and off-island
- **EHR sharing:** Provided H+H telehealth sites with access to CHS EHR and received access to Quadramed and EPIC
- **Streamlined Emergency Transport:** November pilot with FDNY, DOC, Elmhurst and Bellevue to transport stable male patients directly to Bellevue and decompress Elmhurst ED



## CHS Integration into NYC Health + Hospitals

### Patient Care After Release

- **CHS Assistance Center:** One-stop location linking patients to Gotham Health, MetroPlus, Health Home and Home Health
- **MetroPlus:** Outpost on Rikers Island to increase access and enrollment opportunities for patients and their families
- **Gotham Health:** Expedited patient appointments for primary and mental health care
- **Post-acute system:** Created pathway to refer, assess and transfer patients to Coler



## CHS 2020: Expanding Proven Initiatives

| Initiative  | Description   | Status  |
|---|---|---|
| <b>Enhanced Pre-Arrest Screening Unit (EPASU)</b>             | Expand EPASU pilot at Manhattan Central Booking from weekday tour to 24/7   | <ul style="list-style-type: none"> <li>24/7 roll out will occur November 1<sup>st</sup></li> </ul>  |
| <b>Program for Accelerating Clinical Effectiveness (PACE)</b> | Triple # of PACE units to enhance care provided to most vulnerable patients   | <ul style="list-style-type: none"> <li>CPL 730 unit opened on 9/8/16</li> <li>Working w/ DOC on construction and staff for next 2 units</li> </ul>                                  |
| <b>Expanded Hepatitis C Treatment</b>                         | Expand treatment for jail population with Hepatitis C   | <ul style="list-style-type: none"> <li>Negotiated unprecedented medication discount</li> <li>Collaborating w/ Gotham Health to ensure community completion after release</li> </ul> |
| <b>Telehealth</b>   | Telehealth connections in jails, hospital clinics and EDs to streamline provision of urgent, specialty and routine care | <ul style="list-style-type: none"> <li>Expanding installation throughout jail system, H+H facilities and NYS forensic hospitals</li> </ul>  |
| <b>Satellite Clinics</b>                                      | Expand # of satellite clinics in the jails  | <ul style="list-style-type: none"> <li>5 new satellite clinics have been opened in jail facilities in three jails</li> </ul>  |



## RESOLUTION

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals" or the "System") to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not to exceed \$3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.

**WHEREAS**, the Mayor of the City of New York issued a report in April 2016 titled, "One New York: Health Care for our Neighborhoods; Transforming Health + Hospitals" (the "Report"); and

**WHEREAS**, the Mayor assembled a Blue Ribbon Commission to recommend actions NYC Health + Hospitals should take to carry forward the goals of the Report; and

**WHEREAS**, Manatt has unique knowledge of the System due to its extensive work to assist in the preparation of the NYC Health + Hospital's DSRIP application and its work to assist in the preparation of the Report such any other consultant brought on to do further work to implement the Report would require substantial time to learn the System at additional cost to pay for such study; and

**WHEREAS**, NYC Health + Hospitals had obtained the approval of its Contract Review Committee to issue a sole source contract to Manatt to provide consulting services commencing June 2016 and expiring September 30, 2016 for the benefit of the Commission and NYC Health + Hospitals with regard to: (i) securing a Medicaid waiver permitting funding of health care services to undocumented immigrants; (ii) obtaining an adjustment of the allocation of cuts to the Medicaid Supplement for Disproportionate Share Hospitals ("DSH") program; (iii) planning for the establishment of Safety Net Accountable Care Organizations ("ACOs") with the private hospital organizations in the City; and (iv) performing preliminary analysis to support later planning for a reorganized acute care delivery structure at a cost of \$2,895,000; and

**WHEREAS**, in accordance with its June 2016 contract, Manatt has (i) developed a plan and model for the Medicaid waiver; (ii) formulated a system for redistributing the DSH cuts to reduce their impact on the System; (iii) structured an anti-trust law compliant way to discuss the Safety Net ACO plan and has stimulated substantial interest among the voluntary hospitals in participating in such a project; and (iv) produced an analysis supported by a data base it developed to indicate where cost saving efficiencies might be found in the acute care delivery structure; and

**WHEREAS**, as the System's transformation efforts have progressed, it quickly became clear that more services would be needed from Manatt that just those in the June contract to: (a) continue preparation of the two legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; (b) build on the planning for safety net ACOs to obtain firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; (c) continue data analysis initiated under the June contract to prepare recommendations for service delivery structural adjustments not just regarding acute care as in the June contract but also regarding ambulatory and post-acute care so as to reflect a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and (d) provide further and more robust support to the Commission and the System's Office of Transformation at an additional cost of \$3,100,000; and



**Page Two – Resolution**  
**Contract Approval – Manatt Health**

**WHEREAS**, the consent of the NYC Health + Hospitals' Contract Review Committee was obtained enter into the new Manatt agreement as a sole source award; and

**WHEREAS**, the Senior Vice President leading the NYC Health + Hospitals' Office of Transformation will be responsible for managing the Manatt contract as it is proposed to be amended.

**NOW THEREFORE**, be it

**RESOLVED**, that the New York City Health and Hospitals Corporation is authorized to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not to exceed \$3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.

## EXECUTIVE SUMMARY

### PROPOSED AMENDMENT TO MANATT HEALTH CONTRACT TO EXTEND TERM AND ADD FEES

- Overview:** NYC Health + Hospitals seeks approval for an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt"). The agreement will cover the period July 1, 2016 through January 31, 2017 at a cost not to exceed \$3.1M. The proposed contract parallels and follows a prior agreement with Manatt that had a term of four months from June through September 2016 and a cost of \$2.895 Million. The proposed new contract will cover work not covered in the prior agreement (analysis of ambulatory and post-acute service lines, and strategic advice and support for the Office of Transformation) and will allow work to continue to build on work produced in the June agreement.
- Term:** Six months through January 2017.
- Need/  
Program:** The scope of the Manatt contract that started this past June, 2016 included the following: (i) securing a Medicaid waiver permitting funding of health care services to undocumented immigrants; (ii) obtaining an adjustment of the allocation of cuts to the Medicaid Supplement for Disproportionate Share Hospitals ("DSH") program; (iii) planning for the establishment of Safety Net Accountable Care Organizations ("ACOs") with the private hospital organizations in the City; and (iv) performing preliminary analysis to support later planning for a reorganized health care delivery structure.
- As the System's transformation efforts have ramped up, staff has been hired and additional consultants brought on board it was quickly determined that more work would be required of Manatt. Accordingly, the proposed contract includes the following elements: (i) continue preparation of the two legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; (ii) build on the planning for safety net ACOs to obtain firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; (iii) expand data analysis initiated under the June contract to include ambulatory and post-acute care to prepare recommendations for service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and (iv) provide further and more robust support to the Commission and the System's Office of Transformation.
- Cost:** \$3.1M.
- Procurement:** Both the June contract and the proposed new contract were procured on a sole source basis. In both instances, the proposed procurement was presented to the Contract Review Committee and was approved under the CRC rules. The rationale presented was as follows: During its DSRIP work for NYC Health + Hospitals from September 2014 through 2015 Manatt worked intensively with Dr. Christina Jenkins and her team to assemble the NYC Health + Hospitals DSRIP and in the development of its DSRIP strategy and structure. Because the goal of DSRIP is the fundamental reform of the New York State healthcare delivery system from one that is hospital focused to one that is focused on ambulatory care and from one where individual providers or health systems operate in isolation from, and in competition with, each other to one that promotes collaboration, Manatt's work involved the core strategic issues that NYC Health + Hospitals' fiscal crisis presents. Thereafter, Manatt conducted a vigorous, thorough and intensive review of the operations of NYC Health + Hospitals involving thousands of hours of work both by Manatt staff and by employees of

**Page Two – Executive Summary**  
**Contract Approval – Manatt Health**

NYC Health + Hospitals who set their regular work aside to gather information for Manatt, respond to Manatt's inquiries and participate in discussions of operational and strategic matters. That further work led to the preparation of the report issued by the Mayor, "One New York: Health Care for our Neighborhoods; Transforming Health + Hospitals." Now that the System must act on the strategies proposed in the Report, it would be an unconscionable waste of the substantial investment that NYC Health + Hospitals has made in building Manatt's knowledge of NYC Health + Hospitals. Thus, there was no other consultant that could do the planning work that Manatt was tasked to perform under the timeframe of the contract awarded for June, 2016 or the work that is to be done under the proposed amendment to that contract.

**Vendex:** Pending

**EEO:** Pending

# Capital Committee: Sole Source Procurement of Manatt

Dr. Ross Wilson

Senior Vice President and Chief Transformation Officer

October 6, 2016



# Contracts Summary

|  | Jan | Feb | Mar | Apr                             | May   | Jun | Jul | Aug   | Sep   | Oct  | Nov  | Dec | Jan |
|--|-----|-----|-----|---------------------------------|---|-----|-----|---|---|--|--|-----|-----|
| <p><b>Contract 1</b><br/>\$2.7M</p> <p>One NY Report</p> |     |     |     | <p>Report Released</p> <p>X</p> |   |     |     |   |   |  |  |     |     |
| <p><b>Contract 2</b><br/>\$2.895M</p>                    |     |     |     |                                 | <p>1) IP Clin. Services Restructuring<br/>2) Safety Net ACO (2 partners)<br/>3) State and Federal Policy (Waiver for Uninsured &amp; DSH re-allocation of cuts)</p> |     |     |   |   |  |  |     |     |
| <p><b>Contract 3 (proposed)</b><br/>\$3.1M</p>           |     |     |     |                                 |   |     |     | <p>1) Office of Transformation and Blue Ribbon Commission Support</p> |   |  |  |     |     |
|  |     |     |     |                                 |   |     |     |   | <p>2) Safety Net ACO (2-3 additional partners and implementation plans)</p> |  |  |     |     |
|  |     |     |     |                                 |   |     |     |   |   | <p>3) Ambulatory Care and Long-Term Care Clinical Services Restructuring</p> |  |     |     |
|  |     |     |     |                                 |   |     |     |   |   |  | <p>4) State and Federal Policy (Implementation and ongoing strategic advisory)</p> |     |     |



# Contracts Summary – Detail

|                     | Contract 1   | Contract 2   | Contract 3 (Proposed)   |
|---------------------|--|--|---|
| Completed           | <ul style="list-style-type: none"> <li>❑ Development of vision and decision framework</li> <li>❑ Comprehensive NYC market assessment</li> <li>❑ Federal and state policy assessment</li> <li>❑ H+H operational assets and capabilities assessment</li> <li>❑ Detailed financial model</li> <li>❑ OneNYC Final Public Report</li> </ul> | <ul style="list-style-type: none"> <li>❑ Medicaid Waiver for Uninsured care program concept and vision</li> <li>❑ DSH options analyses</li> <li>❑ Safety-net ACO concept, vision, and 2 partner engagement</li> <li>❑ Safety-net ACO planning process (first 2 partners)</li> <li>❑ High-level vision for H+H clinical services restructuring</li> <li>❑ Inpatient assessment, options, and vision</li> <li>❑ Commission content support</li> <li>❑ Financial impact modeling</li> </ul> | <ul style="list-style-type: none"> <li>❑ Ambulatory care assessment, options, and vision</li> <li>❑ Long-term care assessment, options and vision</li> <li>❑ Commission logistics support</li> </ul>  |
| In Progress/Ongoing |  |  | <ul style="list-style-type: none"> <li>❑ Medicaid Waiver strategy</li> <li>❑ DSH concept and strategy</li> <li>❑ Safety-net ACO planning (next 2-3 partners)</li> <li>❑ Support for Commission &amp; Office of Transformation</li> <li>❑ Re clinical services reform set implementation milestones and perform financial &amp; FTE modeling</li> <li>❑ Academic Affiliation Analysis</li> </ul> |



# Contract Comparison

| Manatt   | BCG  | COPE   |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Inpatient, Ambulatory Care and Long-Term Care Clinical Services Restructuring</li> <li>• Safety Net ACO (partners and implementation plans)</li> <li>• State and Federal Policy (Waiver for Uninsured &amp; DSH re-allocation of cuts; Implementation and ongoing strategic advisory)</li> <li>• Office of Transformation and Blue Ribbon Commission Support</li> </ul> | <ul style="list-style-type: none"> <li>• Develop overall PMO structure and tools</li> <li>• Partner with PMO working teams to support setup, charters and milestone definition</li> <li>• Pressure test, ensure quality/consistency on PMO work streams</li> </ul> | <ul style="list-style-type: none"> <li>• Care management + population health               <ul style="list-style-type: none"> <li>• Integrated delivery system design</li> <li>• Financial sustainability under global capitation</li> <li>• Roadmap to align services</li> <li>• Value/outcomes-based payment models</li> </ul> </li> </ul> |



# Review of Manatt contracts

| Program  | Rating              | Contract + extension dates | Rating date  | Contract Manager                 |
|--|---------------------|----------------------------|--------------|----------------------------------|
| Work on <i>One New York: Health Care for our Neighborhoods</i> report (\$2.7 million)  | A                   | February to April 2016     | October 2016 | Anthony Martin                   |
| Implementation of <i>One NY</i> report recommendations (\$2.895 million)   | A                   | June to September 2016     | October 2016 | Dr. Ross Wilson                  |
| Office of Transformation and Blue Ribbon Commission Support + Implementation of <i>One NY</i> report recommendations (\$3.1 million) | (Proposed contract) | July 2016 to January 2017  | October 2016 | Dr. Ross Wilson/Ms. Andrea Cohen |





# Proposed Resolution

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals” or the “System”) to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP (“Manatt”) to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System’s Office of Transformation at cost not to exceed \$3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.



## RESOLUTION

**Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute an agreement with the Advisory Board to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed \$5,680,997 including a 2% contingency.**

**WHEREAS,** The Advisory Board Company currently provides to the System multiple research memberships, leadership and fellowship trainings, talent development, technology tools and access to national executive and provider councils under a number of disparate agreements with the System, some of which have expired; and

**WHEREAS,** The Advisory Board Company is the only source of vetted, best practices-based research with a full suite of services and membership programs including, among others, proprietary hospital data and analytics, benchmarks, step-by-step toolkits, on-site education and training, on-demand consultative services, national meetings, webinars, and access to a dedicated team of research experts; and

**WHEREAS,** The Advisory Board’s Revenue Optimization Compass (ROC) is a web-based analytics platform used at all of the System’s acute-care facilities to identify their greatest documentation, coding, and compliance opportunities, challenges and vulnerabilities; and

**WHEREAS,** Abandoning ROC and moving to a new revenue optimization tool will halt in-progress revenue generating projects; and

**WHEREAS,** The Advisory Board Company is the only organization that can provide the aforementioned comprehensive systems and tools to the System and that has the current and historical knowledge of the System and its affiliated health care providers; and

**WHEREAS,** The Advisory Board Company has fully met all services expectations and deliverables under various agreements, all of which will now be combined into one master agreement; and

**WHEREAS,** the overall responsibility for the monitoring of this contract will be under the direction of the Executive Vice President for Operations.

### **NOW THEREFORE, BE IT:**

RESOLVED, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with The Advisory Board Company to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed \$5,680,997 including a 2% contingency.

## EXECUTIVE SUMMARY

### Advisory Board Master Services Agreement

The Advisory Board Company currently provides NYC Health + Hospitals with multiple subscription/memberships to research databases, leadership and fellowship trainings, technology tools (the Revenue Optimization Compass and APR DRG groupers) and access to national councils. These services are currently covered under disparate letters of agreements with different divisions with the Advisory Board Company. These agreements are not coterminus (see chart below for contract start and end dates) and have multiple sponsors at different Central Office departments:

|   |                                 |   |           |            |                  |
|---|---------------------------------|---|-----------|------------|------------------|
| Health Care Advisory Board              | Kathleen Whyte, Senior Director | Strategic Planning and Intergovernmental Affairs          | 4/18/2012 | 12/30/2016 | \$178,500        |
| Nursing Executing Center                | Lauren Johnston, VP             | Medical and Professional Affairs                          | 8/4/2010  | 6/29/2016  | \$118,300        |
| Health Care IT Advisor                  | Sal Guido, SVP                  | EITS  | 4/28/2014 | 9/29/2017  | \$56,000         |
| Service Line Strategy Advisor           | Roslyn Weinstein, VP            | Corporate Operations and Office of Facilities Development | 11/2/2015 | 6/30/2021  | \$147,000        |
| Revenue Optimization Compass            | Laura Free, AVP                 | Finance   | 5/30/2013 | 6/27/2016  | \$215,649        |
| Leader Development and Frontline Impact | Ivelesse Mendez-Justinano, AVP  | HR and Workforce Development                              | 6/27/2013 | 1/31/2016  | \$96,500         |
| Advisory Board Fellowship               | Ivelesse Mendez-Justinano, AVP  | HR and Workforce Development                              | 9/29/2014 | 9/29/2016  | <u>\$140,113</u> |
|   |                                 |   |           |            | \$952,062        |

There is an administrative need for combining all of these disparate agreements into one master agreement with a single termination date under the management of one Central Office department – Supply Chain Services.

The Advisory Board Company is the only source of vetted, best practices-based research with a full suite of services and membership programs including, among others, proprietary hospital data and analytics, benchmarks, step-by-step toolkits, on-site education and training, on-demand consultative services, national meetings, webinars, and access to a dedicated team of research experts for all NYC Health + Hospitals employees in an unlimited quantity as a unified engagement. Because of this specialized experience, the Advisory Board Company has knowledge of challenges and priorities unique to health care leaders. Advisory Board representatives routinely liaise, via in-person visits and phone appointments, with key executives at these institutions in order to best serve their specific needs.

The Advisory Board's Revenue Optimization Compass (ROC) tool is a web-based analytics platform that NYC Health + Hospitals is using to identify its greatest documentation, coding, and compliance opportunities and vulnerabilities – and get a clear picture of the revenue impact. ROC is implemented and active at all NYC Health + Hospitals' acute-care hospitals. Abandoning ROC and moving to a new tool will halt in-progress revenue generating projects.

ROC is unique - it is the only product that allows comparisons of NYC Health + Hospitals MS-DRG coded claims to a cohort of similarly situated hospitals. This unique ROC perspective is employed in a number of projects to improve both physician documentation and Health Information Management coding.

Furthermore, continuity of curriculum and training for different cohorts of Fellows and Leaders is all being developed to achieve the Dr. Raju's 2020 vision. NYC Health + Hospitals have already trained one cohort each of the leaders. This is the budget for the five year term of the agreement:

| Year 1    | Year 2      | Year 3      | Year 4      | Year 5      | Term Total  |
|-----------|-------------|-------------|-------------|-------------|---|
| \$995,649 | \$1,059,648 | \$1,180,841 | \$1,101,650 | \$1,227,738 | \$5,565,526<br>+ 2%<br>Contingency<br>= \$5,680,997 |

# CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Advisory Board Master Services Agreement  
Project Title & Number: Advisory Board Master Services Agreement  
Project Location: System wide  
Requesting Dept.: Supply Chain Services

Successful Respondent: The Advisory Board Company

Contract Amount: \$5,565,526 + 2% contingency = \$5,680,997

Contract Term: ~~Seeking CRC Approval to Initiate a Sole Source Procurement~~ for these services with the Advisory Board Company for a period of 5 years.

Number of Respondents: Sole Source  
(If Sole Source, explain in Background section)

Range of Proposals: \$ \_\_\_\_\_ to \$ \_\_\_\_\_

Minority Business Enterprise Invited: Not Applicable due to Sole Source

Funding Source: Operating Budget

Method of Payment: Invoiced for services  
Other: explain \_\_\_\_\_

EEO Analysis: Yes

Compliance with HHC's McBride Principles?  Yes

Vendex Clearance  Yes

(Required for contracts in the amount of \$100,000 or more awarded pursuant to an RFP, NA or as a Sole Source, or \$100,000 or more if awarded pursuant to an RFB.)

## CONTRACT FACT SHEET(continued)

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*Background (include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):*

The Advisory Board Company currently provides multiple research memberships, leadership and fellowship trainings, technology tools (revenue optimization compass) and national councils to NYC Health +Hospitals. These services are covered under disparate letters of agreements with different divisions with the Advisory Board Company. These agreements are not co-terminus and have multiple sponsors for each of the agreements.

The Advisory Board Company is the leading source of vetted, best practices-based research with a full suite of services and membership programs including, among others, proprietary hospital data and analytics, benchmarks, step-by-step toolkits, on-site education and training, on-demand consultative services, national meetings, webinars, and access to a Dedicated Team of research experts for all NYC H+H employees in an unlimited quantity as a unified engagement. Because of this specialized experience, the Advisory Board Company has knowledge of challenges and priorities unique to health care leaders. Advisory Board representatives routinely liaise, via in-person visits and phone appointments, with key executives at these institutions in order to best serve their specific needs. The Advisory Board Company is the only organization that can provide the aforementioned comprehensive services to NYC Health +Hospitals combined with the current and historical knowledge of health care providers.

The Advisory Board's Revenue Optimization Compass (ROC) is a web-based analytics platform that NYC H+H is using to identify their greatest documentation, coding, and compliance opportunities and vulnerabilities – and get a clear picture of the revenue impact. ROC is implemented and active at all acute hospitals. Abandoning ROC and moving to a new tool will halt in-progress revenue generating projects.

ROC is unique, it is the only product that allows comparisons of NYC Health + Hospitals MS-DRG coded claims to a cohort of similarly situated hospitals. This unique ROC perspective is employed in a number of projects to improve both physician documentation and Health Information Management coding.

Furthermore, continuity of curriculum and training for different cohorts of Fellows and Leaders is all being developed to achieve the Dr. Raju's 2020 vision. NYC Health + Hospitals have already trained one cohort each of the leaders.

## CONTRACT FACT SHEET(continued)

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### *Contract Review Committee*

*Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):*

The application to enter into contract with the Advisory Board Company will be presented at the CRC on September 28, 2016.

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*Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:*

*Not Applicable*

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*Selection Process (attach list of selection committee members, list of firms responding to RFP or NA, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):*

The Advisory Board Company is the only source of vetted, best practices-based research with a full suite of services and membership programs.

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*Scope of work and timetable:*

Seeking CRC Approval to Initiate a Sole Source Procurement for these services with the Advisory Board Company for a period of 5 years.

## CONTRACT FACT SHEET (continued)

*Provide a brief costs/benefits analysis of the services to be purchased.*

| Program                                      | 2015 H+H Price   | 2016 H+H Price     | MSA Proposed Price |
|--|------------------|--------------------|--------------------|
| Health Care Advisory Board                   | \$178,500        | \$182,070          | \$663,500          |
| Nursing Executive Center                     | \$118,300        | \$120,666          |                    |
| Health Care IT Advisor                       | \$56,000         | \$57,120           |                    |
| Service Line Strategy Advisor                | \$147,000        | \$149,940          |                    |
| Population Health Advisor                    |                  | \$130,000          |                    |
| Post-Acute Care Collaborative                |                  | <b>\$128,000</b>   |                    |
| HR Advancement Center                        |                  | <b>\$118,000</b>   |                    |
| Cardiovascular Roundtable                    |                  |                    |                    |
| Oncology Roundtable                          |                  |                    |                    |
| Imaging Performance Partnership              |                  |                    |                    |
| Market Innovation Center                     |                  |                    |                    |
| Pharmacy Executive Forum                     |                  |                    |                    |
| Physician Executive Council                  |                  |                    |                    |
| Medical Group Strategy Council               |                  |                    |                    |
| Financial Leadership Council                 |                  |                    |                    |
| Philanthropy Leadership Council              |                  |                    |                    |
| Leadership Development*                      | \$96,500         | \$110,975          | \$96,500           |
| Fellowship Program** (starts in Year 2)      | \$140,113        | \$165,000          | \$142,916          |
| Revenue Optimization Compass                 | \$215,649        | \$260,935          | \$215,649          |
| Revenue Optimization Compass APR DRG Grouper |                  | \$47,035           | \$20,000           |
| <b>Program Total</b>                         | <b>\$952,062</b> | <b>\$1,469,741</b> | <b>\$1,138,565</b> |

*Provide a brief summary of historical expenditure(s) for this service, if applicable.*

See above

*Provide a brief summary as to why the work or services cannot be performed by the Corporation's staff.*

The specialized nature of the Advisory Board's expertise is the result of research and practice from serving over 4,200 public sector and private sector health care organizations.

*Will the contract produce artistic/creative/intellectual property? Who will own it? Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?*

*Not Applicable*

HHC 590B (R July 2011)



## CONTRACT FACT SHEET (continued)

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*Contract monitoring (include which Senior Vice President is responsible):*

Antonio Martin, Executive Vice President, COO

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*Equal Employment Opportunity Analysis (include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):*

*Received By E.E.O.: August 8, 2016*  
*Date*

*Analysis Completed By E.E.O: August 11, 2016*  
*Date*

Keith Tallbe  
*Name*

30846o

**TO:** David Larish  
Supply Chain Services  
Division of Materials Management

**FROM:** Keith Tallbe *KT*

**DATE:** August 11, 2016

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

---

The proposed contractor/consultant, The Advisory Board, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: \_\_\_\_\_

Project: Master Agreement

Submitted by: Division of Materials Management

EEO STATUS:


1.  Approved
2.  Conditionally Approved with follow-up review and monitoring
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

KT:srf

**MEMORANDUM**

**To:** David Larish  
Procurement Systems & Operations

**From:** Karen Rosen   
Assistant Director

**Date:** September 29, 2016

**Subject:** VENDEX Approval

---

For your information, on September 29, 2016 VENDEX approval was granted by the Office of Legal Affairs for the following company:

The Advisory Board

This approval is based upon prior VENDEX approval for the above-named company, which falls within 90 days of your current request.

cc: James Liptack, Esq.

# **Advisory Board Master Services Agreement Sole Source Procurement**

**Antonio D. Martin, Corporate Chief Operations Officer  
October 27, 2016**



## Background

- The Advisory Board Company currently provides multiple research memberships, leadership and fellowship trainings, technology tools (revenue optimization compass) and national councils to NYC Health + Hospitals
- These services are covered under disparate letters of agreements with different divisions with the Advisory Board Company. These agreements are not co-terminus and have multiple sponsors for each of the agreements.

| Program                                 | Contract Owner                  | Department  | Contract Start Date | Contract End Date | 2015 Price Per Year |
|---|---------------------------------|---|---------------------|-------------------|---------------------|
| Health Care Advisory Board              | Kathleen Whyte, Senior Director | Intergovernmental and Planning                            | 4/18/2012           | 12/30/2016        | \$178,500           |
| Nursing Executing Center                | Lauren Johnston, VP             | Medical and Professional Affairs                          | 8/4/2010            | 6/29/2016         | \$118,300           |
| Health Care IT Advisor                  | Sal Guido, SVP                  | EITS  | 4/28/2014           | 9/29/2017         | \$56,000            |
| Service Line Strategy Advisor           | Roslyn Weinstein, VP            | Corporate Operations and Office of Facilities Development | 11/2/2015           | 6/30/2021         | \$147,000           |
| Revenue Optimization Compass            | Robert Melican, Senior Director | Finance   | 5/30/2013           | 6/27/2016         | \$215,649           |
| Leader Development and Frontline Impact | Ivelesse Mendez-Justinano, AVP  | HR and Workforce Development                              | 6/27/2013           | 1/31/2016         | \$96,500            |
| Advisory Board Fellowship               | Ivelesse Mendez-Justinano, AVP  | HR and Workforce Development                              | 9/29/2014           | 9/29/2016         | \$140,113           |
|   |                                 |   |                     | <b>TOTAL</b>      | <b>\$952,062</b>    |



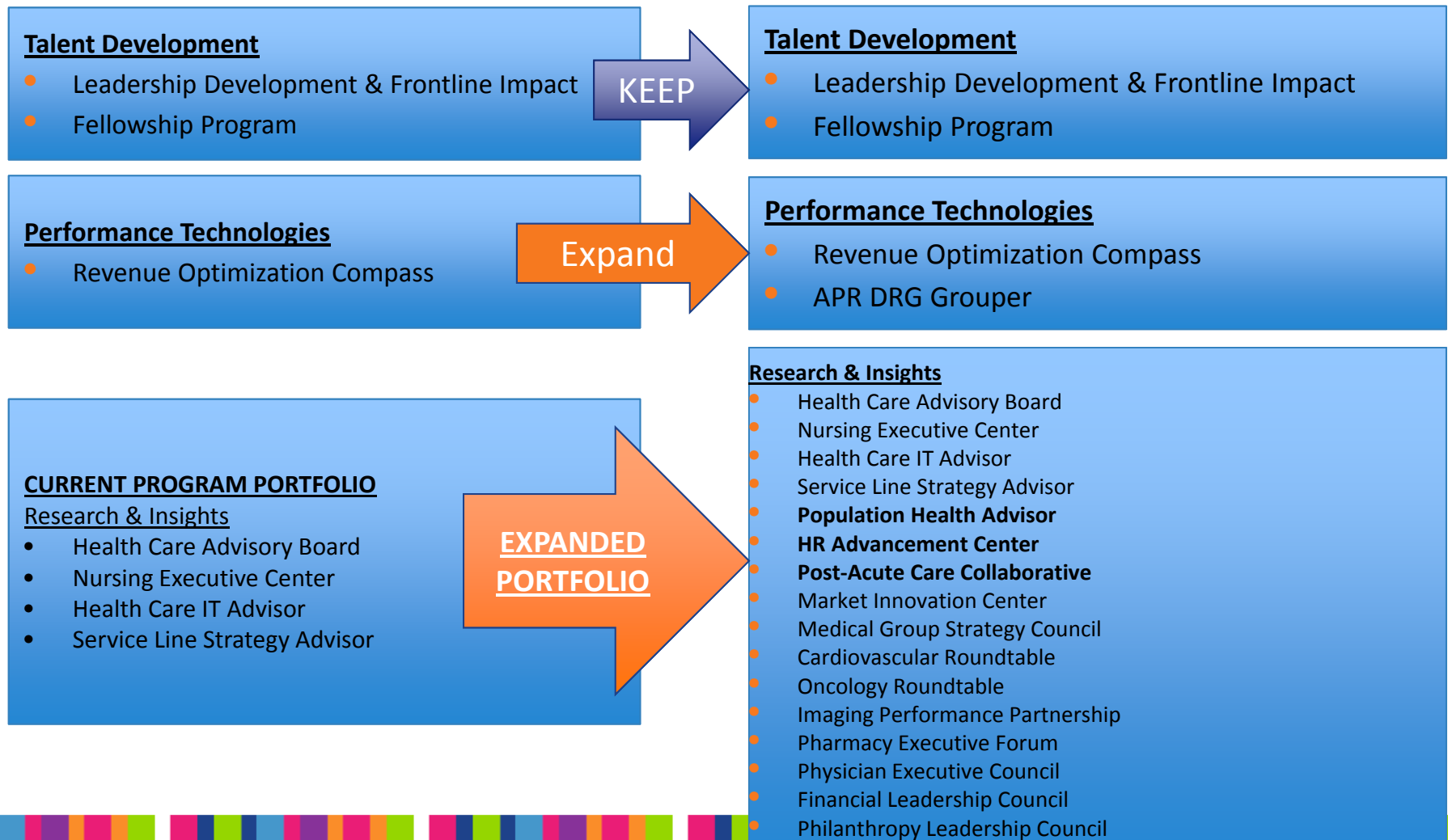
## Review of Current Services

| Program                              | Rating | Agreement Start Date | Rating Date | Contract Owner                   |
|--------------------------------------|--------|----------------------|-------------|----------------------------------|
| Health Care Advisory Board           | A      | 4/18/2012            | Oct-16      | Kathleen Whyte                   |
| Nurse Executive Council (NEC)        | A      | 8/4/2010             | Oct-16      | Lauren Johnston                  |
| Healthcare IT Advisor (HCITA)        | A      | 4/28/2014            | Oct-16      | Brenda Schultz / Marisa Salomone |
| Service Line Strategy Advisor (SLSA) | A      | 11/2/2015            | Oct-16      | Roslyn Weinstein                 |
| Revenue Optimization Compass         | A      | 5/30/2013            | Oct-16      | Robert Melican                   |
| Leadership                           | A      | 6/27/2013            | Oct-16      | Ivelesse Mendez-Justinano        |
| Fellowship                           | A      | 9/29/2014            | Oct-16      | Ivelesse Mendez-Justinano        |

Agreement start dates show current contracts only. Certain agreements may have start dates for older agreements that predate the current agreements.



## Program Portfolio Expansion



## Program Cost Comparison

| Program                                      | 2015 H+H Price   | 2016 H+H Price     | MSA Proposed Price |
|--|------------------|--------------------|--------------------|
| Health Care Advisory Board                   | \$178,500        | \$182,070          | \$663,500          |
| Nursing Executive Center                     | \$118,300        | \$120,666          |                    |
| Health Care IT Advisor                       | \$56,000         | \$57,120           |                    |
| Service Line Strategy Advisor                | \$147,000        | \$149,940          |                    |
| Population Health Advisor                    |                  | \$130,000          |                    |
| Post-Acute Care Collaborative                |                  | \$128,000          |                    |
| HR Advancement Center                        |                  | \$118,000          |                    |
| Cardiovascular Roundtable                    |                  |                    |                    |
| Oncology Roundtable                          |                  |                    |                    |
| Imaging Performance Partnership              |                  |                    |                    |
| Market Innovation Center                     |                  |                    |                    |
| Pharmacy Executive Forum                     |                  |                    |                    |
| Physician Executive Council                  |                  |                    |                    |
| Medical Group Strategy Council               |                  |                    |                    |
| Financial Leadership Council                 |                  |                    |                    |
| Philanthropy Leadership Council              |                  |                    |                    |
| Leadership Development*                      | \$96,500         | \$110,975          | \$96,500           |
| Fellowship Program** (starts in Year 2)      | \$140,113        | \$165,000          | \$142,916          |
| Revenue Optimization Compass                 | \$215,649        | \$260,935          | \$215,649          |
| Revenue Optimization Compass APR DRG Grouper |                  | \$47,035           | \$20,000           |
| <b>Program Total</b>                         | <b>\$952,062</b> | <b>\$1,469,741</b> | <b>\$1,138,565</b> |

\* Every other year

\*\*Every Year Starting in Year 2

\$1,093,741 w/o  
new programs

New modules H+H already  
intending to utilize.





## Proposed Master Services Term

- The Advisory Board master services contract is a 5 year agreement
- Budget for the 5 year term:

| Year 1    | Year 2      | Year 3       | Year 4      | Year 5       | Term Total   |
|-----------|-------------|--------------|-------------|--------------|--|
| \$995,649 | \$1,059,648 | *\$1,180,841 | \$1,101,650 | *\$1,227,738 | \$5,565,526<br>+2%<br>Contingency<br>= \$5,680,997 |

\*Year over year increase is at Consumer Price index. Difference between each year's price is shown as

Year 1 - ROC + Research and Insights + Leadership Development

Year 2 – ROC + Research and Insights + Fellowship Program

Year 3 – ROC + Research and Insights + Fellowship Program + Leadership Development

Year 4 – ROC + Research and Insights + Fellowship Program

Year 5 - ROC + Research and Insights + Fellowship Program + Leadership Development



## Board Approval Request

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- We are seeking Board Approval to Enter into a 5-Year Agreement with the Advisory Board Company for a NTE of \$5,565,526 + 2% contingency = \$5,680,997



## RESOLUTION

Authorizing the President of the NYC Health + Hospitals (the "Health care system") to execute a revocable five year license agreement with New York University School of Medicine (the "Licensee" or "NYUSoM") for its continued use and occupancy of 9,500 square feet of space at NYC Health + Hospitals/Bellevue (the "Facility") for the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

**WHEREAS**, in June 2011 the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee, and the Facility desires to allow the Licensee continued use and occupancy of space in the C&D Building; and

**WHEREAS**, the Licensee, a not-for-profit medical school, in its role as Bellevue's academic affiliate, provides health care services that include diagnosis and patient treatment, student education, post-graduate training with other health care professionals, and medically related research; and

**WHEREAS**, NYUSoM, is a recognized a leader in education and research in medicine, dentistry, nursing, applied mathematics and social work, seeks to continue its partnership with the Corporation through the NYU-HHC CTSI; and

**WHEREAS**, the grant-funded NYU-HHC CTSI has fostered enhanced collaboration of research and clinical teams with a mutual goal of bringing the findings of medical research directly to bear on the quality and delivery of patient care.

**NOW, THEREFORE**, be it

**RESOLVED**, that the President of NYC Health + Hospitals (the "Corporation") be and hereby is authorized to execute a five year revocable license agreement with New York University School of Medicine, (the "Licensee" or "NYUSoM") for its continued use and occupancy of 9,500 square feet of space at NYC Health + Hospitals/Bellevue (the "Facility") to house the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

**EXECUTIVE SUMMARY**  
**LICENSE AGREEMENT**  
**NEW YORK UNIVERSITY SCHOOL OF MEDICINE**

The President of NYC Health + Hospitals seeks authorization of the Board of Directors of the Corporation to execute a revocable license agreement with New York University School of Medicine ("NYUSoM") for its continued use and occupancy of space at NYC Health + Hospitals/Bellevue ("Bellevue") to house the NYU-HHC Clinical Translational Science Institute ("CTSI").

NYUSoM, a not-for-profit medical school, in its role as Bellevue's academic affiliate, provides health care services including: the diagnosis and treatment of patients; education to students and post-graduate trainees and other health care professionals; and medically related research. The Health Care System and NYUSoM, a leader in education and research in medicine, dentistry, nursing, applied mathematics and social work, will continue their partnership through the NYU-HHC CTSI. The grant-funded NYU-HHC CTSI has fostered enhanced collaboration of research and clinical teams with the mutual goal of bringing the findings of medical research directly to bear on the quality and delivery of patient care.

The NYU-HHC Clinical and Translational Science Institute has the following specific aims:

- Increase collaboration among clinical, translational and basic scientists across the NYUSoM and HHC organizations to better determine the relevance and applicability of scientific advances to clinical problems;
- Provide leadership and resources to support innovative science and the rapid and safe application of scientific discoveries to the community;
- Establish an administrative structure to facilitate the participation of HHC in medical research projects undertaken by, or in partnership with, NYUSoM;
- Support the education, training and development of researchers needed to bring scientific advances to the public; and
- Strengthen the ties between researchers and the community to allow more rapid identification of health problems and the application of evidence-based medicine to reduce healthcare outcome disparities.

The CTSI program hours of operation are 8:00 a.m. to 8:00 p.m., Monday through Friday. The program provides patients with access to cutting-edge studies and interventions, with protocols ranging in scope from simple blood draw, to surveys and 12-hour Pharmacokinetics (PK, the study of how drugs interact) studies. The program accommodates Adult and Pediatric Studies, and conducts research in AIDS/HIV, Pulmonary Disease, Cardiology, Endocrinology, Obesity, Hypertension and Mental Health.

NYUSoM will have the continued use and occupancy of a total of approximately 9,500 square feet of space located on the 4th floor of the C&D Building (the "Licensed Space"). In consideration of the benefits to the Health Care System of the CTSI program, the occupancy fee will be waived. In 2013, NYUSoM renovated the space to accommodate patient exam rooms, infusion suites, a satellite pharmacy and administrative offices. The Facility shall provide utilities, garbage collection, building security, structural and non-structural repairs and maintenance to the Licensed Space.

Page Two – Executive Summary  
 NYU-HHC Clinical Translational Science Institute (CTSI)

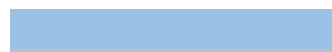

NYUSoM will indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the Licensed Space and will also provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall not exceed five (5) years without further authorization from the Board of Directors of the Corporation and shall be revocable by either party upon sixty (60) days notice.

Since 2011, the NYU-H+H Clinical Translational Science Institute (CTSI) has occupied approximately 9,500 square feet on the 4<sup>th</sup> Floor of Bellevue’s C&D Building, which is used for the Clinical Research Center. Before taking up occupancy, NYU performed a \$7 million dollar renovation on the space. The purpose of the CTSI is to support multidisciplinary, team-based research that transforms health care and improves community health through new diagnostic techniques, new therapies, advances in clinical practice and new community-based interventions or population health initiatives.

NYU also provides funding to support staff, as well as supplies and facilities costs through an annual SubAward Agreement with Health + Hospitals. Between 2009 and 2015, NYU provided a total of \$1,689,535 through the annual Subaward Agreements for staffing, supplies, and facilities and administrative costs. In addition to the annual Subaward Agreements, NYU also pays approximately \$1.1 million dollars annually to staff the CTSI. This funding supports 9.2 FTEs. Moving forward, NYU has committed to continuing to award Health + Hospitals with \$400,000 annually through Subaward Agreements. The FY 16 budget includes \$266,112 in funding for 3 positions, as well as \$14,747 for pilots and \$119,141 for facilities and administration costs.

|   | Year 1               | Year 2               | Year 3               | Year 4               | Year 5               | TOTAL                  |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|------------------------|
| <b>\$25/psf (9500 sq. ft)</b>                           | \$ 237,500.00        | \$ 244,031.25        | \$ 250,742.11        | \$ 257,637.52        | \$ 264,722.55        | \$ 1,254,633.43        |
| <b>Utilities (\$2.50/psf)</b>                           | \$ 23,750.00         | \$ 23,750.00         | \$ 23,750.00         | \$ 23,750.00         | \$ 23,750.00         | \$ 118,750.00          |
| <b>Crash Carts/Medications</b>                          | \$ 25,758.00         | \$ 25,758.00         | \$ 25,758.00         | \$ 25,758.00         | \$ 25,758.00         | \$ 128,790.00          |
| <b>Bio-Med Contract, Linen, Red Bag Waste</b>           | \$ 60,536.00         | \$ 60,536.00         | \$ 60,536.00         | \$ 60,536.00         | \$ 60,536.00         | \$ 302,680.00          |
| <b>TOTAL Dollars not Received by Health + Hospitals</b> | <b>\$ 347,544.00</b> | <b>\$ 354,075.25</b> | <b>\$ 360,786.11</b> | <b>\$ 367,681.52</b> | <b>\$ 374,766.55</b> | <b>\$ 1,804,853.43</b> |
| <b>NYU SubAward Grants</b>                              | <b>\$ 400,000.00</b> | <b>\$ 400,000.00</b> | <b>\$ 400,000.00</b> | <b>\$ 400,000.00</b> | <b>\$ 400,000.00</b> | <b>\$ 2,000,000.00</b> |

 Dollars not received by Bellevue  
 Dollars provided to Bellevue through NYU grant

Page Three – Executive Summary  
NYU-HHC Clinical Translational Science Institute (CTSI)

**Patient Benefits:**

The presence of the Clinical Research Center in Bellevue provides Health + Hospitals patients with access to cutting-edge studies and interventions. 1025 Bellevue patients were seen in the CTSI between January 1, 2015 and June 30, 2016, averaging 57 patients per month. The following chart reflects the number of visits that Bellevue patients had in the CTSI since 2012.

| Year            | Total # CRC Visits (BHC, Tisch and others) | # Visits Bellevue Patients | % of visits Bellevue patients |
|-----------------|--|----------------------------|-------------------------------|
| 2012            | 2391                                       | 1217                       | 51%                           |
| 2013            | 1438                                       | 828                        | 58%                           |
| 2014            | 1987                                       | 1359                       | 68%                           |
| 2015*           | 2280                                       | 1099                       | 48%                           |
| 2016 (Jan-Aug)* | 2112                                       | 953                        | 45%                           |

\* Between January 1, 2015 and June 30, 2016, 1025 Bellevue patients were seen in the CTSI

**Research and Staff Funding:**

On a practical level, the CTSI provides funding and research opportunities for Health + Hospital providers. Since 2011, NYU and Health + Hospitals have collaborated on nearly 120 research studies through the CTSI. NYU has awarded 14 pilot grants to Health + Hospitals providers (7 Bellevue providers, 3 Lincoln providers, 3 King's County providers, and 1 at HHC Central), amounting to over one million dollars.

## **RESOLUTION**

Authorizing the President of NYC Health + Hospitals to approve a Capital Project for an amount not-to-exceed \$9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration (CHP) System (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

**WHEREAS**, in December 2014, the New York State Public Service Commission (PSC) issued an order approving Consolidated Edison Company of New York Inc.'s (Con Edison) Brooklyn-Queens Demand Management (BQDM) Program to address overload of the Brownsville substation throughout the peak load season from June through September; and

**WHEREAS**, the Facility is located in Crown Heights neighborhood identified by the Con Edison and one of the three neighborhoods within BQDM zone that has an increase growth for power needs; and

**WHEREAS**, the New York State Public Service Commission (PSC) designated the New York State Energy Research and Development Authority (NYSERDA) as the administrator of funding for energy efficiency and load management programs; and

**WHEREAS**, a partnership between Con Edison and NYSERDA aims to reduce electric demand in parts of Brooklyn and Queens by encouraging the development of Combined Heat and Power projects within the BQDM zone; and

**WHEREAS**, RSP Systems was selected from NYSERDA's list of pre-qualified vendors to undertake this project at the Facility; and

**WHEREAS**, NYSERDA and Con Edison have awarded \$1,500,000 each, as a financial incentive for the installation of the grid-connected CHP system; and

**WHEREAS**, Department of Citywide Administrative Services ("DCAS") has deemed this project eligible for funding under the New York City Clean Energy Program and has allocated \$5,737,739 in the PlaNYC capital budget; and

**WHEREAS**, this project will produce annually over 12.8 million kilowatt hours (kwh) of electricity and provide more than 500,000 therms of usable waste heat to the Facility; and

**WHEREAS**, the project will derive total annual cost savings to the Facility estimated at \$900,000; and

**WHEREAS**, the Operating and Maintenance (O&M) cost associated with this CHP system is fixed at \$345,270 annually for nine years; and

**WHEREAS**, the revision of Operating Procedure 100-5 requires that construction projects with budgets of \$3 million or more shall receive approval of the Board of Directors through Capital Committee; and

**Page Two – Resolution  
Kings County CoGen Plant**

**WHEREAS**, the proposed total project budget, inclusive of all contingencies, is estimated to be \$9,237,739; and

**WHEREAS**, the overall management of the construction contract will be under the direction of the Facility's Executive Director and Assistant Vice President - Facilities Development.

**NOW THEREFORE**, be it

**RESOLVED**, the President of NYC Health + Hospitals to approve a Capital Project for an amount not-to-exceed \$9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration System (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").



## EXECUTIVE SUMMARY

### INSTALLATION OF 1.6 MEGAWATT (MW) COGENERATION (CHP) SYSTEM AT NYC HEALTH + HOSPITALS/KINGS COUNTY

**OVERVIEW:** NYC Health + Hospitals is seeking to install a 1.6 MW micro-turbine CHP system at NYC Health + Hospitals/Kings County.

**NEED:** To meet the growing demand of power needs in the Richmond Hill, Ridgewood and Crown Heights neighborhoods (Brooklyn-Queens neighborhood), Consolidated Edison Company of New York Inc. (Con Edison) would have to invest approximately \$1 billion in a new substation. Instead, Con Edison is planning to invest \$200 million in "customer side" and "utility side load management programs in order to shed 52 MW of electric load from specific areas by 2018. Con Edison's consumer side load program includes investments in both thermal and battery storage, demand response, solar photovoltaic, fuel cell, cogeneration and energy efficiency projects. The facility is located in the Crown Heights neighborhood. The facility's peak load in the summer months reaches the level of 8.3 MW.

The proposed system to be installed is a micro-turbine CHP, with a total capacity of 1.6 MW and ability to expand to 2.0 MW in a future project. The system will supply heat to four (4) separate heat loads near the main plant:

- The 5,000 gallon condensate tank which receives condensate from throughout the campus and supplies it to the heating system;
- The domestic hot water system for Buildings "D";
- The two hot water reheat coil heat exchangers will also serve two independent locations in Building "D"; and
- Reheat loops for Buildings "D" and "S".

Electricity will be provided to two (2) of several Con Edison services at the facility via a new disconnect on the distribution panel for each service.

**SCOPE:** The scope of work to install 1.6 MW CHP system includes:

- Electrical and mechanical piping trench work across the parking lot.
- Micro-turbines CHP installation and fencing of site to ensure units are secured.
- Installation of mechanical and electrical connections.
- Start up and commissioning activities.

**CONSTRUCTION:** RSP Systems was selected from NYSERDA's list of pre-qualified vendors to undertake this project at the Facility. New York Power Authority (NYPA) will manage the construction/installation of this project.

**COSTS:** \$9,237,739

Page Two – Executive Summary  
Kings County CoGen Plant

**SAVINGS:** Greenhouse Gas (GHG) Emission Reductions: 3,259 metric tons

Total Annual Estimated Savings: \$900,000

**FINANCING:** NYSERDA Grant - \$1,500,000 (no cost); Con Edison Grant - \$1,500,000 (no cost); PlaNYC Capital - \$5,737,739 (no cost); and H+H Debt Financing - \$500,000.

**SCHEDULE:** This project is scheduled for completion by May 2017.

# Capital Committee

**Installation of 1.6 Megawatt (MW) Cogeneration System  
at  
NYC Health + Hospitals/Kings County**

**Date: October 8<sup>th</sup>, 2016  
Location: 125 Worth Street,  
5<sup>th</sup> Floor Board Room  
New York, NY 10013**



## Brooklyn-Queens Demand Management (BQDM) Program

### BQDM Program:

- ❖ Increasing demand for electrical power in three networks in Brooklyn-Queens would require \$1 billion in capital upgrades by Con Edison.
- ❖ Instead, Con Edison is planning to apply \$200 million towards incentive programs to defer capital upgrades:
  - Utility Side (\$50 million) – includes Utility storage, Utility Solar, Utility Fuel Cell and Voltage Optimization.
  - Customer Side (\$150 million) – includes Thermal and Battery Storages, Demand Response, Solar Photovoltaic, Fuel Cell, CHP and Energy Efficiency projects.
- ❖ NYC Health + Hospitals/Kings County has been identified as one of the largest electrical consumers in the BQDM neighborhoods.
- ❖ NYC Health + Hospitals successfully applied for grant funding to install a cogeneration system/plant at Kings County to alleviate electrical demand in the BQDM neighborhoods.



## What is Cogeneration?

- ❖ **Cogeneration, also known as Combined Heat and Power (CHP), is the simultaneous production of electricity and heat from a single fuel source – such as Natural Gas.**
  
- ❖ **A CHP System/Plant:**
  - **Generates electricity on site;**
  - **Captures the waste heat; and**
  - **Converts the waste heat into usable energy, thus enhancing the existing boilers and chillers for heating and cooling, domestic hot water, steam or sterilization.**



## Advantages to Hospitals using a Combined Heat and Power (CHP) System

- ❖ **CHP Systems enable Hospitals to:**
  - **Reduce energy cost;**
  - **Improve environmental performance and**
  - **Increase energy reliability.**



## Image of 1.0 MW Micro-Turbine Cogeneration System



## 1.6 MW CHP System: - Kings County Project Economics

| CHP Project Economics                                  | Units                | Value                |
|--|----------------------|----------------------|
| <b>CHP Technology Type</b>                             |                      | <b>Micro-Turbine</b> |
| CHP System Size  | Megawatt (MW)        | 1.6                  |
| CHP Electric Capacity                                  | Kilowatt (KW)        | 1,600.0              |
| CHP Annual Hours of Operations                         | Hours                | 8,585.0              |
| CHP Economic Life                                      | Years                | 30.0                 |
| Project Construction Period                            | Months               | 7.0                  |
|  | Kilowatt- Hours/Year |                      |
| CHP Annual Electric Output                             | (Kwh/yr)             | 12,824,845.0         |
| CHP Annual Natural Gas Consumption                     | Therms               | 1,440,090.0          |
| CHP Useable Waste Heat                                 | Therms               | 513,380.0            |
| CHP Capital Cost                                       | \$                   | 9,237,739.0          |
| CHP Grant Funds  | \$                   | 8,737,739.0          |
| CHP Annual O&M Costs <sup>1</sup>                      | \$                   | 345,270.0            |
| <b>Project Savings Over 10 Years</b>                   | <b>\$</b>            | <b>10,094,458.0</b>  |
| <b>Annual Greenhouse Gas (GHG) Emission Reductions</b> | <b>Metric Tons</b>   | <b>3,259.0</b>       |

1: O&M Cost is fixed at \$345,270 Per Year for Nine (9) Years





## Major Benefits for Having Combined Heat and Power (CHP) System at NYC Health + Hospitals / Kings County

- ❖ **Reduce Operating Expenses**
- ❖ **Predictable Annual Costs**
- ❖ **Energy Reliability**
- ❖ **Mitigate Electric Capacity Issues**
- ❖ **Extend Lifespan of Boilers**
- ❖ **Improve Environmental Performance**



## 1.6 MW CHP System: Cash Flow Analysis

|  | YEAR         |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|--|--------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 0            | 1                  | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   | 9                   | 10                  |
| A Total Electricity Generated (KWh)                                    |              | 12,824,845         | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          | 12,824,845          |
| B Electricity Rate (\$/KWh)  |              | \$0.120            | \$0.132             | \$0.138             | \$0.144             | \$0.150             | \$0.156             | \$0.156             | \$0.156             | \$0.156             | \$0.156             |
| C Total Value of KWh Produced (A*B)                                    |              | \$1,538,981        | \$1,692,880         | \$1,769,829         | \$1,846,778         | \$1,923,727         | \$2,000,676         | \$2,000,676         | \$2,000,676         | \$2,000,676         | \$2,000,676         |
| D Avoided Demand (KW) Charges Earned                                   |              | \$134,842          | \$134,842           | \$134,842           | \$134,842           | \$134,842           | \$134,842           | \$134,842           | \$134,842           | \$134,842           | \$134,842           |
| <b>Total Value of Electricity Produced (C+D)</b>                       |              | <b>\$1,673,823</b> | <b>\$1,827,722</b>  | <b>\$1,904,671</b>  | <b>\$1,981,620</b>  | <b>\$2,058,569</b>  | <b>\$2,135,518</b>  | <b>\$2,135,518</b>  | <b>\$2,135,518</b>  | <b>\$2,135,518</b>  | <b>\$2,135,518</b>  |
| F Annual Gas Consumption (Therms)                                      |              | 1,440,090          | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           | 1,440,090           |
| G Natural Gas Rate (\$/Therm)  |              | \$0.55             | \$0.61              | \$0.66              | \$0.69              | \$0.72              | \$0.74              | \$0.74              | \$0.74              | \$0.74              | \$0.74              |
| H Total Cost of Natural Gas Used (F*G)                                 |              | <b>-\$792,050</b>  | <b>-\$871,254</b>   | <b>-\$950,459</b>   | <b>-\$990,062</b>   | <b>-\$1,029,664</b> | <b>-\$1,069,267</b> | <b>-\$1,069,267</b> | <b>-\$1,069,267</b> | <b>-\$1,069,267</b> | <b>-\$1,069,267</b> |
| I Subtotal: Positive Cash Flow Excluding Value of Heat Recovered (E+H) |              | \$881,774          | \$956,467           | \$954,211           | \$991,558           | \$1,028,904         | \$1,066,251         | \$1,066,251         | \$1,066,251         | \$1,066,251         | \$1,066,251         |
| J Annual Useable Waste Heat From CHP (Therms)                          |              | 513,380            | 513,380             | 513,380             | 513,380             | 513,380             | 513,380             | 513,380             | 513,380             | 513,380             | 513,380             |
| K Natural Gas Rate (\$/Therm)  |              | \$0.55             | \$0.61              | \$0.66              | \$0.69              | \$0.72              | \$0.74              | \$0.74              | \$0.74              | \$0.74              | \$0.74              |
| L Annual Value of Byproduct Heat Recovered and Used (I*K)              |              | \$282,359          | \$310,595           | \$338,831           | \$352,949           | \$367,067           | \$381,185           | \$381,185           | \$381,185           | \$381,185           | \$381,185           |
| M Annual Cash Flow Including Value Of Heat Recovered (I+L)             |              | \$1,164,133        | \$1,267,062         | \$1,293,042         | \$1,344,507         | \$1,395,971         | \$1,447,436         | \$1,447,436         | \$1,447,436         | \$1,447,436         | \$1,447,436         |
| N Annual Operating & Maintenance Cost (\$0.027/KWh)                    |              | \$0                | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          | -\$345,270          |
| <b>Total Annual Cash Flow From Operations of CHP System (M+N)</b>      |              | <b>\$1,164,133</b> | <b>\$921,792</b>    | <b>\$947,772</b>    | <b>\$999,236</b>    | <b>\$1,050,701</b>  | <b>\$1,102,165</b>  | <b>\$1,102,165</b>  | <b>\$1,102,165</b>  | <b>\$1,102,165</b>  | <b>\$1,102,165</b>  |
| P NYSEDA Grant   | \$ 1,500,000 |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Q Con Edison Grant   | \$ 1,500,000 |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| R DCAS - Grant   | \$ 5,737,739 |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| S Debt Financing   | \$ 500,000   | -\$50,000          | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           | -\$50,000           |
| T Total Project Cost   | \$ 9,237,739 |                    |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Net Annual Cash Flow From Operations of CHP System (O+S)</b>        |              | <b>\$1,114,133</b> | <b>\$ 871,792</b>   | <b>\$ 897,772</b>   | <b>\$ 949,236</b>   | <b>\$ 1,000,701</b> | <b>\$ 1,052,165</b> | <b>\$ 1,052,165</b> | <b>\$ 1,052,165</b> | <b>\$ 1,052,165</b> | <b>\$ 1,052,165</b> |
| <b>Cumulative Positive Cash Flow</b>                                   |              | <b>\$1,114,133</b> | <b>\$ 1,985,924</b> | <b>\$ 2,883,696</b> | <b>\$ 3,832,932</b> | <b>\$ 4,833,633</b> | <b>\$ 5,885,798</b> | <b>\$ 6,937,963</b> | <b>\$ 7,990,128</b> | <b>\$ 9,042,293</b> | <b>\$10,094,458</b> |



## RESOLUTION

*Appointing Steven Bussey as a member of the Board of Directors of MetroPlus Health Plan, Inc., a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York (“MetroPlus”), to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.*

**WHEREAS**, a resolution approved by the Board of Directors of the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) on October 29, 1998, authorized the conversion of MetroPlus Health Plan from an operating division to a wholly owned subsidiary of the NYC Health + Hospitals; and

**WHEREAS**, the Certificate of Incorporation designates the NYC Health + Hospitals as the sole member of MetroPlus and has reserved the NYC Health + Hospitals the sole power with respect to electing members of the Board of Directors of MetroPlus; and

**WHEREAS**, the Bylaws of MetroPlus authorize the President of the NYC Health + Hospitals to select two directors of the MetroPlus Board subject to election by the Board of Directors of the NYC Health + Hospitals;

**WHEREAS**, the President of the NYC Health + Hospitals has selected Mr. Bussey to serve as a member of the Board of Directors of MetroPlus; and

**WHEREAS**, the Board of Directors of MetroPlus has approved said nomination;

**NOW, THEREFORE**, be it

**RESOLVED**, that the NYC Health + Hospitals Board of Directors hereby appoint Steven Bussey to the MetroPlus Board of Directors to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in its Bylaws.

## EXECUTIVE SUMMARY

Pursuant to the Certificate of Incorporation of MetroPlus, NYC Health + Hospitals has the sole power with respect to electing members of the Board of Directors of MetroPlus. The Bylaws of MetroPlus authorize the President of NYC Health + Hospitals to select two directors of the Plan's Board subject to election by the Board of Directors of NYC Health + Hospitals.

The President has nominated Steven Bussey to serve as a member of the MetroPlus Board.

Steven Bussey has more than 25 years of experience in finance, sales, and operations across the financial services and health care sectors. On April 11, Mr. Bussey began a special long-term leadership assignment as Chief of Ambulatory Care for the NYC Health + Hospitals during which he will develop a restructuring plan to better position the health system's outpatient care operations. He will also coach and mentor future ambulatory care leadership for the organization.

As a Managing Director with Alvarez & Marsal in the Healthcare Industry Group, Mr. Bussey has participated in numerous projects designed to improve the healthcare delivery system, including DSRIP, Health Homes, and adult day health care redesign. He also worked with the NY State Department of Health in several Vital Access Point (VAP) initiatives for critical access hospitals, skilled nursing facilities, and mental health clinics.

In 2015, Mr. Bussey partnered with NYC Health + Hospitals to evaluate and recommend an improved ambulatory care strategy that led to the new organization structure of new service lines for ambulatory care, hospitals, and long term care. Mr. Bussey has a bachelor's degree in economics from the University of Pennsylvania and a master's degree in business administration from at the Simon School of Business at the University of Rochester.

His knowledge and commitment to the mission and vision of NYC Health + Hospitals and MetroPlus Health Plan will make him a valued member of the MetroPlus Board.