AGENDA

FINANCE COMMITTEE

MEETING DATE: JULY 8, 2014
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET
BOARD ROOM

BOARD OF DIRECTORS

CALL TO ORDER	BERNARD ROSEN
ADOPTION OF THE JUNE 10, 2014 MINUTES	
SENIOR VICE PRESIDENT'S REPORT	MARLENE ZURACK
KEY INDICATORS & CASH RECEIPTS/DISBURSEMENTS REPORTS	KRISTA OLSON FRED COVINO
INFORMATION ITEM	
METROPLUS ENROLLMENT	ARNOLD SAPERSTEIN, MD
OLD BUSINESS NEW BUSINESS ADJOURNMENT	BERNARD ROSEN

MINUTES

MEETING DATE: JUNE 10, 2014

FINANCE COMMITTEE

BOARD OF DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held on June 10, 2014 in the 5th floor Board Room with Bernard Rosen presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Bernard Rosen
Ramanathan Raju, MD
Josephine Bolus, RN
Emily A. Youssouf
Steve Banks, Commissioner, NYC Human Resources
Mark Page
Patsy Yang, (Representing Deputy Mayor Lilliam Barrios-Paoli in a voting capacity)

OTHER ATTENDEES

J. DeGeorge, Analyst, State Comptroller's Office
K. Cherny, Unit Head, OMB
M. Dolan, Senior Assistant Director, DC 37
C. Fiorentini, Analyst, NYC Independent Budget Office (IBO)
D. Holahan, NYSDOH
R. McIntyre, Accounts Executive, Siemens
K. Raffaele, Analyst, OMB

HHC STAFF

B. Ancona, Chief Financial Officer, (CFO), Gouverneur Healthcare Services
J. Bender, Assistant Director, Corporate Media
L. Brown, Senior Vice President, Corporate Planning, Community Health & Intergovernmental Rel
T. Carlisle, Associate Executive Director, Corporate Planning
D. Cates, Chief of Staff, Board Affairs

A. Cohen, CFO, Southern Manhattan Health Network
D. Collington, Director, Coney Island Hospital
F. Covino, Corporate Budget Director, Corporate Budget
J. Cuda, CFO, MetroPlus Health Plan, Inc.
K. Garramone, CFO, North Bronx Health Network
M. Genee, Deputy Corporate Comptroller, Corporate Comptroller's Office
T. Green, CFO, Metropolitan Hospital Center
G. Guilford, Assistant Vice President, Office of the Senior Vice President/Finance/Managed Care
L. Haynes, Assistant Systems Analyst, Office of the President
N. Jean-Jacques, Director, Reimbursement Services
J. John, CFO, Central Brooklyn Health Network
J. Jurenko, Senior Assistant Vice President, Intergovernmental Relations
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
Z. Kelley, Assistant Director, Office of Internal Audits
K. Leung, Associate Executive Director/Finance, MetroPlus Health Plan, Inc.
P. Lockhart, Secretary to the Corporation, Office of the Chairman
P. Lok, Director, Corporate Reimbursement/Debt Financing Services
N. Mar, Director, Debt Financing/Reimbursement Services
A. Marengo, Senior Vice President, Communications & Marketing
K. Park, Associate Executive Director, Queens Health Network
C. Samms, CFO, Generations Plus/Northern Manhattan Network
W. Saunders, Assistant Vice President, Corporate Intergovernmental Affairs
B. Stacey, CFO, Queens Health Network
L. Villalon, Deputy CFO, Coler Specialty Care Facility
J. Wales, Senior Assistant Vice President, Behavioral Health
R. Walker, CFO, North Brooklyn Health Network
J. Weinman, Corporate Comptroller, Corporate Comptroller's Office
D. Wilson, Director, Office of Legal Affairs/Real Estate
M. Zurack, Senior Vice President, Corporate Finance/Managed Care

CALL TO ORDER **BERNARD ROSEN**

The meeting of the Finance Committee was called to order at 9:10 a.m. The minutes of the May 13, 2014 Finance Committee meeting were adopted as submitted.

CHAIR'S REPORT **BERNARD ROSEN**

SENIOR VICE PRESIDENT'S REPORT **MARLENE ZURACK**

Ms. Zurack informed the Committee that Danielle Holahan of the NYS DOH would present to the Committee information relative to the Exchanges and the Marketplace. As part of the routine reporting, as of June 10, 2014, the cash on hand (COH) with the receipt of DSH payments the cash balance was at $479 million or 30 days of COH. It is important to note that this is a temporary improvement in the COH given that the current projection is that HHC will end the year with 12 days of COH. Additionally, due to the process that HHC is currently undergoing for the UPL payments, a number of payments are being deferred with the approval of the City. The payment of $299 million for the medical malpractice and debt services will be deferred until FY 15 in addition to $468 million of debt service, and EMS payments are also being deferred to FY 15.

Mr. Page asked if the year-end projection of 10 days of COH included the deferment of those two payments. Ms. Zurack stated that those deferred payments were included. The cash status is very much unresolved at this time and Dr. Raju has been involved in an effort to escalate the UPL payments issue totaling $1.5 billion for several prior years.

Dr. Raju stated that after discussions with CMS and the regional local office in NYS the primary issue centers on the methodology in terms of what and how the payments should be made. It is anticipated that by the end of the week, HHC will have more updated information. Additionally, HHC's position is that those payments should be expedited without any reductions.

Ms. Zurack stated that at a prior meeting the Interim Access Assurance Fund (IAAF) was discussed with the Committee. As part of the 1115 Waiver, the IAAF is not the DSRIP payment but rather another funding stream relative to the waiver for the public and safety net hospitals with cash flow issues which is what HHC is experiencing due to those delayed payments from the State. Accordingly HHC was eligible to apply for the IAAF fund that totals $500 million for NYS, $250 million for the public hospitals and $250 million for the safety net hospitals. HHC submitted the application requesting assistance due to losses for Medicaid and uninsured in the specialty and primary care clinics totaling $213 million out of the $250 million that is available to the public hospitals statewide. There was the concerned by the State regarding the need of those cash strained hospitals to get some cash initially prior to the completion of the award process which will be completed by June 30, 2014. To-date $50 million of the $250 million has been awarded by the State. Of the award, HHC received $35.5 million in consideration of the application submitted which is equivalent to 71% of the $50 million and if HHC

assumes the same percentage on the $250 million that would equate to $177.5 million of the $213 million applied for. The receipt of those funds is expected by June 30, 2014 which has been factored into the cash flow. This is good news; however, the State has not yet made a commitment due to the completion of the application process.

Dr. Raju extended thanks to Ms. Zurack and staff for their efforts in the completion and submission of the IAAF application, which was a huge task. The State's initial response has been positive as indicated by the award of the $35.5 million payment and is a reflection of the quality of the application submitted by HHC.

Ms. Zurack also extended thanks to Ms. Brown and the Corporate Planning staff for their efforts in the completion and submission of the IAAF application noting that it was a team effort. The next item in the reporting related to HHC's City Council hearing that took place last month, whereby HHC was relieved that it was not faced with having to seek restorations to the budget as in previous years, given that all of the funds were restored with the exception of $30,000. The Council was very supportive and is aware of HHC's financial position and is willing to assist HHC in its efforts to secure the required funds from the State.

Ms. Zurack informed the Committee that HHC would be increasing its inpatient posted charges for Long-term acute care, Skilled Nursing Facility (SNF), and Adult Day Health Care Services. Last year the Committee was informed of HHC's increase in its inpatient posted charges after twenty years which was precipitated by the need to increase commercial revenue given that commercial plans pay the lesser of the charges or the rates. This year, HHC will increase its nursing home (NH) charges that are significant in some instances in that some of the charges will be doubled. However, it is important to note that these charges have not been increased in over 15 years. This does not affect what the uninsured patients pay based on the federal poverty level (FPL) which is consistent with past increases of this type. The uninsured patients will continue to benefit from the HHC Options program that is at an affordable level. In order to maximize HHC's ability to capture commercial insurances and managed care plan revenue, there is a need to increase these charges. The State is in the process of implementing its LTC program which will mean that a number of the NH that are primarily fee for service Medicaid will be involved with a number of the insurance companies which will require an increase in the charges.

Ms. Youssouf asked how the increases compare to other hospitals outside of HHC. Ms. Zurack stated that HHC is still very low in its rates with the increase.

Mr. Page asked if this was something HHC should have done on an annual basis as opposed to waiting fifteen years to increase those charges.

Ms. Zurack explained that in terms of the NH it would not have impacted the rate given that the reimbursement is based on Medicaid fee-for-service (FFS). The delay on the acute care side was due to certain compliance triggers, whereby increasing the rates would generate. Additionally there was a legal interpretation that implied that HHC was a low-charge healthcare system; therefore, the charges

were not a factor. Charges in the hospital industry are misleading. In a number of reports it has been noted that not many patients pay the posted charges. The charges are similar to hotel "rack rates" compared to the actual contract rates. The charges are the starting points and then allowances are made to get to the contract rate. There is the lesser of the rates or charges that relate to a theory that charges must be kept at a certain level given that the insurance plan will not pay if the charges are lower than the rates. In other words, a hospital will get paid the lesser of the rates or the charges. The exclusion is the low cost hospitals which would be HHC.

Mr. Page asked if the increase was retroactive. Mr. Russo replied that there is no retroactivity relative to the increase in the posted charges.

Ms. Zurack stated that HHC's position is that the plans do not have the right to take that action and that HHC is entitled to the rate which is an ongoing legal issue with Wellcare.

Mr. Russo stated that HHC would get the rate as opposed to the posted charges.

Mr. Page asked if the pending status of that litigation was the contributing factor in increasing the posted charges.

Ms. Zurack stated that to some extent it is but by increasing the charges the argument is moot.

Ms.Youssouf asked for clarification of the compliance issue relative to the increase in the posted charged.

Ms. Zurack explained that some years ago hospitals would increase their charges yearly based on recommendations of attorneys and consultants in order to maximize their Medicare outlier payments. Consequently, by increasing those charges the cost would increase. The private sector had been increasing its charges yearly which resulted in an investigation of which Tenet Health evolved; whereby if charges are increased it could be subject to a significant level of review on the hospitals. Therefore the way in which charges are increased must be done in a manner that is consistent with the required detail which is very extensive.

Ms. Youssouf asked if HHC is compliant in increasing the current charges to which Ms. Zurack replied that HHC is in compliance.

KEY INDICATORS & CASH RECEIPTS & DISBURSEMENTS REPORTS KRISTA OLSON/FRED COVINO

Ms. Olson reported that there is a slight increase in both inpatient and outpatient areas compared to last year but cautioned that the increase is due primarily to the temporary closure of Coney Island and Bellevue last FY due to the storm. Excluding those two facilities, outpatient visits are down by 2.8% similar to the decline last month. Outpatient acute visits specifically excluding Bellevue and Coney Island are down by 3.1%. D&TC visits were down by 37%. Inpatient discharges excluding Bellevue and

Coney Island were down by 6.5% compared to 6.6% last month. Nursing home days are down by 14.2%, a slight improvement from earlier in the year of over 15%.

Ms. Youssouf asked what the target for the 6.5% was. Ms. Olson stated that it would be the level to get back to the level before the storm; an additional 15,000 discharges would be needed to get back to the FY 13 level.

Ms. Youssouf asked when HHC is expected to get back to that level. Ms. Olson stated that in terms of Bellevue and Coney Island, Bellevue has come back but not at a 100% capacity but at 98% and Coney Island is not yet back to its level prior to the storm and it is expected that it will take some time for the facility to get back to that level.

Ms. Youssouf asked how the additional 15,000 discharges would be made up. Ms. Olson stated that the 6.5% is excluding Bellevue and Coney Island; therefore it is the current trends the other facilities that are driving the decline.

Ms. Zurack asked Ms. Olson if she had the FY 12 actual so as to give the Committee a sense of what the workload was through the period. Ms. Olson stated that the data was not available and continued with the reporting, stating that the ALOS, a comparison of specific hospitals to the corporate-wide average. While there is a great deal of variation across facilities, overall the LOS has remained steady compared to last year. Compared to the corporate-wide average Kings County has shown significant improvement coming within 4/10 of a day from 7/10 at the beginning of the year. The CMI, the severity of inpatient cases is up by 1.3% over last year.

Mr. Page asked if HHC has data on what the use of hospital care is citywide and what the trends are.

Ms. Olson stated that included in the presentation that was presented to the Committee a few months ago by Corporate Planning Services, there has been a decline citywide but not as great as the decline HHC is experiencing. HHC is losing market share relative to those hospitals but overall there is a decline in inpatient utilization. All of the hospitals across the City are showing a decline but HHC is declining at a faster pace.

Mr. Rosen asked if HHC has a tentative number for May 2014. Ms. Olson stated that the data is not yet available.

Ms. Youssouf asked if the presentation that was done by Corporate Planning could be shared with Mr. Page.

Ms. Brown, Senior Vice President, Corporate Planning, Intergovernmental Relations and Community Health stated that the presentation would be forwarded to Mr. Page, adding that what Ms. Olson had stated, across the board admissions are declining and that is not a bad trend relative to those admissions that were non-reimbursable in some cases. The inpatient utilization is declining and will continue to decline given some of the waiver projects and strategies which is the expected trend. There is a goal of a 25% reduction in the inpatient service area and HHC has lost a little more but it is

not across the board but rather in certain areas which was the focus of the presentation in certain geographic markets and more in certain parts of the NYC.

Ms. Youssouf asked if with the closure of some hospitals outside of HHC has increased workload at any of HHC facilities.

Ms. Brown stated that there were some closures that occurred in the borough of Queens a few years ago and in Brooklyn there have not been any closures as of yet except for Long Island College Hospital which was not in the HHC marketplace. There has been ongoing back and forth and ups and downs with Interfaith Hospital given that the hospital has not yet closed; however, HHC shares a market as part of the patient origin in Woodhull and Kings County hospitals' catchment areas. There are some increases but to-date the increase has not been a ground swell of patients.

Mr. Rosen asked if the data excludes rehab and behavioral health services. Ms. Olson stated that those services are excluded in the data. Mr. Rosen asked if the psych and rehab data could be included in the reporting once a year.

Mr. Page added that the mental health services that are provided are not 100% adequate; therefore, it would be important to look at that sector of the usage as an indicator.

Ms. Zurack added that the outpatient mental health series are included in the visits but the inpatient usage has been excluded.

Mr. Page asked if the reason for the exclusion was due to the discharge measure not being consistent with the service. Ms. Zurack added that it does not fit and nor does it fit the SNF but the data can be added back to the reporting on an annual basis, noting that at one time the Committee had asked for the data and decided that the frequency of the reporting would be decided by the Committee.

Mr. Covino continuing with the reporting stated that FTEs were down by 49.5 but that the Coney Island variance reflected an increase of 97 FTEs higher than last year. There has been some improvement and the variance has decreased to 33 over the target. Receipts were $205 million worse than budget and disbursements were $23 million over budget for net negative variance of $228 million. A comparison of actual for the current FY 14 to the prior year FY 13, receipts were $70 million more than last due to a $124 million increase in MetroPlus risk pool payments. There was also a $41 million increase in Medicaid due to the restoration of services at Bellevue and Coney Island. Medicare managed care was up by $75 million which includes $19 million for Bellevue and Coney Island. There was also an increase in DSH payments. Those increases were offset by $101 million decline in grants revenue and intra-city grants were down by $62 million that was received last year and non-recurring FEMA funds and some Hill grant funds that are also non-recurring. The decrease in intra-city by $26 million is due to the timing of payments from the City for prisoners and child health clinics. Expenses were $144 million greater than last year which was primarily due to a pension payment of $213 million as well as an increase in health insurance payments of $37 million that included a $27 million prior year equalization payment. There was an increase of $20 million in FICA payments due to a non-recurring resident refund. Those increases were offset by a decline in payment to the City for medical

malpractice and stabilization in health fund payments. A comparison of the actuals to budget, inpatient receipts were down by $116 million due to a decrease in Medicaid fee-for-service of $150 million. As previously reported during the year, utilization is down significantly compared to budget; a decrease of 7,900 paid Medicaid discharges; decrease of 45,000 psych days; and a decrease of 79,000 paid SNF days.

Ms. Youssouf asked if that data included what was excluded from the prior reporting. Mr. Covino stated that the budget includes everything. The 45,000 psych days is against the budget.

Ms. Youssouf stated that in trying to reconcile what is included and excluded in the data; why and what the impact of the exclusion or inclusion has on the data in order to have a better understanding of what is being reported was not very clear.

Ms. Zurack stated that it would only improve the outcome if the data is increasing and that is yet to be determined. However, Ms. Olson has some data on the trends that could help in understanding the data.

Ms. Olson stated that it varies by hospital in that there are some hospitals that are improving slightly and others are going down but overall it would require a more detailed review in order to determine the impact.

Mr. Page noted that there appears to be an increase in inmates with behavioral health issues and asked if HHC has any connection to that population.

Ms. Zurack stated that there is a forensic unit at Bellevue and Elmhurst for women; therefore, some of the utilization does include that population that has been covered by the media.

Dr. Raju added that some of the patients in HHC facilities are from Rikers Island; however, the daily treatment of those inmates at the prison is done by an independent contractor who provides those services to the inmates. Therefore, HHC would not generally see those patients on an outpatient basis but on an inpatient basis, HHC is the admitter.

Mr. Page added that it appears that HHC's business is declining and there are aspects of the business that HHC should be focusing on in terms of where HHC's capacity could be better used relative to the private contracting compared to the services HHC provides.

Dr. Raju stated that in terms of the bigger picture, the market share is declining on the acute care side and whether there is potential to increase the market share on the mental health side is the question. The issue has always been whether HHC has the capacity to provide care to that population which will require further study and detailed strategic planning.

Ms. Brown added that aside from the question regarding forensic, the inpatient psychiatric services, the non-forensic psych services are currently under review and taking advantage of the volatility of other hospitals that now play a role in the community and the need for those services in the various

communities. The issue cannot be solely on beds but rather ambulatory care services that are needed for those individuals who need ongoing services and support. Therefore, if HHC expands its inpatient services and partners with others to do the outpatient work; the goal would be not to have those patients cycled in and out of the inpatient services. There is a scheduled call with the NYSDOH, mental health and OASIS regarding the expansion of adult psychiatric services at Kings County due to the need and volatility in central Brooklyn. HHC has converted or increased what had been adolescent beds to a young adult based on the emerging need. On the ambulatory care side there are a number of new models that the State is looking to put in place as a supplement or alternative to inpatient utilization. Therefore, the State will not allow HHC to inordinately expand significantly given their policy directive in terms of the range of services that are not inpatient focus.

Ms. Zurack stated that the State is set to implement managed care for the behavioral health population in an effort to obtain reductions in the cost of those services.

Mr. Rosen added that MetroPlus and other HMOs will be a major player in providing access to care for that population.

Ms. Brown stressed that HHC cannot focus on the inpatient given the need policies and payment structure that are forthcoming.

Ms. Youssouf asked if HHC had completed its review of what had been discussed a while ago regarding specialty care services within HHC and the expansion of those services.

Dr. Raju stated that HHC is working with the City on the mental health issues and the City has formed a task force on the mental health and criminal justice system for those individuals who are incarcerated and who do not have adequate treatment which will probably open up some avenues in addressing that issue in terms of connecting with those individuals who are released from prison to outpatient services for the care needed. As indicated by both Ms. Zurack and Ms. Brown as HHC move forward with addressing the mental health issue there is a need to be financially prudent in how those needs are addressed and consistent with the State without increasing cost.

Mr. Covino completing the reporting stated that expenses were up by $12.5 million compared to budget due to increases in allowances and overtime during the year. OTPS expenses were up by $17 million due partially to an increase in the cash cap for payment to vendors. The days in accounts payable have increased to 84 days compared to 50 to 60 days in prior years. The reporting was concluded.

INFORMATION ITEM **JAY WEINMAN**
STATEMENT OF REVENUE AND EXPENSES FOR THE PERIOD ENDED MARCH 2014 AND 2013

Mr. Weinman brought to the attention of the Committee the bottom line net loss for 2014 of $273 million compared to last year 2013 of $843 million. Some of the highlights of the major variances included an increase of $672 million in net patient service revenue. Half of that increase was due to various UPL increases, $348 million and DSH maximization of $58 million; $54 million in Medicare

settlements and some increases in inpatient services due to the temporary closures at Coney Island and Bellevue last year of $190 million. Appropriations from the City increased by $20 million due to an increase in interest paid by the City of $22 million and premium revenue increased by $51 million or 3%. MetroPlus membership decreased by 3% but there were offsets to the supplemental Medicaid monies of $41 million and higher premium rates for increased services. Grants revenue decreased by $58 million due to a decrease in funding for the Hill grant of $35 million and meaningful use decreased by $10 million. Personal services (PS) increased by $27 million due to MetroPlus increasing FTEs by $65 million and HHC decreased by $24.5 million, net increase of $40 million. There was an increase in the cost of vacation and sick leave balances of $8 million. OTPS increased by $71 million. Pharmaceuticals and laboratories expenses increased by $20 million. The overall increase in OTPS was 3%. MetroPlus increased by $39 million due to the increase in services related to the increase in premiums. Fringe benefits increased by $41 million or 4.5%. Affiliation contracted services increased by $24 million or 3.4%. Last year there was a $6 million adjustment to one of the affiliation contracts. There was a total of $15 million in general contract additions this year. Interest expenses increased by $13 million due to a reduction in capitalized interest for the City, thereby increasing HHC's interest expense.

Ms. Youssouf asked if HHC had included the cost of the labor contracts settlements in its projected expenses.

Ms. Zurack stated that the question related to both the accrual and the budget. In terms of the amount included in the budget for the labor contract settlements, on an accrual basis there is an amount that Mr. Weinman can address and in terms of the financial plan, Mr. Covino can respond.

Mr. Weinman stated that in the current FY 14 there is an accrual and in last year's as well. The difference between the two years is minimal but every quarter there is an adjustment of an additional small percentage for collective bargaining.

Ms. Youssouf asked where on the report that would be included. Mr. Weinman stated that it would be in the personal services expenses. Ms. Zurack added that it was diminutive.

Mr. Rosen added that what Ms. Youssouf was asking was how much is in reserves for collective bargaining agreements.

Ms. Zurack stated that it is important to be clear about what is included which is a very small amount for some unions which is not the bigger question and that is in the accrual on the books for all the years which in past years have been for the trades and others.

Mr. Covino stated that prospectively going forward in the financial plan there is a 1.5% annually for the life of the plan which is consistent with the City.

Ms. Youssouf asked if there are any provisions in the budget for retroactivity for the latest settlements.

Ms. Zurack stated that there are none; however, HHC has been working very closely with the City's office of labor relations (OLR) and OMB on this issue. The reporting was concluded.

INFORMATION ITEM **DANIELLE HOLAHAN**
NYSDOH/EXCHANGES UPDATE

Ms. Zurack welcomed Ms. Holahan of the NYSDOH and extended thanks for taking the time to come and present to the Committee data on the progress of the Exchange and NYS marketplace.

Ms. Holahan stated that NYSDOH is expecting to release a detailed enrollment report in the coming weeks where a significant amount of information will be available. However, the reporting to the Committee would include some of the highlights of the information that is available and if HHC requires an update of additional information it can be presented to the Committee at another time. Included in the presentation are DOH value propositions at the marketplace. The application process has significantly eased and consumers can apply at a variety of modes, on-line, by phone or by mail. The in-person assistor channel has increase over time. A huge advantage this year over last year was the reduction in premiums offered by the plans through the marketplace. The reduction was 53% on average relative to last year. And that is before the tax credits that the majority of the enrollees are eligible for. All of the plans offered on the marketplace are comprehensive and are required to offer ten essential health benefits so it is a comprehensive package of benefits. NYS has greatly expanded the choice of health plans to individuals. There are sixteen health insurers offering medical coverage and ten stand-alone dental plans which is the most choice across all the marketplaces in the country. As of April 15, 2014 the close of the open enrollment for the first year, with an additional two weeks that were added at the end. Of all of the last minute enrollees, there were nearly a million NYers through the market place; 525,000 through the Medicaid program, 65,000 child health plan (CHP), and 375,000 through qualified health plans (QHP). Within the Medicaid enrollment 12% of the enrollment population is newly eligible childless adults the rest were the usual population. Through May 2014, there were 11,685 enrollees through the emergency Medicaid program. Some of the volume statistics, there are thousands of people enrolled daily that continue as part of the public enrollment. There was a spike increase and during the last week, 34,000 people enrolled. The two highest enrollment days were the two deadline days, March 31, 2014, 39,000 enrolled and December 23, 2013, 26,000 enrolled. The customer service center has been extremely busy responding to calls of over 1.2 million since opening. During the middle of September 2013, 1,300 calls an hour were received peaking to 3,000 calls an hour. The center is equipped to handle a significant amount of languages by the staff who are bilingual, language lines and translators.

Ms. Youssouf asked how many people operate the help center. Ms. Holahan stated that there are 777 across sites, Albany and New York. Over time there are 9,000 in person assistors, who are the navigators and certified application counselors (CAC) and licensed insurance brokers. Of the enrollees, a few of the statistics, more than 80% of people indicated that they were uninsured at the time the applications were submitted. Across the programs the prior uninsured is much higher in the public programs as expected. The Medicaid numbers are 94%, CHP 87% and QHP 63%. The tax credits are only allowed at the federal level. More than 70% of the enrollees in QHPs are eligible for financial assistance. Some of the statistics for the QHP enrollment showed that there was enrollment for every county of NYS. For NYC, QHPs were 45% of the statewide enrollment and publics at 52%. There was enrollment in every metal level, gold, silver, bronze and platinum. The age distribution which NYS did

better than the nation, 31% of the enrollment was between the ages of 18 and 34. Overall there was a good distribution across the age groups. MetroPlus was the 4th highest enrollment plan. One of the top four plans with 14% or more of statewide enrollment.

Ms. Zurack informed the Committee that next month Dr. Saperstein would present to the Committee MetroPlus enrollment as the second part of the update.

Ms. Holahan added that the NYS report will be out at that time and HHC will have more information. Some of the activities launched by NYS towards the end of the open enrollment period included targeted outreach campaigns focused on Latinos and young adults. The call wait time has decreased due to an increase in staff in the past three months to get the wait time down to less than two minutes; e-mail reminders were sent to NYers who had come in and completed the first part and gotten an eligibility determination but had not selected a plan reminding them of the deadline which contributed to some people coming in by the end of the enrollment period. Of the tools made available to consumers the websites are the most used in the premium estimator in a web based form to allow individuals to use it on the IPhone. There are four major questions that are asked relative to income, household size, the county residence and metal level of interest. It is a consumer tool to encourage enrollment.

Ms. Holahan stated that the lessons learned during the first open enrollment period, similar to all states, NYS did implement a one stop-shopping, whereby the marketplace is an integrated place, more consumer- friendly. There was a need to respond quickly; therefore the IT systems must be flexible and upgraded accordingly. The call lines are expected to be higher; consumers do not want a range of application channels; and new assistors are trained daily. In terms of HHC data, applications submitted through MetroPlus, there are two metrics that are tracked. One is the number of applications and life status changes. There were 70,000 submitted, 54,000 received eligible determination. HHC hospitals and D&TCs and others, 18,000 applications were submitted and 13,000 eligible determination totaling 68,000 eligibility determinations for HHC, one of the highest performer in that area. Another lesson learned is that plan selection is a very complex and highly individualized decision. Refresher training will be on-going for assistors to assist in expediting the process in providing assistance to the consumers by walking them through the decision making process. Continuous improvement is a daily task. Enrollment is ongoing for public programs. The enrollment for QHP ended on April 15, 2014; however, NYS is in a special enrollment period for people who have a life status change, marriage, birth of a child, individuals who become unemployed and lost their health coverage. Outside of the open enrollment the next open enrollment period will be November 15, 2014 through February 15, 2015. The health plan invitation has been released and applications are expected by the end of the week. Proposals and rates are due on June 13, 2014. Some expansions are expected as well as some out of network coverage are expected to be proposed. Plans will be required to be more careful about how their health plans are labeled for consistency in comparison of the various plans by the consumers. Network clarifications are also required. Network charges are reviewed as they occur. There are various tools available to the consumers to assist in choosing plan provider participation. Policies for consumers are required by the insurance law if plans are discontinued and if there are changes in rates. The reports that will be available will include data relative to the various plans. An

administrative renewal campaign will be launched in the summer and fall. Grassroots outreach efforts will be ongoing and expanded. NYS will continue to build and refine the website as much as possible.

Mr. Rosen asked if the counselors work through the website. Ms. Holahan responded in the affirmative.

Ms. Zurack stated that it was surprising to learn that the on-line sign-up has been as high as it was.

Ms. Holahan stated that at the end of the enrollment on-line in person assistors channel is the highest at this time. Public program enrollees are likely to work with an assistor. Having more assistors has increased the use in that area.

Mr. Rosen asked if the different plans offer different premiums. Ms. Holahan stated that they do and that MetroPlus was the lowest plan in terms of premiums and it is evidenced that people do buy on price.

Dr. Raju extended thanks to Ms. Holahan for presenting to the Committee.

ADJOURNMENT **BERNARD ROSEN**

There being no further business to discuss the meeting was adjourned at 10:25 a.m.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS

KEY INDICATORS
FISCAL YEAR 2014 UTILIZATION

Year to Date
May 2014

NETWORKS	UTILIZATION						AVERAGE LENGTH OF STAY		ALL PAYOR CASE MIX INDEX	
	VISITS			DISCHARGES/DAYS						
	FY 14	FY 13	VAR %	FY 14	FY 13	VAR %	ACTUAL	EXPECTED	FY 14	FY 13
North Bronx										
Jacobi	391,862	417,337	-6.1%	17,985	16,998	5.8%	5.7	6.1	1.0080	1.0698
North Central Bronx	184,308	205,410	-10.3%	3,963	7,059	-43.9%	5.7	5.9	0.8944	0.7187
Generations +										
Harlem	299,696	291,837	2.7%	10,070	10,657	-5.5%	5.4	5.8	0.9450	0.9256
Lincoln	503,955	516,840	-2.5%	21,992	21,374	2.9%	4.7	5.4	0.8405	0.8713
Belvis DTC	49,062	52,808	-7.1%							
Morrisania DTC	75,422	75,947	-0.7%							
Renaissance	44,500	53,905	-17.4%							
South Manhattan										
Bellevue	533,871	453,528	17.7%	21,090	15,114	39.5%	6.7	6.4	1.1139	1.0901
Metropolitan	361,221	381,856	-5.4%	10,095	11,516	-12.3%	4.7	5.3	0.7822	0.7857
Coler				252,937	195,032	29.7%				
Goldwater/H.J. Carter				105,083	257,442	-59.2%				
Gouverneur - NF				47,599	45,294	5.1%				
Gouverneur - DTC	246,120	232,031	6.1%							
North Central Brooklyn										
Kings County	629,486	657,011	-4.2%	20,601	22,409	-8.1%	6.5	6.1	0.9961	0.9528
Woodhull	449,977	445,566	1.0%	11,754	12,685	-7.3%	5.0	5.0	0.7965	0.8070
McKinney				104,588	104,361	0.2%				
Cumberland DTC	77,766	82,941	-6.2%							
East New York	67,602	70,208	-3.7%							
Southern Brooklyn / S I										
Coney Island	314,397	254,444	23.6%	12,958	8,482	52.8%	6.8	6.3	1.0320	1.0413
Seaview				97,530	99,419	-1.9%				
Queens										
Elmhurst	568,922	600,677	-5.3%	19,419	21,606	-10.1%	5.5	5.3	0.9004	0.9099
Queens	374,432	387,629	-3.4%	11,055	11,776	-6.1%	5.7	5.3	0.8559	0.8676
Discharges/CMI-- All Acutes				160,982	159,676	0.8%			0.9386	0.9246
Visits-- All D&TCs & Acutes	5,172,599	5,179,975	-0.1%							
Days-- All SNFs				607,737	701,548	-13.4%				

Notes:

Utilization

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

D&TC: reimbursable visits

LTC: SNF and Acute days

Average Length of Stay

Actual: discharges divided by days; excludes one day stays

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

All Payor CMI

Acute discharges are grouped using the 2013 New York State APR-DRGs for FY 13 and FY 14 beginning December 2013.

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As of April 10, 2014, all services at Coney Island have been fully restored.

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KEY INDICATORS

FISCAL YEAR 2014 BUDGET PERFORMANCE ($s in 000s)

Year to Date
May 2014

NETWORKS	FTE's VS 6/15/13	RECEIPTS actual	RECEIPTS better / (worse)	DISBURSEMENTS actual	DISBURSEMENTS better / (worse)	BUDGET VARIANCE better / (worse)	
North Bronx							
Jacobi	(43.5)	$ 482,207	$ (4,753)	$ 491,797	$ (2,553)	$ (7,306)	-0.7%
North Central Bronx	(32.5)	152,952	(23,315)	157,830	26,519	3,204	0.9%
	(76.0)	$ 635,159	$ (28,068)	$ 649,627	$ 23,967	$ (4,101)	-0.3%
Generations +							
Harlem	26.5	$ 302,099	$ (17,274)	$ 313,601	$ (15,280)	$ (32,554)	-5.3%
Lincoln	25.0	455,692	10,049	429,678	63	10,112	1.2%
Belvis DTC	(3.0)	14,482	(927)	13,796	3,506	2,580	7.9%
Morrisania DTC	(5.0)	21,666	900	22,854	4,119	5,019	10.5%
Renaissance	(6.0)	12,772	(2,815)	18,913	556	(2,259)	-6.4%
	37.5	$ 806,711	$ (10,067)	$ 798,842	$ (7,035)	$ (17,102)	-1.1%
South Manhattan							
Bellevue	28.0	$ 595,818	$ (39,155)	$ 659,036	$ (20,333)	$ (59,488)	-4.7%
Metropolitan	(37.5)	274,380	(11,854)	272,412	11,062	(792)	-0.1%
Coler	37.5	52,181	(16,266)	121,260	(19,416)	(35,682)	-21.0%
Goldwater/H.J. Carter	(372.5)	59,102	(19,277)	130,704	(36,198)	(55,475)	-32.1%
Gouverneur	42.5	60,094	(5,715)	80,365	1,958	(3,757)	-2.5%
	(302.0)	$ 1,041,574	$ (92,267)	$ 1,263,776	$ (62,927)	$ (155,194)	-6.6%
North Central Brooklyn							
Kings County	50.0	$ 647,019	$ (12,080)	$ 614,147	$ 2,371	$ (9,709)	-0.8%
Woodhull	55.0	324,800	(36,635)	360,937	(16,325)	(52,960)	-7.5%
McKinney	6.5	30,082	(1,482)	40,557	(825)	(2,307)	-3.2%
Cumberland DTC	(9.0)	19,734	(4,668)	27,992	3,544	(1,124)	-2.0%
East New York	6.0	18,755	(1,909)	21,556	1,203	(706)	-1.6%
	108.5	$ 1,040,389	$ (56,775)	$ 1,065,191	$ (10,031)	$ (66,806)	-3.1%
Southern Brooklyn/SI							
Coney Island	88.0	$ 257,980	$ (38,963)	$ 325,271	$ (4,601)	$ (43,564)	-7.1%
Seaview	(12.0)	35,601	4,379	46,711	(777)	3,602	4.7%
	76.0	$ 293,581	$ (34,584)	$ 371,982	$ (5,378)	$ (39,962)	-5.8%
Queens							
Elmhurst	0.5	$ 499,176	$ (8,612)	$ 489,075	$ 12,041	$ 3,428	0.3%
Queens	(3.5)	330,036	778	327,001	(7,731)	(6,953)	-1.1%
	(3.0)	$ 829,211	$ (7,835)	$ 816,075	$ 4,309	$ (3,525)	-0.2%
NETWORKS TOTAL	**(159.0)**	**$ 4,646,627**	**$ (229,595)**	**$ 4,965,493**	**$ (57,095)**	**$ (286,690)**	**-2.9%**
Central Office	55.5	243,144	5,177	233,015	8,933	14,109	2.9%
HHC Health & Home Care	7.0	13,040	(13,727)	33,064	(6,013)	(19,740)	-36.7%
Enterprise IT	20.5	53,651	578	158,394	6,910	7,488	3.4%
GRAND TOTAL	**(76.0)**	**$ 4,956,461**	**$ (237,567)**	**$ 5,389,967**	**$ (47,266)**	**$ (284,833)**	**-2.7%**

Notes:

FY 13 reflects the impact of the temporary closures and suspension of operations at Bellevue and Coney Island hospitals as a result of Hurricane Sandy (Oct 2012)

As of April 10, 2014, all services at Coney Island have been fully restored.

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

New York City Health & Hospitals Corporation
Cash Receipts and Disbursements (CRD)
Fiscal Year 2014 vs Fiscal Year 2013 (in 000's)
TOTAL CORPORATION

	Month of May 2014			Fiscal Year To Date May 2014		
	actual 2014	actual 2013	better / (worse)	actual 2014	actual 2013	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	$ 89,489	$ 88,151	$ 1,338	$ 783,082	$ 796,070	$ (12,987)
Medicaid Managed Care	52,369	59,246	(6,877)	585,441	573,715	11,726
Medicare	43,059	22,367	20,691	500,686	438,807	61,878
Medicare Managed Care	30,263	27,866	2,397	293,989	216,727	77,262
Other	20,332	17,613	2,720	212,831	195,507	17,325
Total Inpatient	$ 235,511	$ 215,242	$ 20,269	$ 2,376,029	$ 2,220,826	$ 155,203
Outpatient						
Medicaid Fee for Service	$ 15,908	$ 16,115	$ (207)	$ 167,955	$ 157,878	$ 10,077
Medicaid Managed Care	31,894	75,524	(43,630)	493,492	421,104	72,389
Medicare	5,805	5,009	797	48,777	50,914	(2,137)
Medicare Managed Care	8,429	16,457	(8,028)	90,004	96,549	(6,545)
Other	11,555	17,873	(6,318)	154,833	138,424	16,409
Total Outpatient	$ 73,591	$ 130,977	$ (57,386)	$ 955,061	$ 864,868	$ 90,193
All Other						
Pools	$ 5,243	$ 6,207	$ (964)	$ 428,095	$ 435,811	$ (7,716)
DSH / UPL	-	523,600	(523,600)	876,600	1,402,035	(525,435)
Grants, Intracity, Tax Levy	14,983	13,230	1,753	211,551	310,794	(99,243)
Appeals & Settlements	7,505	(619)	8,125	52,920	34,463	18,457
Misc / Capital Reimb	4,411	4,915	(505)	56,206	69,610	(13,404)
Total All Other	$ 32,142	$ 547,333	$ (515,192)	$ 1,625,371	$ 2,252,712	$ (627,341)
Total Cash Receipts	**$ 341,244**	**$ 893,553**	**$ (552,309)**	**$ 4,956,461**	**$ 5,338,406**	**$ (381,945)**
Cash Disbursements						
PS	$ 192,433	$ 188,162	$ (4,271)	$ 2,243,569	$ 2,240,328	$ (3,241)
Fringe Benefits	56,939	89,649	32,709	955,725	701,173	(254,551)
OTPS	144,577	141,570	(3,007)	1,262,794	1,238,147	(24,647)
City Payments	-	-	0	19,403	141,363	121,960
Affiliation	88,694	79,026	(9,668)	838,180	848,976	10,796
HHC Bonds Debt	6,867	4,700	(2,167)	70,296	89,913	19,617
Total Cash Disbursements	**$ 489,510**	**$ 503,107**	**$ 13,597**	**$ 5,389,967**	**$ 5,259,901**	**$ (130,066)**
Receipts over/(under) Disbursements	**$ (148,266)**	**$ 390,446**	**$ (538,712)**	**$ (433,506)**	**$ 78,505**	**$ (512,011)**

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New York City Health & Hospitals Corporation
Actual vs. Budget Report
Fiscal Year 2014 (in 000's)
TOTAL CORPORATION

	Month of May 2014			Fiscal Year To Date May 2014		
	actual 2014	budget 2014	better / (worse)	actual 2014	budget 2014	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	$ 89,489	$ 106,929	$ (17,440)	$ 783,082	$ 950,577	$ (167,495)
Medicaid Managed Care	52,369	64,328	(11,959)	585,441	647,701	(62,261)
Medicare	43,059	38,791	4,268	500,686	464,549	36,137
Medicare Managed Care	30,263	22,258	8,004	293,989	231,595	62,394
Other	20,332	22,012	(1,680)	212,831	216,135	(3,304)
Total Inpatient	$ 235,511	$ 254,319	$ (18,807)	$ 2,376,029	$ 2,510,557	$ (134,528)
Outpatient						
Medicaid Fee for Service	$ 15,908	$ 21,969	$ (6,061)	$ 167,955	$ 220,046	$ (52,091)
Medicaid Managed Care	31,894	32,655	(761)	493,492	505,804	(12,312)
Medicare	5,805	6,627	(822)	48,777	70,491	(21,714)
Medicare Managed Care	8,429	7,163	1,265	90,004	89,913	91
Other	11,555	14,421	(2,866)	154,833	168,460	(13,626)
Total Outpatient	$ 73,591	$ 82,836	$ (9,245)	$ 955,061	$ 1,054,713	$ (99,652)
All Other						
Pools	$ 5,243	$ 6,436	$ (1,192)	$ 428,095	$ 432,083	$ (3,988)
DSH / UPL	-	-	0	876,600	876,600	(0)
Grants, Intracity, Tax Levy	14,983	15,008	(25)	211,551	208,813	2,737
Appeals & Settlements	7,505	9,363	(1,858)	52,920	51,497	1,423
Misc / Capital Reimb	4,411	6,107	(1,697)	56,206	59,765	(3,559)
Total All Other	$ 32,142	$ 36,914	$ (4,772)	$ 1,625,371	$ 1,628,758	$ (3,387)
Total Cash Receipts	**$ 341,244**	**$ 374,069**	**$ (32,824)**	**$ 4,956,461**	**$ 5,194,028**	**$ (237,567)**
Cash Disbursements						
PS	$ 192,433	$ 191,664	$ (769)	$ 2,243,569	$ 2,230,187	$ (13,382)
Fringe Benefits	56,939	57,657	718	955,725	960,881	5,157
OTPS	144,577	127,325	(17,252)	1,262,794	1,228,427	(34,367)
City Payments	-	-	0	19,403	19,403	(0)
Affiliation	88,694	81,604	(7,091)	838,180	830,734	(7,446)
HHC Bonds Debt	6,867	6,961	94	70,296	73,068	2,772
Total Cash Disbursements	**$ 489,510**	**$ 465,210**	**$ (24,300)**	**$ 5,389,967**	**$ 5,342,701**	**$ (47,266)**
Receipts over/(under) Disbursements	**$ (148,266)**	**$ (91,142)**	**$ (57,125)**	**$ (433,506)**	**$ (148,673)**	**$ (284,833)**

Notes:
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INFORMATION ITEM METROPLUS HEALTH PLAN, INC.

METROPLUS HEALTH PLAN, INC

MetroPlus Health Plan

MetroPlus Health Plan, Inc.

Presentation to the HHC Finance Committee

Arnold Saperstein, MD
Executive Director, MetroPlus Health Plan

July 8, 2014

Contents

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- Quality Ranking
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- Leakage Data
- Clinical Risk Groups
- MLTC Overview
- FIDA Overview
- Coordination of Behavioral Health Care
- Summary

Mission

- The **MetroPlus Mission** is to provide our members with access to the highest quality, cost-effective health care including a comprehensive program of care management, health education and customer service. This is accomplished by partnering with the New York City Health and Hospitals Corporation (HHC) and our dedicated providers.

Vision

- The **MetroPlus Vision** is to provide access to the highest quality, cost-effective health care for our members, to achieve superior provider, member and employee satisfaction, and to be a fiscally responsible, ongoing financial asset to HHC. MetroPlus will strive to be the only managed health care partner that HHC will ever need. This will be accomplished by our fully engaged, highly motivated MetroPlus staff.

Values

- **Performance excellence** - hold ourselves and our providers to the highest standards to ensure that our members receive quality care
- **Fiscal responsibility** - assure that the revenues we receive are used effectively
- **Regulatory compliance** - with all City, State and Federal laws, regulations and contracts
- **Team work** - everyone at MetroPlus will work together internally and with our providers to deliver the highest quality care and service to our members
- **Accountability** - to each other, our members and providers
- **Respectfulness** - in the way that we treat everyone we encounter

Consumer's Guide to Medicaid Managed Care in NYC: MetroPlus Ranking

- MetroPlus has been rated #1 Medicaid Managed Care health plan in NYC for seven out of the last nine years*. For the first time ever, in 2011 MetroPlus was ranked #1 in New York State and New York City.

Year	Rank
2013	2nd
2012	1st
2011	1st
2010	1st
2009	1st
2008	2nd
2007	1st
2006	1st
2005	1st

* Based on indicators chosen by the New York State Department of Health (NYSDOH) and published in the Consumer's Guide to Medicaid Managed Care in New York City. The 2013 guide, based in part on quality ratings submitted by the health plans and a NYSDOH member satisfaction survey, shows MetroPlus with a 70% percent overall rating. The ratings are based on measures including plans' preventive and well-care for adults and children, quality of care provided to members with illnesses and patient satisfaction with access and service.

Medicare Star Ratings

- Medicare Star Rating are based on 37 Part C and 18 Part D measures.
- Certified as a 3-star plan for 2013.
- In general, scored well on measures related to clinical care but scored poorly on measures related to access.
- If MetroPlus does not reach 4-star certification by 2015, CMS will not award a Quality bonus payment.
- Estimated $5M loss if we do not reach 4-stars by 2015.

2013 Admin Cost Comparison (Q2, 2013)

2013 Q2 - Data

Plan		Child Health Plus Member Months	Child Health Plus PMPM	Family Health Plus Member Months	Family Health Plus PMPM	Medicaid Member Months	Medicaid PMPM
Affinity Health Plan	1	87,983	$ 41.52	174,796	$ 37.93	1,313,664	$ 25.26
Amerigroup	1	230,605	$ 29.35	297,885	$ 41.76	2,095,040	$ 46.71
Capital District Physicians Health Plan	1	87,748	$ 32.58	38,488	$ 33.72	424,395	$ 33.67
Empire Healthchoice	1	223,020	$ 29.65				
Excellus Health Plan	1	220,944	$ 31.04	133,452	$ 34.28	1,080,954	$ 31.23
Health Insurance Plan of Greater New York, Inc.	1	67,604	$ 75.66	149,778	$ 67.54	1,195,246	$ 49.49
HealthFirst PHSP, Inc.	1	138,254	$ 40.49	340,651	$ 39.78	3,206,400	$ 26.93
HealthNow/BCBS-WNY/Community Blue	1	62,507	$ 29.69	30,504	$ 30.47	240,947	$ 25.82
Independent Health Association, Inc.	1	8,682	$ 66.57	21,551	$ 34.82	265,506	$ 38.00
MetroPlus Health Plan	0	77,747	$ 22.20	207,683	$ 22.53	2,234,771	$ 22.59
MVP Health Plan	1	11,508	$ 49.27	16,942	$ 55.28	179,751	$ 48.28
Neighborhood Health Providers	1	45,146	$ 30.09	100,880	$ 32.13	924,060	$ 22.07
NYS Catholic Health Plan	1	368,167	$ 7.67	608,494	$ 16.42	4,114,123	$ 18.66
SCHC Total Care, Inc.	1	14,416	$ 16.64	14,760	$ 29.97	184,072	$ 33.06
United Health Care Plan of NY, Inc.	1	131,989	$ 22.95	270,558	$ 42.78	1,683,675	$ 45.38
Univera Community Health (Buffalo)	1	29,296	$ 37.38	34,373	$ 36.91	233,686	$ 36.96
WellCare of New York, Inc.	1	23,782	$ 29.19	64,766	$ 54.95	392,045	$ 57.62
Westchester PHSP/HealthSource/Hudson Health Plan	1	96,019	$ 35.10	67,942	$ 32.77	555,426	$ 28.85

Aggregate with MetroPlus	$ 34.84	$ 37.89	$ 34.74
Aggregate without MetroPlus	$ 35.58	$ 38.84	$ 35.50

MetroPlus Health Plan

MetroPlus Membership

- Membership at 469,843 as of June 1, 2014
- Growth in the last year: MetroPlus gained approximately 93,527 members in the past 16 months

Line of Business	# of Members
Medicaid	374,326
Family Health Plus	20,127
Child Health Plus	11,855
Medicaid HIV SNP	5,214
Medicare	7,944
MetroPlus Gold	3,382
MLTC	577
QHP	45,754
SHOP	664

Primary Care Assignment	
HHC	54%
Community	46%

* In the last year, HHC has maintained a 2% loss of PCP Assignment

MetroPlus Health Plan

Individual QHP Membership as of June 1, 2014

Plan Type	Silver	Platinum	Gold	Bronze	Total
Non-Standard*	27,319	4,496	2,613	2,431	36,859 (81%)
Standard	6,956	917	643	378	8,895 (19%)
TOTAL	34,275	5,413	3,256	2,752	45,754

*Non-Standard Plan Type includes Dental and Vision Coverage

MetroPlus Market Share - Statewide

Issuer	% of QHP Enrollment		% of QHP Enrollment
Health Republic Insurance of New	19	North Shore-LIJ Insurance Company Inc.	1
Fidelis Care	17	BlueCross BlueShield of Western New	1
MetroPlus Health Plan	15	Independent Health	1
Empire Blue Cross Blue Shield	14	Affinity Health Plan	1
EmblemHealth	9	CDPHP	1
MVP Health Care	8	Univera Healthcare	<1
Excellus BlueCross BlueShield	4	Empire Blue Cross	<1
Oscar	3	Today's Options of New York	<1
Healthfirst	3	BlueShield of Northeastern New York	<1
UnitedHealthcare	2	TOTAL	100%

MetroPlus Market Share by County

BRONX	# of Enrollees 16,397	% of Enrollees 100%
Affinity Health Plan	446	3%
EmblemHealth	1,932	12%
Empire Blue Cross Blue Shield	1,148	7%
Fidelis Care	2,312	14%
Health Republic Insurance of New York	1,253	8%
Healthfirst	1,616	10%
MetroPlus Health Plan	7,261	44%
Oscar	313	2%
UnitedHealthcare	116	1%

KINGS	# of Enrollees 53,195	% of Enrollees 100%
Affinity Health Plan	360	1%
EmblemHealth	6,260	12%
Empire Blue Cross Blue Shield	6,169	12%
Fidelis Care	7,055	13%
Health Republic Insurance of New York	6447	12%
Healthfirst	2,718	5%
MetroPlus Health Plan	20,106	38%
Oscar	3,073	6%
UnitedHealthcare	1,007	2%

NEW YORK	# of Enrollees 38,398	% of Enrollees 100%
Affinity Health Plan	296	1%
EmblemHealth	4,812	13%
Empire Blue Cross Blue Shield	6,994	18%
Fidelis Care	3,065	8%
Health Republic Insurance of New York	5,477	14%
Healthfirst	1,249	3%
MetroPlus Health Plan	11,267	29%
Oscar	3,087	8%
United Healthcare	2,151	6%

QUEENS	# of Enrollees 50,386	% of Enrollees 100%
Affinity Health Plan	576	1%
EmblemHealth	8,610	17%
Empire Blue Cross Blue Shield	5,831	12%
Fidelis Care	7,185	14%
Health Republic Insurance of New York	4,155	8%
Healthfirst	3,357	7%
MetroPlus Health Plan	17,428	35%
North Shore-LIJ Insurance Company Inc.	1,249	2%
Oscar	1,395	3%
UnitedHealthcare	600	1%

MetroPlus Health Plan

Individual QHP Members Age Groups

Age Group	
0 to 19	583
20 to 29	11,121
30 to 39	11,325
40 to 49	8,672
50 to 59	9,738
60+	4,315
TOTAL – as of 6/1/14	45,754

Under age 40	50%
Under age 50	69%

MetroPlus Health Plan

QHP Member Loss Due to Non-Payment

Term Target Date	Member Count	QHP
January 31, 2014	258	APTC and Non-APTC
February 28, 2014	822	APTC and Non-APTC
March 31, 2014	732	APTC and Non-APTC
April 30, 2014	390	Non-APTC only*

*APTC will have to be disenrolled for April 30, 2014 by the end of June since they have a 3-month grace period

May disenrollments for non-APTC will be conducted by the end of June – they are getting a 30-day grace period even though they are disenrolled by the end of the paid month

Primary Care HHC Assignment QHP Members – June 2014

Facility	Bronze	Silver	Gold	Platinum	Total
JMC	94	1,077	67	84	1,322
Lincoln	77	545	26	43	691
NCB	69	650	39	49	807
KCHC	130	1558	125	124	1,937
CIH	55	659	73	98	885
Woodhull	277	2,676	219	247	3,419
BHC	199	1,792	226	401	2,618
Met	119	998	154	178	1,449
Harlem	78	626	61	74	839
Elmhurst	136	2,165	163	256	2,720
Queens	78	1,474	92	168	1,812
Morrisania	59	710	28	33	830
Belvis	36	258	16	19	329
ENY	39	551	32	38	660
Cumberland	70	579	90	96	835
Gouverneur	191	2,060	222	305	2,778
Renaissance	102	1,001	94	165	1,362
TOTAL	**1,809**	**19,379**	**1,727**	**2,378**	**25,293 (56%)**

56% of QHP members are assigned to HHC for their Primary Care

MetroPlus Health Plan

QHP Initial Utilization Data
Revenues and Cost of Care

- In the first quarter ended March 2014 financial report, MetroPlus reported NYS Exchange earned revenues of $18.3M, which were slightly less than estimated incurred costs of care (before Admin Costs) of $18.7M. However, since the claims data was not fully complete at the time of submission, much of the cost data is estimated.

- As of May 2014, on a cash basis, premiums received were $51.4M, with costs of $14.8M. It takes up to 180 days to receive complete claims and cost data.

QHP Revenues – Cash Basis Through May 31, 2014 (in Thousands)

Premiums Received	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Total
Members	$ 70	$ 1,134	$ 2,393	$ 3,081	$ 5,169	$ 7,011	$ 5,910	**$ 24,768**
CMS (APTC)			$ 305	$ 4,905	$ 5,303	$ 6,120	$ 9,249	**$ 25,882**
NYS SHOP			$ 18	$ 128	$ 220	$ 188	$ 196	**$ 750**
Total Revenue	$ 70	$ 1,134	$ 2,716	$ 8,114	$ 10,692	$ 13,319	$ 15,355	**$ 51,400**

MetroPlus Health Plan

QHP Cost of Care – Cash Basis Through May 31, 2014 (in Thousands)

Cost of Health Care Paid	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Total
Medical				$ 862	$ 1,481	$ 2,414	$ 3,245	**$ 8,002**
Dental				$ 10	$ 21	$ 31	$ 38	**$ 100**
Pharmacy				$ 748	$ 999	$ 1,291	$ 1,908	**$ 4,946**
GME			244	$ 317	$ 415	$ 552	-	**$ 1,528**
Indigent			2	$ 36	$ 60	$ 135	-	**$ 233**
Total Cost of Health	-	-	246	$ 1,973	$ 2,976	$ 4,423	$ 5,191	**$ 14,809**
Net Receipts over Payments	$ 70	$ 1,134	$ 2,470	$ 6,141	$ 7,716	$ 8,896	$ 10,164	**$ 36,591**

MetroPlus Health Plan

2014 – 2015 QHP Rate Comparison

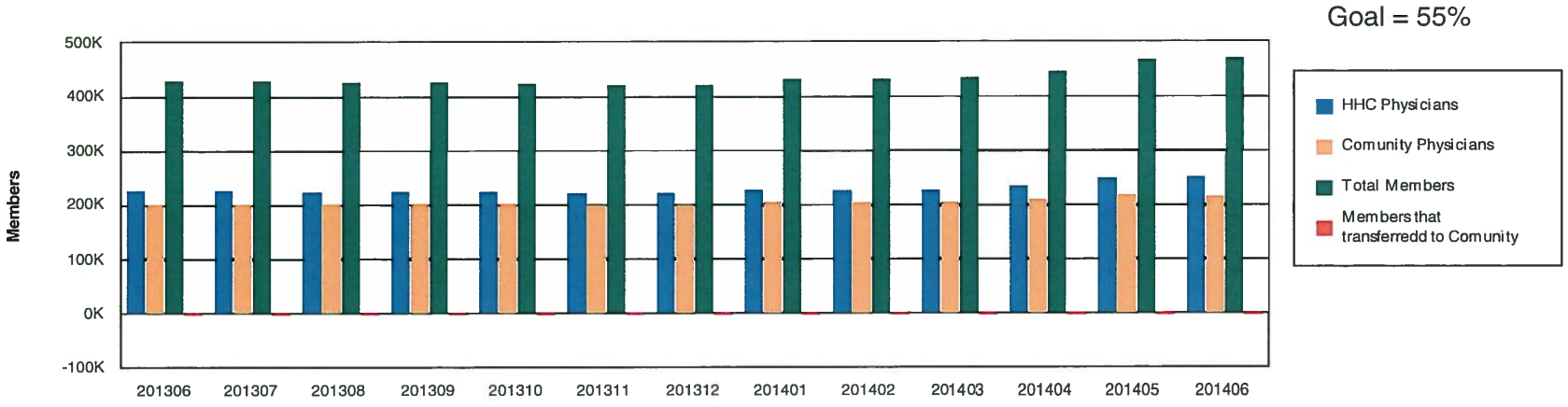
Individual												
Metal Level	Bronze			Silver			Gold			Platinum		
Year	2014	2015	% Change	2014	2015	% Change	2014	2015	% Change	2014	2015	% Increase
Standard	$ 334.44	$ 378.82	13%	$ 359.26	$ 421.52	17%	$ 395.76	$ 482.87	22%	$ 443.24	$ 567.52	28%
Non Standard	$ 348.33	$ 394.61	13%	$ 374.42	$ 439.42	17%	$ 412.79	$ 503.81	22%	$ 462.69	$ 592.64	28%

Why we are increasing our rates:

We continually review the amounts we charge (our rates) versus the amounts we are required to spend to manage our members' healthcare needs. Rates are adjusted in order to ensure we can appropriately cover those needs. Although we do our best to keep our rates as reasonable as possible, rising healthcare costs, provider contracting costs to maintain a high quality network, and higher prescription drug costs are factors that require us to change our rates.

MetroPlus Health Plan

MetroPlus Member PCP Assignment



	201306	201307	201308	201309	201310	201311	201312	201401	201402	201403	201404	201405	201406
HHC Physicians	227,701	226,770	225,025	224,910	223,283	221,244	221,677	228,601	227,506	228,658	234,925	250,603	252,521
Comunity Physicians	202,131	201,807	201,719	201,981	201,430	200,147	200,023	204,171	204,388	206,358	210,523	218,149	217,322
Total Members	429,832	428,577	426,744	426,891	424,713	421,391	421,700	432,772	431,894	435,016	445,448	468,752	469,843
Members that transferredd to Comunity	-1,534	-1,560	-1,765	-1,781	-1,808	-1,519	-1,106	-1,302	-2,038	-2,123	-2,237	-2,602	-1,713

% assigned to HHC	52.97%	52.91%	52.73%	52.69%	52.57%	52.50%	52.57%	52.82%	52.68%	52.56%	52.74%	53.46%	53.75%
% assigned to Comunity	47.03%	47.09%	47.27%	47.31%	47.43%	47.50%	47.43%	47.18%	47.32%	47.44%	47.26%	46.54%	46.25%
Members that transferred to Comunity Percentage	-0.67%	-0.69%	-0.78%	-0.79%	-0.81%	-0.69%	-0.50%	-0.57%	-0.90%	-0.93%	-0.95%	-1.04%	-0.68%

MetroPlus Health Plan

Provider Network

- Provider Sites:

	12/31/13	6/01/14
Primary Care Providers (PCPs)	3,473	3,560
Specialty Providers	13,629	14,713
OB/GYN	755	735
TOTAL	17,857	19,008

- HHC PCPs have increased, which should alleviate some of the access issues that have challenged us.

	4Q10	4Q11	4Q12	4Q13
HHC PCP sites*	538	520	516	525

*PCP sites represent unique HHC PCPs. If a PCP has multiple locations, for the purposes of this report, that PCP is only counted once.

Leakage Data
(2013)

ALL DISCHARGES

	Total HHC			Non HHC - Contracted Facilities			Out of Network Facilities			Total Discharges	
	Cases	%	CMI	Cases	%	CMI	Cases	%	CMI	Cases	CMI
HHC Facilities	24,166	77%	0.672	3,658	12%	1.116	3,663	12%	0.938	31,487	0.740
Community	9,112	54%	0.688	3,881	23%	1.185	3,895	23%	0.875	16,888	0.844
Total	33,278	69%	0.666	7,539	16%	1.136	7,558	16%	0.894	48,375	0.773

COMBINED MEDICAL AND SURGICAL ONLY

	Total HHC			Non HHC - Contracted Facilities			Out of Network Facilities			Total Discharges	
	Cases	%	CMI	Cases	%	CMI	Cases	%	CMI	Cases	CMI
HHC Facilities	9,989	65%	0.993	2,504	16%	1.396	2,908	19%	1.041	15,401	1.024
Community	4,355	40%	0.903	3,056	28%	1.338	3,395	31%	0.917	10,806	1.031
Total	14,344	55%	0.901	5,560	21%	1.337	6,303	24%	0.954	26,207	1.006

MEDICAL

	Total HHC			Non HHC - Contracted Facilities			Out of Network Facilities			Total Discharges	
	Cases	%	CMI	Cases	%	CMI	Cases	%	CMI	Cases	%
HHC Facilities	8,376	65%	0.781	1,979	15%	1.041	2,518	20%	0.871	12,873	0.834
Community	3,532	41%	0.749	2,217	26%	0.958	2,871	33%	0.761	8,620	0.807
Total	11,908	55%	0.750	4,196	20%	0.974	5,389	25%	0.797	21,493	0.805

SURGICAL

	Total HHC			Non HHC - Contracted Facilities			Out of Network Facilities			Total Discharges	
	Cases	%	CMI	Cases	%	CMI	Cases	%	CMI	Cases	CMI
HHC Facilities	1,613	64%	1.749	525	21%	2.666	390	15%	2.117	2,528	1.972
Community	823	38%	1.538	839	38%	2.326	524	24%	1.762	2,186	1.892
Total	2,436	52%	1.619	1,364	29%	2.416	914	19%	1.858	4,714	1.894

MATERNITY AND NEWBORN

	Total HHC			Non HHC - Contracted Facilities			Out of Network Facilities			Total Discharges	
	Cases	%	CMI	Cases	%	CMI	Cases	%	CMI	Cases	CMI
HHC Facilities	14,177	88%	0.491	1,154	7%	0.537	755	5%	0.557	16,086	0.502
Community	4,757	78%	0.498	825	14%	0.637	500	8%	0.595	6,082	0.525
Total	18,934	85%	0.493	1,979	9%	0.594	1,255	6%	0.601	22,168	0.508

MetroPlus Health Plan

Clinical Risk Groups (CRG)

- 2012 CRG scores have been used for NYS FY 2014-2015 risk adjusted premium rates.
- MetroPlus' FHP index score declined 0.51% from '10-11, while the Medicaid index score declined 0.03%.

	MEDICAID COMBINED				FHP			
	Jan 2012-Dec 2012		Jan 2010-Dec 2010		Jan 2012-Dec 2012		Jan 2010-Dec 2010	
Plan	Raw Score	Relative Index Score	Raw Score	Relative Index Score	Raw Score	Relative Index Score	Raw Score	Relative Index Score
Affinity Health Plan	0.9709	0.9549	0.9219	0.9422	0.8801	0.9240	0.9242	0.9201
AMERIGROUP New York, LLC	0.9787	0.9625	0.8605	0.8794	0.8967	0.9414	0.9285	0.9243
HealthFirst PHSP, Inc.	1.0723	1.0550	1.0185	1.0409	0.9762	1.0249	1.0184	1.0337
Health Insurance Plan of Greater New York	1.0366	1.0197	1.0532	1.0763	1.0178	1.0686	1.1326	1.1275
Metroplus Health Plan, Inc.	1.0293	1.0124	0.9909	1.0127	0.9788	1.0276	1.0373	1.0327
United Healthcare of New York, Inc.	0.9495	0.9337	0.9546	0.9756	0.8796	0.9235	0.9991	0.9946
Wellcare of New York, Inc.	0.8901	0.8744	0.9678	0.9891	0.9858	1.0350	1.0965	1.0916
NYC Metro	**1.0168**		**0.9785**		**0.9525**		**1.0045**	

MetroPlus Comparison to NYC Metro	**Raw NYC Metro**	**MetroPlus**	**Raw NYC Metro**	**MetroPlus**	**Raw NYC Metro**	**MetroPlus**	**Raw NYC Metro**	**MetroPlus**
	1.0168	1.0124	0.9785	1.0127	0.9525	1.0276	1.0045	1.0327
Comparison to Average		**1.24%**		**1.27%**		**2.76%**		**3.27%**

MetroPlus Health Plan

Managed Long Term Care (MLTC) Overview

- MetroPlus was granted a license for operating an MLTC plan in the Fall of 2013.

- MetroPlus began offering full services for enrolled members as of January 2013 and received our first auto-assigned members in February 2013.

- Managed long-term care (MLTC) offers assistance to people who are chronically ill or have disabilities and who need health and long-term care services, such as home care or adult day care. The goal of the MLTC plan is to allow these individuals to stay in their homes and communities as long as possible. The MetroPlus MLTC plan arranges and pays for a large selection of health and social services, and provides choice and flexibility in obtaining needed services from one place.

FIDA (Full Dual Eligible Individuals)

- Effective October 1, 2014

- Demonstration program between CMS, NYSDOH, and MetroPlus to manage long term care for the dual eligible population

Behavioral Health

- Effective January 1, 2015
  - Carve-in of Behavioral Health for SSI members (17,000)
  - Creation of a Health and Recovery Plan (HARP) for the severely mentally ill population (13,000)

- Contract with Beacon, a Behavioral Health Managed Care organization to assist in managing this population

Summary

- MetroPlus is a strong financial asset to HHC
- MetroPlus is challenged by the lack of access in the HHC facilities
- MetroPlus and HHC have many opportunities to strengthen their existing partnerships to ensure continued success
  - Medicare Enrollment
  - Access Improvement
  - Care Management Linkages
  - MLTC Referrals
  - FIDA Referrals
  - Coordination of Behavioral Health Care