NYC HEALTH+ HOSPITALS

125 Worth Street ▪ New York, NY ▪ 10013

BOARD OF DIRECTORS MEETING
THURSDAY, MARCH 24, 2016
A•G•E•N•D•A

CALL TO ORDER - 3 PM	Dr. Barrios-Paoli
1. Adoption of Minutes: February 25, 2016	
Chair's Report	Dr. Barrios-Paoli
President's Report	Dr. Raju
>>Action Items<<	
2. RESOLUTION authorizing the President of the NYC Health + Hospitals to **procure and outfit one hundred thirty-two (132) ambulances** in Fiscal Year 2017 on behalf of the **Fire Department of the City of New York (FDNY)**, through City-wide Requirements Contracts for a total amount not-to-exceed $47.2 million. (Capital Committee – 03/08/2016)	Ms. Youssouf
3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his designee, to **purchase storage hardware, software, and associated maintenance** from various vendors on an on-going basis **via Third Party Contract(s)** in an amount not to exceed $13,748,060 for a one-year period. (Information Technology Committee – 03/08/2016)	Dr. Barrios-Paoli
Committee Reports	
➢Capital	Ms. Youssouf
➢Community Relations	Mrs. Bolus
➢Finance	Mr. Rosen
➢Governance	Dr. Barrios-Paoli
➢Information Technology	Dr. Barrios-Paoli
➢Medical & Professional Affairs	Dr. Calamia
Subsidiary Board Report	
➢MetroPlus Health Plan, Inc.	Mr. Rosen
Executive Session / Facility Governing Body Report	
➢Coler Rehabilitation and Nursing Care Center ➢Henry J. Carter Specialty Hospital and Nursing Facility	
Semi-Annual Governing Body Report (Written Submission Only)	
➢Woodhull Medical and Mental Health Center	
>>Old Business<<	
>>New Business<<	
Adjournment	Dr. Barrios-Paoli

NEW YORK CITY HEALTH + HOSPITALS

A meeting of the Board of Directors of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 25th day of February 2016 at 4:00 P.M. pursuant to a notice which was sent to all of the Directors of the 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
Dr. Mary T. Bassett
Dr. Gary S. Belkin
Josephine Bolus, R.N.
Dr. Vincent Calamia
Barbara A. Lowe, R.N.
Mr. Robert Nolan
Mr. Mark Page
Dr. Herminia Palacio
Mr. Bernard Rosen
Ms. Emily Youssouf

Jennifer Yeaw was in attendance representing Commissioner Steven Banks in a voting capacity. Dr. Barrios-Paoli chaired the meeting and Mr. Salvatore J. Russo, Secretary to the Board, kept the minutes thereof.

Dr. Barrios-Paoli introduced and welcomed new Board member, Ms. Helen Arteaga Landaverde.

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/ Lincoln, received an oral report and written governing body submission and reviewed, discussed and adopted the facility's report presented; (2) as governing body of NYC Health + Hospitals/Gouverneur, received an oral and written governing body submission and reviewed, discussed and adopted the facility's report presented; and (3) as governing body of NYC Health + Hospitals/Queens, the Board reviewed and approved its semi-annual written report.

The Board also approved the appointment of the following Corporate Officers: Roslyn Weinstein, Vice President, Office of Facility Management; John Jurenko, Vice President, Intergovernmental Relations; Lauren Johnson, RN, Vice President, Office of Patient Centered Care; and Paul Albertson, Vice President for Supply Chain Services.

ADOPTION OF MINUTES

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

1. **RESOLVED**, that the minutes of the meeting of the Board of Directors held on January 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 for their participation in the February 22, 2016 Joint Commission Board orientation session.

Dr. Barrios-Paoli informed the Board that starting in March, the Board meetings will convene at 3:00 to ensure the Board is providing qualitative oversight to the governing bodies according to the CMS regulations.

Dr. Barrios-Paoli announced NYC Health + Hospitals 2016 annual public meetings schedule as follows: Staten Island on April 4th at Sea View; Manhattan on April 11th at Carter; Bronx on April 19th at Lincoln; Queens on May 11th at Queens; and Brooklyn, May 18th at Woodhull.

Dr. Barrios-Paoli received the Board's approval to appoint 1) Mr. Robert Nolan as the EEO Committee Chair; 2) Ms. Josephine Bolus as a member of the Information Technology Committee; 3) Deputy Mayor Herminia Palacio as a member of the Executive Committee; and 4) Ms. Helen Arteaga Landaverde as a member of the Community Relations and EEO Committees.

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

PRESIDENT'S REPORT

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

INFORMATION ITEM

Patricia Yang, Senior Vice President, Correctional Health Services, updated the Board on the transition of Correctional Health Services from the New York City Department of Health and Mental Hygiene to NYC Health + Hospitals.

ACTION ITEMS

RESOLUTION

2. Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute an **amendment** of the December 24, 2014 **sublease with Draper Homes Housing Development Fund** as a nominee **for Draper Hall Apartments LLC** ("Tenant I") to provide for the return to NYC Health + Hospitals of approximately 15,150 square feet included in such lease (the "Draper II Site")on the campus of Metropolitan Hospital Center and to **simultaneously execute a sublease with Draper Family Housing Development Fund Corporation** or such other housing development fund company as shall be approved by both NYC Health + Hospitals and the New York City Department of Housing and Preservation and Development ("HPD") (the "HDFC") as nominee for Gilbert on First LLC (in such capacities being referred to together with the HDFC as "Tenant II") of the Draper II Site for a term of 99 years, inclusive of Tenant II options for the development of a 14-story structure on the Draper II Site with approximately 131 apartments for low and moderate income individuals and families at a rent payable to NYC Health + Hospitals of not less than $75,000 per year.

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

RESOLUTION

3. Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his delegate, to enter into an **enterprise-wide agreement** with **Microsoft Corporation** for renewal of software licenses and maintenance and support agreements in an amount not to exceed $38,439,048(which includes a 10% contingency of $3,494,459) for a three-year period.

After discussion, Dr. Barrios-Paoli 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.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:04 P.M.

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

COMMITTEE REPORTS

Audit Committee – February 11, 2016
As reported by Ms. Emily Youssouf

Ms. Youssouf introduced the action item by stating that Sal Russo, General Counsel, will read a proposed resolution.

Waiving under the Public Authorities Accountability Act any presumed conflict incident to the engagement of KPMG LLP to provide information technology consulting services while, at the same time, serving as the auditors of New York City Health + Hospitals auditors.

The resolution was moved and seconded for discussion.

Ms. Youssouf then asked Ms. Brenda Schultz, Assistant Vice President, Enterprise IT Services and Mr. Sal Guido, Interim Chief Information Officer to the table to explain this proposed engagement.

Ms. Schultz stated that for the record we do have representatives from KPMG with us sitting in the audience as well. In terms of background for this specific resolution, Enterprise IT Services had previously issued an RFP for both Epic EMR and non-EMR IT consulting services. When we issued that RFP, the intention was to award contracts that were basically requirement contracts that would be used on an as-needed basis.

In response to that RFP, we had received approximately 50 vendor proposals, and of those 50 vendor proposals, we had identified 20 vendors for award. One of those vendors that was identified for award is KPMG, and I'll actually defer to counsel in terms of getting the explanation of why this is necessary in order to go to Audit Committee.

Mr. Russo stated that the Public Authorities Accountability Act (PAAA), in its wisdom wanted to preserve the independence of external auditors, and in order to do that, they believe that if there were any other engagements besides the routine auditing services that an independent auditor would perform, in order to ensure the fact that the audit – that the corporation, whichever corporation or public authority, was sufficiently protected, there would be a request to have the matter considered by the Audit Committee of that entity to see if the question would be is this contract believed to influence the independence of the auditors by awarding a contract of this nature.

Ms. Youssouf asked to explain if it's the same people who do our audit work?

Ms. Schultz responded that no, it's not. It is two different divisions within KPMG that are kept separate Another item I wanted to note for the record as well is that since these are requirements contracts, prior to awarding any new scopes of work or new work orders, we go through a solicitation process, which multiple vendors are solicited.

In addition to the resolution before you, in the event that KPMG is selected for a particular award, we would then report to the Audit Committee in advance of that particular engagement giving a description of what the scope of work is as well as why KPMG is selected for that particular award.

Ms. Youssouf asked if there were any questions from the Committee.

Mr. Russo highlighted for the Audit Committee that this action item only requires the consideration and approval of the Audit Committee. It does not go before the entire Board, so your decision is final.

Ms. Youssouf asked for a motion to approve and it was seconded. The action item was adopted.

Ms. Youssouf then turned the meeting over to Mr. Chris Telano for the audit update.

Mr. Telano saluted everyone and stated that to start the first audit item I will be speaking about is of transaction control errors (TCE). We performed this review at Bellevue Hospital. As you can see from the diagram on page three, the registration system, which is Unity, and the coding and reimbursement system, which is 3M, feeds all the updates of the changes of information to the patient account billing system, which is Online Account Management (OAM).

This is done every midnight in the form of batch processing. In this process when OAM rejects the transactions that are erroneous or that it is unable to validate, it is known as a transaction control error. Examples of errors include incorrect patient demographics, insurance information and CPT and diagnostic codes. This was a very complex audit. It took over four months to complete and involved interviewing, obtaining documents and analyzing data received from key personnel in the Bellevue Emergency Department, Admitting, Patient Financial Services, Inpatient and Outpatient, Revenue Recovery, Executive Administration, Nursing and Medical Records. In addition we met with Central Office Revenue Management, Enterprise Information Technology Services, and Cerner, the vendor for Unity, OAM and the new revenue cycle business application, Sorian.

The objectives of the audit were to determine whether controls were in place for the management and oversight of TCEs. We found that for various reasons the Bellevue Financial Services Patients' Accounts Department was approximately two months behind on their correcting of TCEs. Perhaps we should call people from Bellevue to the table.

Ms. Youssouf answered that I think you should keep going for now and we will see.

Mr. Telano continued, we attributed this lag of two months to the lack of adequate resources, which included a training manual that was originally dated 1992 but had annual updates to October 2010. There was a lack of proper training and guidance on how to correct TCEs. We were informed that the last training occurred in 2012. There was also a large number of outpatient TCEs. Our analysis revealed that for the first seven months of 2015 the TCE outpatient report averaged 3,761 errors each day, and the approach to resolving each of those errors was very manual.

We also found that there was no mechanism in place to determine the total TCEs pending correction. There was no controls in place for management oversight. If a TCE is not corrected, it can easily go undetected. If action is not taken to correct a TCE resulting from a registration error, a bill may not be generated for the outpatient services, and the error would continue to occur each time the patient visits Bellevue. Lastly, we found due to the manner in which the system collects the data and designs the reports, it is difficult to determine the entire population and the financial impact. The TCE reports are not user friendly, include various error codes and does not include a date of service. So that is finding A, on page three.

Mr. Telano continued and said that the next findings on page four and five are B and C. They involve inpatient transaction control errors. Finding B involves the untimely, inaccurate disposition of health information management data change forms (HIM), completed by Medical Records. Since they do not have access to Unity or OAM, they complete this form and send it to Admitting to process the correction. During our review, we found that Admitting did not prioritize processing these corrections, and we found 40 of the 50 HIM data request forms were not responded to. In addition, of the 40 that we found, 34 accounts were pending completion and not billed. For the remaining ten of the 50, the Admitting Department took an average of 23 days to respond. We also noted that the Medical Records Coding Unit did not always send the forms timely to Admitting and that the average delay was 47 days. We also noted that Inpatient Accounts did not respond timely to the rejections that were indicated on the discharge not final billed report, and we found that 37 of the 50 that we reviewed did not generate a bill yet, and as a result the total charges of those 37 reflected in OAM was $700,000. These were all processed very late from 34 to 186 days outstanding, and they had not dropped the bill.

If you go to finding C, it's also about inpatient and that TCEs were occurring for inpatient accounts due to untimely or inaccurate registration, admission, discharge, transfer and bed assignments that were not input to Unity prior to the system update at midnight. We did a physical count of the patient census on ten to two. My staff worked from nine at night to five in the morning to evaluate the midnight changing of the system, and the system showed 28 patients still active in Unity. However, 20 had already been discharged that day and eight were transferred earlier in the day, and the range of the discharge was delayed from one to ten hours or an average of five hours. The Admitting Department is also not effectively monitoring the registration and billing system to the physical status of the patient. For example, the registration system showed two patients in the recovery room although they were discharged two to four days prior. We also noted one room in the registration system that reflected a male and female patient in the same room, and we also found an admitted patient assigned to a bed that did not exist in the registration or billing system. There was a breakdown in the communication between the nursing and clerical staff on the patient units as they are not using QuadraMed regularly to update the discharges. We found that for our testing only 50 percent of the time they are using QuadraMed, and because they are notifying the appropriate department either by phone or a nursing activity log, it is delaying the process and it is causing these TCEs.

Mrs. Bolus asked if they are using cut-and-paste method.

Mr. Telano answered I hope not. I think is just manual, but let me note before I go on is that for the inpatient on B and C that Admitting and Inpatient Accounts took immediate action during the course of our review, and by the time our audit was over, we saw a 30 percent decrease in these TCEs during the three or four months of our audit.

Finding D is that EITS does not effectively monitor the user access for Unity, OAM and 3M. Once again we found terminated employees. For example, in OAM we found 88 terminated employees, and the use of numerous generic accounts such as Data Test, Password. In OAM, for example, there were 51 generic accounts. Also in Unity it's very unique in which they set up employees by just using the first initial and last name. So John Doe would be J. Doe, and Jane Doe would also be J. Doe. As a result, there were 3,434 active employees in Unity Bellevue because if Jane Doe quit, they would not know which Jane Doe to take off the system, so it was a very unique set up.

Ms. Youssouf stated that before you go further, I would like to say that we know that this was a massive undertaking by you and your staff. I want to commend you all as senior management does for doing a very thorough and accurate job. I know that senior management has been in a lot of discussions about this with members of the Audit Committee as well, so I would like to turn it over to Mr. Tony Martin.

Mr. Martin said that clearly from my perspective this is a very important audit, and it certainly shows the leadership at HHC has real opportunities for improvement. I need to let you know that we have not been able to determine whether there were any billing implications, but we certainly will look at this. I commit to this Committee that I will work with PV and the facilities to look at this in depth and do a deeper dive so I can see what the implications of the audit are and come back and report to this Committee, and I do want to thank Mr. Telano because it was a good audit.

Ms. Youssouf requested if we could make a plan, perhaps maybe in six months or something. It is a complex job. When you come back and talk about any implications, am I correct to assume you are also going to come back and talk about ways to fix it.

Mr. Telano continued and said that the next audit that we conducted is on page seven of the briefing. It is salary changes at Sea View. All we found was that there was a lack of independent review by a CFO function for salary increases. The forms that were being completed only had the ED signature. There was no CFO signature on those forms, and we found that the employee requisition forms were not being completed at all. In some instances we found that they were lacking completeness.

Ms. Youssouf asked for the representatives from Sea View to approach the table and introduced themselves. They did as follows: Mr. Angelo Mascia, Executive Director; Mr. Paul Pandolfini, Chief Financial Officer and Mr. Kieran Phelan, Controller.

Ms. Youssouf asked to explain what happened or how this is fixed or if you are fixing it?

Mr. Mascia replied that we took the recommendations in the findings from the Audit Report and basically implemented all of them. Back at Sea View, I was the Chief Financial Officer before I was the Chief Operations Officer and then Executive Director, so I was signing without having a CFO sign on the line. We put things in place so that it does not happen. Kieran Phelan, our Controller, will take a look at those before we go forward.

Ms. Youssouf asked about the Controller or the CFO.

Mr. Mascia responded that we do not have a CFO. We had a network CFO, but the way it was set up on our network, Mr. Wagner, our senior vice president, did not say we had to get everything signed by the network CFO, so we just had this other process in place.

Ms. Youssouf asked if you still did not have a CFO. I mean you share Coney Island's CFO; is that correct?

Mr. Martin stated correct, Paul Pandolfini is the one responsible for making sure that this policy is adhered to. Correct?

Mr. Pandolfini answered correct and Mr. Kieran Phelan as the controller is my representative onsite, and we are always in consultation.

Ms. Youssouf asked if it's acceptable then that the controller signs off, or does he signs off and send it to you for your signature? To which Mr. Pandolfini responded that it is acceptable for him to sign off in my stead as long as I'm aware of it. Mr. Wagner was meeting continually with Mr. Mascia, so there was nothing done.

Ms. Youssouf stated that I'm looking more that we follow correct policy and that none of this could be questioned because the right signatures are not on the documents, so I'm going to have to ask our counsel to please, if you do not know the answer, which you probably do not off the top of your head, or maybe Mr. Martin knows the answer.

Mr. Martin answered that Paul Pandolfini is the CFO, and I hold him responsible. The controller can sign, but Mr. Pandolfini has to give the final approval.

Ms. Youssouf added that it should be documented somehow, perhaps an email. If you do that and then you guys print out the e-mail and add it to the file, which would be great.

Mr. Pandolfini responded that we will do that.

Mr. Telano continued and stated that moving on to page eight of the briefing. If you don't mind I would like the representatives to come because we have good things to say, and I like to take the opportunity to say good things, so if the individuals representing Metropolitan would come to the table and introduce yourselves. They introduced themselves as follows: Mr. George Bonnano, Associate Director of Supply Chain; Tracy Green, Chief Financial Officer; Anthony Rajkumar, Executive Director.

Mr. Telano stated that we did an audit of the medical/surgical inventory controls, which included a surprise count on the first day. We show up before the warehouse opens, and we wait for them, and then upon arrival we counted 102 items, and of the 102, we only found nine exceptions, which totaled $198. This was why I wanted to bring them to the table for a job well done on that, and there was just some minor recordkeeping and some counts that need to be improved when items are being sent to the units.

Ms. Youssouf stated I am very impressed and very happy and I think you guys deserve a round of applause. I wish we could give you a bonus for doing so well, but we can't. Anyway, I'm just very happy to hear this.

Mrs. Bolus added that I hope you will be counting each individual item because paragraph two says you were not doing that.

Mr. Martin asked what the ultimate goal is. To which Mr. Rajkumar responded 100%.

Mr. Telano continued to page nine. If you don't mind I'd also like them to come to the table because if you think Metropolitan was good, Harlem did even better. Will the individuals from Harlem Pharmacy come to the table and introduce yourselves? They introduced themselves as follows: Dr. Farooqi, Director of Pharmacy; Mr. Ronnell Boylan, Head of Hospital Police; Ms. Nadeem Aslam, Assistant Director; Caswell Samms, Chief Financial Officer.

Mr. Telano said that once again we did a surprise count and evaluated the internal controls, and we counted 110 items and found no discrepancies. I just wanted to recognize there were other issues, and it had to do more with access, in which 59 students or volunteers who previously worked in the Pharmacy Department, they still had active access, two pharmacy administrators had access to the narcotics and the stockroom areas, which were not compatible to their job functioning.

Mr. Russo stated that they still had no discrepancies.

Mr. Telano answered no discrepancies, right, but, the assistant director of purchasing in the Pharmacy Department had system access that allowed them to do everything to edit the purchasing, the receiving, the levels of inventory, so a little separation-of-duties issue that needed to be corrected.

Mrs. Bolus added that if that's all you had, fantastic.

Ms. Youssouf asked if you have addressed these.

Dr. Farooqi responded yes, we actually addressed that immediately for all the systems that we do have, OTPS, eCommerce and Pyxis, now all the duties are segregated, and all access that was unnecessary has been removed.

Mr. Martin added that I did promise this Committee that I would be coming with an overall fix for this issue because at a number of our facilities we have seen where people are separated from service and they still show up, and I just ask for two more months. I have solved the HHC issue, but I still need a little time to work on the affiliate issue, but I will come back to see you at the next meeting.

Additionally, Dr. Farooqi reported they will be doing an annual and quarterly review of all system access for all our employees to be on top of it.

Mr. Telano stated that on page ten is a list of the audits we are currently doing, and on page 11 is the status of our follow-up audits, and I conclude my presentation.

Ms. Youssouf informed the attendees that she had to step out of the meeting, and the Chair of the Board would be chairing during her absence.

Mr. McNulty saluted everyone and introduced himself as Wayne McNulty, Chief Compliance Officer and Senior Assistant Vice President.

The first topic I am going to discuss is record management. I will provide the Committee a status update with regard to record management and our storage of records through a third-party vendor. First, we have three goals with the record management program that is to maintain records generated by NYC Health and Hospitals in the normal course of business in a manner consistent with federal and state law and our own internal policies and procedures to assess the value of any record prior to determining the disposition and to encourage the systematic disposal of unneeded records.

Currently we store records with our outside vendor, at a monthly cost of $310,000 a month, which comes out to $4,000,000 a year. I had at the last meeting promised the Audit Committee we would make every effort to reduce that cost down to $2,000,000 before the end of the calendar year.

If you turn to page four, the immediate steps that we have taken since, is that the Record Management Officer, who also serves as the Deputy Corporate Compliance Officer, met with each facility record management officer, and at that meeting they set forth goals where each facility record management officer is to identify all records at their facility that are no longer required to be retained under law or under internal policy. They are expected to report back to the Office of Corporate Compliance in April and identify what records can be disposed of, and we will go through the process of ensuring that none of those records are needed for litigation or any other administrative purpose, and then we will dispose of those records.

In December, we also met the Record Retention Counsel, which is chaired by myself and Acting CIO Sal Guido to discuss record management issues. During the meeting, we discussed the possible purchase of an inventory system that would help us manage records in a more efficient manner corporate-wide, and those discussions are still ongoing. If you turn to page six of the report, under the Record Management Operating Procedure 120-19, we are required to establish a rediscovery task force. The task force members will be chosen by the general counsel, the CIO and myself. The purpose of the task force is to ensure that we have policies and procedures in place, which we already do, to make sure those policies and procedures stay current with best practices.

The focus is to ensure that whenever the Corporation is involved in litigation or involved in a government investigation, that it promptly maintains all its records that may be needed for that investigation or for litigation, mainly electronic records. So any electronically stored information that may be on backup tapes, CD drives, floppy disks, flash drives that we have to retain the e-mails immediately, so that task force is scheduled to have a meeting either at the end of this month or early March.

Moving on to item number two, monitoring excluded providers, we had a total of four workforce NYC Health and Hospital workforce members who were identified as being excluded in either the Medicaid, Medicare or another federal healthcare program. We had one excluded nurse out at Kings County Hospital Center. That nurse at this time is on inactive leave. A report to the Office of the Medicaid Inspector General will be done by Tuesday with any overpayment amounts that we have to reimburse the Medicaid program.

There were three excluded providers in Correctional Health Services. Two were nurses, and one was a physician assistant from the affiliate PAGNY. We are looking into with outside counsel whether or not we have an overpayment issue that we would have to reimburse the Medicaid Program with. Correctional Health Services does receive some Medicaid funding through grants and 6 other sources, and additionally Correctional Health Services receives HRSA funds, which may cover the GSA exclusions, so outside counsel is looking into that.

If we go now to number three, National Government Services review, at the last Audit Committee I informed the Committee members that the Office of Corporate Compliance had received numerous inquiries and reports from the National Government Service, which is a Medicare contractor, with respect to Medicare claim denials. We have someone from Revenue Management present to discuss our efforts here to mitigate these particular reports.

Ms. Katz saluted everyone and introduced herself as Maxine Katz, Senior Assistant Vice President, Finance. We have taken the letters that we received from National Government Services (NGS), and we have done a review of each and every code that was on that list.

We have taken action on primarily most of them. There were like three or four different codes. One had to do with duplicate claims. We found that it was not, which is good news, that we did not have staff out there billing constantly. We found a routine that was running in the system that caused a claim to repeat itself each month.

We have taken action. That will no longer happen. That program logic has been cease and desist. We found another one where it was educational. Therefore none of these related to financial, but there was an issue with a patient with Medicare HMO, and we billed Medicare fee for service. Sometimes it's a timing issue, and we did not have the information at the time of service. We are evaluating our logics that would do insurance verification eligibility against Medicare to see if we need to beef up any of our matching logic. We did find one instance – that was also not -- the duplicates were all facilities. The HMO was only select facilities, so we will also address certain information where we discovered that the Medicare information was not being valued in the system correctly. We will take corrective action and work directly with those facilities.

The third issue we found was at one facility they had already been notified. There was a change in the regulation where for therapy services they needed to value for certain CPT codes you have to have an initial code and a modifier. In our new Soarian environment, we had beefed up edits so that claim would never have gone out the door. We are now taking action and creating a similar edit up front in our Unity environment so that the user would not be able to close that visit. That is in the process of being implemented.

Mr. McNulty thanked Ms. Katz. If you will please turn to page eight, section four, Privacy Incidents or Related Reports for the Fourth Quarter Calendar Year 2015, the Office of HIPAA Privacy and Security within the Office of Corporate Compliance received during that time period a number of HIPAA related reports, and just briefly I want to go over what a breach is. A breach is any impermissible use in access and acquisition or disclosure of protected health information that violates the HIPAA Privacy Rule. And whether or not it's a breach is whether or not there's a greater than low probability that the information that's involved with the incident has been compromised.

If you please turn to page nine, we received 35 HIPAA complaints. I am on paragraph five, page nine. We received 35 HIPAA complaints, and 16 of those after investigation were found to be violations of HIPAA policies and procedures. Of those 16, there were six breaches of protected health information affecting a total of 28 individuals.

If we can move on to section five, Compliance Reports for the Fourth Quarter of Calendar Year 2015. During that time period we receiving 89 compliance-based reports. Out of those compliance-based reports, three were priority A reports, and those are matters that require immediate review and action due to allegations of immediate threat to a person, property or environment. Because those are ongoing investigations, we will discuss those reports in executive session here today. If you will turn to page nine, this is a breakdown of how we received these compliance reports for the period in question. As you would see, 63 – I am on paragraph two, subdivision A, 63 of the reports were received through the confidential compliance help line, which is also anonymous, so we frequently receive anonymous complaints through the hotline, and seven were received through e-mail, and we actually even received six face-to-face where individuals came to the Office of Corporate Compliance.

If you turn to page 11, that's the breakdown of allegation class analysis, and as you can see in paragraph three, subdivision A, 26 of the complaints received, which is 29 percent, involve policy and process integrity. The other 19 percent or 17 reports involved misuse and appropriation of access and other information, and 18 percent involved employee relations.

If there are no questions about the compliance reports, then I will move on to page 12 and provide the Committee with an update of the HHC ACO activities, compliance activities. It's previously reported to the Audit Committee the ACO has a compliance plan that must satisfy applicable law, and it must be periodically updated.

The compliance plan generally identifies and helps to prevent unlawful and unethical conduct, provides a centralized source for distributing information on healthcare statutes and others programs directly related to fraud, waste and abuse and enforces an environment that encourages employees and others to honestly report potential compliance issues.

The structure of the compliance plan is always related to the size of the ACO in the business structure of the ACO. The Office of Corporate Compliance is working in consultation with ACO leadership to start the process of review and updating the ACO

compliance plan. We will also work closely with the Office of Legal Affairs and outside counsel in revising the current compliance plan, and those efforts are ongoing. We should have the revised compliance plan report in the April Audit Committee meeting.

If you turn to page 13, paragraph six, I just want to provide the Audit Committee with an update of a CMS warning letter that was reported at the last Audit Committee. Although the HHC ACO in their overall 2014 quality performance ranked above the 76th or ranked in the 76th percentile, it showed significant deficiencies in the subset of measures that were particularly depending on systematic weaknesses and chronic conditions coded in meaningful-use execution. I have members from the HHC ACO, Revenue Management and EITS here just to discuss their mitigation efforts in this particular area. Would you please come to the table? Please introduce yourselves.

They introduced themselves as follows: Megan Cunningham, Senior Director of Operations for HHC's Accountable Care Organization (ACO) on behalf of Ross Wilson, our Chief Executive Officer; Mr. Sal Guido, Interim Chief Information Officer and Maxine Katz, Senior Assistant Vice President, Finance.

Mr. McNulty asked if you tell us what efforts have gone forward as far as mitigation.

Ms. Cunningham answered that would it be helpful to first start with some framing remarks? The ACO is actually very proud of our quality performance overall. We rank in the 76th percentile nationally on quality performance in 2014, being one of only 15 percent of ACOs to achieve savings based on both cost and quality performance for 2013 and 2014. The ACO is responsible for reporting annually on 33 quality measures that fall into four domains. We have patient experience of care, care coordination, at-risk populations and population health management. Within each measure, CMS sets a 30th percentile minimum performance threshold, and within a domain of a collection measures, we have to hit 70th percent, and you have to hit at least the minimum percentile threshold on 70 percent of the measures within that domain.

In domains one, three and four, we scored for patient care 83 overall, for preventive health 100 percent, for at-risk population 100 percent. Our performance deficiencies were clustered, though, in the care coordination patient safety domain where we only met that minimum attainment threshold on two out of six measures. One of those measures is double weighted. So the areas of focus for our remediation plan here are really in the areas of meaningful use and chronic condition coding for ambulatory care sensitive admissions. For meaningful use we have been working very closely with Sal Guido and with our colleagues in IT as well as in FICA and Finance to ensure that there is a remediation plan in place.

For 2014 we've actually done quite well on our attestations for meaningful use and AIU. It was done on an extension deadline, so we got this completed by May 31st. That means that HHC benefits, and this had received something like $19,000,000 in payments for that performance, but the ACO's deadline was not able to be extended, so that work was done after the ACO's deadline of March 31st, and it couldn't count as credit for our 2014 performance.

For 2015 performance, Ms.Katz has been working with FICA and developed a list of priority ACO providers that's been communicated to medical directors, to local clinical leadership, and they've assured us that they are making every effort to get this done in advance of the March 31st deadline for the ACO PCP list.

Ms. Katz stated that plus also, which I think helps the ACO, by March 31st we need to submit hardship waivers due to certain measures until our clinical system meets all of the meaningful-use requirements. My office plans to have, with the help of FICA, but we plan to have all of the hardship waivers submitted before the end of March. That will include the ACO providers, but we are giving priority to all of the ACOs. We have been working to identify who they are. We will have all of that including the enrollments done by the deadline in March.

Ms. Cunningham stated we confirmed with CMS to the extent that waiver extension is granted that ACO performance will then be sort of protected.

Mr. Guido added that From an MU2 standpoint for eligible provider, eligible hospital, we have been on track with that as well with the ACO in there. We have created a website that actually shows each one of the eligible professionals if they have been registered, when they were registered, so that we can actually attest for that 90-day period of time.

We have been working very closely with Maxine on getting those professionals into that registry and getting them also registered with the State. We have also gone through a waiver for eligible professional for the last quarter of 2015, and that was just to push us out a little bit because the State was not able to take our attestations for those physicians during the time because their systems

were not operating properly, so we are in a very good position to realize the approximately $70,000,000 benefit that we will receive this year.

Dr. Barrios-Paoli said thank you very much. Mr. Martin added very good job.

Ms. Cunningham added that the other area of performance deficiencies for the ACO was in admissions for ambulatory care sensitive admissions, CHF, COPD and asthma. We believe that this was actually a product of the way in which we were documenting and coding these conditions. When you look at the prevalence of heart failures, COPD and asthma within our population relative to national benchmarks, we are at about 50 percent of where we would expect to be. We don't actually think our patients are two times healthier, so that leads us to believe there is a documentation-coding problem. So we have been working with the physicians to educate them on coding, particularly these mild forms of heart failure, COPD, making sure that that is in the problem list accordingly. We have actually created tailored reports for the clinicians to use that indicates these patients were coded in the past as having these conditions and need to be re-coded at their current visit if appropriate. So this is certainly under scrutiny by our office. Maxine has been very helpful here as well. The Corporation also works with DDDS through contracts with HealthFirst and MetroPlus to do widespread provider training and education in this domain.

Mr. McNulty continued and stated that if we can turn to page 15 of the Corporate Compliance report, DSRIP OneCity Health Compliance update, the Office of Corporate Compliance continues to work with the Office of Legal Affairs and its outside counsel and OneCity Health Leadership to continue to develop the DSRIP Compliance Program. For purposes of New York State law, the DSRIP Compliance Program is considered a risk area under the overall compliance program. The certification for the NYC Health and Hospitals Compliance Program took place in December by HHC President and CEO Dr. Raju. We also certified compliance with the Deficit Reduction Act, and that includes certification for DSRIP compliance activities. We continue to work with the greater New York Hospital Association, which has formed a DSRIP compliance work group on which consists of compliance officers from all of our colleague of hospitals, and we are collectively and collaboratively developing training programs for our DSRIP partners.

The Medicaid Inspector General, Mr. Matthew Babcock, who is in charge of compliance for the Medicaid Inspector General, he came down in January to have a discussion with us on the compliance program. There are eight elements and how we should go about meeting those eight elements, so it is in a constant state of flux, and we are revising our policies constantly with respect to DSRIP compliance activities.

If you turn to page 16, just briefly, Gotham Health Compliance update, I met with three Gotham Board members on January 28, Dr. Dolores McCray, Paul Covington and Herman Smith just to discuss Gotham Compliance Health activities. We will provide the Gotham Health Board with a compliance in March, the full board, in March or early April, and I'm also developing computer-based training for the Gotham Board members. Their training will be different than the NYC Health and Hospitals Board members because of different fiduciary duties and different compliance requirements.

If you turn to page 17, the Compliance Training Update, first I would like to say we developed compliance training for all Board members and all Board member designees, and I would like to say that Audit Committee Chairperson Emily Youssouf and President and CEO Dr. Ramanathan Raju both successfully evaluated and successfully completed the training. We are now rolling this out that the training will be available on iPads for all Board members, and EITS is working very closely with the Chairperson's office to make sure that takes place very shortly, but the training covers overview on compliance at NYC Health and Hospitals, and it also covers Board member compliance responsibilities, specifically their fiduciary duties under duty to care and duty to loyalty and their duties under the Public Authorities Accountability Act. It also discusses relevant federal and state law, the Stark Law, Anti-Kickback, False Claims Act, Civil Monetary Penalty Law, HIPAA, conflicts of interest and compliance with the CYB regulations, principles of professional conduct and code of ethics, record management activities and HHC ACO compliance program.

Our status update with respect to training corporate-wide of physicians, we train physicians, general workforce and general workforce of group 11 employees and group 12 employees that are designated by group 11 supervisors. We also train all healthcare professionals, and healthcare professionals we deem as any individual that's licensed under Title 8 of the Education Law. With respect to the healthcare professionals' module, we have 82 percent complete corporate-wide, with respect to the physician module, 77 percent complete corporate-wide. In general workforce, which we just rolled out in October, we are at 48 percent, so we expect that to come up very quickly.

I sent out a memorandum to all healthcare professionals this week, and my staff is working very closely with all the executive directors at the facilities and all the chiefs of services to ensure that these numbers go up. The deadlines for the physician module and the healthcare professionals' module is February 29th. By close of business, we need to be around 98, 99 percent for both of

those modules. The general workforce module, because we just rolled that out, we are going to give them more time to complete. That concludes my report if there are no questions from the Committee.

Dr. Barrios-Paoli thanked Mr. McNulty and asked if there were any questions. Hearing none, the Chair called for the executive session to convene.

In open session, Mr. Russo stated that during the executive session the Committee heard about confidential investigations that are being conducted by our Chief Compliance Officer.

Capital Committee – February 11, 2016
As reported by Ms. Emily Youssouf

Senior Assistant Vice President's Report

Roslyn Weinstein, Senior Assistant Vice President, Operations, advised that the one action item on the agenda would be for approval of a sublease and subsequent development project at Draper Hall on the NYC Health + Hospitals / Metropolitan campus. Ms. Weinstein noted that a Public Hearing had been held in early January and that a power point, presented at that Public Hearing, was included in the Capital Committee package.

Ms. Weinstein provided an update on space for the Assertive Care Treatment (ACT) Team at NYC Health + Hospitals / Kings County, for which the committee had approved a lease extension at the January Capital Committee meeting. She explained that appropriate space had been identified within the facility and when it was ready to be occupied the program would end its lease of space at 2619 Atlantic Avenue and would move into the location on site at the hospital. Ms. Youssouf thanked Ms. Weinstein for the quick follow-up and successful outcome of the search. Ms. Weinstein said that Kings County staff should also be thanked, as they did much of the work.

Ms. Weinstein reviewed the tracking dashboard for Federal Emergency Management Agency (FEMA) funded projects. She noted that the only item that was tracking in red (behind schedule) was the Memorandum of Understanding (MOU) between NYC Health + Hospitals and the Economic Development Corporation. She explained that the execution of the MOU was later than the anticipated date for completion but was not holding up any part of any of the projects. Ms. Weinstein advised that a kick-off meeting for the Critical Services building at NYC Health + Hospitals / Coney Island had taken place and user groups were being held, so that project was moving forward.

Ms. Youssouf asked who participated in the user groups. Ms. Weinstein said that a cross-section of facility personnel were involved; Operating Room (OR) staff, dietary staff, etc. In general, she said, staff that would be operating within the space being designed.

Ms. Weinstein said she felt that the architectural firm was doing well, and were very organized, and Central Office was keeping involved to be sure that projects were moving forward on time, within budget and being designed to budget.

Ms. Weinstein announced that NYC Health + Hospitals had been asked to present to the City Council on February 23, 2016, to discuss how well the projects were going and how the funding was holding up. She said that Northwell would be in attendance as well, with whom Health + Hospitals was building the core lab building on Little Neck Parkway, to discuss FEMA projects that they were working on in Staten Island. Health + Hospitals had an active part in the design of the lab building and were participating to ensure that the site would be workable, automated, and energy efficient. This is a collaborative project. Mrs. Bolus commented that materials distributed by Northwell did not mention Health + Hospitals. Ms. Weinstein said she was aware and had begun discussing that with Northwell.

Ms. Youssouf asked if information to be shared with the City Council was information that the Capital Committee and Board of Directors had already seen. Ms. Weinstein said yes. She noted that final construction and completion of major projects was five years out but there were a number of resiliency projects that had been completed to date that had already strengthened Health + Hospitals; i.e., raising critical equipment to higher elevations, and so that information would also be shared. We want to highlight that the dollars that have spent so far have already made a difference, said Ms. Weinstein.

Ms. Youssouf thanked Ms. Weinstein for moving ahead on time and on budget.

Ms. Weinstein provided an update on the Mayoral Primary Care Site initiative, including an outline of the $12 million budget for the six (6) sites located within Department of Health (DOH) buildings, and the anticipated schedule for those sites. She explained that

Health + Hospitals was meeting with the Office of Management and Budget (OMB) to discuss additional funds for the lease sites in which Health + Hospitals planned to provide services. She said that meetings were ongoing with DOH to discuss construction and coordinate timing as well as services, with both parties working to ensure that each are providing unique, necessary services.

Ms. Youssouf asked if the square-footage for DOH space had changed. Ms. Weinstein said no, we had asked for more but they had plans for it.

Ms. Youssouf asked if discussion had begun regarding signage. Ms. Weinstein said yes, that topic was being investigated; whether there were restrictions or requirements that would impede anything.

That concluded Ms. Weinstein's report.

Antonio Martin, Executive Vice President, thanked Ms. Weinstein for taking on this project and working so diligently.

ACTION ITEMS

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute an amendment of the December 24, 2014 sublease with Draper Homes Housing Development Fund as nominee for Draper Hall Apartments LLC ("Tenant I") to provide for the return to NYC Health + Hospitals of approximately 15,150 square feet included in such lease (the "Draper II Site") on the campus of Metropolitan Hospital Center and to simultaneously execute a sublease with Draper Family Housing Development Fund Corporation or such other housing development fund company as shall be approved by both NYC Health + Hospitals and the New York City Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Gilbert on First LLC (in such capacities being referred to together with the HDFC as "Tenant II") of the Draper II Site for a term of 99 years, inclusive of Tenant II options for the development of a 14 story structure on the Draper II Site with approximately 131 apartments for low and moderate income individuals and families at a rent payable to NYC Health + Hospitals of not less than $75,000 per year.

Jeremy Berman, Deputy General Counsel, Legal Affairs, read the resolution into the record. Mr. Berman was joined by Roslyn Weinstein, Senior Vice President, Operations, and John Jurenko, Acting Senior Vice President, Intergovernmental Relations.

Mr. Jurenko advised that the project would be the fourth development project with SKA Marin, to develop affordable and supportive housing. This project was for 131 units comprised of a mix of studio apartments, one, two and three bedroom units. He noted that Health + Hospitals had been working with the local Community Advisory Board throughout all phases of the project, and that the Public Hearing had been held in early January. He explained that there had initially been concerns about the value of the lease but questions had been answered and he believed that concerns had been assuaged.

Ms. Youssouf asked for an overview of the income level structure for the development. Mr. Jurenko explained that thresholds were based on percentages of Area Median Income (AMI) and directed the Committee to page seven of the power point presentation included in the package. The presentation outlined the number of available units, per size (studio, one, two and three bedroom) at various AMI percentages that would be available. For example, there were 33 units available to individuals making 47% AMI, ranging in price for each size; $670 for a studio, $720 for a one bedroom, $871 for a two bedroom, and $1,000 for a three bedroom. The same breakdown was provided for those making 57% AMI, 80% AMI, 100% AMI, and 130% AMI.

Ms. Youssouf asked if the presentation was the same as that presented at the Public Hearing. Ms. Weinstein said yes.

Ms. Youssouf asked if there were plans to reserve units for Health + Hospitals patients or staff. Ms. Weinstein said no. Mr. Jurenko added that there was also nothing excluding our patients or staff.

Jonathan Buetler, Director, Mixed Income Programs, Housing Preservation Development (HPD) came to the table. Mr. Buetler explained that the project was being financed under the Mix and Match program and from the underwriting and financial information provided, complied with the Mix & Match program requirements for funding by HPD. So, Ms. Youssouf noted, funding is in place, and the community has been satisfied.

Mrs. Bolus noted that there had been an issue with the CAMBA housing development at NYC Health + Hospitals / Kings County, where Health + Hospitals staff missed the income threshold by a dollar or so and therefore did not qualify for the housing. Mr. Berman explained that this development was aligned with a higher income threshold in mind and would hopefully be able to accommodate the types of individuals that made too much for CAMBA requirements. This development aims for a slightly higher

tenant population, he said. Mrs. Bolus said she was thinking of the Health + Hospitals retirees that do not make enough to live off of but are being excluded by low income thresholds.

Ms. Youssouf asked if there were ranges in place when it came to AMI. For instance, does the 47% AMI range to 50% and the 57% AMI range extends to 60%. Mr. Buetler said yes. Ms. Youssouf told Mrs. Bolus that those larger income bands would hopefully assist in accommodating more individuals. Ms. Youssouf also noted that ranges would adjust as AMI adjusted of the years. Mrs. Bolus said she understood but wanted to be sure that Health + Hospitals retirees, with low salary and/or low pensions, would be able to afford housing. Ms. Youssouf said she understood.

Dr. Lilliam Barrios-Paoli asked if housing would be determined by lottery. Mr. Buetler said yes, there would also preferences that were applicable for both Community Board residents and City workers. So, asked Ms. Barrios-Paoli, our employees and retirees will be given preference. Mr. Buetler said yes.

Ms. Youssouf asked whether the preferences would remain in place being that the Supreme Court had recently ruled in opposition to preferences being permitted in similar housing situations. Mr. Buetler said that at present they were still considering the preferences as a benefit but acknowledged that could change.

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

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

Community Relations Committee – February 9, 2016
As reported by Josephine Bolus, RN, NP

Chairperson's Report

Mrs. Bolus welcomed Committee Members and highlighted key HHC events that occurred since November 10, 2015 meeting. She reported the following:

- Mrs. Bolus thanked the staff at each and every facility who demonstrated their commitment and determination to care for patients during last month's blizzard. Mrs. Bolus added that in spite of over two feet of snow, impassable roads and mass transit disruption staff was there and was prepared.

- Mrs. Bolus recognized the extraordinary leadership and dedication of former colleague and leader, Ms. LaRay Brown. Mrs. Bolus publicly thanked her for her commitment of over the past 29 years to NYC Health + Hospitals and for her contributions to the Community Relations Committee. Mrs. Bolus noted that Ms. Brown is now the President and Chief Executive Officer of Interfaith Hospital in Brooklyn. She added that with her appointment, Ms. Brown becomes the first African-American woman to lead a voluntary hospital in New York City.

- Mrs. Bolus announced that many CABs will be hosting their annual Legislative Forums to hear from their local elected officials and educate them about NYC Health + Hospitals issues. Mrs. Bolus noted that the Metropolitan CAB held their Legislative Breakfast on Thursday, February 4th. Mrs. Bolus added that the event was well attended.

Before concluding her remarks, Mrs. Bolus asked for a moment of silence to pause and recognize the passing of Agnes Abraham. Mrs. Bolus added that Ms. Abraham was an outstanding community leader and educator; serving memorably as Chair of the Council of Community Advisory Boards, as well as the Kings County CAB. Mrs. Bolus noted that Ms. Abraham was a uniquely thoughtful, eloquent and determined advocate for Kings County Hospital, for Brooklyn, for patients everywhere and for NYC Health + Hospitals.

Mrs. Bolus turned the meeting over to Mr. Antonio Martin for his remarks.

President's Remarks

Mr. Antonio Martin greeted Committee members and invited guests. He echoed Mrs. Bolus' words on Agnes Abraham. He reiterated Ms. Abraham's commitment to not only the hospitals in Central Brooklyn but also to the entire system.

Mr. Martin applauded NYC Health + Hospitals staff for their work during the blizzard. He added that he was very impressed and proud of the number of staff that stayed and worked two, three or four shifts, neglecting their family so as to take care of the

patients. Mr. Martin noted that there was a number of celebrations at all the facilities to thank the staff for their efforts. He gave a big shout out to the staff for making him so proud.

Mr. Martin reported that the first stage of the selection process for three Service Line Senior Vice Presidents and a number of Executive Directors positions has been completed. The candidates have been vetted. In addition, a number of the service line candidates and potential executive directors have gone to their second phase of interview and will be scheduled to see him and Dr. Raju in the next week or so. Mr. Martin thanked present Committee members that have participated in the process for their input and attention to the process.

Mr. Martin concluded his remarks by highlighting that the process is an opportunity to bring a lot of new leadership at one time in order to achieve Dr. Raju's 2020 Vision.
Mrs. Bolus introduced Mr. John E. Jurenko, Jr., Interim Senior Vice President for Corporate Planning, Community Health and Intergovernmental Relations and asked him to present the Senior Vice President Remarks.

Legislative Update

Federal Update
Mr. John Jurenko reported that MedPAC, Medicare Payment and Advisory Commission has recommended reducing payment rates by 10% for 340B hospitals' Part B drugs. He informed the Committee that the role of the Medicare Payment and Advisory Commission is to advise the US Congress on issues affecting the administration of the Medicare program and on ways to change Medicare spending. The 10% reduction, estimated $300 million in program savings, would be redistributed to the Medicare uncompensated care pool. Mr. Jurenko reminded the Committee that the 340B allows Health + Hospitals to save $25 million yearly for inpatient pharmaceuticals discounts. Therefore, a 10% reduction could translate to a loss of $2.5 million for Health + Hospitals.

Mr. Jurenko reported that the President's budget released today (currently under review)
- May include proposals to generate savings in the Medicare and Medicaid programs (e.g., Medicaid DSH cuts and reductions in hospital funding)

Budget proposals now go to Congress. With increased estimates for the cost of federal health care programs, a Republican-controlled Congress may adopt some of them. A short session due to the elections, however, may result in few legislative initiatives this year.

The 340B was expanded under the ACA and has seen a stark rise in the number of covered hospitals over the past decade. One-third of all hospitals now participate, and the Government Accountability Office has estimated that 40% of hospitals are eligible. According to MedPAC, the 340B-covered entities spent more than $7 billion on drugs under the program in 2013, three times what was spent in 2005.

AHA said "We are disappointed MedPAC has ventured so far afield from their mission, especially in the face of such strong opposition by several commissioners. Making a recommendation that penalizes hospitals for their participation in a non-Medicare, public health program that is designed to increase patient access to care is outside of MedPAC's scope, and is inappropriate." MedPAC's core mission is to make recommendations re: Medicare, which is administered by CMS but 340B is a separate program administered by HRSA.

State Budget Update
Mr. Jurenko reported that Governor Cuomo's Executive Budget includes 3.4% Global Medicaid Cap increase, which does not equate to rate increases
- Proposes $541 million in health savings and $541 million in investments
- Funding Continued for Financially Distressed Safety Net Hospitals
- Exclusion Continues for Hospitals Run by Public Benefit Corporations

Global Cap is tied to 10 year rolling average of the medical CPI. Savings includes managed care profit cap, pharmacy reductions, LTC transportation carve out, early elective delivery penalty. Investments includes VAP, VAPAP, breast cancer screening, HIV ETE

DSH Funding Preservation
Mr. Jurenko reported that the Disproportionate Share Hospital (DSH) funding that NYC Health + Hospitals receives for serving indigent patients is at risk

- Current federal law requires that there be cuts to DSH funding allocated to states beginning in Federal Fiscal Year 2018 (October 1, 2017). States that do not target DSH funding to "high indigent care providers" will be most vulnerable to these cuts.
- Unless NYS puts in place changes to criteria used for eligible hospitals and the formula to distribute DSH funds before October 1, 2017, it could lose federal DSH funds
- NYC Health + Hospitals would be the first to be cut because of language in current NYS law concerning funding distribution

▪ Action Needed: Legislation is needed to change the current definition of a safety net hospital. Additional legislation is needed to target DSH funding and eliminate restriction of NYC Health + Hospitals being last to receive funds.

State Indigent Care Funding Distribution

- NYC Health + Hospitals, the single largest provider for uninsured New Yorkers, does not receive its fair share of NYS indigent care funding
  - NYS distributes $3.5 billion/year to nearly all hospitals (50% federal)
  - Voluntary hospital pool equals $1 billion (state only funds)
  - Public hospital pool is $139 million
  - $96 million is specifically dedicated to NYC Health + Hospitals
- NYC Health + Hospitals can only receive additional indigent care funding after all other public hospitals receive funds to support their losses incurred for serving indigent (Medicaid and uninsured) patients. Example – additional funding decreased from $376 million to $278 million.
- Action Needed: This inequity must be fixed. Indigent care funds must go to the safety net hospitals that serve a disproportionate number of indigent patients.

Limits & Exemptions on Funds

- Over the last two years, NYS provided new funds to hospitals to offset shortfalls from providing primary and preventive care to indigent patients.
- Two years ago, NYC Health + Hospitals applied for $213 million in Interim Access Assurance Funding but received only $152 million
- Last year, NYS awarded Vital Access Provider funding to hospitals and NYC Health + Hospitals received none of this funding.
- New funds appropriated in Governor's Executive Budget.
- Action Needed: Language barring NYC Health + Hospitals from receipt of these funds needs to be eliminated. Funding must be awarded based upon losses incurred in primary and preventive care to indigent patients and for losses incurred in serving special needs populations

Mr. Jurenko reported that NYC Health+ Hospitals lose more than $360 million in primary and preventive care services provided to indigent patients. Mr. Jurenko noted that it is estimated that we lose more than $472 million/year serving patients with co-morbidities, developmental disabilities, serious and persistent mental illness, substance abuse disorders, and those who are homeless or unstably housed.

City Update

Mr. Jurenko reported that the Mayor released its Preliminary Budget last month. He added that it contains $337 million in new support for NYC Health + Hospitals. He also reported that the City Council will hold its Preliminary Budget Hearing on March 28th.

Mr. Jurenko announced that the City Council Recovery and Resiliency Committee Hearing on NYC Health + Hospitals Efforts post-Superstorm Sandy is scheduled for February 23rd. Ms. Roslyn Weinstein, Senior Assistant Vice President, will provide testimony with other partners from EDC and the Mayor's Office of Recovery and Resiliency.

Ms. Carmen Velazquez from Metropolitan Hospital CAB asked about the type of drugs covered under the 340B Program. Mr. Jurenko answered that the program covers all drugs on the inpatient side at a discount. As such, NYC Health + Hospitals saves 15% over group purchasing rates. He noted that Health + Hospitals spend more than $100,000 million on pharmacy across the system each year with 3,000,000 prescriptions for uninsured individuals.

Mr. Bobby Lee, Bellevue CAB member, observed on the DSRIP side that the voluntary hospitals, who are also very profitable are the ones going after poverty money. He would like to know if it is something that could be mentioned in their advocacy efforts. Mr. Jurenko answered that it could certainly be part of his own advocacy effort not on the DSRIP side, but on the Disproportionate Share Hospital side. Mr. Jurenko explained that NYS distributes these funds more or less proportionately not disproportionately. He noted that the formula dated from 1983 and that very minor changes have been made since then. It only goes down 2.5% based on the number of qualified patients being seen. Logically, the dollar should follow the patient; however, in this case, 92.5% of the dollar are distributed based on formula, not based on patient utilization.

On the DSRIP side, based on the proposals the hospital performing provider systems (PPSs) sent in, they are given a certain level of attribution based on their partners and what their workload would be. Mr. Jurenko stated that most facilities across the State were very unhappy with their attribution. Health + Hospitals put in a plan for 1.6 billion and were only attributed 1.2 billion.

Mrs. Bolus asked John to convene a small group to explain in more details. John answered that he is scheduled to be at many of the facilities' legislative forums and that he will be more than happy to talk individually with staff at that time. He also promised to share another detailed slide on DSRIP.

Community Advisory Board (CAB) Annual Reports

NYC Health + Hospitals/Bellevue (Bellevue) Community Advisory Board

Mrs. Bolus introduced Ms. Lois Rakoff, Chairperson of Bellevue Hospital Center and invited her to present the CAB's annual report.

Ms. Rakoff began the Bellevue CAB's report by greeting members of the Committee, CAB Chairperson and invited guests. Ms. Rakoff highlighted the following key points and accomplishments:

- Bellevue continues to strengthen its behavioral health services, especially in the Adult and Child CPEP.
- May 2015, First Lady Chirlane McCray toured the Child CPEP and the Children's Partial Hospitalization Program and returned in November to announce a new city-wide program to screen all pregnant women for depression and new mothers for post-partum depression.
- Ms. Rakoff noted that Bellevue is the Flagship of NYC Health + Hospitals, provides inpatient and outpatient care to New York City's Correctional facility and most notable is the designated hospital for the President of the USA.
- Bellevue continues to make strides in improving the patient and family experience, especially in the ambulatory care clinics, where there had been vast improvements due to the hard work and dedication of the staff and Administration.
- The CAB passed 3 Resolutions:
  a. Opposition to Bellevue and NYC Health + Hospitals facilities to use styrene disposal products to serve food/drinks.
  b. Navigators to improve the patient experience.
  c. Voted against the support of S. 843 and H.R. 1571 on the two midnight rule and observation status.
- Bellevue continues to strengthen its surgical expertise in the areas of cardiothoracic, bariatric, breast and neurosurgery.

Ms. Rakoff concluded the CAB's report by informing members of the Committee the CAB received monthly presentation at the full board meeting on topics that such as: the sleep and dental clinic and a road map of how one can expect to receive services at Bellevue from the moment they walk through the door to completion of visit.

NYC Health + Hospitals/Gouverneur a Gotham Health Center (Gouverneur) Community Advisory Board

Mrs. Bolus introduced Donald Young, Chairperson of Gouverneur and invited him present the CAB's annual report.

Mr. Young began the Gouverneur CAB report by thanking members of the Committee for the opportunity to present the CAB's annual report and summarized the follow:

- Many of Gouverneur' s CAB members reached their term-limits and as a result the CAB have many new Board members who range in age from twenty seven to ninety one. Mr. Young noted that insomuch as the CAB lost several valued members, the CAB is with a stronger because the board better reflects the cultural diversity of the Lower East Side with a mix of backgrounds that enriches the Board. He added that the CAB also benefit from active participation from Gouverneur staff, patients, and residents. Mr. Young acknowledged the contributions of our Skilled Nursing Facility (SNF) representative, Ms. Lombardi who served the CAB until she recently passed away.
- Dr. Sullivan and the Gouverneur administration continues to make Gouverneur a valued member of the community.
- The CAB also co-sponsored several events in the community with MetroPlus, most notably the annual Back to School event that attracted several thousand people.
- An Open House was organized with MetroPlus that also attracted several thousand people to the Gouverneur.
- Other on-site activities included health lectures, presentations and an IDNYC pop-up center that is presently located on the first floor.

- Working with the Auxiliary, a Youth Market created and operated by neighborhood young people to provided fresh, locally-grown produce to the community. Mr. Young noted that the Youth Market was a success and that the facility is discussing opportunities to expand the market for next year with NYC Grow.
- The CAB is planning other activities with local community based organizations, healthcare associations, New York City agencies and elected officials.
- The CAB is committed to working with Gouverneur administration to achieve Dr. Raju's Vision 2020 goals.

Mr. Young concluded the CAB's report by informing members of the Committee, CAB Chairpersons and invited guests that the new Gouverneur Board feels energized and looks forward to working with Dr. Sullivan and all to achieve 20/20 Vision.

NYC Health + Hospitals/Coler Community Advisory Board

Mrs. Bolus introduced Gladys Dixon, Chairperson of Coler and invited her to present the CAB's annual report.

Ms. Dixon began her presentation by acknowledging Mrs. Bolus, members of the Community Relations Committee and guests. Ms. Dixon thanked the Committee for the opportunity to present the Coler CAB's annual report as noted below:

The CAB experienced leadership changes and challenges. The CAB is most appreciative of Floyd Long, Interim Executive Director, and William Jones, Sr. Associate Director and Community Advisory Board Liaison for their continuous support.

The Administrative Staff provided necessary information pertaining to the facility's operational initiatives and healthcare issues at the CAB's monthly meetings. Ms. Dixon noted that she continues to meet once a month with the Interim Executive Director.

Members of the CAB partook in the Annual Council of CAB Conference. Ms. Dixon noted that Coler CAB members appreciated the sharing of healthcare ideas and activities with other Health + Hospitals CAB and Auxiliary members. CAB members also participated in Outreach Programs such as; a Voters' Registration Drive, Roosevelt Town Hall and Seniors Flu program.

Ms. Dixon concluded the Coler CAB's annual report by thanking the staff of NYC Health + Hospitals Intergovernmental Relations for their support. Ms. Dixon added that the Coler CAB looks forward to a continuous working relationship in accomplishing the Dr. Raju's 2020 Vision.

NYC Health + Hospitals/Carter Community Advisory Board

Mrs. Bolus introduced Virginia Granato, Chairperson of Carter CAB and invited her to present the CAB's annual report.

Ms. Granato began the Carter CAB report by thanking members of the Committee for the opportunity to present and informing the Committee that she would like to share with them the following highlights:

- The Carter CAB continues to be involved with the facility and the community. Ms. Granato noted that last year the Carter CAB participated in the facility's voter registration drive, as result, several residents were registered to vote.
- The Carter CAB worked closely with Planning Board #11 on community zoning codes, housing and employment opportunity for summer students.
- The CAB's Patient Care committee met with the department heads concerning the results of the Press Gainey Report and the complaints from the residents about the food, laundry and fine dining programs. Ms. Granato noted that the department heads will continue to provide an updated report on the status of these programs.
- The Nursing department met with the CAB on several occasions to discuss staff training and the patient experience initiative. Ms. Granato noted the information was impressive and informative their staff training for the patient experience programs, the CAB looks forward to hearing more about the next level of training.
- The CAB participated in the Carter Branding Roll-Outs 2015, the event was a great success. Carter's executive leadership and a record number of Carter staff participated in red carpet display and a fun filled day of games, prizes and raffles.
- CAB members participated in the 46th annual African American parade in Harlem, Hank Carter, Chairman of Wheelchair Charity was the Grand Marshall. Ms. Granato noted that the staff were joined by Wheelchair Charities volunteers and Coler/Carter residents, who traveled in the parade route in their motorized and manual wheelchairs. She added that the parade had a viewing of over 60,000 people.

Ms. Granato concluded the Carter CAB report by thanking Floyd Long, Interim Executive Director and William Jones, Associate Director for their dedication and support.

NYC Health + Hospitals/Metropolitan (Met) Community Advisory Board

Mrs. Bolus introduced J. Edward Shaw, Chairperson of Metropolitan CAB and invited him to present the CAB's annual report.

Mr. Shaw began the Met CAB report by thanking members of the Committee for the opportunity to present. Mr. Shaw continued and acknowledged with gratitude, Jewels Jones, former Chair of the Metropolitan Community Advisory Board, Anthony Rajkumar, Executive Director of NYC Health + Hospitals/Metropolitan and CAB colleagues. The following overview was presented:

On Thursday, February 4th the Met CAB held its annual Legislative Breakfast. The CAB where honored Melissa Mark-Viverito, NYC Council Speaker and Ms. LaRay Brown, newly appointed President/CEO of Interfaith Medical Center. Mr. Shaw noted that the – two very distinguished individuals were lauded for their tremendous contributions to NYC Health + Hospitals, and the community.

The Met CAB is currently preparing for an upcoming community forum on PrEP/PEP and HIV prevention. Mr. Shaw added that last year, the CAB held a community forum to raise awareness of K-2, a synthetic drug that decimates our communities. He noted that the CAB also created and distributed throughout the community an educational booklet about the dangers of the drug.

Mr. Shaw concluded the Metropolitan CAB by stating "the Met CAB has been heavily involved in discussions concerning residential development projects around the hospital. The CAB continues to work closely with hospital administration and the staff to ensure that all projects improve and strengthen the hospital and its ability to serve the community."

Finance Committee – February 9, 2016
As reported by Mr. Bernard Rosen

Senior Vice President's Report

Mr. P.V. Anantharam informed the Committee that there has been some improvements in the Health + Hospital's financial status. Since December 2015, the cash on hand has improved significantly during the month of January 2016 in that some of the pending UPL and DSH supplemental payments were received which Julian John, Corporate Comptroller would update the Committee on the details of those payments. Corporate Finance is in the process of updating the financial plan that will reflect some improvements since the Adopted Budget. These improvements are primarily attributable to the City's forgiveness of H+H debt service and malpractice payments that reflect significant additions to the plan for FY 16. There were some improvements in the global FTE target since December 2015 in that there was a decrease that will discussed by Fred Covino later in the reporting. There were no significant changes in utilization since December 2015 and given that there are no significant changes from month to month going forward the reporting would be changed from monthly to quarterly. However, the report will continue to be included in the monthly Committee packet. The reporting was concluded.

Mr. John stated that as Mr. Anantharam reported H+H ended the month of December 2015 with a cash balance of $218 million. During the month of January 2016 there was an influx of payments for both DSH and UPL totaling $710 million, $538 million in DSH and $172 million in UPL. This was due largely to the efforts of Dr. Raju, Mr. Anantharam and Ms. Dehart for keeping the pressure on the City and State to ensure that those payments were processed timely. With the receipt of those payments, H+H ended the month of January 2016 with a cash balance of $512 million or 32 days of cash on hand. It is important to note that the receipt of those payments, H+H financial outlook remains tenuous in that $1.1 billion is expected for DSH and UPL payments by the end of the FY, and the cash balance is projected at $100 million by FY end.

Committee member Mark Page asked what the total DSH and UPL payments were for the current FY. Mr. John stated that the total is $2.2 billion.

Dr. Raju acknowledged the City's allocation of $336 million to H+H and CMS and the State for their assistance in moving those payments forward.

Key Indicators Report

Ms. Krista Olson reported that utilization through December 2015 was consistent with the prior month trends. Ambulatory care visits were down by 1% compared to last year thru the same period; acute visits were up by 1.5%; D&TCs were down by 3.1%. Discharges were up by 2.9%; nursing home days were down by 1.2%. The LOS, Coney Island remained 8/10 of a day above the

average while all of the other hospitals were within the corporate average. The CMI was up by 2.9% compared to last year. The reporting was concluded.

Cash Receipts & Disbursements Report

Mr. Fred Covino reported that as Mr. Anantharam reported earlier global FTEs decreased by 96 in December 2015 and another 82 FTEs in January 2016. This is reflective of a decrease in allowances and temporary staffing.

Mr. Rosen asked if that trend was reflective of some progress in meeting the targeted FTE reduction. Mr. Covino stated that it was reflective of the progress that has been made by the hospitals in meeting their targets. As a result of actions taken to expedite progress in this area, the centralized VCB will be reinstituted. However, there are significant actions that must be undertaken in order to meet the targeted FTE reduction by 6/30/16. The FTE targeted reductions by network/facility include 64 FTEs or 1.1% at North Bronx; Generations + 861 or 10%; South Manhattan 286 or 2.4%; NCB 197 or 2%; Southern Brooklyn 454 or 11%; Queens 92 FTEs or 1.2%. The Queens Network would present its global FTE reduction plan to the Committee later on the agenda. It would appear that the network target is attainable given that the Network's monthly attrition averages 50-60 separations each month.

Mr. Page asked what H+H's attrition rate is. Mr. Covino stated that it is 6%. Mr. Page asked whether full attrition for the remainder of the year would be attainable given that H+H has less than half year remaining in the FY.

Mr. Covino stated that achieving that target by year-end will be difficult; however, there are approximately 400 separations per month. Therefore, there is opportunity given that there will be some critical backfills.

Mr. Anantharam stated that to Mr. Page's point, it is apparent that H+H cannot rely solely on attrition to meet the targeted reduction and as part of the completion of the January Plan a closer review of the actions required for meeting the target in conjunction with a review of the critical hires that are needed and how to best accommodate those needs appropriately within the plan.

Dr. Raju added that the overall concept is that while H+H recognizes that achieving the target for this FY will be extremely difficult; however, a closer review of those separations will be undertaken to ensure that patient care is not compromised. Mr. Martin has been charged to take a judicious approach in approving those actions. Every effort will be made to achieve the target in conjunction with meeting the staffing needs required to meet the quality level of care to H+H's patient population.

Mr. Page asked if there is flexibility to move staff around to where there maybe staffing shortages and whether H+H can do that within the existing staff?

Dr. Raju in response stated that in order to respond to that question it would require input from labor relations as part of that process that would be undertaken.

Salvatore Russo, Senior Vice President and General Counsel, added that an assessment of the types of positions that are needed would be required in addition to the skill set of those employees who would be transferred to do those functions.

Mrs. Bolus asked if there is a cap on how long a position can remain vacant.

Antonio Martin, Executive Vice President & COO stated that H+H has been reviewing that issue and making an assessment of those types of vacancies. This process will continue as H+H moves forward with the VCB.

Mr. Rosen stated that it was important to note that attrition is random and is difficult to control which requires that H+H be judicious.

Mr. Page stated that the longevity of vacancies should be taken into account as part of the VCB review process, given that there is a level of unfilled positions in terms of the daily operations at any given time.

Mr. Covino stated that it is part of the criteria of the VCB that if a vacancy is over six months it must be resubmitted as a new position.

Dr. Raju stated that the Committee's point was well taken; however, there is an important aspect of the process that must be taken into account in deciding whether a position should be backfilled based on those criteria. There are some hard to recruit positions that take longer to fill due to various reasons, such as the salary level that may require some negotiating. However, there is a process that H+H will be undertaking to evaluate the replacement and backfill of those types of positions in conjunction with a review of temporary agency staffing in those instances in determining the best approach in backfilling those positions.

Dr. Lilliam Barrios-Paoli, Board Chair, added that it may be possible as part of the process to review cross-training of staff whereby there may be some staff that can be crossed trained to learn different skills that can provide an opportunity to move staff around or to promote employees as an incentive to take on additional responsibilities as part of the functions that would be needed as a result of those vacancies.

Mr. Page added that the work was probably being covered by other staff without the position being filled and perhaps that should be taken into account in terms of recognizing that an employee has taken on additional responsibilities and should be compensated accordingly.

Dr. Raju agreed that the Committee's recommendations were all valid and would be taken into account by Mr. Martin as part of the VCB process.

Mr. Covino continuing with the reporting stated that receipts were $35 million worse than budget while disbursements were $110 million worse. The details of those variances would be presented as part of the budget versus actual. A comparison of the current actual to the prior year for the same period, receipts were $382 million higher than last year due to an increase in grants, intra-city and DSH/UPL funds. Grants were up by $199 million due to an advancement from the City for collective bargaining of $173 million; $14 million for new intra-city and $7 million in new grants such as the EBOLA grants. DSH and UPL payments were up by $176 million due to the receipt of DSH payments. Inpatient receipts were up by $40.5 million. Expenses were $570 million higher than last year; personal services were up by $113 million due to an extra payroll of $92 million and an increase in FTEs. Fringe benefits were up by $17.9 million due to an increase in health insurances and welfare fund rates in addition to the increase in FTEs. OTPS expenses were up by $30.6 million due to the decline in the number of days in accounts payable from 69 compared to 57 to-date which is being extended to maximize discounts. City payments were up by $309 million due to non-payment to the city last year during this period compared to payments made for FY 14 during this FY. Going forward there will not be any payments due to the City for FY 16. Affiliation expenses were up by $47.4 million due to collective bargaining and new contracts. A comparison of the budget to actuals, inpatient receipts were down by $30 million; Medicaid fee-for-service was down by $7.3 million compared to the budget due to a decline of 986 discharges. The largest other decline was in "other" which included workers compensation; bad debt, no-fault, and managed care was down by $5 million. Outpatient receipts were down by $16 million across all categories while all other was up by $10 million due to appeals and settlements and miscellaneous receipts. PS and fringes were up by $35.7 million due to the level of increase in FTEs. OTPS expenses were up by $63.8 million in addition to the increase in the number of days in accounts payable and an increase in med surge supplies that were up by $17 million and pharmaceuticals were up by $16 million.

Mr. Rosen commented that it would appear that the increase is not related to an increase in ordering but rather an increase in the supply cost. Mr. Covino stated that it was a combination of both in that when the days in accounts payable are lower the cost is more current and a portion of the increase was due to that. However, for example, pharmaceutical costs have continued to increase year over year and more significantly over the last two years. Concluding the reporting, affiliation expenses were up by $6.7 million due to prior year payments.

Information Item:
Queens Network -- Wayne Zimmerman and Dona Green

Mr. Zimmerman, Interim Chief Executive Officer, introduced the team, Dona Green, Interim Chief Executive Officer, Queens Hospital Center, Alina Moran, Chief Financial Officer, Elmhurst Hospital Center, and Brian Stacey, Network Chief Financial Officer. As an overview, Mr. Zimmerman stated that the purpose of the presentation was to present the Network's plan for managing the global FTE reduction target and that Mr. Stacey would take the lead on the presentation followed by Ms. Moran. Both Queens and Elmhurst are challenged given the pending rollout of EPIC as the leading Network and every effort is being made to ensure that the rollout is successful. In addition to the EPIC rollout, Elmhurst is scheduled for JCAHO this year which poses another challenge in ensuring a successful completion of the survey. Those are the two major priorities for the Network that will be discussed in more detail in the presentation.

Mr. Stacey stated that the management of the global FTE target through December 2015 as a Network, expenses were $5.7 million less than the target and the expectations are that the Network will end the year under the target. As Mr. Zimmerman sated there are significant challenges that the Network has been addressing this year, however, the Network will continue its efforts to control expenses. As part of those efforts, best practices are shared across the two hospitals and Ms. Moran has partnered in that efforts that reflect similar approaches relative to the overall management of the budget and expenses. In terms of the budget, there are biweekly VCB meetings at the hospitals, chaired by the CEO, budget director, HR director, and CFOs. All requests for backfilled are reviewed at those meetings and prior to those meetings a lot of analytical work is done by the hospital's budget department that

the VCB Committee uses in its review of all hiring requests. The analyses include comparison of expense to budget and the target and projections on how many hires can be accommodated within the budget. In determining that number, there are various statistics that are reviewed such as the attrition rate; the average # of hires; return from leaves of absences, etc. and based on the impact of those factors, a decision is made on the # if any, of hires that can be done within the global cap. Using those parameters, the next step is to have each division with vacancies to provide a detailed justification for each vacancy request. Additionally, in conjunction with those analyses, the Network VCB reviews utilization, patient safety, regulatory requirement and the current staffing patterns for that department. All request for new positions must show some return on investment and as noted by the Committee earlier, the Network reviews the length of time a position has been vacant in determining whether a backfill is needed. There is a joint oversight Committee for the two facilities in conjunction with Mount Sinai, the Network's affiliate, the CFOs, CEO, and the leadership at Mount Sinai medical director and CFO in addition to the chief Administrator. Those meetings include discussions relative to the overall management of the contract and a complete review of Mount Sinai's financial position, whereby a review based on the affiliate's monthly financial statement that provides a status of their performance against the budget. Another significant part of that review are vacancies requests.

Mr. Rosen asked if Mount Sinai shares their financial statement with the hospital. Mr. Stacey responded in the affirmative and that the Network worked very closely with its affiliate. As part of the monthly review of the affiliate expenses, the Network has requested very specific monthly financial documents that must be submitted to the hospital and the same analyses required by the Network are also required of the affiliates. It is also important for the Network to define how positions are funded so as to avoid the need for additional funding. If there are new needs a review of all existing vacancies are conducted and where feasible dollars are move around to fund those critical needs. Those discussions are all conducted at the joint oversight committee (JOC). However, the final approval of all hires rest solely with the CEO of the Network/hospital.

Dr. Barrios-Paoli asked if there were synergies between the two hospitals in terms of staffing is that each hospitals is managed independently.

Mr. Stacey stated that as a Network there are some departments that are shared between the two hospitals. A number of the finance departments and the JOC are shared.

Dr. Barrios-Paoli asked if it is the same for affiliation staffing. Mr. Stacey that that it is the same for the affiliation and that the administration for the affiliation is the same for both hospitals. Another significant part of managing the global cap is controlling overtime expenses. The Network has used Breakthrough that has included various value streams. One of the significant one involved a cost reduction in terms of the finance value stream. This process included extending beyond finance to include hospital police and the engineering departments. The review includes an analysis of where and how overtime was being used to identify efficiencies that has resulted in a reduction in expense in those areas.

Mr. Page asked if the Network has a sense of what an ideal overtime level would be and making that determination is there a calculation on the overtime usage factoring in fringe benefits.

Mr. Stacey stated that the Network reviews overtime usage by the various departments and the various factors that result in overtime and there are many components that make-up that expense.

Dr. Raju asked if the question was whether there is a threshold beyond which overtime would be converted to an FTE given that the overtime usage has reached that level of a full time position.

Mr. Page stated that was the question, however, at some point zero overtime may not be the cheapest way to do it given that a person some overtime is cheaper than adding a regular full time staff.

Ms. Moran added that in response to Mr. Page's point some of those positions are related to other factors such as the staffing requirements that may necessitate the need to hire from a certification pool. There is no mathematical solution but is something that the Network will explore further.

Dr. Raju stated that the issue is somewhat complex relative to the fixed overtime. Given that there will a need for a fixed number of hours for overtime due to staff shortages, coverage and vacancies and variable overtime. However, overtime can be monitored to determine what the overtime needs would be based on various factors taken into account that there will always be some level of variability that would necessitate the need for overtime. Also from a patient safety perspective particular in nursing whereby nursing staff working too many hours poses a safety risk for the patients.

Ms. Moran added that in addition to what Mr. Stacey presented, the Network also reviews temp agency usage for non-nursing usage that include extensive reviews in this area that are conducted by both hospitals in terms of whether those positons can be eliminated or converted to full time staff. After an expensive review at each hospital, there were some positive outcomes. On the Elmhurst side $1.4 million was reduced in temp agency usage and at Queens, $1.3 million.

Mr. Rosen asked if those were annual dollars to which Ms. Moran responded that those were year-to-date dollars. Nurse staffing as Dr. Raju mentioned there are ongoing reviews of staffing levels to identify possible reductions in overtime and agency nursing in conjunction with utilization on each floor to ensure that from a patient safety perspective, the nursing staffing levels are sufficient. Regular meeting are held with the nursing departments and meetings with NASH on the analytics model by reviewing and collecting data to determine whether there are opportunities to reduce premium cost. There were some reductions in overtime at Elmhurst of $344,000 but there was an increase in the nurse registry due to staff shortages relative to leave of absences. At Queens there was a $368,000 saving. Some of the challenges that have occurred during the year included the SOARIAN financial implementation that took place in August 2015. As part of that implementation there are some nuisances in adjusting to the new system. Recently a Cerner consultant team was on-site at Elmhurst and is scheduled to go to Queens next week. The purpose of the site visit was to ensure that the hospitals were optimizing the system functions and to ensure that all of the issues were being addressed. Primarily the issue related to an adjustment to the new system after using the former system for than thirty years. The implementation of the ICD 9 to 10 in October 2015 impacted some changes to the staff and the number of codes and working with the clinical staff on documenting all of the requirements as part of the ICD 10 compared to ICD 9. Lastly, the Network as previously noted by Mr. Zimmerman earlier is scheduled to go live with EPIC in April 2016 which is a major component for the Network in that a significant amount of training is required for all aspects of the staff providers, nursing and clinical support staff. Across both hospitals, there are approximately 9,000 employees who are required to be trained. This will be a major challenge for the Network as it moves forward with these major systems implementations.

Information Technology Committee – February 11, 2016
As reported by Dr. Lilliam Barrios-Paoli

Chief Information Officer Report

Sal Guido, Interim Chief Information Officer, presented the Chief Information Officer Report. He stated that Ed Marx and Dr. Matthew Lambert would be speaking about the Epic go-live which is scheduled for 50 days from now at Queens and Elmhurst.

Mr. Guido addressed the report's Major IT Program Status Updates on a red-yellow-green color scale: Meaningful Use (Overall yellow, Budget green, On-Time yellow); Electronic Medical Record (Overall yellow, Budget green, On-Time yellow); Enterprise Resource Planning (all green); Radiology Consolidation (all green); and Data Sciences (all green).

The following initiatives were reported:

SOARIAN STRESS TEST RESULTS
Soarian stress testing was performed and Mr. Guido reported that it passed. This testing was very important because it showed that Soarian as our Revenue Cycle System could function in our full environment along with the integration into Epic.

IT STEERING COMMITTEE UPDATE
An IT Executive Steering Committee has been established which includes all Executive Directors from the facilities. The committee will allow new IT project requests to be approved only if they align with Dr. Raju's 2020 Vision or if they are necessary for regulatory or patient safety purposes. No other projects will be approved.

Dr. Barrios-Paoli remarked that this is good because we have a lot of new people coming in and we want to get them into the rhythm of our decision making.

Mr. Martin also stated his concern that with the Epic implementation we do not want to add any additional stress to the IT staff. It is his responsibility to decide which projects are unnecessary at this point and can be delayed.

IDENTITY IQ PROJECT ROLL-OUT
A new provisioning tool is being implemented which will automate the account management process for user access to the Health + Hospitals network, email and applications. Currently there are six different ways of achieving this and they are mostly manual. Using Identity IQ, Health + Hospitals will be able to consolidate into one system, automate it, and integrate it through our PeopleSoft Human Resources System. Several facilities already have the Identity IQ tool and the rest will be completed by the end of May.

Mr. Guido said Elmhurst and Queens Hospitals have it for their Epic implementation and to date, Woodhull, Jacobi, and North Central Bronx Hospitals and Cumberland Diagnostic & Treatment Center several have gotten Identity IQ with the rest of the facilities to be completed by the end of May.

CONSOLIDATION OF NYC HEALTH + HOSPITALS MOBILE AND DATA PLANS
Six months ago, Enterprise Information Technology Services (EITS) assumed responsibility for NYC Health + Hospitals telecommunications, both landlines and mobile. EITS is working with NYC Health + Hospitals three mobile device and data carriers (Verizon, AT&T) and Sprint) to consolidate their multiple contracts across the system. By consolidating these contracts, EITS anticipates savings in the range of $850,000.

Action Item:

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his delegate, to enter into an enterprise-wide agreement with Microsoft Corporation for renewal of software licenses and maintenance and support agreements in an amount not to exceed $38,439,048 (which includes a 10% contingency of $3,494,459) for a three year period.

Sal Guido, Interim Chief Information Officer, presented to the committee.

A PowerPoint presentation titled, "Microsoft Enterprise License Agreement" was given to the Committee members.

Ms. Lowe asked a question on how the 10% contingency was determined? Jeff Lutz responded that the 10% contingency is worked into any program to handle anything that is new and needed, such as applications. He said it is what we have used in the past. Ms. Lowe said that there is so much new demand with all the changes occurring. Mr. Lutz said this is one of the things that we want to pay close attention to, especially with the new demands and the need for our workforce to be mobile. He said that this is one of the nice things about this agreement – it gives us more flexibility. He said the license allows us to use it in multiple places immediately without additional costs.

Ms. Lowe asked a question as to whether this was the cap amount. Mr. Guido replied yes and stated that there is something for you to consider: as Microsoft brings more products to the market and as tech matures in the health care industry, we wanted to make sure that we have the dollars in place to take advantage of that. The contingency is for additional users or licenses that we might need over the next three years.

The resolution was approved for consideration by the full board.

Information Item:

Ed Marx and Dr. Matthew Lambert of Clinovations delivered a presentation entitled Board IT Committee Epic Status.

Mr. Martin asked that Mr. Marx explain the term EMPI for those members who might not know what the acronym stands for. Mr. Marx explained that it stands for Enterprise Master Patient Index. He said that EMPI makes sure that the patient's name matches for both clinical as well as billing purposes. This is very important for distinguishing patients who have similar or identical names.

Ms. Lowe asked if the Epic system will be used by our Performing Provider System (PPS) partners as well. She asked, how will this align? Mr. Guido responded that there are four hubs within the PPS and they are within our facilities. As we go live with Epic, the hubs will also.

Medical & Professional Affairs Committee – February 11, 2016
As reported by Dr. Vincent Calamia

Chief Medical Officer Report

Ross Wilson MD, Senior Vice President/Corporate Chief Medical Officer, reported on the following initiatives.

ACO
•The ACO reports to Medicare annually on 17 measures of clinical quality in the domains of care coordination/patient safety, preventive health, and at-risk populations. The 2015 process, which began in January and will conclude mid-March, draws upon data

extracted from medical records through IT reports and manual chart review. The ACO is currently engaged in significant activity to coordinate IT exports as well as to train and support quality management teams.

•NYC Health + Hospitals committed nearly $300,000 of its 2014 shared savings to an ACO Team Fund dedicated to the multidisciplinary teams that manage ACO patients. Each team submitted a proposal for the use of their funds, which was reviewed and approved by local and central leadership. Over the next two months, our care teams will participate in engagement and staff appreciation events, population health training, and workplace enhancement activities across the enterprise.

•The Q4 2015 Board Quality Assurance Committee performance improvement project focused on reducing avoidable ED visits and inpatient admissions for a panel of 200 high-risk patients per hospital. Now that the performance period has concluded, the ACO is working with hospital teams to collect, analyze, and evaluate process and outcome data, and prepare for presentations highlighting their findings from one of the most in-depth reviews ever conducted of high risk 'super-utilizer' patients.

Behavioral Health

•The Office of Behavioral Health is focusing on readiness for managed care and the start of HARP services as of January 1, 2016. The transformation efforts are focused on the following: Increasing ambulatory access in behavioral health, analyzation of high utilizer data to design interventions to reduce acute care utilization, readiness and implementation of HCBS services for HARP eligible patients, and integration of behavioral health and primary care services. These efforts are being coordinated with One City Health and DSRIP objectives. Transformation includes the work and involvement of Health Home and Ambulatory Care transformation.

•Improved adult mental health access: Over the past 6 months, our adult mental health practices have made a concerted push to improve their scheduling practices, measure their appointment access data more effectively. Nearly all practices are now able to track their access metrics in an automated way. Appointment wait times also fell during this period as well.

•The Office of Behavioral Health along with Ambulatory Care, Women's Health and Pediatrics is working on implementation of a process to screen for depression in pregnant women from prenatal through the postpartum aspects of delivery. This is part of the Mayor's Office city-wide initiative. NYC Health + Hospitals is one of the pilot systems to develop and implement the practice that will be spread across all city agencies. Pilots are focused at Elmhurst, Queens, and Coney Island and scheduled for February.

Office of Ambulatory Care Transformation (OACT)

•*M&PA, in collaboration with ambulatory care leadership at each of our sites, has developed (for the first time) a centralized database on primary care staffing and team structures.* This was launched in Adult Medicine two months ago, and has already enabled a range of centralized analyses and outputs, including for example: a comprehensive analysis of panel size across primary care; a way to calculate and refresh our staffing shortage; a database Metroplus can use to steer new members to the providers with more availability; and a centralized way to calculate performance incentives for our affiliate contracts.

•*In the Collaborative Care for Depression Program, Quarter 4 2015 results demonstrated significant improvement***.** The average percentage of patients of who showed clinically significant improvement in their depression increased from 17.7% in Q2/2015 to 44.7% in Q4/2015. The program also continues to maintain high screening rates: 90.7% of patients seen in adult medicine are screened for depression. This continuous improvement in patient care and outcomes can be attributed to strong collaboration and communication between OACT and facility teams, particularly around standardization of workflows across sites and utilization of data to drive high quality patient care.

•*249 staff across 15 of our 17 major primary care sites completed Team-Based Care Coordination Trainings facilitated by the Greater New York Hospital Association.* Care teams learned the fundamental, evidence-based concepts for building an effective care coordination process to achieve improved outcomes.

A consolidated Brooklyn call center for appointments is now live. As of December, patients calling four of our Brooklyn facilities for appointments or general questions reach a single, 24/7, multi-language, multi-site scheduling in place, with calls answered within 30 seconds. This was implemented at little/no incremental cost, and without any of our new enterprise IT systems. The purpose was to serve as a proof of concept that our business processes can be streamlined and simplified in a way to achieve better scale and enable better call center services. Similar consolidation efforts are planned in other boroughs over the next 6 months.

DSRIP

OneCity Health continues to move forward with implementing its selected clinical projects as part of New York State's Delivery System Reform Incentive Payment (DSRIP) program and is on track to distribute funds to partner organizations, beginning with Community Based Organizations (CBOs), in February. The details of our DSRIP planning is the subject of today's Board discussion; complete information is included in this meeting's information package.

IMSAL

Woodhull Operating Room Simulation to strengthen team work during an emergency (cardiac arrest prior to the commencement of surgery). Twenty-nine OR staff participated in the program. Using simulation methods including effective debriefing, and reinforcing prior Teamstepps training. Many issues were identified for attention from local leadership and staff.

This is consistent with the IMSAL approach of aligning the programs to the current practical needs of the particular facility or clinical area and delivering on those sites, as much as is possible.

Office of Population Health

•H+H received over $600,000 in funds from City Council to increase access to colorectal cancer screening. Sites will be utilizing these funds to increase access to colonoscopies for uninsured patients and to enhance patient education on the importance of screening.

•Health Leads program has screened over 10,000 families for social resource needs over the last 5 months. One of the most common resource needs was food-related and we are beginning to explore ways to streamline referrals to SNAP for our patients. A 6 month pre-post evaluation of the Health Leads program began in collaboration with researchers at NYU.

•Sites completed diabetes performance improvement projects over the last 3 months and H+H saw an improvement in diabetes control rates over this time period. Over the next few months, sites will be participating in hypertension performance improvement projects.

MetroPlus Health Plan, Inc.

Arnold Saperstein, MD Executive Director, MetroPlus Health Plan Inc. Presented to the Committee the total plan enrollment as of January 1, 2016 was 486,928. Breakdown of plan enrollment by line of business is as follows:

Medicaid	402,224
Child Health Plus	12,878
MetroPlus Gold	4,474
Partnership in Care (HIV/SNP)	4,498
Medicare	8,374
MLTC	974
QHP	15,796
SHOP	858
FIDA	187
HARP	7,563
Essential Plan	29,102

The January 1st Medicaid and Exchange (QHP) membership has changed significantly from the last report to this committee. All Medicaid Aliessa members and QHP members that have incomes between 138 and 200 percent of Federal Poverty level were transferred into the new product line, the Essential Plan (EP). Of the 29,102 EP members with an effective date of January 1, 2016, 50% represent transfers from Medicaid (14,743), 16% are transfers from QHP (4,898). The remainder are mostly new members.

The change in the total membership since the last report to this committee shows a growth of 10,000 members. The attached reconciliation report reveals an enrollment of 55,286 members (out of which 60% are new members to MetroPlus), and a disenrollment of 45,410 (out of which 53% were internal transfers to another MetroPlus product, and 47% were involuntarily disenrolled due to loss of eligibility, members moving out of the service area, etc).

Enrollment into the Essential Plan is ongoing year-round. Our staff has been working around the clock outreaching to thousands of members up for renewal and assisted those who had to verify their income eligibility via the NYSOH portal. The outreach efforts resulted in us reaching 89% of the target population. We received close to 18,000 payments over the last few weeks as a result of our outreach campaign.

It is important to note that the increase in the MetroPlus Gold membership from 2015 to 2016 (a total of 24% or 845 members) is comprised of increased enrollment of H+H employees, as well as enrollment from numerous NYC agencies including the Department of Social Services, NYPD and Department of Education staff.

When comparing the January 1, 2015 membership to that of January 1, 2016, we notice an overall increase of 5%. Individual line of business membership has fluctuated throughout the year as a result of new enrollment and various enrollment periods, introduction

of new products, transfers of members among product lines, and evidently disenrollments. We are continuing the aggressive marketing and retention campaigns we have embarked on in the recent months, and are also developing new initiatives and products to enhance growth this coming year.

In addition to focusing on membership, we have been working with multiple PPSs on the new Value Based Equity Infrastructure (EIP) and Equity Performance Programs (EPP) under DSRIP, as assigned by the Department of Health. The programs are still in the incipient set-up phase where each PPS is electing its deliverables. We will inform this committee as this project progresses.

We are also working with OneCity Health to identify a plan of action on how MetroPlus will help to administer the Patient Activation Measure (PAM) surveys within the H+H facilities.

A discussion between various associations and DOH took place earlier this week on the suite of managed care rate cuts in the Executive Budget. Most of the call was focused on the Medical Loss Ratio (MLR) proposal. Essentially, DOH looked at those mainstream plans in 2014 that had profits over 3.5% to come up with the proposed scoring of $62M in savings in the budget. It is their intention to apply the rate cuts through a minimum MLR or 89.5%, which they calculated as a 7% admin plus 3.5% profit/surplus allowance. DOH needs to hit the savings target, but they seem willing to work with the industry to come up with a reasonable implementation plan.

Information Items:

Christina Jenkins, MD Chief Executive Officer, OneCity Health Services presented to the Committee the DSRIP Planning + Implementation Update.

DSRIP program efforts are aligned with NYC Health + Hospitals' ongoing transformation. We will use the program to enable sustainability through growth, improved access to primary care, and improved patient experience. We are nearing the close of DSRIP Year 1 (DY1; April 1, 2015 – March 31, 2016) and are now implementing projects at site level. We will need a contracting strategy that positions us to increase our value-based purchasing arrangements. Right now, we will contract with DSRIP partners on basis of resource needs and contribution to meeting project/process milestones. To date, we have earned 100% of potential funding ($148M). Significant risk will be present through year 2020, Performance risk – mitigated by proper implementation planning, Reputational risk – mitigated only by transparency and engagement.

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

RAMANATHAN RAJU, MD
HHC PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
February 25, 2016

Good afternoon. As is customary, I will highlight just a few items from my report to the board. The full version is available to all here and will be posted on our website.

FLU SEASON DECLARED

Notice was received on February 11th from the NYS Department of Health that flu season has been officially declared in the New York region. It is imperative that all NYC Health + Hospitals personnel get vaccinated. It remains the best way to avoid succumbing to the flu and potentially carrying it to others.

Our VAX or MASK policy is now in effect. ALL employees who have not yet been vaccinated are required to wear surgical masks in their workplaces at all times. The flu can make individuals quite sick, often for several days. Many who are healthy adults may consider this a minor inconvenience – but the flu virus can be fatal to small children, the elderly, pregnant women, and to others with certain chronic conditions.

All NYC Health + Hospitals employees are urged to remember, "it's not about you." Don't place others in jeopardy just to avoid a momentary pin prick. Make the healthy choice, take the healthy action, and get vaccinated immediately. We want to be able to see ALL your faces at work.

COLON CANCER AWARENESS MONTH

March 1 is the kick-off for Colon Cancer awareness month nationally, and here at NYC Health + Hospitals. This observance offers a reminder of how important it is for our own employees to practice good preventive health care. Colon Cancer is one of the most frequently diagnosed cancers and a leading cause of cancer deaths. However, this disease is also highly preventable.

That's why our physicians performed approximately 22,000 colonoscopies in 2015, and why we helped nearly 6,000 New Yorkers decrease their cancer risk by removing polyps during the procedure.

Throughout March, we will be promoting colon cancer awareness in all of our facilities with posters, newsletter ads and postcards emphasizing that screening and early detection is the right choice for our patients and our staff.

CHIEF NURSING OFFICERS APPOINTED

Three new Chief Nursing Officers have joined our hospitals in the Bronx– Maureen Pode, RN, BSN, MA, at NYC Health + Hospitals/North Central Bronx; Suzanne Pennaccio, MSN, BSN, at NYC Health + Hospitals/Jacobi; and Lillian Diaz, RN, MS, MBA, at NYC Health + Hospitals/Lincoln. These highly trained professionals bring more than 100 combined years of nursing experience to our essential public health care system. We are delighted to welcome them, and look forward to their focus on enhancing overall quality of care, patient safety and improving the health care experience for both patients and their families.

NYC HEALTH + HOSPITALS/SEA VIEW ELI PICK LEADERSHIP AWARD

We have been notified by the American College of Health Care Administrators (ACHCA) that NYC Health + Hospitals/Sea View will be a recipient of the Eli Pick Facility Leadership Award. This is a distinction of significance. Fewer than 9% of facilities nationwide qualify for the award. Congratulations to Angelo Mascia and his Leadership Team.

STATE GRANT FOR PCMH IMPLEMENTATION INTO RESIDENCY PROGRAM

NYC Health + Hospitals /Metropolitan was recently awarded NYS Department of Health grant funding to support care models for improving coordination and quality of care across the health system, and to implement the Patient Centered Medical Home (PCMH) model into residency programs. This funding will allow Metropolitan to strengthen care coordination efforts, and improve health outcomes and patient experience by improving the ability to work seamlessly as a care team as well as make more timely and appropriate referrals to services in the community. Funding will allow expansion of work begun in 2012 with PCMH standards as a foundation to help explore new ways to better connect patients to community-based programs and services. The expanded funding will run through the end of the fiscal year.

TRANSLATION SERVICES VIA HOSPITAL PHONE

In January, Woodhull implemented a Dial 10 Concierge service, allowing non-English speaking patients to use their hospital phone and initiate a conversation in their own language with a patient representative. Although Cyracom and live interpreters are

extremely helpful health care team members, 98% of the time, they are used when our physicians or other staff want information from the patient. This "evens the playing field" by offering patients the opportunity to obtain information from us.

BLACK HISTORY MONTH

Our system has one of the nation's proudest and longstanding tradition of pioneering African American achievement in medicine and nursing.

NYC Health + Hospitals' activities celebrating Black History Month for 2016 included a ceremony sponsored by the Joint Labor-Management Committee at NYC Health + Hospitals/Queens featuring a keynote address by Dennis Walcott, former Deputy Mayor of New York City and Chancellor of the Department of Education, on historical and current insights about the journey of African Americans in the health care system.

The event featured enthusiastic staff engagement activities, including creation and performance of inspirational essays, poems and video selfies to answer the question, "What Black History Means to Me?" And, taking photos or selfies in-front of a banner with the quotations "I have a dream", "Black History is American History", Yes We Can", "Say it Loud! ", and "Live Your Healthiest Life".

And at NYC Health + Hospitals/Lincoln, a reception was held on January 21, 2016, to recognize Michael Kelly Williams, an artist whose work will be on display at Lincoln's Exhibition Hall until March 4, 2016, in celebration of African American Heritage.

JOINT LABOR MANAGEMENT PATIENT SAFETY FORUM

On January 28, 2016, the Corporate Office of Patient Safety and Employee Safety and the Committee of Interns and Residents (CIR)/SEIU Healthcare held a day long Joint Labor-Management Patient Safety Forum at Jacobi Conference Center entitled: motivational interviewing to Enhance Patient Experience and Safety.

Dr. Jonathan Fader, a nationally recognized expert in Motivational Interviewing was the keynote presenter. Dr. Fader offered clinical teams and frontline staff a presentation on the theory of motivational interviewing --- techniques to engage patients so they can sustain participation in managing their health to achieve physical, mental and social well-being. The teams were taught how to be patient-centered and use language to improve care, and enhance patient experience. The patient safety event was attended by 200 interdisciplinary team members (physicians, medical residents, nurses, dietitians, social workers, patient safety officers, etc.) and leaders from across NYC Health + Hospitals and our union partners from CIR/SEIU.

ZIKA UPDATE

Our Ebola and Special Pathogens "Tiger" Team has launched a Zika Information and Resource page on the NYC Health + Hospitals "Insider" Intranet website. This page includes links to travel advisories posted by the New York City Department of Health.

The page also links to current information on the virus from the Center for Disease Control, concerning symptoms, diagnosis, treatment and precautions for pregnant women, and women trying to get pregnant.

A Zika-related pregnancy travel warning flyer is being distributed throughout facilities in our system.

MUSIC & MEMORY PROGRAM FEATURED AT GRAMMY EVENT

Earlier this month The Fund for NYC Health + Hospitals' Music & Memory program was featured at a high-profile pre-Grammy event in Los Angeles, attended by several hundred prominent musicians, music executives and celebrities.

The Fund's Executive Director Joe Schick introduced attendees to Music & Memory, which provides customized music playlists to residents and patients with Alzheimer's, dementia, or traumatic brain injury. The program currently serves about 800 residents and patients at eight NYC Health + Hospitals facilities. The therapy powerfully establishes periods of personal connection through music that is both familiar and remembered in the brain, even among those with deep cognitive impairment. While the periods of connection may be brief, they regularly and dramatically improve quality of life for patients, families, and caregivers.

Awareness of Music & Memory is growing. Toyota Motor Corporation was an official sponsor of the Los Angeles event, and will soon launch a co-branded national call-to-action for used iPods to benefit the program.

The Fund partnered recently with the Bronx Documentary Center to create a brief, but very moving film about Music & Memory. All guests at the Los Angeles event received USB drives with a pre-uploaded copy of this movie, which was shot at NYC Health + Hospitals/Coler.

Let's take a few minutes now to watch:

Bryan-Michael Cox's annual pre-Grammy event brings together artists and executives and honors those making significant contributions to American music and culture. Mr. Schick served as one of the award presenters to DJ Khaled and Kawan "KP" Prather, Grammy winners and honorees. Mr. Cox, who has received seven Grammys for his work with artists such as Janet Jackson, Usher, and Mariah Carey, delivered the keynote address at The Fund's Music & Memory conference in October 2015, and was instrumental in making our program the official call-to-action for this year's pre-Grammy event, which he and others promoted actively through social media.

AMPUTATION SUPPORT GROUP AT HARLEM

The Rehabilitation Center at NYC Health + Hospitals/Harlem has launched an Amputee Support Group. This peer-led group is anticipated to be an important addition to the center's commitment to the total rehabilitation of patients who have suffered from limb loss.

SONG OF LOVE AT ELMHURST

On January 21, U.S. Representative Joseph Crowley performed a song in the Elmhurst pediatric clinic for patients and families.The event was held to highlight the Congressman's recording of a personalized song for Victor, an Elmhurst pediatric patient who has cerebral palsy. The song donation was made possible by the Songs of Love Foundation, a non-profit organization dedicated to providing personalized uplifting songs, free of charge, for children currently facing tough medical, physical or emotional challenges.

MODERN HEALTHCARE MAGAZINE TOP 25 MINORITIES IN HEALTH CARE

NYC Health + Hospitals President Dr. Ram Raju has been named to Modern Healthcare's "Top 25 Minority Executives in Healthcare" for 2016. Dr. Raju has committed his career to dismantling health disparities suffered by underserved and minority communities here in New York City and across the country. 2016 marks the third consecutive year Dr. Raju has received this biennial recognition.

ONECITY HEALTH

OneCity Health continues site-level planning and implementation for DSRIP clinical projects across the entire OneCity Health network:

As part of our integrated care management strategy, two project participation opportunities have been launched:

- A Project Participation Opportunity (PPO) has been distributed to help us identify community partners who may help create a seamless transition into the community by focusing on reducing modifiable risk factors for readmissions, which may be social, functional, clinical or systems-based.
- In order to expand care management services to New Yorkers who need more intensive services but do not qualify for the NYS DOH Health Home program, we also distributed a Project Participation Opportunity to the four (4) lead Health Home agencies in our OneCity Health Network.

Implementation of Project 11 and integration of palliative care into the Patient Centered Medical Home (PCMH) remain on a positive track at sites including a subset of NYC Health + Hospitals and community provider organizations.

Our asthma home-based self-management implementation work continues at both select NYC H+H and community partner sites.

As required by the NYS DOH, OneCity Health is surveying all partner organizations regarding two subjects:

- A baseline workforce assessment, which is being conducted by consultant BDO in collaboration with four (4) NYC Performing Provider Systems. We have engaged our labor partners in this effort to identify current workforce by NYS DOH-defined job titles, which is a first step in developing an engagement and training strategy to prepare our workforce for a more community-facing delivery system.
- The state also requires OneCity Health to assess the financial strength of its network and to develop a sustainability strategy. Later in February, we'll survey our DSRIP partner network in order to understand our current state.

To ensure responsiveness to New Yorkers who seek medical and social services through
NYC Health + Hospitals and partner organizations, OneCity Health has launched four new Consumer Advisory Workgroups, one for each borough-based hub. These workgroups seek to ensure that the perspective of the patients is incorporated into our DSRIP program work. Membership is comprised entirely of community residents who utilize the services of OneCity Health partner organizations, and also includes NYC Health + Hospitals Community Advisory Board members.

As part of the OneCity Health primary care strategy, an important foundational requirement is to achieve PCMH Level III status under NCQA 2014 standards as well as to achieve certain core competencies within the primary care setting, including ability to function operationally as a high-performing care team. For our non-NYC Health + Hospitals community partners, we have developed a contracting framework to achieve those goals and remain on-track to execute contracts in February. For NYC Health + Hospitals, we are proud that our sites are currently at PCMH Level III status and their primary care planning will continue under leadership of the Division of Medical and Professional Affairs with DSRIP funding as appropriate.

OneCity Health is working closely with community based organizations (CBOs) to distribute startup and ongoing funding for Project 11, which requires us to engage our uninsured patients, administer the PAM® survey as required by NYS DOH to assess their ability to self-manage their health, and to link them to insurance and primary care. They will be the first partners for funding distribution, which is expected to occur in March.

FEDERAL LEGISLATIVE UPDATE

President's 2017 Budget Proposes Medicare Funding Reductions/DSH Cut:

Earlier this month, President Obama released his Fiscal Year 2017 budget request to Congress. The Administration proposed nearly $420 billion in reductions to Medicare payments to providers over 10 years. The budget request would also reduce an additional $27.6 billion over 10 years for Medicaid and the Children's Health Insurance Program. Additionally, the budget would extend Medicaid Disproportionate Share Hospital (DSH) reductions another year to FFY 2026. If approved, the cost to NYC Health + Hospitals of this particular change could be as high as $462 million. We are working to educate members of New York City's Congressional delegation on the effect of the cuts and will be meeting with members and staff in Washington D.C. early next month.

CITY LEGISLATIVE UPDATE

On February 23 2016, Roslyn Weinstein, Senior Assistant Vice President for Facilities Development and Special Projects, testified at a joint oversight hearing of the New York City Council Committee on Health and Committee on Resiliency and Recovery on the recovery of the City's hospitals after Superstorm Sandy. Ms. Weinstein updated the members on what initiatives we have taken so far to protect our facilities from damaging storms as well as the timeline for all of the mitigation work that will occur. The Council asked questions regarding the budget, timeline and processes we have in place to ensure the work is done on time and on budget.

PROGRAM OF THE MONTH:
NYC HEALTH AND HOSPITALS/ HOSPITAL POLICE

As you know, each month we recognize a program that is making a positive difference in the care we offer our patients. Today we shine a spotlight on great work being done by our Hospital Police.

First impressions count.

And our officers are usually the first person patients meet when entering a hospital or health center. They set the tone for every interaction patients have with us after passing through our doors.

However, until last year, incoming officers did not receive training that was specific to the healthcare environment. They entered our system unprepared for daily life in a big city hospital or health center.

- - They lacked experience dealing with very sick or injured people
- - people suffering with mental illness, and
- - grief-stricken and distraught families.

Our officers must handle those situations not as the exception, but as the rule. Each and every day they are called on to balance firmness and authority, with compassion and kindness.

So last year, we changed our approach.

We established a new Hospital Police Academy, with a curriculum designed to teach officers how to be effective within the public hospital system. Now they are trained firsthand about the complexity and sensitivity of life inside a hospital. And this training is better-aligned with our goal of bringing excellence to patient experience.
Because, from day one officers are instilled in guiding principles that prioritize serving patients first.

They learn to treat all patients with dignity, even those who are agitated, or violent, or under arrest. They learn to act as patient advocates, as *well* as patient protectors.

I'm glad to say the Academy is off to a great start. 50 new recruits graduated from our first class in January. They are thriving in their new positions at facilities throughout our system.

A second academy class is planned for later this year, and we hope to expand the program so that other professionals will join the training team.

Our officers deserve this quality training, because they do a difficult---and often unrecognized---job. They maintain the safe and welcoming environment that patients and staff need.

So please join me in offering a round of applause for work well done by our Hospital Police leadership:

Joseph Sweeney, Senior Director of Hospital Police from NYC Health + Hospitals/Bellevue
Thomas Egan, Hospital Police, Director of Training from NYC Health + Hospitals/Bellevue
Juan Toranzo, Hospital Police Deputy Director of Training from NYC Health + Hospitals/Kings County

As well as the following officers:

Kristina McCollum and Shakima Muskelly from NYC Health + Hospitals/Kings County
Fitzroy Smith and Alex Clarke from NYC Health + Hospitals/Woodhull
Marcos Castro from NYC Health + Hospitals/Harlem

PERSON OF THE MONTH
THE REVEREND PAUL STEINKE

Although we are in the business of health care, we all know that treating illness, promoting wellness, and offering comfort to our patients involves more than medicine. Faith also plays a key role in what we do---and in what our patients experience every day.

We have a deep appreciation, and comfort level, with faith as an important element of health care. Today, we turn to a leader of our system who has toiled for many years, to bring the comfort of faith and spirituality to our patients.

I'm pleased to recognize Reverend Paul Steinke, Associate Director of Chaplaincy at NYC Health + Hospitals/Bellevue, as February's NYC Health + Hospitals Person of the Month.

Reverend Paul was ordained as a Lutheran minister in 1961. He has served with the Chaplaincy program ---which is celebrating an incredible 200 years of existence---since 2005. He is also supervisor of our Clinical Pastoral Education program which has trained chaplains to work throughout our system for the past 75 years.

It's impossible to adequately summarize a life devoted so richly to the service of others. However, in coming to know and admire Reverend Paul, I've been struck by his commitment to addressing social concerns—especially those surrounding the treatment of the mentally ill.

His strength and humility are reflected in the guidance he offers his chaplaincy students:

- - He teaches them to really listen to patients in order to hear the *"music behind their words"*, and understand what they need most…
- - He teaches them to avoid platitudes, and instead to offer a strong comforting presence at a patient's bedside.
- - He teaches them to be pastors who *"Go into the dark, with a light."*

Excellence in patient experience means using every tool at our disposal to make our patients feel better at some of the most difficult moments in their lives. And for many patients, no tool is as powerful as faith, for offering compassion, kindness, and strength…for treating our patients as we would want our own mothers, our own sons, our own daughters to be treated.

Paul's work has embodied this ethos. He is retiring next month, and he will be deeply missed. But his legacy will endure.

Please join me in thanking Reverend Paul and his wife Ann Williams.

Approved: February 25, 2016

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute an amendment of the December 24, 2014 sublease with Draper Homes Housing Development Fund as nominee for Draper Hall Apartments LLC ("Tenant I") to provide for the return to NYC Health + Hospitals of approximately 15,150 square feet included in such lease (the "Draper II Site") on the campus of Metropolitan Hospital Center and to simultaneously execute a sublease with Draper Family Housing Development Fund Corporation or such other housing development fund company as shall be approved by both NYC Health + Hospitals and the New York City Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Gilbert on First LLC (in such capacities being referred to together with the HDFC as "Tenant II") of the Draper II Site for a term of 99 years, inclusive of Tenant II options for the development of a 14 story structure on the Draper II Site with approximately 131 apartments for low and moderate income individuals and families at a rent payable to NYC Health + Hospitals of not less than $75,000 per year.

WHEREAS, there is an acute shortage of housing for low income residents in the City of New York; and

WHEREAS, pursuant to NYC Health + Hospitals' Board of Directors resolution adopted September 25, 2014 and subsequently approved by the New York City Council, NYC Health + Hospitals entered into a sublease dated December 24, 2014 with Tenant I to develop the existing Draper Hall and its surrounding grounds on the Facility's campus as housing for low income elderly and/or disabled individuals, with the review and approval of HPD; and

WHEREAS, the alterations of Draper Hall will be completed in 2017; and

WHEREAS, the Draper II Site is adjacent to Draper Hall, is currently undeveloped vacant land and will accommodate an additional structure but the terms of the December 24, 2014 lease do not permit such additional construction; and

WHEREAS, Tenant I wishes to release to NYC Health + Hospitals the Draper II Site; and

WHEREAS, Tenant II wishes to lease the Draper II Site from NYC Health + Hospitals to construct thereupon an additional structure consisting of approximately 15,150 square feet to hold approximately 131 apartments for low and moderate income individuals and families also under the review and approval of HPD; and

WHEREAS, the Corporation leases its real estate properties from the City of New York under the 1970 Operating Agreement between the Corporation and the City of New York thereby technically making any further lease of such properties by the Corporation to a third party a sublease; and

WHEREAS, a Public Hearing was held January 5, 2016, in accordance with the requirements of the Corporation's Enabling Act, and prior to execution, the sublease will be subject to approval of the City Council and the Office of the Mayor.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") is authorized to execute an amendment of the December 24, 2014 sublease with Draper Homes Housing Development Fund as nominee for Draper Hall Apartments LLC ("Tenant I") to provide for the return to NYC Health + Hospitals of approximately 15,150 square feet included in such lease (the "Draper II Site") on the campus of Metropolitan Hospital and to simultaneously execute a sublease with Draper Family Housing Development Fund Corporation or such other housing development fund company as shall be approved by both NYC Health + Hospitals and the New York City Department of Housing Preservation and Development (the "HDFC") as nominee for Gilbert on First LLC (in such capacities being referred to together with the HDFC as "Tenant II") of the Draper II Site for a term of 99 years, inclusive of Tenant II options for the development of a 14 story structure on the Draper II Site with approximately 131 apartments for low and moderate income individuals and families at a rent payable to NYC Health + Hospitals of not less than $75,000 per year.

Approved: February 25, 2016

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his delegate, to enter into an enterprise-wide agreement with Microsoft Corporation for renewal of software licenses and maintenance and support agreements in an amount not to exceed $38,439,048 (which includes a 10% contingency of $3,494,459) for a three year period.

WHEREAS, NYC Health + Hospitals uses a wide array of Microsoft software products and Enterprise Information Technology Services ("EITS") is required to procure the licenses and software maintenance and support needed to run this software; and

WHEREAS, the current Enterprise Agreement with Microsoft expires on March 31, 2016, and therefore renewals are required for the licenses and maintenance and support agreements to cover the Microsoft products currently in use across NYC Health + Hospitals; and

WHEREAS, the Office of Legal Affairs has determined that, under Operating Procedure 100-5, Article XII(F), neither Contract Review Committee (the "CRC") nor Board of Directors review and approval is required for these renewals; however, in view of their substantial cost, EITS wishes to obtain Board of Directors' approval to enter into such renewals; and

WHEREAS, the accountable person for these renewal agreements is the Senior Assistant Vice President/Interim Corporate Chief Information Officer.

NOW, THEREFORE, be it:

RESOLVED, THAT the President of New York City Health and Hospitals Corporation, or his delegate, be and hereby is authorized to enter into an enterprise agreement with Microsoft Corporation for software licenses and maintenance and support agreements in an amount not to exceed $38,439,048 (which includes a 10% contingency of $3,494,459) for a three year period.

RESOLUTION

Authorizing the President of NYC Health + Hospitals ("public health care system") to procure and outfit one hundred thirty-two (132) ambulances in Fiscal Year 2017 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount not-to-exceed $47.2 million.

WHEREAS, on January 19, 1996, the NYC Health + Hospitals and the City of New York (the "City") executed a Memorandum of Understanding ("MOU") allowing the transfer of the Corporation's Emergency Medical Service ("EMS") ambulance and pre-hospital emergency medical service functions to the Fire Department of the City of New York ("FDNY") to be performed by FDNY for the benefit of the City; and

WHEREAS, the MOU requires that the FDNY have access to and use of public health care system's property to the same extent that EMS had prior to the transfer; and

WHEREAS, a major portion of the public health care system's property used and maintained by the FDNY is the ambulance fleet formerly managed and operated by EMS; and

WHEREAS, to maintain an appropriate ambulance and pre-hospital emergency medical service, vehicles in the ambulance fleet must be periodically replaced when such vehicles have exceeded their useful life, requiring more than routine repairs and maintenance; and

WHEREAS, 132 vehicles out of the FDNY's active fleet of 460 ambulances have reached the end of their useful life and must be replaced at a cost not-to-exceed $47, 186,000; and

WHEREAS, the City provides the funding for ambulance replacement to the public health care system for allocation to the FDNY; and

WHEREAS, the City has allocated $30,683,000 in Fiscal Year 2017, and $27,710,000 in Fiscal Year 2018 in the NYC Health +Hospitals' Capital Commitment Plan, on behalf of the FDNY for the purpose of purchasing and outfitting ambulances; and

WHEREAS, sufficient uncommitted funds are available in the public health care system's Fiscal Year 2016 Capital Commitment Plan in fiscal year 2017 in the amount of $30,683,000, and fiscal year 2018 in the amount of $16,502,000 for this purpose.

NOW, THEREFORE, be it

RESOLVED, that the President of the NYC Health + Hospitals ("public health care system") is hereby authorized to procure and outfit one hundred thirty-two (132) ambulances in Fiscal Year 2017 on behalf of the Fire Department of the City of New York ("FDNY"), through City-wide Requirements Contracts for a total amount not-to-exceed $47.2 million.

EXECUTIVE SUMMARY
EMS AMBULANCES & INITIAL OUTFITTING EQUIPMENT
FISCAL YEAR 2017
FIRE DEPARTMENT OF THE CITY OF NEW YORK

OVERVIEW: The Fire Department of the City of New York ("FDNY") operates the public health care system's Emergency Medical Service ("EMS") program on behalf of NYC Health + Hospitals under a 1996 Memorandum of Understanding ("MOU"). The MOU requires the FDNY to operate and maintain the City's active fleet of 460 ambulances as part of the EMS program.

As part of the MOU between the NYC Health + Hospitals and the City of New York, the public health care system collects Medicaid funds for each fee-for service patient that is admitted to one of its facilities including transports through EMS based on a longstanding agreement between NYC Health + Hospitals and the New York State Department of Health. Included in the Medicaid funding arrangement with the State DOH is the depreciated value of the ambulances. The public health care system, in turn, reimburses FDNY through payments on a quarterly basis for the provision of ambulance services. The reimbursement represents EMS's pro rata share of Medicaid revenues of which depreciation on the ambulances is included.

NEED: Ambulances have an expected useful life of five (5) years and must be replaced after reaching the five-year period in order to maintain a high-performance fleet. The FDNY has advised the NYC Health + Hospitals that one hundred thirty-two (132) ambulances have reached the end of their useful life and need to be replaced. Finally, initial equipment must be purchased to outfit the vehicles for a total acquisition cost of $47,185,082 which includes the inspection fee and a ten percent contingency.

SCOPE: Procurement of one hundred thirty-two (132) ambulances and initial outfitting equipment.

COST: Not-to-Exceed $47.2 million (Non-HHC funds)

FINANCING: New York City General Obligation Bonds (No debt service impact to NYC Health+ Hospitals).

SCHEDULE: FDNY is expected to obtain the ambulances within 12 months and complete their outfitting within 6 months upon delivery of the ambulances.

NEW AUTHORIZATION FY 2017

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	$/Equipped Unit
Ambulances (Excluding Initial Equipment):							
Ambulance 4 x 4:	261,501	132	34,518,132	$3,451,813	$37,969,945	$287,651	
Total Ambulances:		132	34,518,132	3,451,813	37,969,945		
							Type I Ambulances
Initial Equipment for 119 Ambulances:							$343,570 BLS
BLS Initial Equipment	50,835	94	4,778,490	$477,849	$5,256,339	$55,919	$391,172 ALS
ALS Initial Equipment	94,110	38	3,576,180	$357,618	$3,933,798	$103,521	
Total Initial Equipment:		132	8,354,670	$835,467	$9,190,137		
Inspection Fee			$25,000	$0	$25,000		
Total			42,897,802	4,287,280	$47,185,082		
Total (Rounded)					$47,185,083		

BLS: Basic Life Support
ALS: Advance Life Support

Past Authorizations FYs 2016, 2014, 2012 and FY 2010

FY 2016 AMBULANCES

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	$/Equipped Unit
Ambulances (Excluding Initial Equipment):							
Ambulance 4 x 4:	258,001	77	19,866,077	$1,986,608	$21,852,685	$283,801	
Ambulance Rescue HazTac:	301,789	12	3,621,468	$362,147	$3,983,615	$331,968	
Total Ambulances:		89	23,487,545	2,348,755	25,836,300		
							Type I Ambulances
Initial Equipment for 119 Ambulances:							$363,869 BLS
BLS Initial Equipment	50,895	60	3,053,700	$305,370	$3,359,070	$55,985	$626,371 ALS
ALS Initial Equipment	93,300	17	1,586,100	$158,610	$1,744,710	$102,630	
Rescue HazTac Initial Equipment	289,533	12	3,474,396	$347,440	$3,821,836	$318,486	
Total Initial Equipment:		89	8,114,196	$811,420	$8,925,616		
Inspection Fee			$25,000	$0	$25,000		
Total			31,626,741	3,160,174	$34,786,915		
Total (Rounded)					$34,787,000		

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	$/Equipped Unit
Ambulances (Excluding Initial Equipment):							
Ambulance 4 x 4:	258,001	77	19,866,077	$1,986,608	$21,852,685	$283,801	
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Rescue HazTac Initial Equipment	289,533	12	3,474,396	$347,440	$3,821,836	$318,486	
Total Initial Equipment:		89	8,114,196	$811,420	$8,925,616		
Inspection Fee			$25,000	$0	$25,000		
Total			31,626,741	3,160,174	$34,786,915		
Total (Rounded)					$34,787,000		

FY 2014 Ambulances

	Unit Price	# of Units	Total	Contingency	Total	Per Unit	$/Equipped Unit
Ambulances (Excluding Initial Equipment):							
Ambulance F-450 4 x 2	211,624	35	7,406,840	$740,684	$8,147,524	$232,786	
Ambulance F-450 4 x 4:	212,824	35	7,448,840	$744,884	$8,193,724	$234,106	
Total Ambulances:		70	14,855,680	1,485,568	16,341,248		
							Type I Ambulances
Initial Equipment for 119 Ambulances:							$277,746 BLS
BLS Initial Equipment	40,272	49	1,973,328	$197,333	$2,170,661	$44,299	$322,552 ALS
ALS Initial Equipment	81,005	21	1,701,105	$170,111	$1,871,216	$89,106	
Total Initial Equipment:		70	3,674,433	$367,443	$4,041,876		
Inspection Fee			$25,000		$25,000		
Total			18,555,113	$1,855,511	$20,408,124		
Total (Rounded)					$20,408,000		

The City of New York

FIRE DEPARTMENT

9 METROTECH CENTER BROOKLYN, NY 11201-3857

Barry Greenspan
Director
Bureau of Fiscal Services Room 5W-4

February 11, 2016

Roslyn Weinstein
Senior Assistant Vice President
HHC, Office of Facilities Development
55 Water Street, 25th Floor
New York, NY 10041

Re: Request for HHC Board Resolution

Dear Ms. Weinstein:

This letter represents a formal submission, to be presented to HHC's Board of Directors at their next meeting. The FDNY hereby requests approval to purchase one hundred thirty two (132) ambulances of the below descriptions and quantities, plus initial equipment. Detailed initial equipment lists are attached.

Description	Unit Price	# of Units	Total	Contingency	TOTAL
Ambulance, 4x4	261,501	132	34,518,132	3,451,813	37,969,945
Total Ambulances		132	34,518,132	3,451,813	37,969,945
Initial Equipment:					
BLS Initial Equipment	50,835	94	4,778,490	477,849	5,256,339
ALS Initial Equipment	94,110	38	3,576,180	357,618	3,933,798
Total Initial Equipment		132	8,354,670	835,467	9,190,137
Inspection fee			25,000	0	25,000
Total			42,897,802	4,287,280	47,185,082
Total (Rounded)					**47,186,000**

Please be advised that the procurement process is performed in accordance with HHC's operating procedures and Procurement Policy Board rules. If you require additional information in order to secure HHC board approval, please contact me at 718/999-1221.

Thank you for your cooperation

Sincerely,

Barry Greenspan

encl.

c: Stephen G. Rush, FDNY
James Booth, EMS
Mark Aronberg, FDNY
Robin Mundy-Sutton, FDNY
Patricia Mims, FDNY
Terry Fiorentino, FDNY
Dean Moskos, HHC
Jawwad Ahmad, HHC

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE 1/20/2016

MEU BLS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BP UNIT - INFANT	2	$19.00	$38.00
BP UNIT - PEDS	2	$19.00	$38.00
BP UNIT - ADULT	2	$19.00	$38.00
BP UNIT - OBESE	2	$22.00	$44.00
CAN, GARBAGE	1	$30.00	$30.00
CHAIR, STAIR	1	$2,700.00	$2,700.00
Customiztion FDNY Logo	1	$30.00	$30.00
COT, FOLDING	1	$452.00	$452.00
Customiztion FDNY Logo	1	$31.00	$31.00
DEFIBRILLATOR, BLS	1	$5,419.00	$5,419.00
MATTRESS, AMB STRETCHER	1	$243.00	$243.00
Customiztion FDNY Logo	1	$31.00	$31.00
OXIMETER , CARBON MONOXIDE	1	$4,500.00	$4,500.00
OXYGEN "D" CYL BRACKET	2	$150.00	$300.00
OXYGEN FLOWMETER	3	$175.00	$525.00
OXYGEN PRESSURE REDUCER	1	$252.46	$252.46
OXYGEN REGULATOR	4	$257.28	$1,029.12
OXYGEN MONITOR W/2' HARNESS & PLUGS	1	$173.50	$173.50
OXYGEN TRANSDUCER W/2' HARNESS & PLUGS	1	$275.75	$275.75
OXYGEN HARNESS ASSEMBLY 17' W/ PLUGS	1	$43.50	$43.50
SPLINT, TRACTION COMBO	1	$1,200.00	$1,200.00
Customiztion FDNY Logo	1	$31.00	$31.00
Pediatric Immobilization Device	1	$400.00	$400.00
STOOL, STEP	1	$31.00	$31.00
STRETCHER - RAIL	1	$360.00	$360.00
ANTLER ASSEMBLY FOR STRETCHER	1	$270.00	$270.00
STRETCHER - ROLLING	1	$6,115.00	$6,115.00
FLAT HEAD POUCH FOR STRETCHER	1	$130.00	$130.00
STRETCHER - SCOOP	1	$766.00	$766.00
SUCTION UNIT, CHARGING BRACKET	2	$350.00	$700.00
SUCTION UNIT , PORTABLE	2	$995.00	$1,990.00
		MEU TOTAL	$28,186.33

MSU BLS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BACKBOARD, LONG	2	$145.00	$290.00
BACKBOARD, SHORT	1	$50.00	$50.00
BAG, WMD ANTIDOTE WITH MODULES/CASE (BAGS ONLY)	1	$360.00	$360.00
BAG, OXYGEN (BAG ONLY)	2	$120.00	$240.00
BAG, TECHNICIAN (BAG ONLY	2	$110.00	$220.00
CASE, BLS DEFIBRILLATION FR (BAG ONLY)	1	$90.00	$90.00
CYLINDER, OXYGEN "D" SIZE	4	$48.00	$192.00
CYLINDER, OXYGEN "M" SIZE	3	$210.00	$630.00
EXTINGUISHER, 5LB ABC FIRE WITH VEHICLE BRACKET	2	$41.00	$82.00
EXTRICATION DEVICE WITH CARRY CASE	2	$170.00	$340.00
LANTERN, LED WITH 6VOLT BATTERY	1	$13.00	$13.00
MAP, 5 BOROUGH	1	$60.00	$60.00
POUCH, EPI-PEN (POUCH ONLY)	1	$35.00	$35.00
SHOVEL, METAL FOLDING	1	$22.00	$22.00
SHOVEL, PLASTIC SNOW	1	$20.00	$20.00
SKED STRETCHER, YELLOW W/STRAP SET	1	$328.00	$328.00
SKED CASE	1	$102.00	$102.00
HARNESS STRAPS FOR STRETCHERS	3	$69.00	$207.00
STRAPS, 9' 1PC FOR BOARDS	2	$6.00	$12.00
STRAP, 5' 2PC FOR BOARD/COT/SCOOP	12	$6.00	$72.00
EXTRICATION 9' STRAP, 2 PC	2	$10.00	$20.00
TRANSLATOR, VISUAL MULTI LANGUAGE	2	$30.00	$60.00
CASE, TOURNIQUET	2	$10.00	$20.00
		MSU TOTAL	$3,465.00

BLS READY TOTAL $31,651.33

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE 1/20/2016

MEU BLS READY

RADIOS			
RADIOS	2	$4,150.00	$8,300.00
HAZMAT			
PD31 METER	2	$350.00	$700.00
CO METERS	2	$300.25	$600.50
Thermo Fischer RadEYE GF10 EX PRD	2	$2,500.00	$5,000.00
RAD57	1	$4,583.00	$4,583.00
TOTAL HAZMAT			$10,883.50

MEU BLS READY	**$28,186.33**
MSU BLS READY	**$3,465.00**
RADIOS	**$8,300.00**
HAZMAT	**$10,883.50**
BLS AMB TOTAL	**$50,834.83**

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE

MEU ALS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BP UNIT - INFANT	2	$19.00	$38.00
BP UNIT - PEDS	2	$19.00	$38.00
BP UNIT - ADULT	2	$19.00	$38.00
BP UNIT - OBESE	2	$22.00	$44.00
CAN, GARBAGE	1	$30.00	$30.00
CASE ALS DEFIBRILLATOR	1	$300.00	$300.00
CHAIR, STAIR	1	$2,700.00	$2,700.00
CUSTOMIZATION FDNY LOGO	1	$31.00	$31.00
COT FOLDING	1	$452.00	$452.00
CUSTOMIZATION FDNY LOGO	1	$31.00	$31.00
Defibrillator / Monitor Kit Includes: Philips Heartstart MRx Monitor/Defibrillator Lithium Ion Battery Module Bay Analyzer/Charger for Heartstart Li-Ion Batteries Reusable NIBP Pediatric Cuff Reusable NIBP Large Adult	1	$44,329.00	$44,329.00
All Intubation Kit Items Are Stainless Steel & Reusable Laryngoscope Blade Macintosh #1 Laryngoscope Blade Macintosh #2 Laryngoscope Blade Macintosh #3 Laryngoscope Blade Macintosh #4 Laryngoscope Blade Miller #0 Laryngoscope Blade Miller #1 Laryngoscope Blade Miller #2 Laryngoscope Blade Miller #3 Laryngoscope Blade Miller #4 Laryngoscope Blade Adult Handle Laryngoscope Blade Pediatric Handle Magill Forceps Adult Magill Forceps Pediatric Kelly Clamp	2	$500.00	$1,000.00
MATTRESS, AMB STRETCHER	1	$243.00	$243.00
CUSTOMIZATION FDNY LOGO	1	$31.00	$31.00
OXIMETER, CARBON MONOXIDE	1	$4,500.00	$4,500.00
OXYGEN "D" CYL BRACKET	2	$150.00	$300.00
OXYGEN FLOWMETER	3	$175.00	$525.00
OXYGEN PRESSURE REDUCER	1	$252.46	$252.46
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OXYGEN MONITOR W/2' HARNESS & PLUGS	1	$173.50	$173.50
OXYGEN TRANSDUCER W/2' HARNESS & PLUGS	1	$275.75	$275.75
OXYGEN HARNESS ASSEMBLY 17' W/ PLUGS	1	$43.50	$43.50
SPLINT, TRACTION COMBO	1	$1,200.00	$1,200.00
CUSTOMIZATION FDNY LOGO	1	$31.00	$31.00
PEDIATRIC IMMOBILIZATION DEVICE	1	$400.00	$400.00
STEP STOOL	1	$30.00	$30.00
STRETCHER - RAIL	1	$360.00	$360.00
ANTLER ASSEMBLY FOR STRETCHER	1	$270.00	$270.00
FLAT HEAD POUCH FOR STRETCHER	1	$130.00	$130.00
STRETCHER - ROLLING	1	$6,115.00	$6,115.00
STRETCHER - SCOOP	1	$766.00	$766.00
SUCTION UNIT, CHARGING BRACKET	2	$350.00	$700.00
SUCTION UNIT ,PORTABLE	2	$995.00	$1,990.00
		MEU TOTAL	$68,396.33

INITIAL EQUIPMENT FOR ONE (1) FDNY AMBULANCE

MEU ALS READY

EQUIPMENT DESCRIPTION	QTY	COST	EXT
BACKBOARD, LONG	2	$145.00	$290.00
BACKBOARD, SHORT	1	$50.00	$50.00
BAG, WMD ANTIDOTE WITH MODULES/CASE (BAGS ONI	1	$360.00	$360.00
BAG, OXYGEN (BAG ONLY)	2	$120.00	$240.00
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EXTRICATION DEVICE WITH CARRY CASE	2	$170.00	$340.00
LANTERN, LED WITH 6VOLT BATTERY	1	$13.00	$13.00
MAP, 5 BOROUGH	1	$60.00	$60.00
POUCH, EPI-PEN (POUCH ONLY)	1	$35.00	$35.00
SHOVEL, METAL FOLDING	1	$22.00	$22.00
SHOVEL, PLASTIC SNOW	1	$20.00	$20.00
SKED STRETCHER, YELLOW W/STRAP SET	1	$328.00	$328.00
SKED CASE	1	$102.00	$102.00
HARNESS STRAPS FOR STRETCHERS	3	$69.00	$207.00
STRAPS, 9' 1PC FOR BOARDS	2	$6.00	$12.00
STRAP, 5' 2PC FOR BOARD/COT/SCOOP	12	$6.00	$72.00
EXTRICATION 9' STRAP, 2PC	2	$10.00	$20.00
TRANSLATOR, VISUAL MULTI LANGUAGE	2	$30.00	$60.00
CASE, TOURNIQUET	2	$10.00	$20.00
CASE, ALS DEFIBRILLATION FR (BAG ONLY)	1	$260.00	$260.00
BAG, DRUG (BAG ONLY)	1	$255.00	$255.00
BAG, TRAUMA (BAG ONLY)	1	$135.00	$135.00
CASE, CYANO CARRY/DRILL (BAG ONLY)	2	$60.00	$120.00
CASE, MINI MEDICATION (BAG ONLY)	1	$55.00	$55.00
CASE, MEDICATION INSERT (BAG ONLY)	3	$90.00	$270.00
CASE, INTUBATION ROLL (BAG ONLY)	1	$60.00	$60.00
		MSU TOTAL	**$4,530.00**

ALS READY TOTAL **$72,926.33**

RADIOS			
RADIOS	2	$4,150.00	8,300.00
ROSETTA BOX	1	$2,000.00	2,000.00
TOTAL RADIOS			**10,300.00**
HAZMAT			
PD31 METER	2	$350.00	$700.00
CO METERS	2	$300.25	$600.50
RAD57	1	$4,583.00	$4,583.00
Thermo Fischer RadEYE GF10 EX PRD	2	$2,500.00	$5,000.00
TOTAL HAZMAT			**10,883.50**

MEU ALS READY	**$68,396.33**
MSU ALS READY	**$4,530.00**
RADIOS	**10,300.00**
HAZMAT	**10,883.50**
ALS AMB TOTAL	**$94,109.83**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his designee, to purchase storage hardware, software, and associated maintenance from various vendors on an on-going basis via Third Party Contract(s) in an amount not to exceed $13,748,060 for a one year period.

WHEREAS, the Storage Area Network ("System") has over 10 petabytes of storage, which is utilized to store NYC Health + Hospitals' email, business and clinical data applications as well as surveillance video systems; and

WHEREAS, this storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care; and

WHEREAS, in order to keep up with the demand of storing mission critical data and providing continuous access to our email, business and clinical data applications as well as surveillance video systems, NYC Health + Hospitals must continuously upgrade and add additional storage to System; and

WHEREAS, NYC Health + Hospitals is implementing an Enterprise Resource Planning (ERP) system and the Enterprise Radiology Integration solution that were previously approved by the Board of Directors, which require storage hardware and software and associated maintenance; and

WHEREAS, NYC Health + Hospitals will solicit proposals from manufacturers and authorized resellers on an on-going basis via Third Party Contract(s) which offer discounted pricing compared to the market price for such equipment; and

WHEREAS, Enterprise Information Technology Services provides quarterly reports to the Board of Directors on the status of purchases made pursuant to this approved spending authority;

WHEREAS, the accountable person for this purchase is the Interim Corporate Chief Information Officer.

NOW, THEREFORE, be it:

RESOLVED, THAT THE President of the New York City Health and Hospitals Corporation ("NYC Health + Hospitals"), or his designee, be and hereby is authorized to purchase storage hardware, software, and associated maintenance from various vendors on an on-going basis via Third Party Contract(s) in an amount not to exceed $13,748,060 over a one year period.

Executive Summary –
On-Going Purchases for Storage Hardware, Software and Maintenance via Third Party Contracts

The accompanying resolution requests approval to purchase storage hardware, software and maintenance from various vendors on an on-going basis via Third Party Contract(s) in an amount not to exceed $13,748,060 million for enterprise wide projects for a one year period. Enterprise IT Services (EITS) will provide quarterly spending updates to the Board of Directors for these purchases during this 12 month period, which will include the specific bid and contract award information.

The NYC Health + Hospitals' Storage Area Network ("System") has over 10 Petabytes (equivalent to about four times the data volume of the US Census Bureau) of storage which is utilized to store NYC Health + Hospitals' email, business and clinical data applications as well as surveillance video systems. This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care.

A Storage Area Network (SAN) is a dedicated network that provides access to consolidated, block level data storage. SANs are primarily used to make storage devices, such as disk arrays, tape libraries, and optical jukeboxes, accessible to servers so that the devices appear like locally attached devices to the end user. In order to keep up with the demand of storing mission critical data and providing 24x7x 365 access to our applications and systems, we need to continuously upgrade and add additional storage to our System.

In addition to the storage needs to maintain existing applications which is continually increasing, NYC Health + Hospitals is implementing an Enterprise Resource Planning (ERP) system and the Enterprise Radiology Integration solution, which were previously presented to the Board of Directors, which require storage hardware and software and associated maintenance.

Under this spending authority, multiple solicitations will be conducted via Third Party Contract(s) to procure storage equipment on an on-going basis as-needed for the System. Enterprise Information Technology Services will solicit manufacturers and authorized resellers via various Third Party Contracts. A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive bidder for each purchase.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Storage Hardware, Software, and Maintenance

Project Title & Number: Storage Hardware, Software, and Maintenance

Project Location: Enterprise-Wide

Requesting Dept.: Enterprise IT Services

Successful Respondent: Multiple Vendors via Third Party Contracts

Contract Amount: $13,748,060

Contract Term: 12 months

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

Range of Proposals: $ Not Applicable to $

Minority Business Enterprise Invited: **Yes** If no, please explain:

Funding Source: **X** General Care Capital
Grant: explain
Other: explain

Method of Payment: Lump Sum Per Diem Time and Rate
X Other: explain Upon acceptance

EEO Analysis:

Compliance with HHC's McBride Principles? Yes No

Vendex Clearance Yes No **X N/A**

(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)

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

The NYC Health + Hospitals' Storage Area Network ("System") has over 10 Petabytes (equivalent to about four times the data volume of the US Census Bureau) of storage which is utilized to store NYC Health + Hospitals' email, business and clinical data applications as well as surveillance video systems. This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care.

A Storage Area Network (SAN) is a dedicated network that provides access to consolidated, block level data storage. SANs are primarily used to make storage devices, such as disk arrays, tape libraries, and optical jukeboxes, accessible to servers so that the devices appear like locally attached devices to the end user.

In order to keep up with the demand of storing mission critical data and providing 24x7x 365 access to our applications and systems, we need to continuously upgrade and add additional storage to our System.

In addition to the storage needs to maintain existing applications which is continually increasing, NYC Health + Hospitals is implementing an Enterprise Resource Planning (ERP) system and the Enterprise Radiology Integration solution, that were previously presented to the Board of Directors, which require storage hardware and software and associated maintenance.

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

CRC approved this action item on February 17, 2016.

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:

No.

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):

Process used to select the proposed contractor –

Solicitations will be conducted via various Third Party contracts to procure storage hardware, software, and maintenance on an on-going basis for the System.

By conducting solicitations via Third Party contracts, this mechanism will ensure that NYC Health + Hospitals is promoting competition by receiving the best price for the required

equipment. Third party contracts offer discounted pricing compared to the market price for such equipment.

The selection criteria –

Enterprise IT Services will solicit manufacturers and authorized resellers via various Third Party contracts. A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

The justification for the selection –

A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

Scope of work and timetable:

Vendors will provide Storage Equipment on an on-going basis for the Corporation's SAN's. The anticipated project duration for these purchases is one year. Purchases will continue to occur on an annual basis based on need.

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

No services will be included in these purchases. Software, hardware, and maintenance will be purchased off of Third Party Contracts, which offer discounted pricing compared to the market price for such equipment. By soliciting vendors via Third Party Contracts, the Corporation can obtain significant saving off list pricing for storage hardware and software purchases.

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

Storage spending in FY2015 was approximately $5.4 million.

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

Not applicable. These purchases are for Storage Hardware, Software and Maintenance.

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?

No.

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

Sal Guido, Interim Corporate CIO.

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. _____ **Not Applicable**
Date

Analysis Completed By E.E.O._____
Date

_____
Name

On-Going Purchases for Storage Hardware, Software and Maintenance through Third Party Contracts

Board of Directors Meeting
March 24, 2016

NYC HEALTH+ HOSPITALS

Background Summary

- NYC Health + Hospitals has over 10 Petabytes of storage (equivalent to about 4x the data volume of the US Census Bureau). This storage is utilized to retain email, business and clinical data applications as well as surveillance video systems.

- This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care.

- Storage needs continually increase in order to support existing applications

- Implementation of the Enterprise Resource Planning (ERP) system and the Enterprise Radiology Integration solution, contracts which were approved by the Board of Directors, require additional storage hardware and software and associated maintenance.

NYC HEALTH+ HOSPITALS

Procurement Method

- Multiple solicitations will be conducted via Third Party Contract(s) to procure storage hardware, software and maintenance on an on-going basis. A purchase order will be issued to the lowest responsive bidder for each purchase

- By soliciting vendors via Third-Party contract, NYC Health + Hospitals can obtain significant discount off list prices.

- The request is for spending authority up to $13.75 million over a 12 month period, which includes the remainder of FY16 and FY17.

- Enterprise IT Services (EITS) will provide quarterly spending updates to the CRC and the Board of Directors for these purchases during this 12 month period, which will include the specific bid and contract award information

Some reasons why Storage needs continue to grow

- Legal Actions (Records that are relevant to any pending or reasonably anticipated legal actions must be retained for the entire period of the action regardless of the time set forth in NYC Health + Hospitals record retention schedule for such record)
- State mandated record retention schedules (Operating procedure 120-19)

Storage Trend

- 2007-50 TB (facilities had their own storage)
- 2011-1.2 PB
- 2013-4.1 PB
- 2016-10 PB
- Approx 1000% increase since 2011

NYC HEALTH+ HOSPITALS

Storage Needs and Associated Funding Sources

Project	Storage Capital Total	Storage Maintenance** (OTPS) Total	Grand Total
Storage (for Existing Systems)	*$7,100,000*	*$3,620,000*	*$10,720,000*
Radiology	*$1,251,237*	*$250,247*	*$1,501,484*
ERP	*$1,272,146*	*$254,429*	*$1,526,575*
Total	***$9,623,383***	***$4,124,676***	**$13,748,060**

** *Maintenance costs to be funded out of EITS OTPS budget.*

Questions?