

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of The City of New York)
Management's Discussion and Analysis (Unaudited)
Summary of Statements of Revenue, Expenses, and Changes in Net Position
For the years ended June 30, 2018, 2017, and 2016
(In thousands)

	2018	2017	2016
	Business-type Activities - HHC	Business-type Activities - HHC	Business-type Activities - HHC (As Adjusted)
OPERATING REVENUE			
Net patient service revenue	\$ 6,216,713	\$ 5,611,114	\$ 5,812,049
Appropriations from City of New York, net	787,331	723,425	1,405,091
Grants revenue	651,966	863,808	362,339
Other revenue	<u>104,981</u>	<u>95,287</u>	<u>103,080</u>
Total operating revenue	<u>7,760,991</u>	<u>7,293,634</u>	<u>7,682,559</u>
OPERATING EXPENSES			
Personal services, fringes benefits, and employer payroll taxes	3,911,188	3,628,339	3,607,126
Other than personal services	1,789,369	1,842,665	1,753,336
Pension	394,420	426,325	502,374
Postemployment benefits, other than pension	337,745	289,166	447,783
Affiliation contracted services	1,076,202	1,069,545	1,050,535
Depreciation	<u>309,574</u>	<u>310,325</u>	<u>302,530</u>
Total operating expenses	<u>7,818,498</u>	<u>7,566,365</u>	<u>7,663,684</u>
Operating (loss) income	(57,507)	(272,731)	18,875
Nonoperating expenses, net	<u>(113,347)</u>	<u>(115,994)</u>	<u>(112,910)</u>
Loss before other changes in net deficit	(170,854)	(388,725)	(94,035)
Other changes in net deficit:			
Capital contributions	<u>210,023</u>	<u>155,780</u>	<u>151,403</u>
(Decrease) increase in net deficit	39,169	(232,945)	57,368
Net deficit position at beginning of year	<u>(5,577,356)</u>	<u>(5,344,411)</u>	<u>(5,401,779)</u>
Net deficit position at end of year	<u>\$ (5,538,187)</u>	<u>\$ (5,577,356)</u>	<u>\$ (5,344,411)</u>

See accompanying notes to management's discussion and analysis.