

AGENDA

FINANCE COMMITTEE

MEETING DATE: SEPT 17, 2013
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET
BOARD ROOM

BOARD OF DIRECTORS

CALL TO ORDER

BERNARD ROSEN

ADOPTION OF THE JULY 9, 2013 MINUTES

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

FRED COVINO

ACTION ITEMS

MARLENE ZURACK/JOHN LEVY

1. Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Crothall Healthcare, Inc. ("Crothall") for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.
2. Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Johnson Controls, Inc. ("JCI") for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

INFORMATION ITEM

1. PS QUARTERLY KEY INDICATORS REPORT FY 13 YEAR-END
2. INPATIENT, OUTPATIENT ADULT/PEDIATRICS PAYOR MIX REPORTS
3. MEDICAID ELIGIBILITY REPORTING STATUS REPORT

FRED COVINO
MAXINE KATZ
MAXINE KATZ

OLD BUSINESS
NEW BUSINESS
ADJOURNMENT

BERNARD ROSEN

MINUTES

MEETING DATE: JULY 9, 2013

FINANCE COMMITTEE

BOARD OF DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held July 9, 2013 in the 5th floor Board Room with Bernard Rosen presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Bernard Rosen
Alan Aviles, Esq
Michael A. Stocker, MD
Robert Doar, Commissioner, Human Resources Administration
Josephine Bolus, RN
Emily Youssouf
Andy Cohen, (representing Deputy Mayor Linda Gibbs in a voting capacity)

OTHER ATTENDEES

C. Fiorentini, Analyst, NYC Independent Budget Office (IBO)
M. Meagher, Analyst, OMB
K. Raffaele, Analyst, OMB

HHC STAFF

V. Bekker, Chief Financial Officer (CFO), Generations+ Northern Manhattan Health Network
L. Brown, Senior Vice President, Corp Planning, Community Hlth & Intergovernmental Relations
D. Cates, Chief of Staff, Board Affairs

Minutes of the July 9, 2013 Finance Committee Meeting

A. Cohen, Chief Financial Officer, South Manhattan Health Network
F. Covino, Corporate Budget Director, Corporate Budget
L. Dehart, Assistant Vice President, Corporate Reimbursement/Debt Financing Svcs
B. Deiorio, Senior Director, The Fund for HHC
L. Free, Assistant Vice President, Managed Care/Finance
D. Frimer, Controller, Coney Island Hospital
K. Garramone, Chief Financial Officer, North Bronx Healthcare Network
M. Genee, Deputy Corporate Comptroller, Corporate Comptroller's Office
G. Guilford, Assistant Vice President, Office of the Senior Vice President/Finance/Managed Care
L. Guttman, Assistant Vice President, Intergovernmental Relations
D. Guzman, Deputy Chief Financial Officer, Metropolitan Hospital Center
L. Haynes, Intern, Office of the President
C. Jacobs, Senior Vice President, Patient Safety, Accreditation & Regulatory Svcs
J. John, Chief Financial Officer, Central Brooklyn Family Health Network
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
P. Lockhart, Secretary to the Corporation, Office of the Chairman
P. Lok, Director, Corporate Reimbursement Services/Debt Financing
A. Martin, Executive Vice President/Chief Operating Officer, Office of the President
H. Mason, Deputy Executive Director, Kings County Hospital Center
K. McGrath, Senior Director, Corporate Communications & Marketing
K. Olson, Senior Director, Corporate Budget
P. Pandolfini, Chief Financial Officer, Southern Brooklyn/Staten Island Health Network
K. Park, Associate Executive Director, Queens Health Network
J. Perrine, 1st Deputy IG, Office of the Inspector General
S. Russo, Senior Vice President/General Counsel, Office of Legal Affairs
W. Saunders, Assistant Vice President, Intergovernmental Relations
P. Slesavchik, Assistant Vice President, Corporate Labor Relations
B. Stacey, Chief Financial Officer, Queens Health Network
L. Tulloch, Deputy Chief Financial Officer, Harlem Hospital Center
J. Wale, Senior Assistant Vice President, Office of Behavioral Health
R. Walker, Chief Financial Officer, North Brooklyn Health Network
R. Wilson, Senior Vice President/Chief Medical Officer, Medical & Professional Affairs
M. Zurack, Senior Vice President, Corporate Finance/Managed Care

Minutes of the July 9, 2013 Finance Committee Meeting

CALL TO ORDER

BERNARD ROSEN

The meeting of the Finance Committee was called to order at 9:22 a.m. due to the late arrival of the Chair. The minutes of the June 11, 2013 Finance Committee meeting were adopted as submitted.

CHAIR'S REPORT

BERNARD ROSEN

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

Ms. Zurack stated that her report would include the results of the Mayor's Adopted Budget; HHC's cash flow, and a site visit by Secretaries Shaun Donovan and Janet Napolitano which will provide an introduction to the information item on the agenda that will be presented later by John Levy, Base Tactical consulting services for FEMA disaster recovery.

Ms. Zurack stated that the City Council restored all of the funds HHC had expected including the City subsidy much of which is owing to the efforts of LaRay Brown, Senior Vice President, Corporate Planning Services, Community Health and Intergovernmental Relations and her staff in this process. The City also provided a percentage of HHC's capital projects.

Ms. Youssouf asked what the total is. Ms. Zurack stated that \$20 million in capital plus \$15.6 million in expenses. However, as a reminder, one of the significant items of the restorations was the child health clinics totaling \$5 million in funding that HHC is still working with the State on a resolution for the restoration of the State funding for this program. The Committee will be kept abreast of the outcome of this issue. In terms of the City's adopted budget, HHC did very well. The Corporation ended FY 13 with a \$289 million cash balance or 18 days of cash on hand (COH) which is slightly better than anticipated due to a temporary delay of a \$40 million fringe benefit payment to FY 14, and a recalculation of some of the OTPS expenses for the FEMA claims. In terms of the FY 14 cash flow, HHC Finance has been working with OMB on this issue and if HHC makes the FY 13 payments that were deferred by the City for HHC and scheduled for payment in September 2013, HHC would go negative before December 2013. Therefore, Corporate Finance is working on rescheduling some payments with the City and accelerating some payments from the State. The Corporation was successful due to the extraordinary efforts of Linda Dehart, Assistant Vice President in getting an advancement of the \$500 million in perpetuity which was a major spend-up of a DSH payment and is a major factor in the current positive year-end cash balance. Ms. Zurack congratulated Rick Walker, Chief Financial Officer (CFO) Harlem Hospital Center for his new role as the CFO for the North Brooklyn Health Network.

Ms. Zurack stated that last month Secretary Donovan and Secretary Napolitano visited HHC and met with staff at Bellevue accompanied by Mr. Aviles, Mr. Martin and she. HHC was able to share with them the impact of the storm at HHC and both Secretaries were interested in the "red tape"

Minutes of the July 9, 2013 Finance Committee Meeting

experiences with FEMA which Mr. Levy will present later on the agenda as part of the update on the disaster recovery relative to the FEMA process.

Dr. Stocker asked how much of the cash flow problem is attributable to the timing of certain payments and actual shortages or inadequacies.

Ms. Zurack stated that assuming the reference is to the FY 13 shortfall, essentially HHC has pushed the problem to the current FY 14; therefore, it is a budget issue as opposed to a cash flow problem.

Mr. Rosen asked if it is related to timing.

Ms. Youssouf asked how the \$40 million payment relates to the cash flow problem. Ms. Zurack stated that there was a \$40 million fringe benefit payment that was not properly invoiced to HHC within the appropriate time frame to expedite that payment in FY 13 but will be paid in July 2013.

Ms. Youssouf asked if there was another payment. Ms. Zurack added that there was an adjustment in the estimated cost of some of the clean-up due to the storm that resulted in a positive adjustment in the cash balance.

Ms. Youssouf stated that she was questioning the payments to the City in September 2013 that was referenced earlier in the reporting and the impact that would have on the cash balance.

Ms. Zurack stated that the amount is \$460 million in deferred payments to the City.

Ms. Cohen asked if the \$40 million was included in the \$460 million.

Ms. Zurack stated that it is not but explained that at the last meeting she had reported that the year-end forecasting of the cash balance was \$226 million compared to the actual \$289 million. The increase as previously stated is due to those two items mentioned earlier, the \$40 million fringe benefit payment and an adjustment in the projected expenses related to the storm. The \$460 million in deferred payments includes, pension, EMS, debt service and malpractice. These payments were deferred by the City in FY 13 to FY 14 payable in September 2013 and if those payments are made by HHC in September 2013, HHC's cash balance would go negative by December 2013. HHC is proposing to have those payments rescheduled possibly to June 2014 and if successful, the cash balance would remain positive during the year. As previously reported, HHC's projected cash balance is contingent on the successful receipt of the 1115 Waiver, the Medicare DSH, and the MetroPlus Enhancement monies. If those three payments are successfully received by HHC and the City agrees to allow HHC to make that deferred payment in June 2014 as opposed to September 2013, HHC would be positive in the current projection. However, it is not likely that all of those things will materialize within the year.

Minutes of the July 9, 2013 Finance Committee Meeting

Ms. Cohen added that any one of them would put HHC in a negative position at any month of the year or by year-end. Ms. Zurack responded in the affirmative adding that the Corporation is more focused on all of those issues that are critical to the cash flow.

Ms. Youssouf asked how negative would HHC be if the proposed actions failed to materialize. Ms. Zurack stated that it would be hundreds of millions.

Commissioner Doar asked how much the 1115 Wavier is. Ms. Zurack stated that it is projected at \$250 million in HHC's financial plan but could increase to \$300 million a year for five years. As prompted by Ms. Brown, Ms. Zurack explained that the 1115 Waiver funding is for the public hospitals Innovation Fund which has been done in many other states in the country. It essential is the acknowledgement of the drastic changes in healthcare and the need to preserve the safety net hospitals through a transformation of those hospitals through a five year plan that would demonstrate their ability to be more agile and able to be self-sufficient in a reformed healthcare environment. Those funds would be allocated as performance payments as hospitals achieve those milestones.

Mr. Rosen explained that the City is carrying the \$460 million as a receivable and in meeting with the City's Comptroller's office; it would be a more valuable receivable having it paid in September 2013 as opposed to next year. Perhaps HHC needs a working capital infusion to which Ms. Zurack replied that HHC needs a budget infusion given that a working capital infusion would require a payback and where and how HHC would repay those funds would become an issue. There needs to be an agreement by the City to consider a write-off of those funds.

Ms. Youssouf asked if that would be a temporary or permanent write-off. Ms. Zurack stated that it should be permanent. Mr. Rosen added that it would be a reasonable request given that the City has been extremely supportive of HHC and given the impact of the storm on HHC.

Ms. Youssouf asked what the \$460 million in deferred payments is comprised of. Ms. Zurack stated that it includes an EMS payment that is the result of FDNY revenue that flows through HHC's account as a pass through to them. However, HHC is holding that payment that must be released. Another payment is malpractice. The City through the operating agreement has indemnified HHC; therefore, the City is obligated to make HHC's malpractice payments. However, HHC reached an agreement with the City some years ago as an incentive to reform its malpractice, HHC would repay the City for its malpractice obligation in exchange for the City paying HHC's debt service and its own debt service for HHC's buildings. The agreement was reached in 1999 which at that time HHC was spending approximately \$210 million on malpractice compared to last year's cost of \$139 million. The Corporation after assuming the responsibility for the overall management of its malpractice has achieved major savings. The debt service payment which the City is technically responsible to pay for HHC was discontinued due to HHC's success in negotiating a significant increase in the supplemental Medicaid payments. The City agreed to make the local share of those payments and therefore stop

Minutes of the July 9, 2013 Finance Committee Meeting

paying the debt service as a trade-off. However, over the years there have been numerous cuts that have impacted HHC but notwithstanding that the City has a "block grant" that has not increased for HHC and the bottom-line is that malpractice and debt service are the City's obligations. In consideration for getting the additional supplemental Medicaid that enabled HHC to get federal match, it had been a good arrangement but now HHC has lost State Medicaid which was the State and Federal match. This is why the 1115 waiver is a critical component to HHC's cash. On the other hand, the City believes that the State is not doing as much as it should and if the City continues to do more, the State will take more out.

Commissioner Doar added that it is a common problem with all of the agencies and asked if the 1115 waiver is contingent on the State allocating those funds or whether the CMS commitment comes directly to HHC. Ms. Zurack stated that it goes through the State but it is identified as HHC funding. The report was concluded.

KEY INDICATORS & CASH RECEIPTS & DIBURSEMENTS REPORTS

FRED COVINO

Mr. Covino reported that utilization through May 2013, discharges are down by 8.7% or 15,000 discharges; however, excluding Bellevue and Coney Island due to the impact of the storm, the decline is less than a ½ percent or 600 discharges.

Ms. Cohen commented that during the year prior to the storm, discharges were lower but now it appears that trend has changed. Mr. Covino stated that during the time Bellevue and Coney Island were closed, there were larger percentages; however, now that those facilities have reopened and utilization is increasing the numbers are improving.

Ms. Cohen asked if there is a system-wide decline in discharges. Mr. Covino stated that there is a slight decline.

Ms. Zurack further explained that by looking at the details of the report by facility which showed a lot variation. For example, there was a 7% decrease at Jacobi but a 9% increase at Harlem. Therefore, some of the hospitals are experiencing a decline while others are increasing. By taking Coney Island and Bellevue out of the data, the decrease is less but in order to see the trend by facility, it is best to look at the details of the report.

Ms. Cohen stated that from a health care perspective, other hospitals in the City are experiencing a decline in discharges.

Mr. Aviles added that it could also be related to the transfer and referral of Bellevue patients to Harlem and Metropolitan hospitals which over a longer period of time that negative trend may change. Commissioner Doar asked if HHC has been able to identify the reason for the decline in discharges. Mr. Covino stated that there has been a reduction in one-day stays. Commissioner Doar asked if that was a positive outcome.

Minutes of the July 9, 2013 Finance Committee Meeting

Mr. Aviles stated that it is a positive thing from a patient perspective relative to reducing re-admissions.

Mr. Covino added that 45% of the reduction is due to one-day stays and readmissions.

Ms. Zurack stated that would be a valid argument for HHC getting the public hospitals innovation grant in that HHC has been doing what the State Medicaid program has mandated.

Mr. Covino continuing the reporting stated that the D&TC visits are down by 11.3% which is reflective of a slight improvement. Nursing home days are down by 14% compared to last year. The ALOS, all of the facilities are with the corporate average with the exception of Lincoln at 1/3 day less than the average. The CMI is up by 1.6% through the period. Pages 2, FTEs are down by 869. The reduction is primarily in environmental/hotels, clericals, aides and orderlies and tech specs.

Ms. Youssouf asked if the increase in Enterprise IT was related to the electronic medical record (EMR). Mr. Covino stated that it is related to the EMR. Receipts are down by \$240 million and disbursements are \$103 million worse than budget for a net deficit of \$343 million through May 2013 of which \$285 million is attributable to Bellevue and Coney Island due to the storm and \$96 million for Coler/Goldwater.

Ms. Cohen asked if the supplemental Medicaid payments were included in the data. Mr. Covino stated that they are included. Ms. Zurack added that those payments are broken out on the report.

Mr. Covino stated that on page 3, \$523 million was received as Ms. Zurack referenced earlier. Receipts are \$351 million better than last year primarily due to the receipt of DSH maximization payment or a spend-up as Ms. Zurack reported. However, that was offset by a decline in Medicaid fee-for-service compared to last year on the inpatient side by \$213 million. Through May 2013 paid Medicaid cases are down by 14,000 and psych days are down by 50,000. Expenses are \$184 million better than last year due to the timing of payments to the City of \$109 million compared to last year. A pension payment which had not been paid as of May was paid in June of \$178 million and a FICA refund of \$23 million. Those payments were offset by \$125 million in OTPS for payments related to storm repairs at Bellevue and Coney Island and Coler.

Commissioner Doar asked if the reduction in reimbursement is greater than the reduction in utilization.

Mr. Covino stated that there were rate reductions, a 2% reduction in Medicaid.

Commissioner Doar asked if the reductions in Medicaid and Medicare are due to the reduction or changes in utilization.

Minutes of the July 9, 2013 Finance Committee Meeting

Mr. Covino stated that it is not. Ms. Zurack added that the utilization changes are the stronger driver than the rate changes. Commissioner Doar stated that based on that both are factors to which Ms. Zurack replied in the affirmative adding that from a policy perspective, the State through the Medicaid Redesign Team enacted a number measures and the federal government through its value based purchasing enacted measures to reduce utilization and also cut provider rates which is usually counter-intuitive. In that, typically in a situation where the goal is to accomplish such a task, rates would remain healthy and increasing as utilization is being cut to preserve the safety net or the provider base which is not what has taken place in the budget process. Consequently, HHC has been impacted by both extremes.

Mr. Covino as part of the reporting stated that the year-to-date comparison of the actual against the budget, inpatient receipts are down by \$350 million due to the decline in Medicaid fee for service; receipts of \$260 million and against the budget for paid cases there is a reduction of 11,000 cases, and 54,000 psych days. Medicare is down by \$58 million due to the termination of the biweekly payments for Bellevue and Coney Island that have since resumed. Additionally, of the \$58 million, \$54 million is related to those three major facilities affected by the storm. Outpatient receipts are down by \$83 million of which \$40 million is related to Bellevue and Coney Island due to the storm and all other is up by \$192 million primarily due to the increase in the DSH UPL of \$105 million. The DSH spend-up payment of \$523 million was received but a \$400 million inpatient UPL payment scheduled for receipt was not received as anticipated but is scheduled for September 2013. Grants are up by \$77 million of which \$62 million is related to FEMA grant revenue and an additional \$10 million for Intracity and a \$3.4 million Cumberland shelter payment that was not budgeted for the FY. There were some advances for family court and child health clinics. Expenses were \$15 million better than budget due to the FICA recovery and OTPS expenses were \$113 million worse than budget which included \$125 million in restoration expenses that were not budgeted.

Ms. Cohen asked when is the CDBG payment expected to come in. Mr. Covino stated that it is expected in either August or September 2013. The report was concluded.

ACTION ITEM

MARLENE ZURACK/LINDA DEHART

Authorizing and approving the adoption of the resolution providing for the financing of equipment in an aggregated outstanding principal amount not-to-exceed \$40,000,000, from time to time for the purpose of financing equipment and various related capital projects and expenditures at the Corporation's facilities.

Ms. Zurack as an overview and background for the Committee stated that the Corporation issued a new operating procedure (OP) which provides for a new method of financing equipment and other small items. It is more efficient than the prior OP based on the way the markets have been

Minutes of the July 9, 2013 Finance Committee Meeting

performing. The OP 40-58 paved the way for the resolution on today's agenda. Additionally, it is important for the Committee to note that the ability to borrow large amounts of money and earn interest equal to or close to what is paid is no longer doable in today's economy. Before HHC was able to borrow millions of dollars and get a guaranteed interest contract at 4% or 5%; however post 2008, earning are 35 basis points or 50 basis points on the money while paying 4%. For big borrowers like NYC who go to the market place every couple of months and do to what is called "cash flow borrowing" essentially, the money is spent as it is received. In terms of the bond market it is not a practical thing for HHC to do. Therefore, the purpose of the resolution is to allow HHC to do certain types of lending through banks and take advantage of certain tax exempt interest rates on an as needed basis. The OP was reviewed with Ms. Youssouf, Mr. Rosen and Dr. Stocker. The details of this procedure are described in OP 40-58. The intention is that quarterly reports will be made to this Committee on all of the transactions in this area and an annual full report to the Audit Committee as part of the financial statement audit which usually occurs in September.

Ms. Dehart stated that as Ms. Zurack stated the purpose of the resolution as outlined in the OP is to present the resolution on an annual basis and the beginning of the new FY in July. The amount of \$40 million is based on historical spending on equipment for both medical and IT over a twelve month period. In developing the OP HHC's financial advisors were consulted in conjunction with consulting with other hospitals in terms of common practices in the industry.

Ms. Youssouf asked for clarification of the terms. Ms. Dehart stated that the terms would vary but it is expected that HHC would borrow on an as needed basis as the equipment purchases needs are identified; therefore the terms would vary based on the useful life of the equipment that would be financed in addition to market conditions at the time.

Ms. Zurack stated that the terms at this time are not yet defined. The process will involve qualifying banks ahead of time and reporting to this Committee before any initial action is taken.

Dr. Stocker asked if this would preclude HHC from interest rates going back to the previous way of doing this type of borrowing.

Ms. Zurack stated that it would not. This action gives the Corporate CFO the authority to do just-in-time borrowing if in fact there is a possibility to borrow the project fund and earn enough interest to have a project fund. There are efficiencies in doing that and there are non-efficiencies. In the bond market a lot is paid in fees so it would depend and usually for the shorter useful life items, it is not worth the effort but for larger borrowing for renovations and other major projects as a blend it might be efficient. Therefore, in that instance it would not preclude and there would be other circumstances where it would be better to do the other.

Ms. Youssouf asked if the loans are going to be in the form of tax exempt how does HHC anticipate getting the tax exempt loan if HHC is already planning to get the loan from a bank. Ms. Zurack stated that HHC would be borrowing from a bank. Ms. Youssouf asked how it would be tax exempt.

Minutes of the July 9, 2013 Finance Committee Meeting

Ms. Zurack stated that the bank would get the advantage of HHC's status.

Ms. Dehart added that HHC has done taxable leases that were done in the past.

Ms. Youssouf stated that it would be different if HHC was going into a lien.

Ms. Zurack stated that HHC would follow the model for the taxable leases whereby the equipment would be the collateral.

Commissioner Doar asked if at any time HHC could have three or four loans with different banks for different types of equipment totaling no more than \$40 million at a time.

Ms. Zurack responded in the affirmative. In the past when HHC did this type of borrowing, there was a master lease and there were three banks and each put up \$50 million; however what is being contemplated involves identifying needs for the next three months and qualifying some banks and create some competition to decide if it is better to group it or split it depending on the interest. However, there may be a problem finding a bank. It is the intent to report to this Committee on a quarterly basis and the Audit Committee in more detail.

Commissioner Doar asked if for any one arrangement it would be necessary to do an advance of the arrangement.

Ms. Zurack stated that it would not be necessary and HHC may accept vendors financing as part of this if it is advantageous. In the past some of the hospitals have accepted vendors' financing due to the lack of access to this type of arrangement. One of the purposes of this OP is to avoid that type of action. However, most importantly it is necessary for corporate finance to be aware of all outstanding debt in order for the Corporation to report to this Committee.

Ms. Youssouf asked if it would be short term debt. Ms. Zurack stated that it would be five to seven years. Ms. Dehart added that possibly up to ten years. Ms. Zurack stated that it is a lease on the asset on the useful life.

Ms. Youssouf asked if it will be a fixed rate given that it will be five to ten years. Ms. Zurack stated that the Corporation would try for the fixed but would consider the variable rate as an option as well. The Committee would be informed prior to any action.

Mrs. Bolus asked how many banks have been contacted and what would be the process for qualifying those banks. Ms. Dehart stated that through HHC's financial advisors a number of banks were contacted and some banks have contacted HHC in the past. HHC would through the financial advisors and based on prior experience in this area would identify banks to contact. The intent is to prequalify banks that are appropriate for this type of financing and then have a competitive outreach to them at the time HHC wants to borrow.

Minutes of the July 9, 2013 Finance Committee Meeting

Ms. Zurack stated that based on past practices, it is hard to get banks for this type of financing. There are capacity issues for this type of lending; therefore, HHC would go for as many as it could get for the best deal and as Ms. Youssouf has suggested the highest rated banks.

Mrs. Bolus asked if this type of borrowing would have a negative impact on HHC in terms of exposure of HHC's financial status.

Ms. Zurack stated that it would not in any way suggest that HHC is having a financial problem. It is a common practice and other hospitals, voluntary and private, North Shore and Presbyterian hospitals all do this type of borrowing. This action puts HHC more in line with updated practices as a way of accessing capital. In fact, HHC is doing better than the voluntaries.

Ms. Youssouf added that it is not a working capital line but a line used for actual purchases of equipment or leasing of equipment.

Ms. Zurack stated that it is collateralized by the equipment. Commissioner Doar stated that these types of equipment are things that would be needed quickly and this would be a way for HHC to obtain them as the need arises.

Ms. Youssouf stated that most vendors offer financing. Ms. Zurack stated that financing is offered by the vendors and their offers would be evaluated; however, the banks would potentially give HHC a better deal.

Ms. Youssouf asked if the pre list of banks would be presented to the Committee prior to any action.

Ms. Dehart stated that it could be included in the report. Ms. Zurack added that the plan is to do this over the summer and present the report quarterly to this Committee which would be in September 2013. However, if the Committee would like to have it done differently, corporate finance will make an effort to accommodate that request.

Ms. Youssouf stated that an overview of the process for prequalifying the vendors would be important for the Committee to know and the type of equipment that would be covered by this type of borrowing.

Ms. Zurack stated that material management, office of facilities development and IT manage the purchasing side of this process and those divisions have gone through the Capital and IT Committees.

Ms. Dehart added that the dollar amount is reflective of HHC's historical level of spending on equipment and it is consistent with the required spending for the replacement or purchase of equipment.

The resolution was approved for the full Board consideration.

Mr. Levy stated that it is managed by FEMA and it is driven by the amount of the permanent damage. For example if there was a \$100 million worth of damages at one hospital, BT would recommend to FEMA hardening of that facility for future flooding.

Ms. Youssouf asked more specifically if there is a total dollar amount available. Mr. Levy stated that it is essentially unlimited if FEMA can be convinced of a logical amount to invest. Usually the norm is 20% of the damages. The reason Base Tactical is working at 20% of the damages is due to the critical facilities and infrastructure in the City and is confident that it can push that to the maximum.

Ms. Zurack stated that particular situation is extremely difficult for HHC. There are two massive challenges that require very high expertise and perseverance. One is to get FEMA to agree to a dollar value of the damages and secondly, getting FEMA to agree to the cost benefit analysis that shows that the utilization is worth it. There were two things that happened that lead HHC Finance to believe that the process would be easy in terms of getting an agreement on the damages that other disasters have had. One, there was a new program enacted in the Sandy appropriations that would reduce the amount of "red tape" making it easier to establish the damages. Secondly, based on site visits from senior leadership of FEMA who publically stated that FEMA did not want to haggle with applicant on establishing damages HHC was working from that premise. Essentially, HHC was told that based on the scope of what happened, FEMA would accept HHC's engineers damages on the cost which has becomes a critical issue in NYC whereby the cost of constructions far exceeds the experience in the country. The cost of construction has skyrocketed in the last five years and is a problem defending these crises to FEMA. This has been a very disappointing experience for HHC and the circumstances do not show that those commitments were met.

Mr. Levy stated that another very key funding is the Community Development Block Grant (CDBG) that has been used for a number of things and hopefully the proceeds from the loss revenue can be partially offset by the distribution of those funds. The City is planning to use some of its CDBG monies to bridge the gap from FEMA. FEMA will pay 90% of the damages, leaving a 10% gap. The Mayor's Resilience Committee has also recommended as part of its final report that a pilot program be established at Bellevue, \$60 million of CDBG monies for a seawall which is in its early stages of discussions but would be a good invest for HHC. As Ms. Zurack mentioned the process of getting through a FEMA claim has been extremely challenging. The starting point is to get an agreement on the damages which are the traditional type of claim and unfortunately HHC is falling into that category. BT produced an assessment of the damages with the use of experts. Initially there was a group of experts that were allowed for the first ninety days of the storm that were contracted by HHC and under FEMA regulations; BT is required to secure those services which was done. The architects and engineers firms that provided the worksheets were provided to FEMA but were rejected by FEMA. An example at one of the facilities is the estimated repair of approximately \$10 million. As Ms. Zurack indicated, FEMA indicated that if the A&E firms put forth the estimates it would get their stamp of approval; however, the \$10 million was review by FEMA and reduced to \$3 million. BT met with FEMA and at the Metropolitan site, FEMA survey Draper Hall and concluded that there was no damage to the marble and situations similar to that came to represent the difference between the \$10 million and the \$3 million.

Minutes of the July 9, 2013 Finance Committee Meeting

Mr. Levy stated that another very key funding is the Community Development Block Grant (CDBG) that has been used for a number of things and hopefully the proceeds from the loss revenue can be partially offset by the distribution of those funds. The City is planning to use some of its CDBG monies to bridge the gap from FEMA. FEMA will pay 90% of the damages, leaving a 10% gap. The Mayor's Resilience Committee has also recommended as part of its final report that a pilot program be established at Bellevue, \$60 million of CDBG monies for a seawall which is in its early stages of discussions but would be a good invest for HHC. As Ms. Zurack mentioned the process of getting through a FEMA claim has been extremely challenging. The starting point is to get an agreement on the damages which are the traditional type of claim and unfortunately HHC is falling into that category. BT produced an assessment of the damages with the use of experts. Initially there was a group of experts that were allowed for the first ninety days of the storm that were contracted by HHC and under FEMA regulations; BT is required to secure those services which was done. The architects and engineers firms that provided the worksheets were provided to FEMA but were rejected by FEMA. An example at one of the facilities is the estimated repair of approximately \$10 million. As Ms. Zurack indicated, FEMA indicated that if the A&E firms put forth the estimates it would get their stamp of approval; however, the \$10 million was review by FEMA and reduced to \$3 million. BT met with FEMA and at the Metropolitan site, FEMA survey Draper Hall and concluded that there was no damage to the marble and situations similar to that came to represent the difference between the \$10 million and the \$3 million.

Ms. Youssouf asked if the FEMA representatives are from NY. Ms. Zurack stated that the FEMA staff is from all over the country and are not necessarily experts and not from NY.

Mr. Levy stated that the key is to get FEMA to agree to the damages and getting FEMA to agree requires extensive discussions. FEMA has been unwilling to understand the cost of doing business in NYC. The general conditions in order to repair a facility and the process involved in making those repairs. BT has been meeting with FEMA and going through each of the items line by line and bringing in engineers that would be procured by HHC through a competitive bid process. One of which is an international firm and the second is a local firm. These expert firms must attend the meeting with FEMA as a way of avoiding rejections by FEMA. BT is refusing to move on other things to avoid having FEMA take a position to pay only 30% on every dollar for all of the losses. If that should happen, BT will spend the next four years pursuing this issue. FEMA must be convinced of the cost of doing business in NYC.

Ms. Zurack stated that HHC had been told that the standards for establishing the cost, the general conditions and the cost would be done by HHC's certified engineers certification but in actuality FEMA is unwilling to accept that and has moved to the next standard which is historical costs. This would involve having the engineers prove by reviewing other jobs that the cost structure for the City is in fact what it is. This has delayed HHC in its process and resulted in more engineering involvement than anticipated.

Minutes of the July 9, 2013 Finance Committee Meeting

Mr. Rosen asked if there will be any flow of funds as those issues are being resolved. Mr. Levy stated that there will be some flow of funds but it will not be a partial advance on one of the facilities until the issues are resolved.

Ms. Youssouf asked if the "true up" meeting with FEMA would include the premise of how to move forward.

Mr. Levy stated that some of it will be for that reason and whether equipment should be replaced and FEMA has not agreed to replace boilers and those are things that must be resolved early. General conditions in NY must be resolved and the cost of doing business must be agreed upon so that it gets into the formula. In the Federal base there is something called "cost estimating format" which is a tool that under-estimates the cost to repair in the mid-west and the south. Therefore, if that is applied to NYC it would become three cents on a dollar. BT is working with FEMA and is slightly ahead of the City who attends all of the FEMA meetings.

Commissioner Doar asked if BT considered the expert firm around the country would support the City's claims and the cost associated with the recovery process as being reasonable.

Mr. Levy stated that BT is leading the charge that those costs are reasonable and will not accept the New Orleans standard of twenty five cents on a dollar. Many of those have been resolved to the satisfaction of the municipal entity or agency. However, it is a marathon process and BT initial thinking was the opposite of what has transpired but ultimately BT will prevail with good solid documentations with the use of the A&E firms to support those arguments.

Commissioner Doar asked if BT's recommendation is to not go forward until it is resolved. Mr. Levy replied in the affirmative.

Ms. Youssouf asked what would happen if there is another storm particularly with the mitigation work.

Ms. Zurack stated that issue had been raised with Secretary Napolitano and the response was that forbearance, there will be auditors coming every five years from now. Clearly HHC has missed this season for the mitigation but if it takes another six to nine month to go through this, HHC will miss the next season which is a major problem.

Ms. Youssouf asked if the goal is to have written goals in terms of the cost estimates for HHC that will be used.

Mr. Levy stated that each facility large or small will have a claim, a project worksheet, a hundred-page document, line by line, the details of all the damages that must be done and signed by BT, the State and FEMA has to ultimately resolve the pricing and scope of work which is very time consuming.

Ms. Zurack stated that there are minutes for all of the meetings with FEMA and recordings of the oral commitments and there were oral commitments that Draper Hall at Metropolitan should be done and

Minutes of the July 9, 2013 Finance Committee Meeting

resolved. Therefore, would eliminate having to repeat it for each facility. It is extremely difficult to get a commitment from FEMA on what eligible.

Mr. Levy stated that while the Washington politicians have indicated one thing, there was a federal coordinating officer who was in charge of the entire eastern Sandy losses and was in New York numerous times; and was very responsive and highlighted some of the concerns; however, without notice that person was removed in addition to at least three or four others that will also be removed.

Ms. Youssouf asked if these issues have been raised with the City's elected officials in Washington. Both Ms. Zurack and Ms. Brown responded in the affirmative.

Mr. Levy stated that there are a number of fronts BT is working on to keep politicians at all levels involved. There are remedies when this happens. The first is to hold out and get it right the first time without going to another type of change. Alternatively if all else fails, then there would be appeals submitted to the local region that takes up to six months and are often rule negatively. The next step would be arbitration and that process has been highly successful and those types of examples previously mentioned usually win about 90-95% of the time.

Commissioner Doar asked if that would be in advance of the expenditures or after the expenditure. Mr. Levy stated that it would be before.

Ms. Zurack stated that the Corporation has used some corporate funds for some small projects that are a potential mitigation benefit. Bellevue was authorized to do some projects totaling \$400,000 and where feasible HHC is not waiting to hear from FEMA on some of the storm protection items. Obviously some of the big ticket items HHC would need the money before moving forward but some of the small things are being done.

Mr. Levy stated that there are flood gates going in at Bellevue and securing the parameters around the emergency room at Coney Island with sand bags and moving a portion of the electrical to a higher level in order to give it whatever protection this summer. The good news is that the potential dollars ultimately that have been identified as a result of the storm and the emergency work spent to-date overall is likely to be \$1.05 billion. The restoration amount is the estimated figure previously discussed that 406 mitigation funding will come from the federal government to the facilities that will allow HHC to harden its facilities. The 404 funding is the State piece that could potentially yield up to \$50 million as HHC's share. There is a lot that comes with the claim's process. The A&E firms have come forward with specific proposals, time lines and schedules in order to assist HHC in resolving the FEMA claims that would increase the current contract to \$10.4 million for the purpose of using these firms for that particular period of time.

Ms. Zurack stated that FEMA did agree to do a project worksheet for HHC's A&E costs so that HHC can get reimbursed for those costs before the project worksheets are written.

Minutes of the July 9, 2013 Finance Committee Meeting

Ms. Youssouf asked how much of the \$1 billion has HHC received. Ms. Zurack stated that HHC has received \$61 million against cost totaling \$150 million.

Commissioner Doar asked if the 3rd party is sending the same message to firms regarding their opinion on whether FEMA is reasonable or unreasonable. Mr. Levy stated that he did not have an answer to that question.

Ms. Zurack stated that based on an inquiry, the State is very much supportive and is advocating on HHC behalf.

Mr. Levy stated that those firms will be heavily involved with HHC for the remainder of the year to get the level of funding needed to do the major repairs to ensure that by 2015 the process will be completed.

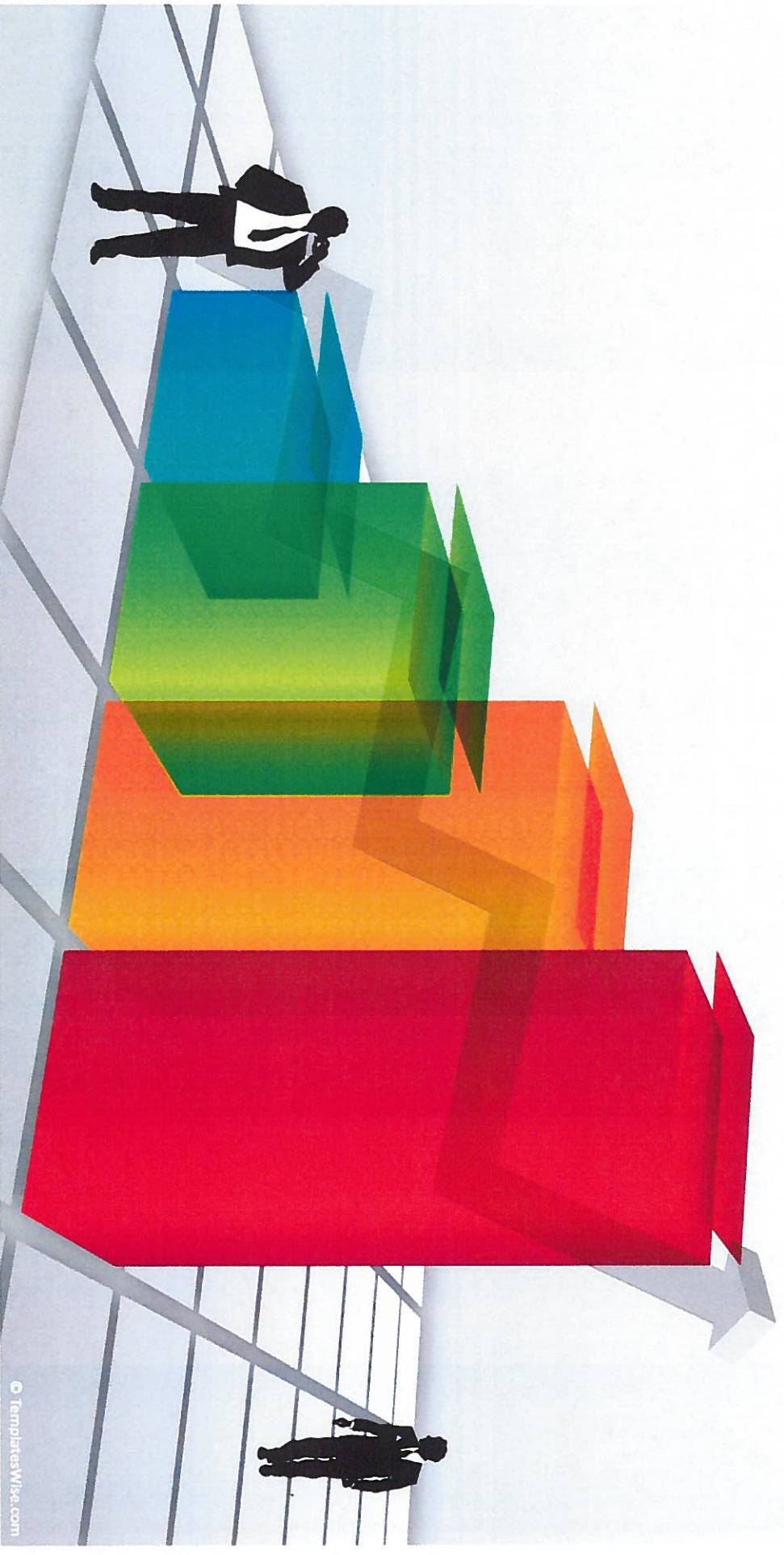
Mr. Rosen asked whether the \$1 billion is a solid number. Ms. Zurack stated that it is not given that these are rough estimates. Mr. Levy stated that there is a sense that given the damages at HHC facilities, there is a possibility for HHC to secure that level of funding. The presentation was concluded.

ADJOURNMENT

BERNARD ROSEN

There being no further business to discuss, the meeting was adjourned at 10:22 a.m.

KEY INDICATORS CASH RECEIPTS & DISBURSEMENTS REPORTS



KEY INDICATORS
FISCAL YEAR 2013 UTILIZATION

Year to Date
June 2013

NETWORKS	UTILIZATION			AVERAGE LENGTH OF STAY		ALL PAYOR CASE MIX INDEX	
	FY 13	FY 12	VAR %	ACTUAL	EXPECTED	FY 13	FY 12
<u>North Bronx</u>							
Jacobi	18,422	19,857	-7.2%	6.4	6.4	1.1262	1.0737
North Central Bronx	7,597	7,938	-4.3%	4.4	4.6	0.7617	0.7059
<u>Generations +</u>							
Harlem	11,511	10,650	8.1%	5.5	5.7	0.9809	0.9804
Lincoln	23,200	23,229	-0.1%	4.9	5.5	0.9095	0.9186
Belvis DTC	57,210	65,604	-12.8%				
Morrisania DTC	83,320	100,593	-17.2%				
Renaissance	59,046	67,981	-13.1%				
<u>South Manhattan</u>							
Bellevue	16,992	25,018	-32.1%	6.3	6.3	1.1593	1.1013
Metropolitan	12,487	11,814	5.7%	4.9	5.2	0.8366	0.7782
Coler	214,693	284,467	-24.5%				
Goldwater	272,935	310,020	-12.0%				
Gouverneur - NF	49,066	66,594	-26.3%				
Gouverneur - DTC	252,632	283,040	-10.7%				
<u>North Central Brooklyn</u>							
Kings County	24,178	23,932	1.0%	6.3	6.0	1.0038	1.0129
Woodhull	13,692	13,851	-1.1%	5.1	4.9	0.8465	0.8281
McKinney	113,818	115,036	-1.1%				
Cumberland DTC	90,313	98,096	-7.9%				
East New York	76,566	84,120	-9.0%				
<u>Southern Brooklyn / S I</u>							
Coney Island	9,409	16,747	-43.8%	6.5	6.3	1.1171	1.0513
Seaview	108,312	109,037	-0.7%				
<u>Queens</u>							
Elmhurst	23,531	24,451	-3.8%	5.6	5.4	0.9478	0.9324
Queens	12,826	12,972	-1.1%	5.6	5.3	0.9207	0.8809
Discharges/CMI-- All Acutes	173,845	190,459	-8.7%			0.9755	0.9598
Visits-- All D&TCs	619,087	699,434	-11.5%				
Days-- All SNFs	758,824	885,154	-14.3%				

Notes:

Utilization

Acute: discharges excl. psych and rehab; D&TC: reimbursable visits;

SNF: chronic and rehab days

All Pavor CMI

Acute discharges are grouped using the 2012 New York State APR-DRGs

Average Length of Stay

Actual: discharges divided by days; excludes one day stays.

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

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

Bellevue hospital began evacuating on Oct 31,2012. Outpatient clinics and ambulatory services began to re-open in Nov, 2012. Inpatient services reopened in Feb 13 and hospital assumes normal operation on Feb 19,2013

Coney Island hospital began evacuating on Oct 27, 2012. Outpatient primary medical care services began to re-open in Nov, 2012 and ambulatory services began to re-open in Jan, 2013. Inpatient services and behavioral services began to re-open in Jan, 2013.

As of June, Coney Island is still not fully operational.

KEY INDICATORS

FISCAL YEAR 2013 BUDGET PERFORMANCE (\$s in 000s)

Year to Date

June 2013

NETWORKS	FTE's VS 6/16/12	RECEIPTS		DISBURSEMENTS		BUDGET VARIANCE	
		actual	better / (worse)	actual	better / (worse)	better / (worse)	
<u>North Bronx</u>							
Jacobi	(11.5)	\$ 523,518	\$ (154)	\$ 557,269	\$ 1,771	\$ 1,616	0.1%
North Central Bronx	(7.0)	<u>181,211</u>	<u>6,669</u>	<u>181,221</u>	<u>13,369</u>	<u>20,039</u>	<u>5.4%</u>
	(18.5)	\$ 704,728	\$ 6,515	\$ 738,490	\$ 15,140	\$ 21,655	1.5%
<u>Generations +</u>							
Harlem	(126.0)	\$ 319,116	\$ (11,496)	\$ 345,494	\$ 2,925	\$ (8,571)	-1.3%
Lincoln	(69.0)	456,226	(23,930)	497,091	7,932	(15,998)	-1.6%
Belvis DTC	(1.0)	18,338	2,092	16,151	2,265	4,358	12.6%
Morrisania DTC	(6.5)	29,032	2,481	25,048	4,433	6,913	12.3%
Renaissance	(1.5)	<u>19,054</u>	<u>395</u>	<u>20,854</u>	<u>1,726</u>	<u>2,121</u>	<u>5.1%</u>
	(204.0)	\$ 841,766	\$ (30,458)	\$ 904,637	\$ 19,281	\$ (11,178)	-0.6%
<u>South Manhattan</u>							
Bellevue	(135.0)	\$ 561,614	\$ (160,427)	\$ 779,666	\$ (38,955)	\$ (199,382)	-13.6%
Metropolitan	(56.0)	287,121	(11,556)	302,914	8,137	(3,419)	-0.6%
Coler	(20.0)	93,511	5,029	164,565	(52,718)	(47,688)	-23.8%
Goldwater	(123.0)	111,299	(20,623)	172,668	(25,894)	(46,517)	-16.7%
Gouverneur	(4.5)	<u>80,977</u>	<u>3,229</u>	<u>90,581</u>	<u>122</u>	<u>3,351</u>	<u>2.0%</u>
	(338.5)	\$ 1,134,522	\$ (184,348)	\$ 1,510,394	\$ (109,307)	\$ (293,655)	-10.8%
<u>North Central Brooklyn</u>							
Kings County	(171.0)	\$ 639,527	\$ (42,712)	\$ 688,077	\$ 16,289	\$ (26,424)	-1.9%
Woodhull	(88.5)	345,053	(42,353)	399,355	(2,090)	(44,443)	-5.7%
McKinney	(19.5)	38,569	(5,699)	46,433	(262)	(5,962)	-6.6%
Cumberland DTC	(12.5)	31,590	(1,611)	34,131	242	(1,368)	-2.0%
East New York	(5.0)	<u>24,708</u>	<u>(1,107)</u>	<u>23,154</u>	<u>4,500</u>	<u>3,393</u>	<u>6.3%</u>
	(296.5)	\$ 1,079,447	\$ (93,482)	\$ 1,191,151	\$ 18,679	\$ (74,803)	-3.1%
<u>Southern Brooklyn/SI</u>							
Coney Island	(75.0)	\$ 246,116	\$ (73,321)	\$ 400,620	\$ (34,792)	\$ (108,113)	-15.8%
Seaview	(12.0)	<u>48,267</u>	<u>3,115</u>	<u>52,962</u>	<u>(3,837)</u>	<u>(722)</u>	<u>-0.8%</u>
	(87.0)	\$ 294,383	\$ (70,206)	\$ 453,582	\$ (38,629)	\$ (108,835)	-14.0%
<u>Queens</u>							
Elmhurst	(39.0)	\$ 533,765	\$ (23,456)	\$ 551,123	\$ 33,485	\$ 10,029	0.9%
Queens	(55.0)	<u>321,058</u>	<u>(9,048)</u>	<u>362,038</u>	<u>(15,412)</u>	<u>(24,460)</u>	<u>-3.6%</u>
	(94.0)	\$ 854,823	\$ (32,505)	\$ 913,162	\$ 18,073	\$ (14,432)	-0.8%
NETWORKS TOTAL	(1,038.5)	\$ 4,909,668	\$ (404,484)	\$ 5,711,415	\$ (76,763)	\$ (481,247)	-4.4%
Central Office	2.5	692,157	111,942	239,210	891	112,834	13.8%
HHC Health & Home Care	0.5	29,006	(10,141)	33,591	7,330	(2,810)	-3.5%
Enterprise IT	<u>104.0</u>	<u>0</u>	<u>0</u>	<u>155,552</u>	<u>769</u>	<u>769</u>	<u>0.5%</u>
GRAND TOTAL	(931.5)	\$ 5,630,832	\$ (302,682)	\$ 6,139,768	\$ (67,772)	\$ (370,454)	-3.1%

Notes:

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

Bellevue hospital began evacuating on Oct 31, 2012. Outpatient clinics and ambulatory services began to re-open in Nov, 2012. Inpatient services reopened in Feb 13 and hospital assumes normal operation on Feb 19, 2013

Coney Island hospital began evacuating on Oct 27, 2012. Outpatient primary medical care services began to re-open in Nov, 2012 and ambulatory services began to re-open in Jan, 2013. Inpatient services and behavioral services began to re-open in Jan, 2013.

As of June, Coney Island is still not fully operational.

Residents and Grants are included in the reported FTEs. Reported FTEs are compared to 6/16/12.

New York City Health & Hospitals Corporation
Cash Receipts and Disbursements (CRD)
Fiscal Year 2013 vs Fiscal Year 2012 (in 000's)
TOTAL CORPORATION

	Month of June 2013			Fiscal Year To Date June 2013		
	actual 2013	actual 2012	better / (worse)	actual 2013	actual 2012	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 70,122	\$ 75,708	\$ (5,586)	\$ 866,192	\$ 1,084,945	\$ (218,754)
Medicaid Managed Care	49,749	48,373	1,376	623,464	584,469	38,996
Medicare	23,638	38,734	(15,096)	462,445	547,332	(84,887)
Medicare Managed Care	23,323	21,612	1,711	240,050	256,983	(16,932)
Other	<u>16,188</u>	<u>17,628</u>	<u>(1,440)</u>	<u>211,695</u>	<u>232,336</u>	<u>(20,641)</u>
Total Inpatient	\$ 183,021	\$ 202,056	\$ (19,035)	\$ 2,403,847	\$ 2,706,065	\$ (302,218)
Outpatient						
Medicaid Fee for Service	\$ 8,630	\$ 13,703	\$ (5,073)	\$ 166,508	\$ 201,858	\$ (35,350)
Medicaid Managed Care	27,875	43,472	(15,597)	448,979	437,536	11,443
Medicare	5,266	5,248	18	56,180	66,874	(10,694)
Medicare Managed Care	7,137	8,590	(1,452)	103,686	114,346	(10,660)
Other	<u>10,113</u>	<u>10,941</u>	<u>(828)</u>	<u>148,537</u>	<u>156,784</u>	<u>(8,247)</u>
Total Outpatient	\$ 59,022	\$ 81,953	\$ (22,931)	\$ 923,890	\$ 977,398	\$ (53,508)
All Other						
Pools	\$ 10,010	\$ 6,165	\$ 3,844	\$ 445,820	\$ 438,184	\$ 7,637
DSH / UPL	-	434,209	(434,209)	1,402,035	1,317,265	84,770
Grants, Intracity, Tax Levy	28,341	33,202	(4,862)	339,134	245,127	94,007
Appeals & Settlements	2,904	(842)	3,746	37,367	10,525	26,841
Misc / Capital Reimb	<u>9,129</u>	<u>4,558</u>	<u>4,571</u>	<u>78,739</u>	<u>54,197</u>	<u>24,542</u>
Total All Other	\$ 50,383	\$ 477,292	\$ (426,908)	\$ 2,303,095	\$ 2,065,298	\$ 237,797
Total Cash Receipts	\$ 292,426	\$ 761,300	\$ (468,875)	\$ 5,630,832	\$ 5,748,761	\$ (117,929)
Cash Disbursements						
PS	\$ 186,941	\$ 191,686	\$ 4,745	\$ 2,427,269	\$ 2,437,060	\$ 9,791
Fringe Benefits	467,560	283,089	(184,471)	1,168,733	1,179,261	10,528
OTPS	143,050	132,719	(10,331)	1,381,181	1,293,768	(87,413)
City Payments	-	133,024	133,024	141,363	383,137	241,774
Affiliation	76,008	82,499	6,491	924,984	888,892	(36,093)
HHC Bonds Debt	<u>6,325</u>	<u>7,386</u>	<u>1,061</u>	<u>96,238</u>	<u>92,265</u>	<u>(3,973)</u>
Total Cash Disbursements	\$ 879,883	\$ 830,403	\$ (49,480)	\$ 6,139,768	\$ 6,274,382	\$ 134,614
Receipts over/(under) Disbursements	\$ (587,457)	\$ (69,102)	\$ (518,355)	\$ (508,937)	\$ (525,621)	\$ 16,685

Notes:

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

Bellevue hospital began evacuating on Oct 31, 2012. Outpatient clinics and ambulatory services began to re-open in Nov, 2012. Inpatient services reopened in Feb 13 and hospital assumes normal operation on Feb 19, 2013.

Coney Island hospital began evacuating on Oct 27, 2012. Outpatient primary medical care services began to re-open in Nov, 2012 and ambulatory services began to re-open in Jan, 2013. Inpatient services and behavioral services began to re-open in Jan, 2013.

As of June, Coney Island is still not fully operational.

New York City Health & Hospitals Corporation
Cash Receipts and Disbursements (CRD)
Fiscal Year 2013 vs Fiscal Year 2012 (in 000's)

	Bellevue & Coney Island			Total Corporation Less Bellevue & Coney Island		
	Fiscal Year 2013			Fiscal Year 2013		
	actual 2013	actual 2012	better / (worse)	actual 2013	actual 2012	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 129,781	\$ 204,412	\$ (74,630)	\$ 736,411	\$ 880,534	\$ (144,123)
Medicaid Managed Care	83,245	107,908	(24,663)	540,219	476,560	63,659
Medicare	93,366	161,898	(68,531)	369,079	385,435	(16,356)
Medicare Managed Care	37,596	57,505	(19,909)	202,455	199,477	2,977
Other	<u>37,532</u>	<u>56,947</u>	<u>(19,415)</u>	<u>174,163</u>	<u>175,389</u>	<u>(1,226)</u>
Total Inpatient	\$ 381,521	\$ 588,670	\$ (207,149)	\$ 2,022,326	\$ 2,117,395	\$ (95,069)
Outpatient						
Medicaid Fee for Service	\$ 21,518	\$ 31,276	\$ (9,758)	\$ 144,990	\$ 170,582	\$ (25,592)
Medicaid Managed Care	45,541	50,755	(5,214)	403,438	386,781	16,657
Medicare	6,436	13,641	(7,205)	49,744	53,233	(3,489)
Medicare Managed Care	11,299	17,232	(5,934)	92,387	97,113	(4,726)
Other	<u>21,630</u>	<u>26,394</u>	<u>(4,764)</u>	<u>126,907</u>	<u>130,390</u>	<u>(3,484)</u>
Total Outpatient	\$ 106,425	\$ 139,299	\$ (32,874)	\$ 817,465	\$ 838,099	\$ (20,634)
Total Inpatient & Outpatient	\$ 487,946	\$ 727,969	\$ (240,023)	\$ 2,839,791	\$ 2,955,494	\$ (115,703)

Notes:

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

Bellevue hospital began evacuating on Oct 31, 2012. Outpatient clinics and ambulatory services began to re-open in Nov, 2012. Inpatient services reopened in Feb 13 and hospital assumes normal operation on Feb 19, 2013.

Coney Island hospital began evacuating on Oct 27, 2012. Outpatient primary medical care services began to re-open in Nov, 2012 and ambulatory services began to re-open in Jan, 2013. Inpatient services and behavioral services began to re-open in Jan, 2013.

As of June, Coney Island is still not fully operational.

New York City Health & Hospitals Corporation
Actual vs. Budget Report
Fiscal Year 2013 (in 000's)
TOTAL CORPORATION

	Month of June 2013			Fiscal Year To Date June 2013		
	actual 2013	budget 2013	better / (worse)	actual 2013	budget 2013	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 70,122	\$ 100,527	\$ (30,405)	\$ 866,192	\$ 1,157,307	\$ (291,116)
Medicaid Managed Care	49,749	49,164	585	623,464	608,651	14,813
Medicare	23,638	41,687	(18,050)	462,445	538,849	(76,403)
Medicare Managed Care	23,323	24,996	(1,673)	240,050	263,832	(23,781)
Other	<u>16,188</u>	<u>16,657</u>	<u>(469)</u>	<u>211,695</u>	<u>235,643</u>	<u>(23,948)</u>
Total Inpatient	\$ 183,021	\$ 233,032	\$ (50,011)	\$ 2,403,847	\$ 2,804,281	\$ (400,435)
Outpatient						
Medicaid Fee for Service	\$ 8,630	\$ 19,367	\$ (10,737)	\$ 166,508	\$ 220,698	\$ (54,190)
Medicaid Managed Care	27,875	31,301	(3,426)	448,979	466,493	(17,514)
Medicare	5,266	5,476	(210)	56,180	71,093	(14,913)
Medicare Managed Care	7,137	5,537	1,600	103,686	97,935	5,750
Other	<u>10,113</u>	<u>12,295</u>	<u>(2,182)</u>	<u>148,537</u>	<u>165,195</u>	<u>(16,659)</u>
Total Outpatient	\$ 59,022	\$ 73,976	\$ (14,954)	\$ 923,890	\$ 1,021,415	\$ (97,525)
All Other						
Pools	\$ 10,010	\$ 7,005	\$ 3,005	\$ 445,820	\$ 440,308	\$ 5,513
DSH / UPL	-	-	0	1,402,035	1,296,924	105,111
Grants, Intracity, Tax Levy	28,341	36,375	(8,035)	339,134	269,774	69,360
Appeals & Settlements	2,904	-	2,904	37,367	32,904	4,463
Misc / Capital Reimb	<u>9,129</u>	<u>4,635</u>	<u>4,493</u>	<u>78,739</u>	<u>67,908</u>	<u>10,831</u>
Total All Other	\$ 50,383	\$ 48,015	\$ 2,368	\$ 2,303,095	\$ 2,107,818	\$ 195,278
Total Cash Receipts	\$ 292,426	\$ 355,023	\$ (62,598)	\$ 5,630,832	\$ 5,933,514	\$ (302,682)
Cash Disbursements						
PS	\$ 186,941	\$ 182,184	\$ (4,757)	\$ 2,427,269	\$ 2,421,249	\$ (6,020)
Fringe Benefits	467,560	473,522	5,962	1,168,733	1,189,847	21,114
OTPS	143,050	177,758	34,708	1,381,181	1,302,259	(78,923)
City Payments	-	-	0	141,363	140,072	(1,291)
Affiliation	76,008	75,951	(57)	924,984	922,013	(2,971)
HHC Bonds Debt	<u>6,325</u>	<u>5,949</u>	<u>(376)</u>	<u>96,238</u>	<u>96,556</u>	<u>318</u>
Total Cash Disbursements	\$ 879,883	\$ 915,364	\$ 35,481	\$ 6,139,768	\$ 6,071,996	\$ (67,772)
Receipts over/(under) Disbursements	\$ (587,457)	\$ (560,340)	\$ (27,117)	\$ (508,937)	\$ (138,482)	\$ (370,454)

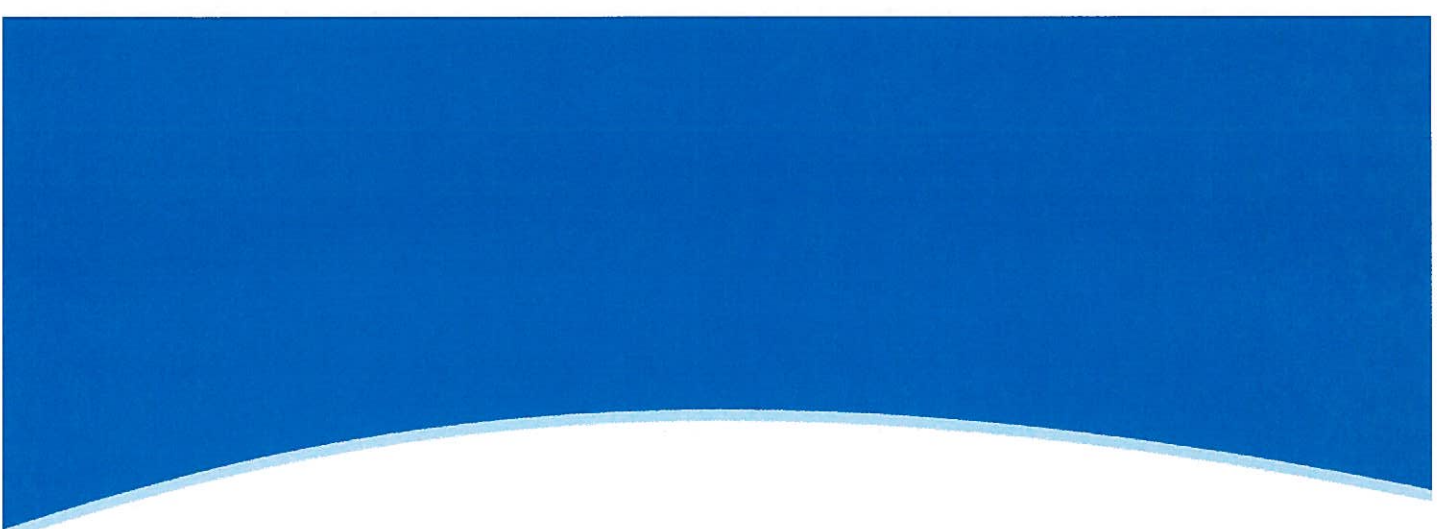
Notes:

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

Bellevue hospital began evacuating on Oct 31, 2012. Outpatient clinics and ambulatory services began to re-open in Nov, 2012. Inpatient services reopened in Feb 13 and hospital assumes normal operation on Feb 19, 2013.

Coney Island hospital began evacuating on Oct 27, 2012. Outpatient primary medical care services began to re-open in Nov, 2012 and ambulatory services began to re-open in Jan, 2013. Inpatient services and behavioral services began to re-open in Jan, 2013. As of June, Coney Island is still not fully operational

Annual Deficit in budgeted receipts vs. disbursements is funded through reserves



RESOLUTION

1

RESOLUTION

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Crothall Healthcare, Inc. ("Crothall") for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

WHEREAS, the President of the Corporation issued a Declaration of Emergency on November 21, 2012 due to damage caused by Hurricane Sandy (DR-4085-NY) (the "Storm") to certain facilities of the Corporation and reported the issuance of the Declaration of Emergency to the Corporation's Board of Directors on November 29, 2012;

WHEREAS, as a result of the Storm, the Corporation's facilities were damaged and substantial and extraordinary work was undertaken to stabilize, secure, and reopen the facilities as quickly as possible to assure patient care to the communities served by the Corporation's facilities; and

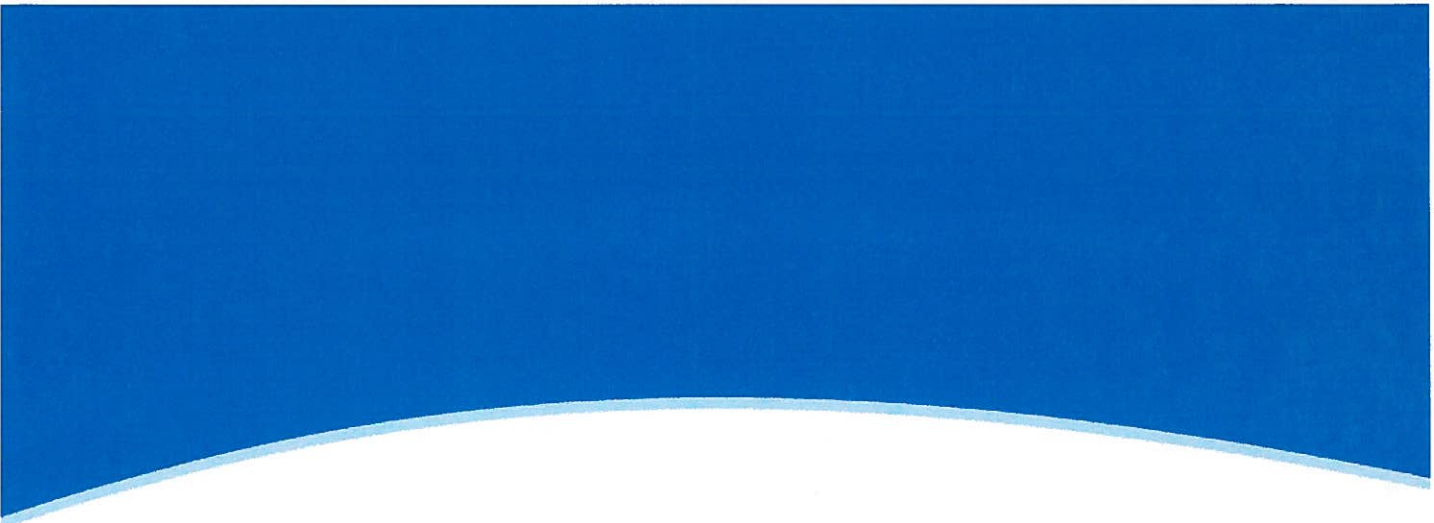
WHEREAS, the Corporation entered into a contract amendment with Crothall to do emergency construction and restoration work at Bellevue Hospital Center, Coney Island Hospital, Metropolitan Hospital Center and Coler-Goldwater Specialty Hospitals and Nursing Facility and several other HHC facilities which work was beyond the scope of the original contract awarded to Crothall; and

WHEREAS, the Corporation has paid or is in the process of paying Crothall for work satisfactorily completed; and

WHEREAS, the Corporation has filed or is in the process of filing claims with FEMA in connection with the damage caused by the Storm for work performed, that is eligible for FEMA reimbursement for which the Corporation to date has received \$83,000,000 in reimbursements from FEMA.

NOW THEREFORE, be it

RESOLVED, that the action taken by the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a contract amendment executed by the President of the New York City Health and Hospitals Corporation with Crothall Healthcare, Inc. for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy be, and the same hereby is, ratified.



RESOLUTION

2

RESOLUTION

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Johnson Controls, Inc. ("JCI") for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

WHEREAS, the President of the Corporation issued a Declaration of Emergency on November 21, 2012 due to damage caused by Hurricane Sandy (DR-4085-NY) (the "Storm") to certain facilities of the Corporation and reported the issuance of the Declaration of Emergency to the Corporation's Board of Directors on November 29, 2012;

WHEREAS, as a result of the Storm, the Corporation's facilities were damaged and substantial and extraordinary work was undertaken to stabilize, secure, and reopen the facilities as quickly as possible to assure patient care to the communities served by the Corporation's facilities; and

WHEREAS, the Corporation entered into a contract amendment with JCI to do emergency construction and restoration work at Bellevue Hospital Center, Coney Island Hospital, Metropolitan Hospital Center and Coler-Goldwater Specialty Hospitals and Nursing Facility and several other HHC facilities which was beyond the scope of the original contracts awarded to JCI; and

WHEREAS, the Corporation has paid or is in the process of paying contractors for work satisfactorily completed; and

WHEREAS, the Corporation has filed or is in the process of filing claims with FEMA in connection with the damage caused by the Storm for work performed, that is eligible for FEMA reimbursement of which the Corporation to date has received \$83,000,000 in reimbursements from FEMA.

NOW THEREFORE, be it

RESOLVED, that the action taken by the President of the New York City Health and Hospitals Corporation to execute a contract amendment to Johnson Controls, Inc. for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy, awarded be, and the same hereby, is ratified.



The New York City
Health and Hospitals Corporation

**Emergency Restoration and
Construction Services
Post Hurricane Sandy**

September 2013

HHC NEW YORK CITY
HEALTH AND
HOSPITALS
CORPORATION
nyc.gov/hhc

Emergency

- Hurricane Sandy caused:
 - Substantial physical damage;
 - Serious interruption of healthcare delivery;
 - Evacuation of several critical HHC hospitals/facilities.
- An immediate need existed to:
 - **Stabilize, secure, and reopen our facilities**
- HHC identified two contractors to complete the tasks.

Remediation & Stabilization

Bellevue: Fully opens in 95 days.....

Coler: Temporary steam & electricity in 7 days.....

Coney Island: Opens in stages over 2 months.....

Helping to mitigate a revenue loss of \$15M week

- Building assessments and emergency cleaning services: **(Crothall Healthcare)**
 - De-watering
 - Muck out
 - Sanitization
- Temporary Services: **(Johnson Controls)**
 - Electrical hook-ups, generators, fuel
 - Steam boilers, connections
 - Water pumps
 - Air makeup systems
 - Temporary repairs to elevators

Timeline for Emergency Response

Nov Dec Jan Feb Mar Apr May Jun July Aug

Crothall / Signal

\$129M

Johnson Controls

\$102M

Reconstruct ion & Repair

- Once hospitals were again operational, more temporary and permanent work was executed.
 - Permanent electrical systems
 - Permanent air handlers
 - Temp repairs to elevators
 - Temp medical gas systems
 - Permanent construction to Bellevue's basement
 - Permanent construction to Coney Island's first floor

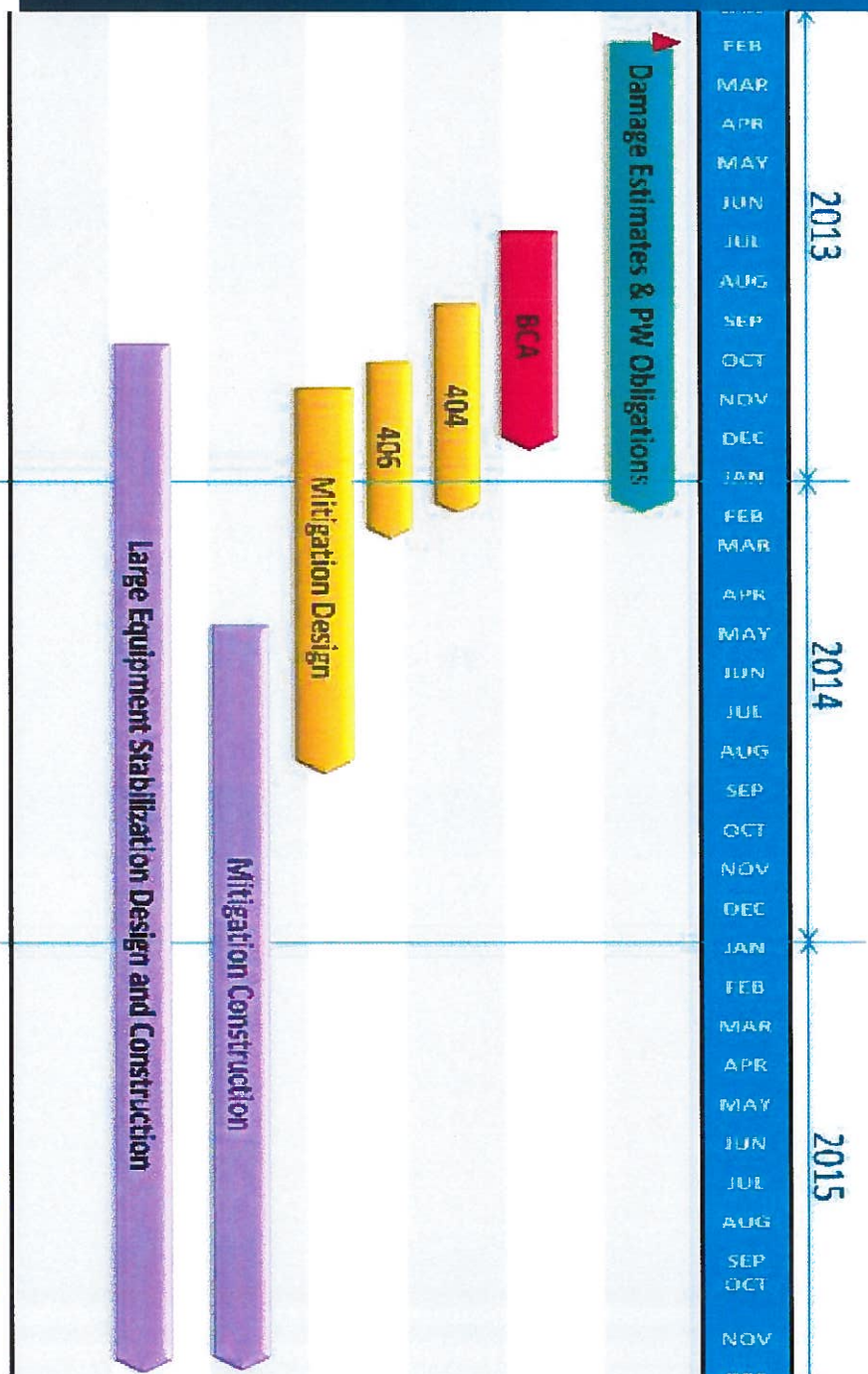
FEMMA Funding for Emergency Services

- **FEMMA has obligated \$137,000,000**
- **\$83,000,000 has been paid**
- **Contractors invoices:**
 - Substantial documentation required
 - Certified payrolls difficult for a number of sub-contractors
- **Weekly invoices are submitted to FEMA after HHC Finance has reviewed**
- **Pay packages will be submitted to FEMA & NYS for draw down of additional funds**

What's the future hold?

Timeline 2013 – 2015

Longer-term Timeline of Mitigation Projects





The New York City
Health and Hospitals Corporation

**Emergency Restoration and
Construction Services Post
Hurricane Sandy
September 2013**

HHC NEW YORK CITY
HEALTH AND
HOSPITALS
CORPORATION
nyc.gov/hhc



**PS KEY INDICATORS QUARTERLY REPORT
FY 13 YEAR-END**



nyc.gov/hhc

Review of Personal Services Key Indicators (FY 2013 4th Quarter)

PS Disbursements – Actual vs. Budget

Network/Facility	Actual PS thru June 2013 (\$ in 000's)	Budgeted PS thru June 2013 (\$ in 000's)	Budget Variance thru June 2013 (\$ in 000's)
North Bronx			
Jacobi	225,557	222,197	(3,360)
NCB	72,181	72,438	257
Subtotal	297,738	294,635	(3,103)
Generations +			
Harlem	133,770	134,645	875
Lincoln	190,014	186,123	(3,891)
Morrisania	12,453	12,433	(20)
Renaissance	8,543	9,007	464
S.R. Belvis	7,689	7,855	166
Subtotal	352,469	350,063	(2,406)
South Manhattan			
Bellevue	281,073	280,891	(182)
Metropolitan	130,368	130,237	(131)
Coler	59,431	56,308	(3,123)
Goldwater	77,260	73,473	(3,787)
Gouverneur	42,662	45,615	2,953
Subtotal	590,794	586,524	(4,270)
North Central Brooklyn			
Kings County	353,337	358,058	4,721
Woodhull	149,252	151,298	2,046
McKinney	21,329	20,771	(558)
Cumberland	14,667	13,879	(788)
ENY	13,362	13,381	19
Subtotal	551,947	557,387	5,440
S Brooklyn / Staten Is.			
Coney Island	151,513	153,350	1,837
Seaview	27,002	26,421	(581)
Subtotal	178,515	179,771	1,256
Queens			
Elmhurst	207,990	208,682	692
Queens	130,777	126,079	(4,698)
Subtotal	338,767	334,761	(4,006)
Facilities Total	2,310,230	2,303,141	(7,089)
Central Office	56,414	56,484	70
Certified Home Health	12,743	13,679	936
Enterprise IT	47,880	47,946	66
Grand Total	2,427,267	2,421,250	(6,017)

FTE Variance 06/16/12 - 6/15/13

Network/Facility	FTEs as of 6/16/12	FTEs as of 6/15/13	Increase (Decrease) in FTEs thru 6/15/13
North Bronx			
Jacobi	3,308.0	3,296.5	(11.5)
NCB	1,095.0	1,088.0	(7.0)
Subtotal	4,403.0	4,384.5	(18.5)
Generations +			
Harlem	2,142.0	2,016.0	(126.0)
Lincoln	2,786.0	2,717.0	(69.0)
Morrisania	195.0	188.5	(6.5)
Renaissance	145.0	143.5	(1.5)
S.R. Belvis	105.5	104.5	(1.0)
Subtotal	5,373.5	5,169.5	(204.0)
South Manhattan			
Bellevue	4,284.5	4,149.5	(135.0)
Metropolitan	2,003.0	1,947.0	(56.0)
Coler	1,016.0	996.0	(20.0)
Goldwater	1,209.0	1,086.0	(123.0)
Gouverneur	601.5	597.0	(4.5)
Subtotal	9,114.0	8,775.5	(338.5)
North Central Brooklyn			
Kings County	4,807.0	4,636.0	(171.0)
Woodhull	2,316.5	2,228.0	(88.5)
McKinney	337.5	318.0	(19.5)
Cum berland	233.5	221.0	(12.5)
ENY	196.5	191.5	(5.0)
Subtotal	7,891.0	7,594.5	(296.5)
S. Brooklyn / Staten Is.			
Coney Island	2,397.5	2,322.5	(75.0)
Seaview	361.5	349.5	(12.0)
Subtotal	2,759.0	2,672.0	(87.0)
Queens			
Elmhurst	3,196.0	3,157.0	(39.0)
Queens	1,874.5	1,819.5	(55.0)
Subtotal	5,070.5	4,976.5	(94.0)
Facilities Total	34,611.0	33,572.5	(1,038.5)
Central Office	602.5	605.0	2.5
Certified Home Health	170.0	170.5	0.5
Enterprise IT	554.0	658.0	104.0
Grand Total	35,937.5	35,006.0	(931.5)

Note: RESIDENT HEADCOUNT FOR FISCAL YEAR END 2012 UTILIZES JUNE 16, 2012.

Corporate-wide FTE Variance by Category

Staffing Change June 2012 vs. June 2013	FTEs
Environmental/Hotel	(300.5)
Clerical	(264.5)
Aides/Ord	(152.5)
Nurses *	(137.5)
Tech/Spec	(117.0)
Managers	(11.0)
Physicians	(3.5)
Residents	55.0
Total	(931.5)

*Nurses include LPNs RNs & Nurse Practitioners

FY 2013 Overtime Actual vs. Budget

Network/Facility	Actual OT thru June 2013	OT Budget thru June 2013	Variance
North Bronx			
Jacobi	17,603,449	15,000,000	2,603,449
NCB	6,488,735	6,000,000	488,735
Subtotal	24,092,184	\$21,000,000	\$3,092,184
Generations +			
Harlem	6,299,840	7,000,000	(700,160)
Lincoln	12,242,311	10,500,000	1,742,311
Morrisania	259,423	200,000	59,423
Renaissance	42,994	175,000	(132,006)
S.R. Belvis	70,049	75,000	(4,951)
Subtotal	18,914,617	\$17,950,000	\$964,617
South Manhattan			
Bellevue	13,637,217	15,000,000	(1,362,783)
Metropolitan	6,950,545	5,500,000	1,450,545
Coler	5,093,097	3,500,000	1,593,097
Goldwater	10,464,027	5,500,000	4,964,027
Gouverneur	238,180	360,000	(121,820)
Subtotal	36,383,066	\$29,860,000	\$6,523,066
North Central Brooklyn			
Kings County	19,320,364	17,500,000	1,820,364
Woodhull	6,836,776	7,500,000	(663,224)
McKinney	2,161,569	2,000,000	161,569
Cumberland	394,209	500,000	(105,791)
ENY	169,001	165,000	4,001
Subtotal	\$28,881,919	\$27,665,000	\$1,216,919
S. Brooklyn / Staten Is.			
Coney Island	2,961,461	3,300,000	(338,539)
Seaview	1,096,050	800,000	296,050
Subtotal	\$4,057,511	\$4,100,000	(\$42,489)
Queens			
Elmhurst	12,097,626	11,300,000	797,626
Queens	7,170,822	6,800,000	370,822
Subtotal	\$19,268,448	\$18,100,000	\$1,168,448
Facilities Total	\$131,597,745	\$118,675,000	\$12,922,745
Central Office	402,297	700,000	(\$297,703)
Certified Home Health	134,289	126,000	\$9,289
Enterprise IT	892,179	760,000	(142,179)
Grand Total	\$133,026,610	\$120,260,000	\$12,492,162

Overtime by Major Category

FY 2013 vs. FY 2012

FYTD JUNE 2012 vs. FYTD JUNE 2013

GROUP	FYTD June 2012	FYTDJune 2013	Inc./((Dec.) \$	Inc./((Dec.) %
NURSING	38,863,831	42,546,893	3,683,062	9.5%
PLANT MAINT	34,785,341	34,524,759	(260,582)	-0.7%
ALL OTHERS	<u>54,804,657</u>	<u>55,954,858</u>	<u>1,150,201</u>	<u>2.1%</u>
TOTAL	128,453,829	133,026,510	4,572,681	3.6%

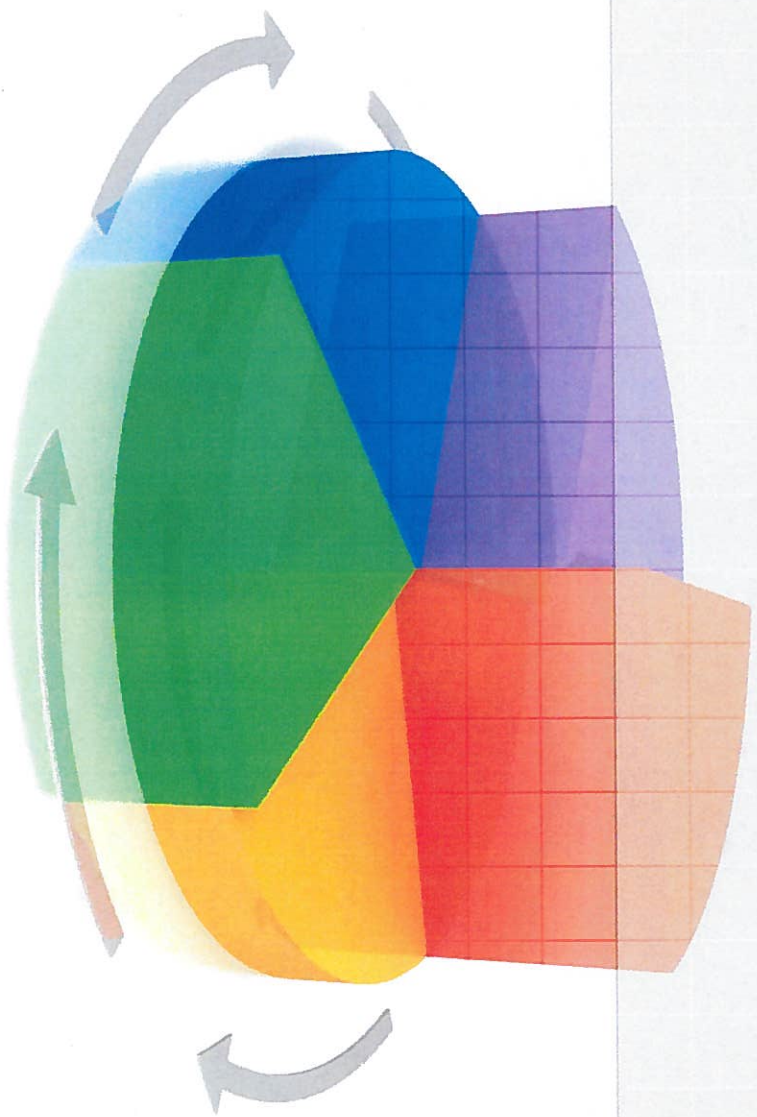
Nurse Registry FY 2013 vs. FY 2012

Network/Facility	Nurse Registry thru June 2012	Nurse Registry thru June 2013	Variance
North Bronx			
Jacobi	\$7,941,600	\$9,765,602	1,824,002
NCB	\$1,517,144	\$1,827,747	310,603
	\$9,458,744	\$11,593,349	\$2,134,605
Subtotal			
Generations +			
Harlem	\$9,669,674	\$7,732,270	(1,937,404)
Lincoln	\$17,535,597	\$14,087,372	(3,448,224)
Morrisania	\$171,373	\$197,508	26,135
Renaissance	\$9,882	\$61,487	51,606
S.R. Belvis	\$60,855	\$120,757	59,902
	\$27,447,380	\$22,199,394	(\$5,247,986)
Subtotal			
South Manhattan			
Bellevue	\$12,178,154	\$6,493,329	(5,684,825)
Metropolitan	\$4,634,437	\$3,262,231	(1,372,206)
Coler	\$190,499	\$143,017	(47,482)
Goldwater	\$1,041,127	\$1,094,665	53,538
Gouverneur	\$381,068	\$139,633	(241,435)
	\$18,425,285	\$11,132,874	(\$7,292,410)
Subtotal			
North Central Brooklyn			
Kings County	\$7,342,078	\$7,475,260	133,182
Woodhull	\$3,510,591	\$2,408,712	(1,101,878)
McKinney	\$2,290,045	\$3,769,691	1,479,646
Cumberland	\$0	\$0	-
ENY	\$63,656	\$81,517	17,861
	\$13,206,369	\$13,735,180	\$528,811
Subtotal			
S Brooklyn / Staten Is.			
Coney Island	\$285	\$855	(570.0)
Seaview	\$0	\$0	-
	\$285	\$855	\$570
Subtotal			
Queens			
Elmhurst	\$3,927,446	\$4,470,946	543,499
Queens	\$10,477,520	\$8,947,807	(1,529,712)
	\$14,404,966	\$13,418,753	(\$986,213)
Subtotal			
Facilities Total	\$82,943,028	\$72,080,405	(\$10,862,623)
Certified Home Health	\$4,062,034	\$2,956,165	(\$1,105,869)
Grand Total	\$87,005,062	\$75,036,571	(\$11,968,491)

Allowances FY 2013 vs. FY 2012

Network/Facility	Allowances thru June 2012	Allowances thru June 2013	Variance
North Bronx			
Jacobi	\$702,329	\$804,049	101,720
NCB	\$263,570	\$308,553	44,983
Subtotal	\$965,899	\$1,112,602	\$146,703
Generations +			
Harlem	\$3,940,924	\$3,478,776	(462,148)
Lincolln	\$7,826,236	\$6,936,188	(890,048)
Morrisania	\$276,485	\$101,449	(175,036)
Renaissance	\$207,076	\$75,456	(131,620)
S.R. Belvis	\$218,199	\$214,252	(3,947)
Subtotal	\$12,468,920	\$10,806,121	(\$1,662,799)
South Manhattan			
Bellevue	\$5,405,379	\$4,914,653	(490,726)
Metropolitan	\$4,711,454	\$4,319,578	(391,876)
Coler	\$2,059,128	\$1,768,921	(290,207)
Goldwater	\$2,700,555	\$2,186,796	(513,759)
Gouverneur	\$4,149,717	\$3,876,840	(272,877)
Subtotal	\$19,026,233	\$17,066,788	(\$1,959,445)
North Central Brooklyn			
Kings County	\$13,210,360	\$13,135,520	(74,840)
Woodhull	\$2,958,553	\$2,706,748	(251,805)
McKinney	\$1,251,567	\$1,245,440	(6,127)
Cumberland	\$182,855	\$179,984	(2,871)
ENY	\$215,684	\$226,325	10,641
Subtotal	\$17,819,019	\$17,494,017	(\$325,002)
S. Brooklyn / Staten Is.			
Coney Island	\$8,575,001	\$7,385,970	(1,189,031)
Seaview	\$6,162,820	\$6,367,772	204,952
Subtotal	\$14,737,821	\$13,753,742	(\$984,079)
Queens			
Elmhurst	\$1,394,691	\$1,427,527	32,836
Queens	\$3,230,687	\$4,674,367	1,443,680
Subtotal	\$4,625,378	\$6,101,894	\$1,476,516
Facilities Total	\$69,643,270	\$66,335,164	(\$3,308,106)
Central Office	\$761,107	\$723,706	(\$27,401)
Certified Home Health	\$1,791,108	\$1,693,116	(\$97,992)
Enterprise IT	\$281,040	\$213,449	(\$67,591)
Grand Total	\$72,466,626	\$68,965,435	(\$3,501,090)

PAYOR MIX REPORTS



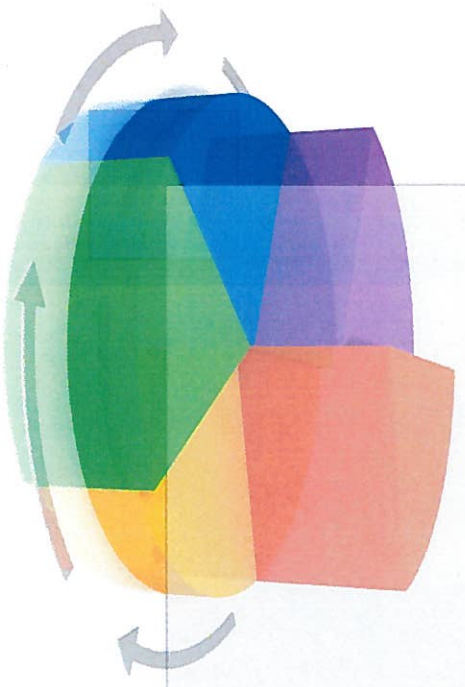
100.00%

www.dentymedic.com

0.00%

100,00%

INPATIENT PAYOR MIX REPORT



NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
 INPATIENT DISCHARGES PAYOR MIX
 REPORT : JULY 2012 - JUNE 2013

FACILITY	MEDICARE	MEDICAID	MEDICARE MANAGED CARE	MEDICAID MANAGED CARE	COMMERCIAL MANAGED CARE	COMMERCIAL	OTHER	SELPAY	HHC OPTIONS	TOTAL	% OF DSCH INSURED TO TOTAL
BELLEVUE	2,510	5,561	1,424	6,378	706	1,461	1,786	1,485	558	21,869	93.21%
CONY ISLAND	3,034	2,282	991	2,734	241	560	19	315	312	10,488	97.00%
ELMHURST	3,165	5,666	2,180	10,538	990	1,223	702	880	902	26,246	96.65%
HARLEM	1,490	3,230	1,308	5,323	244	757	38	491	259	13,140	96.26%
JACOBI	2,794	4,372	1,735	8,482	858	1,561	92	563	359	20,816	97.30%
KINGS COUNTY	3,006	7,685	2,448	9,911	1,406	1,741	45	895	630	27,767	96.78%
LINCOLN	2,191	4,581	2,883	11,460	415	1,299	135	434	563	23,961	98.19%
METROPOLITAN	1,693	4,174	1,462	6,291	380	424	18	496	397	15,335	96.77%
NORTH CENTRAL BRONX	983	1,755	602	4,205	267	318	32	259	199	8,620	97.00%
QUEENS	1,968	3,557	1,371	5,565	473	591	97	461	439	14,522	96.83%
WOODHULL	1,452	4,348	1,192	7,167	355	535	12	256	482	15,799	98.38%
CORPORATE TOTAL	24,286	47,211	17,596	78,054	6,335	10,470	2,976	6,535	5,100	198,563	96.71%

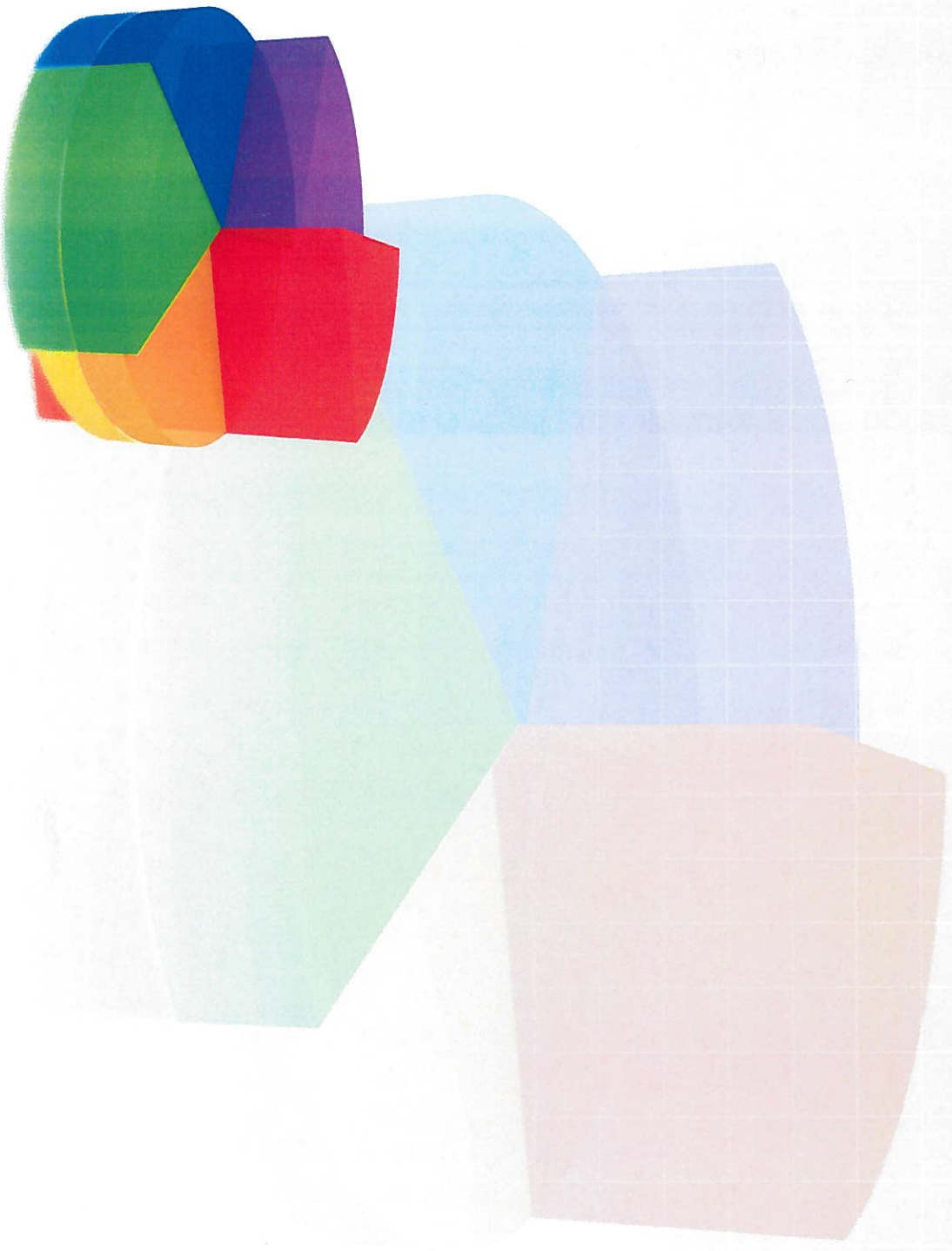
REPORT : JULY 2011 - JUNE 2012

FACILITY	MEDICARE	MEDICAID	MEDICARE MANAGED CARE	MEDICAID MANAGED CARE	COMMERCIAL MANAGED CARE	COMMERCIAL	OTHER	SELPAY	HHC OPTIONS	TOTAL	% OF DSCH INSURED TO TOTAL
BELLEVUE	3,424	9,707	2,090	8,132	1,117	1,998	2,506	1,454	883	31,311	95.36%
CONY ISLAND	4,703	4,330	1,496	5,025	507	1,028	32	437	454	18,012	97.57%
ELMHURST	3,360	7,040	2,216	10,367	1,086	1,413	655	288	1,103	27,528	98.95%
HARLEM	1,491	3,875	1,155	4,233	280	772	44	299	248	12,397	97.59%
JACOBI	3,060	5,362	1,753	8,018	878	1,860	130	382	505	21,948	98.26%
KINGS COUNTY	2,828	9,255	2,318	8,544	1,325	1,804	70	518	747	27,409	98.11%
LINCOLN	2,363	5,696	2,776	10,335	556	1,213	120	127	653	23,839	99.47%
METROPOLITAN	1,464	5,005	1,340	5,533	382	455	16	252	273	14,720	98.29%
NORTH CENTRAL BRONX	969	2,312	539	4,133	255	373	34	154	209	8,978	98.28%
QUEENS	1,927	4,424	1,356	4,987	533	639	77	317	496	14,756	97.85%
WOODHULL	1,629	5,192	1,252	6,428	300	635	26	158	561	16,181	99.02%
CORPORATE TOTAL	27,218	62,198	18,291	75,735	7,219	12,190	3,710	4,386	6,132	217,079	97.98%

* Data reflects migration to Soarian database
 ** July through June 2012 data was re run using this database

100.00%

ADULT PAYOR MIX



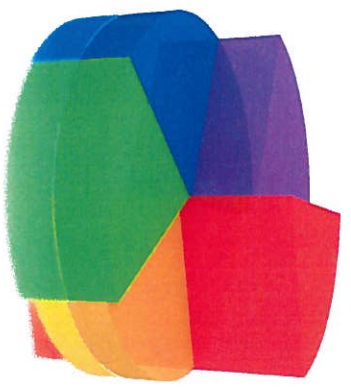
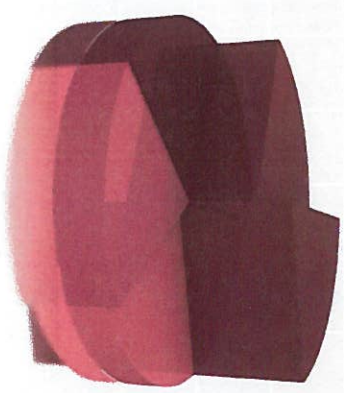
0.00%

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
 OUTPATIENT ADULTS PATIENTS/VISITS PAVOR MIX
 (EXCLUDING EMERGENCY ROOM PATIENTS)

REPORT : JULY 2012 - JUNE 2013

FACILITY	MEDICAD		MEDICARE		MEDICAD MANAGED CARE		MEDICARE MANAGED CARE		COMMERCIAL		OTHER		HHC OPTIONS		SELF-PAY		TOTAL		% OF PTS INSURED TO TOTAL	% OF VISITS INSURED TO TOTAL
	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS		
BELLEVUE	2,985	33,018	4,284	33,548	15,266	98,993	3,963	34,643	7,273	31,302	2,467	10,236	18,112	82,434	16,974	39,144	71,324	362,418	76%	89%
CONEY ISLAND	2,028	14,453	2,932	26,893	7,714	30,565	1,587	17,913	3,554	14,203	260	1,320	8,661	47,238	11,035	30,121	37,791	211,366	71%	86%
ELMHURST	3,695	34,472	3,102	29,219	16,125	133,270	3,325	34,456	6,131	32,468	1,090	3,332	26,270	127,943	14,254	34,871	73,992	431,031	81%	92%
HARLEM	2,626	19,423	1,851	27,238	12,146	83,590	2,513	25,580	3,968	14,469	164	898	5,381	28,676	10,393	23,958	38,440	223,832	73%	89%
JACOBI	3,901	27,542	3,645	28,145	17,559	111,628	3,048	26,541	6,512	30,548	1,021	4,095	7,764	31,311	11,347	24,966	54,797	284,776	79%	91%
KINGS COUNTY	4,765	54,076	4,410	40,591	19,978	195,427	3,805	35,406	9,494	41,359	442	2,020	27,693	122,113	16,921	41,768	87,508	532,760	81%	92%
LINCOLN	4,427	30,070	3,994	27,933	21,604	135,102	5,092	47,370	8,449	41,385	740	3,345	7,753	34,178	17,161	39,880	68,620	359,263	75%	89%
METROPOLITAN	5,318	39,420	3,742	28,149	15,415	108,115	4,151	34,099	4,265	17,189	133	580	13,112	60,480	8,039	24,001	54,175	312,033	85%	92%
NEC	1,805	12,723	1,183	9,842	9,403	61,344	1,144	9,110	2,500	12,186	53	302	5,132	19,278	3,242	8,459	3,242	84,592	87%	96%
QUEENS	2,663	22,864	2,637	26,257	12,014	94,367	2,698	29,461	3,569	17,036	518	1,355	12,205	67,907	12,400	32,668	48,704	291,915	75%	89%
WOODHULL	3,402	27,060	2,912	24,833	16,965	118,032	3,678	36,719	4,047	16,448	329	1,539	18,330	84,436	11,911	19,508	61,574	328,575	81%	94%
SUBTOTAL	37,615	315,121	34,092	301,648	164,189	1,199,123	35,004	331,298	59,160	268,543	7,217	29,982	150,423	705,994	133,677	319,344	621,377	3,471,053	78%	91%
D&C																				
BELVIS	322	1,483	324	1,735	3,427	17,970	588	3,601	567	2,238	4	10	2,073	7,041	1,392	3,248	8,697	37,326	84%	91%
CUMBERLAND	555	6,316	446	3,787	3,110	27,342	492	4,897	1,109	5,288	29	139	4,323	17,692	1,748	2,561	11,812	68,022	85%	96%
EAST NEW YORK	465	1,955	535	3,148	4,489	23,939	736	4,961	596	2,382	5	12	3,324	11,064	1,557	3,050	11,707	50,511	87%	94%
GOVERNOR	1,368	17,343	2,148	23,823	8,242	65,400	2,445	35,546	2,325	13,330	281	2,831	13,576	58,558	5,885	13,802	36,270	230,633	84%	94%
MORRISANIA	526	2,077	497	2,535	5,392	24,461	780	4,487	1,041	3,952	0	0	4,668	11,043	941	1,534	12,645	50,089	93%	97%
RENAISSANCE	353	1,315	491	1,951	3,552	13,708	833	4,043	681	2,266	2	5	2,730	8,385	2,590	5,930	11,232	37,603	77%	84%
SUBTOTAL	3,589	30,489	4,441	36,979	28,212	172,820	5,874	57,535	6,319	29,456	321	2,997	29,494	113,783	14,113	30,125	92,363	474,184	85%	94%
TOTAL	41,204	345,610	38,533	338,627	192,401	1,371,943	40,878	388,833	65,479	297,999	7,538	32,979	179,917	819,777	147,790	349,469	713,740	3,945,237	79%	91%
JULY 2011 - JUNE 2012																				
* Data reflects migration to Soarian database																				
** July through June 2012 data was re-run using this database																				

PEDIATRICS PAYOR MIX



NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
 OUTPATIENT PEDIATRIC PATIENTS/VISITS PAYOR MIX
 (EXCLUDING EMERGENCY ROOM PATIENTS)
 REPORT : JULY 2012 - JUNE 2013

FACILITY	CHP		MEDICAID		MCAID MANAGED		COMMERCIAL		OTHER		HHC OPTIONS		SELF-PAY		TOTAL		% OF PTS INSURED		% OF VISITS INSURED			
	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	PATIENTS	VISITS	TOTAL	PATIENTS	VISITS	TOTAL	PATIENTS	VISITS
BELLEUE	606	2,609	891	5,427	12,098	54,443	975	3,854	65	147	372	1,402	1,994	5,499	17,001	73,777	88%	88%	93%	88%	93%	
CONEY ISLAND	413	1,387	665	2,416	5,994	24,441	697	2,889	5	511	92	278	1,284	3,067	17,001	33,501	86%	91%	93%	86%	91%	
ELMHURST	1,592	5,417	1,137	3,953	18,867	74,106	819	2,872	65	203	344	686	2,465	6,759	25,289	93,996	90%	93%	93%	90%	93%	
HARLEM	376	1,221	785	3,134	8,312	30,019	894	2,795	23	75	56	150	984	1,902	11,430	39,296	91%	95%	95%	91%	95%	
JACOBI	1,070	3,261	1,362	4,401	16,098	57,937	2,033	5,749	98	369	324	678	2,040	4,810	23,025	77,205	91%	94%	94%	91%	94%	
KINGS COUNTY	1,069	3,271	1,555	5,215	13,847	48,436	2,215	7,188	64	268	233	4,444	2,220	4,627	23,303	73,449	90%	94%	94%	90%	94%	
LINCOLN	740	2,541	1,344	4,371	14,299	52,449	1,590	5,752	211	620	175	420	1,943	5,154	20,302	71,307	90%	93%	93%	90%	93%	
METROPOLITAN	719	2,221	1,204	4,066	12,509	41,117	550	1,554	3	12	120	275	884	2,141	15,989	51,389	94%	96%	96%	94%	96%	
NCB	590	1,744	608	1,570	9,077	29,896	698	1,964	2	8	308	527	909	2,196	12,192	37,905	93%	94%	94%	93%	94%	
QUEENS	1,191	3,792	995	3,173	10,309	37,090	1,363	4,746	5	6	164	470	2,125	6,191	16,092	55,408	87%	89%	89%	87%	89%	
WOODHULL	705	2,620	1,008	4,990	12,710	47,887	936	3,144	8	23	693	1,458	1,935	4,735	17,995	64,857	89%	93%	93%	89%	93%	
SUBTOTAL	9,071	30,084	11,494	42,719	134,120	498,159	12,770	41,477	552	1,782	4,981	10,788	18,783	47,081	191,771	672,090	90%	93%	93%	90%	93%	
D&Tc																						
BELVIS	249	856	280	817	4,835	17,831	270	825	0	0	221	387	385	891	6,240	21,607	94%	96%	96%	94%	96%	
CUMBERLAND	362	1,018	497	1,124	5,712	16,803	508	1,220	1	6	318	638	985	1,999	8,383	22,808	88%	91%	91%	88%	91%	
EAST NEW YORK	440	1,314	407	1,238	6,410	22,075	620	1,929	5	19	674	1,192	762	1,913	9,318	29,680	92%	94%	94%	92%	94%	
GOVERNOUR	383	1,458	431	2,131	5,517	24,181	540	2,240	0	0	170	442	571	1,619	7,612	32,071	92%	95%	95%	92%	95%	
MORRISANIA	294	862	360	1,215	6,784	25,784	342	974	1	1	414	888	699	1,307	8,894	31,031	92%	96%	96%	92%	96%	
RENAISSANCE	318	953	519	1,399	4,875	13,517	780	1,870	7	13	29	47	1,365	2,689	7,893	20,428	83%	87%	87%	83%	87%	
SUBTOTAL	2,046	6,461	2,494	7,864	34,133	120,191	3,060	9,058	14	39	1,826	3,594	4,767	10,418	48,340	157,635	90%	93%	93%	90%	93%	
TOTAL	11,117	36,545	13,988	50,583	168,253	618,350	15,830	50,535	566	1,821	6,807	14,382	23,550	57,499	240,111	829,715	90%	93%	93%	90%	93%	

REPORT : JULY 2011 - JUNE 2012

* Data reflects migration to Soriano database
 ** July through June 2012 data was re run using this database

MEDICAID ELIGIBILITY PROCESSING TRENDS



**New York City Health and Hospitals Corporation
 Monthly Medicaid Inpatient Processing Report
 FY'2013-2012**

Fiscal Year To Date As of JUNE 2013							
FACILITY	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Percent of Decisions to Submitted	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	4,662	3,618	77.6%	623	357	771	665
CONEY ISLAND	2,131	1,718	80.6%	220	145	473	450
ELMHURST	4,341	4,037	93.0%	149	142	2,677	2,539
HARLEM	1,592	1,338	84.0%	54	128	554	497
JACOBI	3,296	2,387	72.4%	351	206	1,141	1,112
KINGS	4,567	4,254	93.1%	173	208	1,534	1,581
LINCOLN	2,676	2,444	91.3%	42	94	1,106	1,083
METROPOLITAN	1,987	1,765	88.8%	77	66	868	892
NCB	1,209	930	76.9%	125	162	893	817
QUEENS	2,542	2,269	89.3%	109	167	1,031	994
WOODHULL	2,169	2,105	97.0%	137	30	1,212	1,153
TOTAL	31,172	26,865	86.2%	2,060	1,705	12,260	11,783

Fiscal Year To Date As of JUNE 2012							
FACILITY	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Percent of Decisions to Submitted	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	5,408	4,309	79.7%	653	479	701	626
CONEY ISLAND	2,717	2,427	89.3%	137	139	777	730
ELMHURST	4,901	4,782	97.6%	117	69	2,759	2,729
HARLEM	1,546	1,389	89.8%	58	99	536	499
JACOBI	3,214	2,795	87.0%	399	112	1,005	988
KINGS	4,758	4,368	91.8%	163	135	1,864	1,795
LINCOLN	2,990	2,824	94.4%	89	155	1,362	1,300
METROPOLITAN	2,156	1,897	88.0%	118	93	986	990
NCB	1,384	1,282	92.6%	66	81	1,010	1,011
QUEENS	2,652	2,459	92.7%	120	119	1,076	1,102
WOODHULL	2,503	2,212	88.4%	110	103	1,189	1,155
TOTAL	34,229	30,744	89.8%	2,030	1,584	13,265	12,925

* The number of eligible decisions does not directly relate to the number of applications submitted.

New York City Health and Hospitals Corporation
Monthly Medicaid Inpatient Application Percentages of Approvals to Submissions

Quarter To Date As of JUNE 2013

FACILITY	Medicaid Approvals Percentage YTD	First Quarter FY13	Second Quarter FY13	Third Quarter FY13	Fourth Quarter FY13
BELLEVUE	77.6%	72.4%	88.0%	73.2%	78.5%
CONEY ISLAND	80.6%	79.1%	101.1%	78.8%	72.4%
ELMHURST	93.0%	104.4%	95.8%	85.6%	88.1%
HARLEM	84.0%	82.7%	97.5%	78.2%	79.4%
JACOBI	72.4%	91.0%	70.3%	63.4%	67.8%
KINGS	93.1%	98.4%	84.8%	97.3%	92.3%
LINCOLN	91.3%	95.1%	91.2%	83.1%	97.1%
METROPOLITAN	88.8%	97.5%	84.4%	91.9%	82.3%
NCB	76.9%	84.4%	76.2%	75.9%	72.2%
QUEENS	89.3%	91.7%	94.0%	78.7%	93.3%
WOODHULL	97.0%	102.9%	96.8%	96.9%	92.0%
Corporate %	86.18%	90.60%	88.22%	82.40%	84.11%

Quarter To Date As of JUNE 2012

FACILITY	Medicaid Approvals Percentage YTD	First Quarter FY12	Second Quarter FY12	Third Quarter FY12	Fourth Quarter FY12
BELLEVUE	79.7%	78.3%	81.8%	78.3%	80.3%
CONEY ISLAND	89.3%	89.4%	73.8%	100.9%	92.6%
ELMHURST	97.6%	102.1%	90.7%	105.3%	92.7%
HARLEM	89.8%	81.4%	88.4%	92.2%	97.8%
JACOBI	87.0%	80.9%	77.8%	96.4%	91.0%
KINGS	91.8%	91.8%	87.9%	99.5%	87.5%
LINCOLN	94.4%	99.2%	86.4%	92.3%	100.0%
METROPOLITAN	88.0%	71.8%	81.3%	96.1%	102.4%
NCB	92.6%	111.1%	93.4%	88.9%	79.3%
QUEENS	92.7%	97.1%	78.5%	97.1%	96.6%
WOODHULL	88.4%	92.9%	94.0%	87.4%	81.0%
Corporate Total	89.82%	90.39%	84.54%	94.13%	90.14%

* The number of eligible decisions does not directly relate to the number of applications submitted.

**New York City Health and Hospitals Corporation
Monthly Medicaid Inpatient Application Submissions**

Quarter To Date As of JUNE 2013

FACILITY	Medicaid Applications Submitted YTD	First Quarter FY13	Second Quarter FY13	Third Quarter FY13	Fourth Quarter FY13
BELLEVUE	4,662	1,219	975	1,131	1,337
CONEY ISLAND	2,131	722	283	717	409
ELMHURST	4,341	964	1,092	1,147	1,138
HARLEM	1,592	393	362	395	442
JACOBI	3,296	720	869	837	870
KINGS	4,567	1,123	1,115	1,072	1,257
LINCOLN	2,676	670	590	757	659
METROPOLITAN	1,987	447	411	546	583
NCB	1,209	288	281	291	349
QUEENS	2,542	673	567	656	646
WOODHULL	2,169	511	493	616	549
TOTAL	31,172	7,730	7,038	8,165	8,239

Quarter To Date As of JUNE 2012

FACILITY	Medicaid Applications Submitted YTD	First Quarter FY12	Second Quarter FY12	Third Quarter FY12	Fourth Quarter FY12
BELLEVUE	5,408	1,333	1,294	1,355	1,426
CONEY ISLAND	2,717	642	667	687	721
ELMHURST	4,901	1,185	1,241	1,215	1,260
HARLEM	1,546	425	346	370	405
JACOBI	3,214	534	932	881	867
KINGS	4,758	1,034	1,285	1,287	1,152
LINCOLN	2,990	768	757	745	720
METROPOLITAN	2,156	496	599	518	543
NCB	1,384	316	333	387	348
QUEENS	2,652	689	605	647	711
WOODHULL	2,503	623	518	669	693
TOTAL	34,229	8,045	8,577	8,761	8,846

* The number of eligible decisions does not directly relate to the number of applications submitted.