

<u>CALL TO ORDER - 3:00 PM</u>	Dr. Katz
1. Adoption of Minutes: October 25, 2018	Dr. Katz
<u>Acting Chair's Report</u>	Dr. Katz
<u>President's Report</u> CNN Hero of 2018	Mr. Lynch
<u>Informational Item:</u> EITS Budget	Dr. Calamia
>> <u>Action Items</u> <<	Dr. Calamia
2. Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreement with Press Ganey Associates, Inc. ("Press Ganey") to provide Consumer Assessment of Healthcare Providers and Systems & Physician/Employee Survey Services as requested by the System over a five-year term cost of \$10,280,398 (Medical and Professional Affairs Committee – 11/08/18) EEO: Approved/Vendex: Approved	Dr. Katz
3. Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreements with CyraCom International, Inc. ("CyraCom"), Language Line Services, Inc. ("Pacific Interpreters"), Linguistica International, Inc. ("Linguistica"), and Propio Language Services, ("Propio") to provide Over the Phone Interpretation Services as requested by the System over a five-year term cost of \$48,241,516. (Medical and Professional Affairs Committee – 11/08/18) EEO: Approved (Linguistica, Propio, CyraCom, Pacific Interpreters) Vendex: Approved (Linguistica, Propio, CyraCom, Pacific Interpreters)	Dr. Calamia Ms. Youssouf Mr. Nolan Mr. Campbell Dr. Katz
4. Authorizing that John E. Ulberg (as successor to Plachikkat V. Anantharam) be elected to serve as a Director of the HHC Accountable Care Organization Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until his successor is duly elected and qualified, subject to his earlier death, resignation, removal, or termination of his employment with any entity that has executed an ACO Participation Agreement or ACO Agreement.	Dr. Katz
<u>Committee Reports</u>	Dr. Katz
<ul style="list-style-type: none"> ➤ Medical and Professional Affairs ➤ Informational Technology ➤ Equal Employment Opportunity ➤ Community Relations ➤ H+H Insurance Company & Physician Purchasing Group 	Dr. Katz
<u>Executive Session Facility Governing Body Report</u>	Dr. Katz
➤ NYC Health + Hospitals Harlem	Dr. Katz
<u>Semi-Annual Governing Body Report (Written Submission Only)</u>	Dr. Katz
➤ NYC Health + Hospitals Metropolitan	Dr. Katz
>> Old Business <<	Dr. Katz
>> New Business <<	Dr. Katz
<u>Adjournment</u>	Dr. Katz

NYC HEALTH + HOSPITALS

A meeting of the Board of Directors of NYC Health + Hospitals was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 25th day of October 2018 at 3:03 P.M. pursuant to a notice which was sent to all of the Directors of NYC Health + Hospitals and which was provided to the public by the Secretary. The following Directors were present in person:

Mr. Gordon Campbell
Mr. Matthew Siegler
Dr. Demetre Daskalakis
Dr. Vincent Calamia
Dr. Gary Belkin
Ms. Helen J. Arteaga
Ms. Barbara A. Lowe
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssouf
Ms. Deborah Brown

Matthew Siegler was in attendance representing Dr. Mitchell Katz; Deborah Brown was in attendance representing Dr. Herminia Palacio; Demetre Daskalakis was in attendance representing Dr. Oxiris Barbot; all in a voting capacity. Mr. Gordon Campbell chaired the meeting and Ms. Colicia Hercules, Corporate Secretary, kept the minutes thereof. Mr. Campbell called the meeting to order at 3:03 p.m.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on September 20, 2018 were presented to the Board. Then on motion made and duly seconded, the Board unanimously adopted the minutes.

RESOLVED, that the minutes of the meeting of the Board of Directors held on September 20, 2018, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

In accordance with Article VI, section C of the By-Laws, Mr. Campbell sought a motion to approve the appointment of Dr. Oxiris Barbot as a member of the Quality Assurance Committee. Then on motion made and duly seconded, the Board unanimously approved the

appointment.

Mr. Campbell turned to Ms. Barbara Lowe, who attended the ribbon cutting ceremony for the Elmhurst Express Care Clinic that morning, and asked for her comments. Ms. Lowe reported on the event, noting that press conference went very well, and the ExpressCare model is a significant advancement for our patients and our communities. The press conference was attended by the Mayor.

Mr. Campbell thanked Ms. Lowe. He then reported that there were twelve new items on today's agenda of which four are Vendex approved and eight are pending. There are four items from previous board meetings pending Vendex approval. Since the Board last met, one Vendex approval was received and is in the Board's materials. Mr. Campbell said that the Board would be notified as outstanding Vendex approvals are received.

Mr. Campbell then noted that Dr. Mitchell Katz, President and CEO, was joining the meeting by phone to give his President's report because he is convalescing from a bicycle accident. Because Dr. Katz was not present at the Board meeting, Dr. Katz was not participating in the meeting as a Board member but could provide his President's report. Mr. Campbell then asked Dr. Katz for his President's report.

PRESIDENT'S REPORT

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

Dr. Katz expressed his appreciation for being able to provide his report by phone and his desire to return to New York in a couple weeks. He noted that he had had surgery to repair a broken leg. He noted how hard it has been for him to be away from NYC Health + Hospitals but that he has been actively participating in senior team meetings by phone and has been in close touch with leadership as progress continues in his absence.

Dr. Katz highlighted two issues from his written report. First was the successful "go-live" the previous Saturday for the new electronic health record, which is now known as "H₂O" at NYC Health + Hospitals. This go-live was challenging and involved bringing NYC Health + Hospitals/Woodhull and 17 community clinics on-to our new electronic health record and also, at the same time, retrofitting a new financial and registration system

to Queens, Elmhurst, and Coney Island hospitals. The reports from the field and staff engagement have all been positive. He thanked CIO Kevin Lynch, who has already brought two other large safety net systems up on electronic health records, and SVP Kim Mendez and their teams and the clinicians and support staff for the success of the go-live.

Dr. Katz also mentioned that we are working hard with our union partner, NYSNA, and our affiliate PAGNY who directly employs some NYSNA-represented Certified Registered Nurse Anesthetists (CRNAs) and Nurse-Midwives, to finalize contracts. NYSNA has issued a strike threat but we are all working hard to avert a strike, as the services of the nurses are critical to us.

At the conclusion of Dr. Katz's remarks, Ms. Youssouf also sought recognition for CIO Kevin Lynch for his outstanding work with IT.

ACTION ITEMS

RESOLUTION

Authorization to negotiate and execute a contract with Hawkins Delafield & Wood LLP ("Hawkins") to provide bond counsel services related to the structuring and continuing implementation of the System's tax-exempt financing program for the period beginning December 1, 2018 through November 30, 2021, with two one-year renewal options solely exercisable by the System all at hourly rates (Partners, \$465 per hour; Senior Associates, \$415 per hour; Associates, \$390 per hour; Junior Associates, \$245 per hour; and paraprofessionals, \$160 per hour)

Mr. Rosen read the resolution and John Ulberg, Chief Financial Officer, Linda DeHart, Senior Assistant Vice President, and Paulene Lok presented. Ms. DeHart explained that this procurement is for legal services related to the issuance of tax-exempt bonds and is done under Operating Procedure 40-58. She described the procurement process and the selected counsel. Upon motion made and duly seconded and discussed, the resolution was unanimously approved.

RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the "System") to execute an agreement with six vendors for the provision of accounts receivable ("AR") services, in four specialized AR areas, as requested by the System. The six

vendors are Betz Mitchell Associates, Inc., JZanus Ltd., MedMetrix LLC, nThrive Inc., PhyCare Solutions, Inc., and Sutherland Healthcare Solutions, Inc. Each agreement shall be for an initial term of three years with two one-year options to renew solely exercisable by the System and with a total amount over the combined five-year term, not to exceed \$46,381,321.00 to the six vendors with all payments to be made contingent on the amounts the vendors recover for the System.

Mr. Rosen read the resolution and John Ulberg, CFO; Marji Karlin, Chief Revenue Officer; Robert Melican and Robert Sargenti presented. Ms. Karlin reviewed the categories of accounts receivable vendors, clarifying that the "Self Pay/Early Out" vendors will not engage in traditional collection agency activities, and explained the selection process for the vendors. Discussion on the resolution ensued. Ms. Karlin clarified that the projected collections reflect "new" collection opportunities. Self Pay collections work will focus on identifying insurance coverage that may not have been collected at the time of service, or to enroll people in Medicaid if they are likely to be eligible, or to help them apply for the Options program. Mr. Campbell asked for an update on the plans and strategies for revenue cycle work be brought to the Board in about six months.

Upon motion made and duly seconded and discussed, the Board unanimously approved the resolution.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreement with Kone, Inc. ("Kone") to provide elevator maintenance services with an initial term of five years with two one-year options to renew solely exercisable by the System and with total amount not to exceed \$46,742,000.

Mr. Page read the resolution and Ms. Roslyn Weinstein, Vice President, Office of Facilities Development, presented with Mr. Louis Iglhaut and Mr. Jawwad Ahmad, Office of Facilities Development on the elevator maintenance contract. Mr. Page moved the adoption of the resolution, which was duly seconded. The Board discussed and then unanimously approved the resolution.

RESOLUTION

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a contract with Community Care Behavioral Health Organization ("CCBHO"), to provide administration of behavioral health and substance use disorder services for a term of two (2) years with three (3) one-year options to renew the agreement, solely exercisable by MetroPlus, for an amount not to exceed \$19.8 million per year for the first 2 years with a 5% annual increase per year for each 1 year renewal term.

Mr. Rosen read the resolution. Dr. Arnold Saperstein, President of MetroPlus, and Dr. Talya Schwartz, Chief Medical Officer, MetroPlus, presented. They described the behavioral health services being delegated, the process for selecting a vendor to provide those services going forward and the benefits and costs of the selected vendor. There was discussion of the presentation.

At the conclusion of the discussion, Mr. Campbell noted that he had received a request pursuant to Board rules for a party to present to the Board regarding this resolution. He welcomed Mr. Jeffrey Thrope of Foley and Lardner, LLP, counsel to Beacon Health Strategies (the current vendor), to present for three minutes. Mr. Thrope explained that Beacon Health Solutions had submitted extensive objections to the procurement process that was followed in selecting CCBHO for the contract. He summarized the objections which included allegations that CCBHO did not meet the pre-qualification and contract requirements established for the procurement, as well as other concerns with the procurement process. He stated that the Board should not consider the proposed contract until all of the issues raised by Beacon have been reviewed in detail. Mr. Thrope concluded his comments at 3:39 minutes.

Mr. Campbell recognized Dr. Saperstein. Dr. Saperstein asked to respond to some of Mr. Thrope's comments. He noted that CCBHO has the required licenses to perform the services they are proposed to do, and that the procurement process was procedurally proper.

Mr. Campbell recognized Ms. Andrea Cohen, General Counsel. Ms. Cohen explained the process under Operating Procedure 100-5 that will review Beacon's concerns about the procurement. She noted that a committee had been convened to review Beacon's submission, and it would address Beacon's complaints in a

written decision. Because the resolution before the Board "authorizes," but does not require, MetroPlus to enter into a contract with CCBHO, the Board could approve the resolution and MetroPlus would not actually enter into the contract if the committee determined that the procurement process was not proper.

Ms. Youssouf requested that that point be incorporated into the resolution. Mr. Page offered language to amend the proposed resolution, which was incorporated and read back to the Board. Discussion followed relating to the procurement process for MetroPlus; Beacon's other potential remedies; and the Board's request for a report on the outcome of the appeal Committee's review.

The amended resolution reads:

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a contract with Community Care Behavioral Health Organization ("CCBHO"), to provide administration of behavioral health and substance use disorder services for a term of two (2) years with three (3) one-year options to renew the agreement, solely exercisable by MetroPlus, for an amount not to exceed \$19.8 million per year for the first 2 years with a 5% annual increase per year for each 1 year renewal term. The Board's authorization is conditioned on the conclusion of the internal appeal process finding that the procurement was properly conducted.

Upon motion to approve the amended resolution, duly seconded and discussed, the Board unanimously approved the amended resolution.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a lease with 7 Hanover Owner LLC ("Landlord") for a term to expire on December 31, 2043 with a ten-year option to renew that may be exercised only by the System with the approval of its Board of Directors for approximately 526,552 rentable square feet of space on floors 2 through 12, floors 15 through 17 and a portion of the ground floor lobby (the "Premises") at 7 Hanover Square, to be known as 50 Water Street (the "Building") with the System having certain options to take additional contiguous floors in the Building and to give back the 17th floor, to house the Central Office administrative functions described

in the attached Summary of Economic Terms all of which shall be relocated from their current office locations with the use and occupancy of the Premises to be at rental rates scheduled in the Summary of Economic Terms for a total rental obligation through December 31, 2043 of \$758 Million exclusive of real estate tax escalation charges, operating expense escalation charges, utilities and other customary occupancy costs.

Mr. Page read the resolution and Ms. Maureen McClusky, Senior Vice President for Post-Acute Care presented, with Mr. Ulberg, CFO; Brenda Schultz, Corporate Finance; Shahriar Khan, Post-Acute and Ambulatory Care; and Jeremy Berman, Deputy Counsel, presented on the resolution. They reviewed the strategy, business terms, sequence of moves and the expected savings over the life of the lease.

Discussion followed. Mr. Berman discussed the plans to "harden" 50 Water Street in case of another storm or flooding such as that which occurred with Superstorm Sandy. He and Mr. Khan discussed efforts to look for a similar real estate arrangement in boroughs outside Manhattan and why that would be difficult to find.

At the conclusion of the discussion, the resolution was approved by unanimous vote.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an assignment to the City of New York City acting by and through its Department of Health and Mental Hygiene ("DOHMH") of its lease (the "Lease") with Factory Lessor LLC (the "Landlord") for approximately 47,522 square feet of space on the 4th Floor (Suites 412, 414, 418 & 440) at 30-30 47th Avenue, Long Island City, Borough of Queens (the "Premises") in a transaction that will relieve the System of all liability under the Lease with no payments by or to the System or DOHMH.

Mr. Page moved to approve the resolution, which was duly seconded. Dr. Daskalakis and Dr. Belkin recused themselves from the discussion and decision on this resolution, and left the room. Mr. Berman presented on the resolution. The Board discussed the resolution and at the conclusion of the discussion voted unanimously to approve the resolution, at which point Dr. Belkin and Dr. Daskalakis returned to the room.

Mr. Campbell then asked Mr. Page to read the next three resolutions and requested a joint presentation for all of them, with separate votes for each one.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a lease with Roosevelt Parc LLC (the "Landlord") for an initial term of 15 years with one five-year option to renew for approximately 28,696 square feet of second floor space (the "Premises") in the building at 71-17 Roosevelt Avenue, Queens, New York (the "Building") to house a community health clinic to be operated by the System under the NYC Health + Hospitals/Gotham Health FQHC, Inc. structure at an initial rent of \$1,033,056 per year or \$36/sf to be escalated by 3% annually for a total rent over the 15 year term after factoring in eight months of free rent plus a common area maintenance charge ("CAM") of \$2.50/sf or \$71,740/year, which is fixed over the term, for a total cost including CAM of \$19,601,116 and subject to other lease terms summarized in the Executive Summary attached.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a net lease with 815 Broadway Equities LLC ("Landlord") for 30 years and 20 months for the entire building at 815 Broadway, Brooklyn consisting of approximately 52,343 sq. ft. on a lower level and 6 above grade floors (the "Building") to house a community health clinic to be operated by the System under the NYC Health + Hospitals/Gotham Health FQHC, Inc. structure at an initial rent of \$2,350,000/year or \$44.05/sq. ft. to be escalated by 10% every 5 years for a total rent over the term after factoring in 20 months of free rent, of \$86,742,415 and which, after including estimated operating expenses of \$12/ft. or \$640,116 per year represents a total occupancy cost of approximately \$117,196,200.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a lease with Master Lease LLC (the "Landlord") for an initial term of 15 years with one five- year option to renew for approximately 21,236 square feet of ground floor space (the "Premises") in the building at 1910 Webster Avenue, Bronx, New York (the

"Building") to house a community health clinic to be operated by the System under the NYC Health + Hospitals/Gotham Health FQHC, Inc. structure at an initial rent of \$919,828 year or \$42.50/square foot to be escalated by 3% annually for a total rent after factoring in eight months of free rent, of \$16,483,086 over the lease term and subject to other lease terms summarized in the Executive Summary attached.

Mr. Page noted for the record, an amendment to the address for the 1910 Webster Avenue, Bronx to 1920 Webster Avenue. Mr. Page moved to discuss the three resolutions.

Dr. Ted Long, Vice President for Ambulatory Care, presented on the resolutions to lease new spaces for community health clinics. Discussion followed on all three of the resolutions. At the conclusion of the discussion Mr. Campbell called for votes on each resolution.

The Board voted unanimously to approve the resolution for a lease at 71-17 Roosevelt Avenue, Queens.

The Board voted unanimously to approve the resolution for a lease at 815 Broadway, Brooklyn with an amendment to read \$12 /SF.

Amendment :

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a net lease with 815 Broadway Equities LLC ("Landlord") for 30 years and 20 months for the entire building at 815 Broadway, Brooklyn consisting of approximately 52,343 sq. ft. on a lower level and 6 above grade floors (the "Building") to house a community health clinic to be operated by the System under the NYC Health + Hospitals/Gotham Health FQHC, Inc. structure at an initial rent of \$2,350,000/year or \$44.05/sq. ft. to be escalated by 10% every 5 years for a total rent over the term after factoring in 20 months of free rent, of \$86,742,415 and which, after including estimated operating expenses of \$12/s/ft. or \$640,116 per year represents a total occupancy cost of approximately \$117,196,200.

The Board voted unanimously to approve the resolution as amended for a lease at 1920 Webster Avenue, Bronx.

Amendment :

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a lease with Master

Lease LLC (the "Landlord") for an initial term of 15 years with one five- year option to renew for approximately 21,236 square feet of ground floor space (the "Premises") in the building at 1920 Webster Avenue, Bronx, New York (the "Building") to house a community health clinic to be operated by the System under the NYC Health + Hospitals/Gotham Health FQHC, Inc. structure at an initial rent of \$919,828 year or \$42.50/square foot to be escalated by 3% annually for a total rent after factoring in eight months of free rent, of \$16,483,086 over the lease term and subject to other lease terms summarized in the Executive Summary attached.

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 Mr. Campbell at the Board meeting.

Mr. Campbell received the Board's approval to convene an Executive Session to discuss matters of quality assurance.

FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session. When it reconvened in open session, Mr. Campbell reported that the Board (1) received and approved oral governing body submissions from NYC Health + Hospitals/Coney Island Hospital and NYC Health + Hospitals/Sea View Rehabilitation Center; and (2) received and approved semiannual governing body (written submission) reports from NYC Health + Hospitals/Coler and NYC Health + Hospitals/Carter Hospital and Nursing Facility; and (3) received and approved the (written submission) of the 2017 performance improvement plan and evaluation for NYC Health + Hospitals/Renaissance/Gotham Health.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:18 P.M.



Colicia Hercules
Corporate Secretary

COMMITTEE REPORTS

Capital Committee: October 15, 2018

As reported by Mark Page

Committee Members Present: Mark Page, Emily Youssouf, Gordon Campbell and Matthew Siegler Representing Dr. Mitchell Katz in a voting capacity.

The meeting was called to order by Mark Page, Committee Chair, at 9:04 A.M.

On motion, the Committee voted to adopt the minutes of the July 19, 2018, Capital Committee meeting.

VICE PRESIDENT'S REPORT

Roslyn Weinstein, Vice President, advised that Health Pulse reported that the Certificate of Need (CON) for the new Critical Service building at Coney Island was confirmed and passed, and so construction on that Federal Emergency Management Agency (FEMA) funded project should begin shortly. She noted that due to the lengthy meeting agenda, the requested FEMA update would be provided at the next Capital Committee meeting.

That concluded her report.

Mr. Page stated that discussion would begin surrounding items related to Primary Care Services, but he would entertain a motion to move into Executive Session prior to delving into the details of the individual resolutions.

Theodore Long, MD, provided an overview on the expansion of Ambulatory Care Services, outlining two key reasons the approach to expansion is fundamentally different than before, and how it will help meet the strategic goal of expanding Primary Care services.

Dr. Long said the first key was location, and taking into account what the community needs and who will benefit from the services. The second piece was insurance; were the patients in need insured or uninsured.

Mr. Page asked if neighboring competition was thoroughly investigated. Dr. Long said yes, and we went even further. We also took into account the need (patients that will benefit), and accessibility (close to public transit and in high traffic areas), and found that these consolidated services would be most beneficial in these specific locations.

Emily A. Youssouf asked if that meant that existing sites were also being reviewed. Dr. Long said that existing sites were mapped out to determine where patients were coming from, if all communities were being served, and whether Health + Hospitals was present in those locations. We chose

areas where Health + Hospitals has no existing footprint for the proposed sites.

Gordon Campbell, Vice Chair, said he asked a similar question during the briefing, requesting that parties look into existing Primary Care facilities and how they were serving the communities they were in, and whether they (specifically under-utilized sites) would remain open when the new sites were opened.

Dr. Long added that another key factor in the site selection was the storefront; whether the sites were surrounded by public activity and whether there would be foot traffic.

Additionally, said Dr. Long, we needed to think about what the patients want. They want the ability to see all their providers in one location, and make the best use of their time. They want one stop shopping for their healthcare needs. This new model is expected to deliver what the patients need, and want, in order to navigate our system.

Ms. Youssouf said the description was appealing but wanted to make sure that the process of reviewing the needs at the associated sites was thorough. Mr. Page asked if the need for all services was thoroughly evaluated for each specific site. He noted that it was important to use the talent and the money in the most efficient way possibly.

Dr. Long said he had visited all the sites and found that scheduling was a crucial factor in pleasing patients and meeting efficiency, and was pleased that was currently being reviewed as well.

Mark Page, Committee Chair, said, "I will now entertain a motion to go into executive session because the content to be discussed involves leases of real property and public discussion about the properties and possible lease terms would substantially affect the value of the proposed transactions". The meeting was called into Executive Session at 9:18 A.M.

The Open Session resumed at 10:56 A.M. At which time Mark Page informed the public that, during the executive session, the Committee voted to recommend that the Board authorize the System to enter into several leases of real property. The Committee also voted to recommend that the Board authorize the assignment of a lease to the Department of Health and Mental Hygiene.

ACTION ITEMS

- **Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreement with Kone, Inc. ("Kone") to provide elevator maintenance services with an initial term of five years with two one-year options to renew solely exercisable by the System and with total amount not to exceed \$46,742,000.**

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

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

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

There being no further business, the meeting was adjourned at 10:58 A.M.

AUDIT COMMITTEE MEETING: October 15, 2018

As reported by Emily Youssouf

COMMITTEE MEMBERS PRESENT: Emily Youssouf, Matthew Siegler representing Dr. Katz in a voting capacity, Helen Arteaga, Gordon Campbell,

Call to Order

The meeting was called to order at 11:00 A.M. by Ms. Emily Youssouf, Audit Committee Chair. Ms. Youssouf asked for a motion to adopt the minutes of the Audit Committee meeting held on June 13, 2018. A motion was made and seconded with all in favor to adopt the minutes.

Fiscal Year 2018 Draft Financial Statements

Ms. Youssouf introduced the information item regarding the Fiscal Year 2018 Draft Financial Statements and Related Notes. Mr. Weinman, Corporate Comptroller, reported on the result of the 2018 financial statement.

- Net position increase \$39 Million, compared to last year deficit of \$233 Million which is an increase of \$272 Million.

Revenue - Increased \$467 million

- Net patient service revenue increased by \$606 million
 - \$404 million DSH Max revenue increase
 - \$115 million case mix and collectability improvements
 - \$67 million increase in managed care risk pool distributions
- Grant revenue decreased by \$212 million
 - During 2017, Health + Hospitals recognized two years of VBP-QIP revenue (FY17 and prior year) and 2018 ended without a signed agreement, resulting in no VBP QIP revenue recognition.

Expenses - Increased \$252 million

- Personal services increased \$317 million
 - \$356 million increase for collectively bargained structured payments to be paid through 2022
 - \$69 million reduction due to head count control efforts
- Overall, current ratio which is a measured of liquidity is sitting at 1.02 anything above 1 is relatively good. It means that we have more

current assets than current liabilities, an increase over last of year .91.

- Days cash-on-hand, we had a \$738 Million cash balance at the end of year with 36 days in cash.
- Net days revenues is at 65 is an increase which is due to the increase in revenues and is about at state-wide average.

Grant Thornton has completed its audit of the Corporation's 2018 financial statement and will be issuing an unmodified opinion. An unmodified opinion states that the financial statements are presented fairly, in all material respects.

Health + Hospitals adopted a new accounting standard, GASB 83, for recognizing liabilities for asset retirement obligations. This standard applies to assets that require a legally enforceable disposal method. After review of the standard, Health + Hospitals has determined that the obligation is immaterial to the overall financial statements and has met the requirements of disclosure outlined in the standard.

Ms. Arteaga Landaverde asked what the goal is for the 30 day cash on hand.

Mr. Ulberg answered that the City-Wide average is our goal, but it will take us a little while to get there. We are working with the State to bring more consistency to the funds such as Medicaid and DSH. We are targeting a two six-month payment plan a year.

Grant Thornton Audit Report

Tami Radinsky, Lead Engagement Partner introduced herself and the team introduced themselves as follows: Dana Wilson, Insurance Audit Partner; Lou Feuerstein, Relationship Partner; Steven Dioguardi, Lead Audit Senior Manager.

Ms. Radinsky presented by outlining the audit process and its various stakeholders.

Our Responsibilities

- Performing an audit under US GAAS and *Government Auditing Standards* of the financial statements prepared by management, with your oversight
- Forming and expressing an opinion about whether the financial statements are presented fairly, in all material respects in conformity with US GAAP

- Forming and expressing an opinion about whether certain supplementary information is fairly stated in relation to the financial statements as a whole
- Communicating specific matters to you on a timely basis; we do not design our audit for this purpose.

Management

- Preparing and fairly presenting the financial statements in conformity with US GAAP
- Designing, implementing, evaluating, and maintaining effective internal control over financial reporting
- Communicating significant accounting and internal control matters to those charged with governance
- Providing us with unrestricted access to all persons and all information relevant to our audit
- Informing us about fraud, illegal acts, significant deficiencies, and material weaknesses
- Adjusting the financial statements, including disclosures, to correct material misstatements
- Informing us of subsequent events
- Providing us with certain written representations

Those Charged with Governance

Those charged with governance are responsible for:

- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging the company's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views about fraud risks
- Informing us about other matters that are relevant to our audit, such as:
- Objectives and strategies and related business risks that may result in material misstatement
- Matters warranting particular audit attention
- Significant communications with regulators
- Matters related to the effectiveness of internal control and your related oversight responsibilities
- Your views regarding our current communications and your actions regarding previous communications

Audit Process

As part of the audit for 2018, there are various deliverables that we will be issuing. Later in the year, Mr. Wilson will be issuing a December 31st statutory audit on the Health Plans. To-date we have substantially completed the audit procedures as follows:

- New York City Health and Hospitals Corporation fiscal year ended June 30, 2018
- NYC Health + Hospitals Accountable Care Organization Inc. annual financial statements for the fiscal year ended June 30, 2018
- Metro Plus Health Plan's annual financial statements under GAAP for the fiscal year ended June 30, 2018
- Metro Plus Health Plan's annual statutory financial statements for the fiscal year ending December 31, 2018
- NYC Health + Hospitals Insurance Company's annual statutory financial statements for the fiscal year ending December 31, 2018

The cost reports for certifications will be issued as soon as the instructions are released from the appropriate entities.

Summary of the Audit Process - the stages of the various audit we go through all the way from planning through conclusion. We will not go through them unless there are specific questions, but it is important to point it out.

Fraud Considerations and Risk of Management Override

As auditors, we are responsible for planning and performing the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or by fraud. We consider, among other things:

- Code of conduct policy/ethics
- Effective and independent oversight by those charged with Governance
- Process for dealing with whistle-blower allegations
- Internal audit/corporate compliance activities
- Entity's risk assessment processes

Internal Control Matters

We are not here to discuss internal control matters consistent with past practices from your formal auditing. We will come back in a couple of weeks with our formal management letter which discusses the control deficiencies we identified as part of the audit process. Control deficiencies are defined in three levels: control deficiency all the way

to the most severe material weakness. We are happy to report that they are no material weaknesses.

Mr. Dioguardi stated that first area I would like to address is the accounts receivable from patients, net patient service revenues. This is one of the most significant line items on the financial statements of the organization. It is also an area that has a significant component that is a management estimate. Anytime there is a management estimate, it requires additional high sensitivity from an audit perspective through viewing the assumptions that goes into these estimates and also additional testing to ensure that those assumptions are reasonable in coming up with ending balances. As part of the audit procedures, we review management's calculations, their assumptions and do a substantial amount of testing over those assumptions, ultimately coming to the conclusion that we are in agreement with management assumptions, their methodology for determining their receivables, net patient service and revenue balances. In addition, as part of our detail testing of the assumptions and the information going into it, we reviewed detailed transactions at the patient level. We selected a pretty sizable sample of patient records, we reviewed the patients' records from initiation (in-take) all the way through billing and ultimately collection. As result of the testing, we agree with management's assumptions and there are no significant exemptions or material findings related to the accounts receivables and the underlining testing.

As it relates to estimated amounts to and from third-party payors. This is another area that relies heavily on management's estimates. As part of our procedures, we obtained management's calculations and, their underline assumptions that we use for the calculations. In this area, in particular, we bring in specialists who specialized in this area of third-party payer settlements to deal heavily with Medicaid, Medicare issues and various hosts of third-party payors issues. We brought them to take a deep detail look at management's assumption calculations and again we agree with management's estimates and had no significant exemptions or material findings.

Ms. Radinsky stated that since Heath + Hospitals implemented a new system for accounts payable, it was identified as a high risk area. The previous audit team identified that there was an issue, but they could not quantify what it was because of the old system being used. Our team spend a lot time in the area of accounts payable, looking at cash receipts and comparing them to the general ledger at year end and other unreportable liability testing. We came up with a projected misstatement, which means we identified true errors and projected it to the total population of accounts payable. The accounts payable year end is about \$450 Million.

That is the population we talk about that relates to vendor and account payable. That is the area that we isolated and had the issues involved. In discussing it with management, since this is a non-cash item, it was decided that it was not prudent to book the full adjustment this year and it will flush out next because of the new system.

Mr. Feuerstein commented that management took a conservative position, the \$50 Million that we projected would have reduced the liability balance rather than take the benefit this time, we left it in the financial statement still accrued for and eventually will flush through the system in 2019.

Ms. Radinsky said that just to conclude, to bring it back to the level of control deficiency, we felt that this was significant enough to report it to the committee but not significant enough to make it a material weakness, so we call this a significant deficiency which will be reported in the financial statements.

Mr. Wilson reported on MetroPlus and stated that there are three primary areas of significant risk:

Claims Payables Reserve (IBNR) -

A higher estimation uncertainty, a critical area that we focus large amount of efforts on both at Health + Hospitals and our health insurers nationally. In this specific case we outsourced to an actuarial firm. The first thing we do with the actuarial firm is review their credentials as well as the assumptions they are making and found them satisfactory for Health + Hospitals processes and ours as well. When they issue an actuary evaluation, they issue an opinion that states that the numbers they projected and determined are fair and accurate if the data they received from management is complete and accurate. As the auditor, we have to close that gap in order to use their work so we issue a disclaimer.

The process we go through first is making sure that the data they received is complete and we do that by tying it to different sources within the organization both from the cash side and the process side and in large part to the general ledger. Once we determined that is complete, we have a homogeneous and full population, we then select a sample of that population and test those items at a 92% confidence level which is a sample of 30 in this case to make sure we have accuracy. In this case we found no exemption both on the completeness and accuracy testing determined again that assumption used and methodology used were fair.

In addition, we do a retrospective review by looking at the prior year reserve of June 30, 2017 to see how that flushed out and we also have a couple of months' worth of data to see how the June 30, 2018 reserve is flushing out and concluded that the IBNR section is fairly stated.

Risk Transfer Adjustment

It has a very similar process as it relates to completeness and accuracy. Considered the experience, objectivity and capability/competence of the external actuarial specialist, Wakely. Tested the inputs related to the Risk Transfer calculations along with getting support from third party actuaries and industry data. Tested, with internal actuary, the methodologies and assumptions used by Wakely in the calculation for reasonableness. Completed a look back analysis to compare the prior year estimates to what was settled in 2018 related to the prior year reserves. We concluded that the amount Wakely determined is a fair amount.

Revenue Premium Recognition

High risk area, mainly because of its susceptible to fraud. We have tested numerous new transactions throughout the year and have concluded that they are fairly stated as well.

In conclusion, Mr. Wilson stated that since we are first year auditors, we are auditing both June 30, 2017 & June 30, 2018, we will come back to audit us on December 31st. We have an 18-month period that we are auditing. We have broken the audit into 3 6-month periods to be as efficient and effective as possible. We will come back now and work with the MetroPlus team to wrap up the 12/31 audit.

Mr. Wilson answered that the data sent to the actuary, they are using both local and national assumptions to project liability. If that data is not accurate, the methods and assumption that applied to it are also going to be inaccurate so we have to test that and we found that the data is 100% accurate. The risk is that we are working with estimates.

Ms. Radinsky addressed a couple of key required communications, as Mr. Weinman mentioned earlier that they be issuing an unmodified opinion. The financial statements for 2017 will be audited by another firm which is a requirement anytime you take over a first year audit.

As mentioned earlier, during FY 2018 Health + Hospitals adopted an additional GASB Statement 83. We did test on the schedules that management put together, it is immaterial to the financial statement as whole.

The next communication emphasizes the unrecorded difference between the general ledger and the supported detail the \$50 million in account payables that will also be part of the management representation letter which Finance will sign prior to us issuing the financial statement.

We had no disagreement with management, which got us to where we are today.

Ms. Youssouf asked if there were questions and asked for motion to accept the financial statements and it was seconded.

Internal Audits Update

Mr. Telano reported external audits going on by outside regulatory agencies. The first one is Controls over Equipment by the State Comptroller's Office. That audit is complete and we received the draft report September 27th, the responses are due on October 27th. From my perspective, we have \$3.5 billion in office and medical equipment and they found discrepancies of book value that total of \$17,924, the accounts revealed a 5% error rate. They also found record keeping items within the fixed asset system. There is a comment on the first page of the report concerning the lack of their ability to track 600 infusion pumps worth \$1.7 million, that statement is incorrect. I have been trying to work with them to have it remove it. We will see, we may have to state in the response that that statement is incorrect.

Moving on to the audit with the IRS that is set to begin on October 30th. The goal is verify the tax-exempt status of Health + Hospitals as a non-profit organization. I will keep the committee abreast of the status, they are planning on being here only 3 days and hope they are satisfied with what we have.

Some of the other audit activities that Internal Audits has been doing is that we have been given the responsibility of being the liaison between the Inspector General and any reports they issue of Health + Hospitals. There were six outstanding reports since 2017 and they all have been addressed and finalized.

Mr. Telano stated that the same thing goes with anonymous letters received by the Chairman's office or the President. That is also the new process in which they are being sent to Internal Audit for an independent investigation. There have been two passed on to us and one we have resolved and issued a report on. Lastly, duties related to Auxiliaries audits, as of this date 15 of the 22 have been issued.

CORPORATE COMPLIANCE UPDATE

Ms. Patsos began her update with Monitoring Excluded Providers - As required by the Federal and state regulations, and consistent with the recommendations of the NYS Office of the Medicaid Inspector General ("OMIG")¹ and the U.S. Department of Health and Human Services Office of Inspector General ("OIG"), each month the Office of Corporate Compliance ("OCC") reviews the exclusion status of the System's workforce members, vendors, and New York State Department of Health ("DOH") Delivery System Reform Incentive Payment ("DSRIP") Program Partners.

During the period June 1, 2018 through September 30, 2018, there was one excluded individual, one excluded vendor, two disciplined providers and one disciplined vendor.

The excluded individual is a human resources administrator at NYC Health + Hospitals/Kings ("Kings") who was engaged by NYC Health + Hospitals through a staffing agency. The OCC was informed about the excluded individual on July 31, 2018. She worked at Kings from April 2018 through the end of July 2018. The OCC is investigating the possibility of an overpayment for this individual and will be discussing this issue with the agency that coordinates the hiring of agency staff for the hospitals.

On June 13, 2018, the OCC was informed about an excluded vendor, Unipro International, which furnished uniforms for NYC Health + Hospitals. The System did not utilize this vendor after the effective date of the exclusion. The OCC worked with the Office of Supply Chain to ensure that NYC Health + Hospitals will not transact any further business with the vendor, or solicit new business from this vendor.

Ms. Arteaga Landaverde asked why they were excluded.

Ms. Patsos responded that they either come up on the Federal or State exclusion list for having problems with Medicaid/Medicare issues.

Ms. Youssouf asked even for a uniform provider? To which Ms. Patsos responded that if the vendor has committed fraud with the resources they get from Medicaid/Medicare, they will be excluded.

Ms. Arteaga Landaverde asked for how long are they on the list?

Ms. Patsos answered depending on the severity, it could be 5 or 10 years.

The next one is about a disciplined PAGNY physician working at NYC Health + Hospitals/Harlem, who had restrictions placed on his license requiring that his services be supervised by a board certified physician. The OCC confirmed that Dr. Wright, Chief Medical Officer at Harlem, and Dr. Allen

were aware of the restrictions on the physician's license, and that he is being adequately supervised.

There was also a community physician that had restrictions placed on his license as well, which require that the physician only practice medicine while being monitored by a licensed physician board certified in an appropriate field. The community physician is also precluded from ordering, prescribing, distributing or administering controlled substances. The OCC confirmed that this physician is not credentialed at any of the facilities to which he has referred patients, and therefore is unable to practice medicine in any such facilities. This is a disciplinary action that would lead to some restrictions placed on his license.

Finally, a disciplined vendor, Mick Radio-Nuclear Instruments, from which the System purchased clinical supplies related to brachytherapy, was a match for a World Bank sanction. NYC Health + Hospitals has terminated its relationship with this vendor.

The OCC periodically screens the DMF and NPPES files as part of its sanction screening process. No providers were identified on the DMF or NPPES during the period June 1, 2018 through September 30, 2018.

Privacy Incidents and Related Reports During the period of June 1, 2018 through September 30, 2018, forty-two (42) privacy complaints were entered into the RADAR Incident Tracking System. Of the forty-two (42) complaints, sixteen (16) were found after investigation to be violations of NYC Health + Hospitals HIPAA Privacy and Security Operating Procedures ("OPs"); five (5) were determined to be unsubstantiated; nineteen (19) were found not to be a violation of NYC Health + Hospitals HIPAA Privacy and Security OPs; six (6) are still under investigation; and one (1) is on hold due to a law enforcement delay request from the United States Attorney General for the Eastern District of New York. Of the sixteen incidents confirmed as violations, nine (9) were determined to be breaches.

Of the nine (9) incidents that were determined to be breaches, three (3) of them were caused by one of our vendors, CIOX, which responds to medical records requests on the System's behalf. In total, CIOX has been responsible for ten (10) HIPAA breaches this year. Consequently, the Chief Corporate Compliance Officer CIOX is doing to avoid further breaches. She informed the CCO that CIOX has been and/or will implement the following corrective actions:

- Perform a 100% quality assurance check on records requested from Bellevue and Jacobi, from which the majority of the breaches came,

to ensure that the correct documents are being sent to the correct requester;

- Conduct unannounced on-site audits of their workforce at Bellevue and Jacobi to determine whether they are following proper policies and procedures, and HIPAA requirements; and
- Develop an action plan based on the results of the audits to bring their workforce into compliance.

In addition, the Office of Supply Chain has engaged a consulting group to review CIOX's services and determine whether there are opportunities for improvement or change. Currently, the facility Health Information Management ("HIM") Directors oversee CIOX's services; however, we are in the process of centralizing this function. In the meantime, the Office of Supply Chain has identified a temporary point person to act as a liaison between CIOX and the HIM Directors until this function transitions to finance.

Ms. Youssouf commented that the Office of Supply Chain is looking into replacing them.

Mr. Albertson stated that they are reviewing their agreement that went into place a few years ago and we are trying to work on a solution. They are a lot vendors out there with this type of work.

Ms. Youssouf asked how long is the contract is. To which Mr. Albertson replied that it is through next summer.

Ms. Youssouf asked to keep the committee informed as to the status.

Ms. Patsos continued and reported on the other incidents:

This Incident occurred when a temporary clerk in the outpatient Behavioral Health Clinic at Bellevue inappropriately disclosed the location/type of clinic where the patient was receiving services to the patient's employer while attempting to verify employee financial information.

This incident occurred when a temporary agency nurse from Perfect Choice Staffing discussed a patient's sensitive health information in an area where other individuals were able to overhear her.

Both of these individuals have been released of their duties. As part of the mitigation, a procedure has been established whereby human resources and the agency from which the employee came are notified of the breach, and human resources flags such individual as not being employable by the System in the future.

Ms. Youssouf asked if Human Resources is aware of these are the first incidents with these vendors?

Ms. Villanueva answered that we have had other incidents throughout the years, not necessarily related to this incident, and have communicated to our vendor Vizient not to use within the system. We need to tighten that protocol, have it in writing and communicate it widely to the HR Directors because, I think that is a gap for us.

Ms. Youssouf said that sounds like it is and to let us know when that is in place.

Ms. Patsos continued with the incidents:

This incident occurred when the program type where a patient was receiving services was disclosed by a NYC Health + Hospitals social worker to an external home care agency, with which the System does not have an existing relationship or a business associate agreement. Based on an investigation of the incident, it was determined that, although the disclosed PHI was limited in nature, it included enough sensitive health information of the patient to reasonably infer that a behavioral health condition, diagnosis or treatment was involved.

This incident occurred when a business associate of NYC Health + Hospitals mistakenly sent the wrong patient records to an outside law firm. Based on an investigation of the incident, it was determined that the disclosed PHI included the patient's name, date of birth, medical history and treatment, and diagnostic information.

This incident occurred when a business associate of NYC Health + Hospitals mistakenly sent the wrong patient records to a records retrieval company. After an investigation into the incident it was determined that the disclosed PHI included the patient's name, birthdate, diagnosis and social security number.

This incident occurred when a physician disclosed a patient's diagnosis information in the presence of the patient's mother. The patient reported the incident of unauthorized disclosure himself. Nonetheless, notification was sent to the affected individual on September 12, 2018.

This incident occurred when a member of the patient relations department inadvertently sent two letters, each intended for a deceased patient's family, to the address of the other patient. Both letters were recalled and notifications were sent to the affected individuals' next of kin.

This incident occurred when a patient removed a sign-in sheet from the registration area at Jacobi. Based on an investigation, it was determined that the PHI on the form was limited to patients' names, appointment times, and whether it was their first visit to the clinic. In response to this incident, steps have been taken to better secure the registration areas at Jacobi.

Ms. Youssouf asked what the procedure for the other facilities is.

Ms. Patsos answered that she was not sure.

Ms. Youssouf that that is something that needs to be looked at?

Mr. Campbell stated that perhaps Mr. Matthew Siegler can ascertain if this is unique or common place, if so, we need to build a protocol and report to the Committee at the next meeting.

Ms. Patsos stated that the final incident once again involves CIOX. The incident occurred when a business associate of NYC Health + Hospitals mistakenly sent a patient's records to another patient's mother. The PHI disclosed included information such as the patient's address, medications, and medical procedures that the patient had undergone at Lincoln.

Office for Civil Rights ("OCR") Inquiries Regarding Privacy Incidents

There was one follow-up inquiry by the OCR since May 31, 2018. The inquiry pertained to the stolen laptop incident at NYC Health + Hospitals/Harlem, which the OCC previously reported to the Audit Committee. The OCR's follow-up inquiry requests additional information and documents pertaining to the breach including more details about laptops and biomedical devices at Harlem.

Update on Policy for Securing Biomedical Devices

As reported at the June 2018 Audit Committee meeting, there was a breach of PHI at Harlem that resulted from the theft of a laptop from the Audiology Department. During the discussion regarding this breach, the OCC reported that it would be working with Enterprise Information Technology Services ("EITS") to develop a policy and procedure for documenting and securing biomedical devices that enter the System and connect to the System's network, as well as devices that do not connect to the System's network. The next step in this process is to identify an enterprise-wide Biomedical Counsel that will be accountable for biomedical devices across the System, and present the issue and need for such a policy and procedure. Thereafter, the OCC and EITS will work with

such Counsel to identify the scope of the issue and requirements of such a policy and procedure, upon which a policy and procedure can be based. In addition, EITS is working on revising a 2010 Device and Media Control Plan, which addresses the receipt, movement, and removal of devices and electronic media that contain electronic health information into, within, and out of NYC Health + Hospitals.

Compliance Reports

For the period June 1, 2018 through September 30, 2018, there were one hundred and forty-four (144) compliance reports, three (3) (2.1%) of which were classified as Priority "A"; 75 fifty-one (51) (35.4%) were classified as Priority "B"; and ninety (90) (62.5%) were classified as Priority "C" reports. For purposes here, the term "reports" means compliance-based inquiries and compliance-based complaints.

Two of the Priority "A" reports were filed by the same reporter, asserting the same complaint. The reporter was an involuntarily admitted inpatient in the behavioral health service at NYC Health + Hospitals/Coney ("Coney"), who alleged that he was sexually assaulted by Coney staff. The allegations were investigated by Coney's behavioral health leadership and found to be unsubstantiated. Because of the nature of the complaint, however, the behavioral health leadership at Coney reported the allegations to the New York State Justice Center, which investigates allegations of abuse and neglect. The New York State Justice Center acknowledged receipt of the complaint; however, that investigation is still pending.

In the third Priority "A" report, out of NYC Health + Hospitals/Elmhurst ("Elmhurst"), the reporter alleged ongoing harassment, and that she "fears for her life" while in the workplace. Due to the nature of the allegations, the OCC worked with Human Resources at Elmhurst to advice on potential resolutions. Ultimately, this complaint was referred to Human Resources and Hospital Police at Elmhurst as a potential violence in the workplace complaint. Ultimately, it was determined that, although the reporter's allegations related to potential workplace violence were unsubstantiated, the reporter should be transferred to NYC Health + Hospitals/Queens. It should be noted that the reporter's issues were deemed to be essentially a domestic dispute, and no violence actually occurred on NYC Health + Hospitals premises. In addition, on October 15, 2018, the OCC was informed that Hospital Police at Elmhurst determined that the allegation of selling drugs at the facility was unsubstantiated.

Update on OneCity Health

As part of the Attestation, OneCity Health Partners were asked to confirm that they have completed the compliance training requirements, and to

specify the method by which such training was conducted. In addition, they were asked to submit proof of OMIG compliance program-related certifications and certifications of compliance with the Deficit Reduction Act of 2005, if they are required by law and/or OMIG policy to obtain such certifications. Partners were also asked a series of questions to confirm whether or not they have met the requirements outlined in NYC Health + Hospitals' Principles of Professional Conduct ("POPC").

Of the one hundred sixty-eight (168) OneCity Health Partners who executed a Schedule B for Phase III, one hundred sixty (160) Partners completed and submitted the Attestation to OneCity Health. Seven (7) Partners did not submit the Attestation, and one withdrew from Phase III. The seven (7) Partners that failed to submit the Attestation have been sent letters terminating their Phase III Schedule B Agreement.

As reported at the June 2018 Audit Committee meeting, OneCity Health engaged a third-party auditor, Bonadio & Co., LLP ("Bonadio"), to audit OneCity Health's internal processes, including Partner selection and contracting, quarterly reporting, funds flow, and the Partner portal. Bonadio has completed its audit of OneCity Health, and submitted its final audit report to the Board of Directors of OneCity Health on October 9, 2018.

As reported at the June 2018 Audit Committee meeting, on October 5, 2017, HHC ACO, Inc. ("HHC ACO") submitted an application to the New York State Department of Health ("DOH") seeking approval for an "all payer" ACO, which includes Medicaid, commercial insurance, and Medicare Advantage patients. That application is still pending.

The Centers for Medicare and Medicaid Services ("CMS") issued a proposed rule for CY2019 of the Medicare Shared Savings Program ("MSSP"), which sets forth a number of proposed changes to the MSSP, including changes that encourage ACOs to take on greater risk. The final rule is expected to be released later this year. Based on the provisions of the final rule the HHC ACO will determine whether to adopt a one-sided or two-side risk model in CY2019. The HHC ACO earned shared savings of \$2,182,360 in CY2017, and scored better than ninety percent (90%) of all other ACOs on preventative health measures.

Deficit Reduction Act of 2005 ("DRA")

The DRA requires providers who receive or make \$5 million or more in direct Medicaid payments to annually certify through the OMIG website that they have:

- Established and disseminated to all their workforce members and business partners, including management and contractors or agents, written policies that provide detailed information about:
 - The Federal False Claims Act, remedies for false claims and statements, and state laws pertaining to civil or criminal penalties for false claims and statements;
 - Whistleblower protections under the Federal False Claims Act and state laws;
 - The role of the Federal False Claims Act and state law in preventing and detecting fraud, waste, and abuse in Federal health care programs; and
 - The provider organization's policies and procedures for detecting fraud, waste, and abuse; and
- Included the following information in the provider organization's employee handbook and to comply with that, the OCC issued on 9/26/18 a notice and attached memorandum to workforce members (if one exists):
 - Information about the Federal False Claims Act and comparable New York State laws;
 - A specific discussion of the rights of the provider organization's employees to be protected as whistleblowers; and
 - A specific discussion of the provider organization's policies and procedures for detecting fraud, waste, and abuse.

Aetna Desk Review

As reported at the June 2018 Audit Committee meeting, on January 31, 2018, the OCC received notification from Aetna of a Notice of Compliance Program Audit (the "Notice"), requesting information from NYC Health + Hospitals relating to its compliance with Medicare Parts C and D compliance program elements as required by CMS. The Notice stated that the review would include functions performed by the System (particularly the OCC) which are related to Aetna's Medicare Advantage, Prescription Drug Plans and/or Medicare - Medicaid Plan product lines. Aetna performs such reviews to ensure that the entities it contracts with, such as the System, meet their compliance program obligations. These reviews are conducted under the auspices of their "Delegated Vendor Oversight" responsibilities, as required by CMS.

On April 30, 2018, the OCC received Aetna's Compliance Program Elements Audit Report (the "Audit Report"), which included Aetna's final conclusions regarding NYC Health + Hospitals' compliance with its audit. According to the Audit Report, NYC Health + Hospitals satisfied eight of the compliance requirements, but failed to satisfy four compliance requirements. The Audit Report also required NYC Health + Hospitals to

submit corrective action plans to Aetna for the failed compliance requirements, which the OCC did on May 25, 2018.

On August 27, 2018, the OCC submitted NYC Health + Hospitals' report on the implement of its corrective actions plans, most of which involved changes to Operating Procedures. On September 18, 2018, the OCC received an email from Aetna requesting additional information in response to one of the System's corrective action plans, which the OCC provided on September 20, 2018. The OCC is awaiting Aetna's final response to the corrective action plans.

The Risk Assessment Process

The risks described in the draft Risk Assessment were derived from the OMIG's Work Plans, and the U.S. Department of Health and Human Services Office of Inspector General's ("OIG") Work Plans and updates thereto, both of which identify risks that these agencies have determined to be areas of concern for overpayment and/or noncompliance. Other risks outlined in the draft Risk Assessment were identified internally.

Ms. Youssouf requested that that table of risk be presented or sent to the Committee.

Ms. Patsos stated that once all the risks were prioritized, the OCC developed a draft FY2019 Work Plan, which included the risks from the Risk Assessment with the highest risk prioritization scores in each service line. On September 10, 2018, the ECW met to review and discuss the draft FY2019 Work Plan. As a result, the ECW identified certain issues in the draft FY2019 Work Plan for which follow-up was necessary. Once the follow-up is completed, the ECW will meet again to finalize the FY2019 Corporate Work Plan for submission to the System President and Chief Executive Officer and the Audit Committee for approval. Through this process, those risks that fall outside the System's established tolerance for risk, and/or require additional remediation measures not currently available, are included in the FY2019 Corporate Work Plan. The final risk tolerance determination will be made by the Audit Committee.

Records Management

In May 2018, a Records Task Force was formed to address the issue of more than 621,000 boxes of paper-based files in off-site storage at Iron Mountain, at a monthly storage rate of more than \$335,340, and annual storage rate of more than \$4,024,080. We have identified in total, approximately 138,700 boxes that can be slated for destruction, which would save the System approximately \$74,898 monthly, and approximately \$898,776 annually.

After a series of meetings with Iron Mountain, the RMO, in conjunction with the Office of Supply Chain, was able to put in place the following immediate steps to curb the mounting storage at Iron Mountain

- No boxes will be sent to Iron Mountain unless a thorough analysis is completed, including whether records that need to be retained are available in legally acceptable digital format.
- In the event that boxes must be sent to storage, pick up restrictions will be implemented (*i.e.* no pick up without detailed box indexing including department name, unit name, types of records, detailed description, and most importantly destruction date).
- Restrict individual facility records management activities, including sending boxes off-site, to one or two Facility Records Officers per site, who will work with the RMO. Note that a total of over 600 NYC Health + Hospitals workforce members have been interacting with Iron Mountain regularly, often sending boxes off-site with no labelling and no retention dates.
- With the help of the Facility Records Officers, begin identifying records at Iron Mountain that have no retention requirements and/or are past their retention period.

Workforce Member Compliance and HIPAA Training

Over the last year, the OCC has made significant revisions and updates to how the System provides Compliance and HIPAA training and education to its workforce members and business partners. The revisions and updates were designed to enhance and ease the training and education process, while simultaneously meeting regulatory requirements in a more efficient and expeditious manner. The following is a brief summary of the OCC's efforts to enhance the training and education process:

- Combined previously separate annual courses (*i.e.* Compliance and HIPAA) into one (1) course entitled "*Workforce Member General Compliance/HIPAA Training and Education*" - making it easier for workforce members to meet regulatory requirements in one step;
- Developed a similar yet separate course for new workforce members, thus allowing a clear distinction of completed required orientation training, which is now maintained in their records;
- Developed "tracks" in both online courses which are more specific to the workforce member's role at NYC Health + Hospitals (*e.g.* physician track, non-clinical workforce member track, and volunteer/student track); Replaced previous in-person/live training with ELM training, which has allowed Compliance Officers to dedicate more time to other critical compliance activities;

- Worked with Human Resources Shared Services ("HRSS"), Workforce Development, and Affiliate Administration across the System to ensure that the training and education is available to a broader population of the workforce than in the past;
- Worked with EITS leadership to revise the process for new workforce member training, which ensures that the System meets its regulatory requirements, as well preventing inappropriate access to clinical systems that contain sensitive patient information prior to receiving HIPAA training; and
- Worked with HRSS to offer, for the first time, in June and July 2018, a method of online training for the incoming class of resident physicians across the System. More than 1,800 residents were able to complete their training and education obligations prior to their start date, which lead to a faster and more seamless assignment of their clinical duties. This lead to a completion rate within the first week of on-boarding of close to 97%.

Board of Directors Compliance Training In accordance with New York State Social Services Law and regulation, and consistent with NYC Health + Hospitals' OP 50-1, Corporate Compliance and Ethics Program, as part of the Systems' compliance program, governing body members are required to receive compliance training. Accordingly, the OCC will be scheduling such training for the System's Board of Directors for early next month.

Ms. Youssouf asked for a motion to hold an Executive Session to discuss potential legal implications, motion was made and seconded. There being no other business, the meeting was adjourned at 12:20 P.M.

Finance Committee - October 15, 2018

As reported by Bernard Rosen

Committee Members Present: Bernard Rosen, Gordon Campbell, Helen Arteaga Landaverde, Emily Youssouf, and Matthew Siegler as designee of Mitchell Katz in a voting capacity.

CALL TO ORDER

Mr. Bernard Rosen called the meeting to order at 12:22 pm. The minutes of the September 13, 2018 meeting were approved as submitted.

SENIOR VICE PRESIDENT'S REPORT

Mr. John Ulberg noted that the committee meetings were running behind. In the interest of time, the meeting launched into the agenda items immediately.

SHORT TERM CAPITAL FINANCING UPDATE

Mr. Ulberg and Ms. Paulene Lok provided an update on the Short Term Capital Financing program with the last update being in May. Through

resolutions approved in July 2013, April 2015 and September 2015, the NYC Health + Hospitals Board authorized equipment and other short term financing of up to \$120 million, with the goal of allowing the system to establish a flexible short term financing program with "as needed" access to capital funds from one or more banks over multiple years. This short-term financing program is secured by a secondary lien on the Health Care Reimbursement Revenue, after the Bondholders lien.

Under this program, there are two borrowings currently outstanding - the 2015 loan of \$60 million with JPMorgan Chase to finance medical equipment purchases at a 2.0880% fixed rate which matures on July 1, 2022 and the 2017 loan of \$60 million with Citibank to finance routine renovation and IT projects. The Citibank loan has two components - a fixed rate loan which borrowed \$30 million at 2.17% fixed rate, matures on November 1, 2022 and a variable rate loan, available to be borrowed, up to \$30 million. The Citibank variable rate loan has a one-year availability period which expires October 31, 2018. It has a five year maturity from rate of drawdown, and a 2.16% indicative rate as of September 26, 2018 which is tied to the weekly SIFMA (Securities Industry and Financial Markets Association) index.

The Chase loan is fully utilized. The loan has vouched funds of \$59 million and encumbered funds of \$59.8 million as of September 30, 2018. The outstanding loan is \$48.4 million as of September 30. The Citibank loan has vouched funds of \$43.2 million and encumbered funds of \$46.7 million as of September 30, 2018. The outstanding loan as of September 30, 2018 is \$30 million, and, in October, the remainder will be drawn down.

With no further questions, the report was concluded.

BOND COUNSEL ACTION ITEM

Mr. Ulberg and Ms. Lok presented a resolution to authorize the President of the New York City Health and Hospitals Corporation (the "System") to negotiate and execute a contract with Hawkins Delafield & Wood LLP ("Hawkins") to provide bond counsel services related to the structuring and continuing implementation of the System's tax-exempt financing program for the period beginning December 1, 2018 through November 30, 2021, with two one-year renewal options solely exercisable by the System all at hourly rates (Partners, \$465 per hour; Senior Associates, \$415 per hour; Associates, \$390 per hour; Junior Associates, \$245 per hour; and paraprofessionals, \$160 per hour). Health + Hospitals currently finances major capital projects, ongoing capital improvements and major movable equipment through funds received from the proceeds of tax-exempt bonds and/or leases issued by the System or by other issuers on behalf of the System. Experienced bond counsel is needed to prepare and review documents, to issue formal independent legal opinions relating to security and tax law, and other areas, and to provide related legal advice. This action is being brought to the Board because it is under OP 40-58 (Debt Finance & Treasury) which requires Board approval.

A Request for Proposals (RFP) was released on May 21. The RFP requested 30% Minority and Women Business Enterprises (MWBE) participation. Two firms submitted proposals on June 25, and both firms were invited to present to the selection committee on August 6. Ms. Emily Youssouf asked for confirmation that only two firms submitted proposals. Mr. Rosen noted Health + Hospitals does not issue that much debt, therefore, there is not much activity. Ms. Youssouf concurred but noted that serving as bond counsel to Health + Hospitals is a big deal, and that she thought more firms would be interested in bidding. Mr. Rosen asked for confirmation that Hawkins had served as bond counsel before, and that the funds are not spent unless the services are used, and Health + Hospitals will be charged at the noted government rates. Mr. Gordon Campbell asked how long Hawkins had served as bond counsel, and Ms. Lok answered since 1993. Mr. Campbell asked if the MWBE requirement would be met, and Ms. Lok noted that the requirement had been waived for this contract in the past. Although the RFP requested this participation through the released procurement, there may be an issue meeting this requirement. Michaela Daliana, a Partner at Hawkins, was asked to join the discussion. She has been with Hawkins since 1995, including working on Health + Hospitals matters. Ms. Daliana noted that the Health + Hospitals MWBE requirement seemed to address minority representation for general contractors and subcontractors. The intent seems to be that Health + Hospitals interacts with the contractor, and insulates themselves from interactions with the subcontractors. However, legal firms are serving as counsel, and not subcontracting the work. The firm's malpractice insurance would not cover subcontractors. Mr. Campbell asked if the requirement should have been included, if it is not possible for bond counsel services to meet the requirement, and asked for a review by Supply Chain and Legal. Ms. Youssouf agreed that the requirement should not be included, if it is not applicable for bond counsel services. Mr. Rosen asked if the City of New York uses Hawkins services. Ms. Daliana answered, not currently as bond counsel, but the City did in the past.

Ms. Lok continued the presentation. The committee scored and selected the firm on August 6. The selected vendor was Hawkins Delafield & Wood LLP. The contract terms are three years, with two 1-year renewal options. The three year term is from December 1, 2018 through November 30, 2021. The resolution was brought for motion, seconded, and the motion carried.

ACCOUNTS RECEIVABLE ACTION ITEM

Ms. Marji Karlin and Mr. Bob Melican presented a resolution to authorize New York City Health and Hospitals Corporation (the "System") to execute an agreement with six vendors for the provision of accounts receivable ("AR") services, in four specialized AR areas, as requested by the System. The six vendors are Betz Mitchell Associates, Inc., JZanus Ltd., MedMetrix LLC, nThrive Inc., PhyCare Solutions, Inc., and Sutherland Healthcare Solutions, Inc. Each agreement shall be for an initial term of three years with two one-year options to renew solely exercisable by the System and with a

total amount over the combined five-year term not to exceed \$46,381,321 to the six vendors.

The Office of Revenue Management received approval on July 24 to release an RFP for long-term Accounts Receivable (AR) vendors across 4 categories - Insured Low Dollar & High Volume, Self-Pay Early Out, Workers Compensation, and Out-of-State Medicaid. The Self-Pay Early Out work is not a traditional collection activity. The vendors serve as supplemental business office to collect self-pay, and will provide due diligence on patient balances, prior to collection agency referral. All vendors have certified financial aid counselors to help patients apply for Medicaid and/or H+H Options. The contracts are contingency-based reimbursement with terms of 3 years starting in October 2018 with two renewals each of one year. Mr. Rosen asked about the percentages taken by the vendors, and Ms. Karlin noted that it varied by category, with a range of 5.3% to 12%. Ms. Youssouf noted that the contingency-based reimbursement was important, and recommended including that in the resolution. Mr. Rosen asked for Legal to review and edit, and Ms. Andy Cohen confirmed Legal would.

Mr. Campbell asked if these are vendors that Health + Hospitals worked with in the past, and Ms. Karlin noted that these vendors have not worked in these categories. For example, there had been work on inpatient bad debt. Mr. Campbell asked if this contract would be similar to Huron, in terms of the end point where Health + Hospitals staff will completely take over the work at the end of the contract. Ms. Karlin noted that the need for vendors will not necessarily end completely, but there would be a reduced reliance over time. She also noted a cost threshold in which it is more cost effective to have vendors doing some work versus hiring internal staff do the work. Mr. Campbell agreed on the trade-off, and asked if internal resident experts on staff would be developed. Ms. Karlin confirmed that there would be a balance. Mr. Rosen noted that the collection activity should not harass patients, and Mr. Ulberg agreed.

Health + Hospitals is partnering with vendors to supplement existing staff activities. Vendors will receive referrals of accounts receivable that Health + Hospitals is unable to address. Over the five-year term of the contract, the projected expenses are not to exceed of \$46,381,000 with an annual contract value of \$9.4 Million over four categories. The projected net revenue is about \$442 million. The Insured Low Dollar & High Volume annual revenue is projected at about \$64.7 million with an annual expense of \$6.1 million. The Self Pay Early Out annual revenue is projected at about \$29.3 million with an annual expense of \$2.6 million. The Workers Compensation annual revenue is projected at about \$2.2 million with an annual expense of \$0.6 million. The Out-of-State Medicaid annual revenue is projected at about \$1.3 million with an annual expense of \$0.1 million. Mr. Rosen noted that the projections were very high. Ms. Youssouf asked where the projections came from. Mr. Melican noted that Health + Hospitals worked with Huron on the projections, and that they were the middle of the road estimates focused on new populations. Ms. Karlin noted that

the data models utilized historical AR numbers and historical write-offs, how much was collected, how much was collectible, and then discounted those numbers.

Ms. Youssouf asked what was counted in the low dollar and high volume category. Ms. Karlin answered that it was focused on outpatient accounts, including insurance balances of low dollar value, approximately \$3,000-\$8,000 across the facilities, and what staff was not following-up on when there was no response from insurance companies. Ms. Youssouf asked why the work on accurate billing would not address this. Ms. Arteaga Landaverde asked if the work was focusing on past accounts. Ms. Karlin noted that it was both old and current/ongoing referrals, as staff are being hired and trained, and as EPIC is being implemented. Ms. Youssouf asked if the low dollar threshold was less than \$10,000, and Ms. Karlin noted that it varied by facility. Mr. Campbell asked if it was pursuing money left on the table, and Mr. Ulberg answered it was focusing on cases that staff were not focusing on, and that EPIC would also help with this work. Ms. Youssouf noted that prior reports at Committee meetings noted finances looking better because of the revenue cycle work being done, and asked if this work had not been pursued before. Mr. Fred Covino noted that this work was focusing on getting to all the cases, including partial payments and denials, and Ms. Karlin answered that the revenue cycle work was focused on doing the work right the first time, obtaining a much higher pay rate the first time through Huron work, EPIC implementation, and training, and getting paid more cleanly upfront. Mr. Campbell asked if this work did not include those efforts, including the Huron work. Ms. Youssouf asked if this was in Huron's scope of work. Ms. Karlin noted that Huron had recommendations about the categories of AR work that should include developing partnerships to work on these receivables. However, the focus of the Huron work was not implementation of that work, but creating a framework for Health + Hospitals to do that work. Huron helped develop a dashboard that included these metrics.

Ms. Youssouf asked if self-pay was the uninsured. Ms. Karlin answered that it was a combination of both uninsured and balances after insurance. Ms. Youssouf expressed concern that the work was focusing on a population that cannot afford to pay, and that it was worrisome that collection agencies would be calling those patients. Ms. Karlin noted that this was not traditional collection agency work, this is not dialing for dollars. The goal was to qualify individuals for insurance or to apply for the Options program. These vendors have certified financial counselors to work with patients. Mr. Campbell asked if the projected \$97.5 million was in the 2020 financial plan, and Mr. Ulberg confirmed it was.

Six vendors were selected across the four categories. Ms. Youssouf asked if the vendors had hospital system references, and have those references been called. Ms. Karlin noted that there were references, they have not been called yet, and that they would be contacted. She noted that she did have some knowledge of a few of the proposed

vendors from her prior work. Insured Low Dollar & High Volume vendors are MedMetrix, nThrive, and Sutherland. Self-Pay Early Out vendors are Betz Mitchell, JZanus, and Sutherland. The Workers Compensation vendor is Betz Mitchell, and the Out-of-State Medicaid vendor is PhyCare. All vendors agree to participate in the MWBE process with four vendors have identified MWBE partners. The Office of Legal Affairs will work with remaining two vendors to ensure compliance with the MWBE program. The low dollar, high volume and the self-pay early out categories will have three vendors each to allow for comparison of efficiency; better performing vendors will receive more referrals. Ms. Youssouf asked if there was a way to track complaints about vendors harassing patients, and Mr. Rosen noted that the vendors should not be too aggressive. Ms. Karlin noted that three vendors were selected so that referrals could be made among the three, and so that one agency would not become overwhelmed with all the referrals. If patient complaints are high among a particular vendor, then referrals could be made to the other vendors. Mr. Campbell noted that Health + Hospitals does not want to leave the projected \$29.3 million of the Self-Pay Early Out on the table. Ms. Youssouf agreed, and also noted that self-pay work has always been a challenge. Mr. Campbell noted that progress is being made, and that it would be reported at the Strategic Planning Committee.

The resolution was brought for motion pending the revised resolution language noting the contingency-based reimbursement, seconded, and the motion carried pending the revised resolution language.

ADJOURNMENT

There being no further business to discuss, Mr. Rosen adjourned the meeting at 12:54 pm.

Strategic Planning Committee: October 15, 2018

As reported by Gordon Campbell

Committee members present: Gordon Campbell, Bernard Rosen, Matthew Siegler, designee for Dr. Mitchell Katz in voting capacity.

Mr. Gordon Campbell Chairman of the Strategic Planning Committee, called the October 15th meeting to order at 1:00 P.M. Mr. Campbell noted that a quorum had not been established. He deferred the adoption of the July 19, 2018 minutes of the Strategic Planning Committee meeting to the next scheduled meeting.

LEGISLATIVE UPDATE

Mr. Siegler greeted and informed the Committee that he would provide some updates at the federal, state and local levels.

Local Update

Mr. Siegler reported that on October 3, 2018, he, on behalf of NYC Health + Hospitals along with Greater New York Hospital Association's

Executive Vice President of Government Affairs, David Rich, provided testimony in front of the newly created New York City Council's Hospitals Committee on the transition of hospitals in the city from inpatient acute focus to community-based outpatient care. Mr. Siegler stated that it was a productive discussion about the effect that hospital closures and consolidation in the private sector has on our system; Health + Hospitals' current position in the NYC market and how to align the transition and expansion of ambulatory care and focus on primary care.

Mr. Siegler reported that all of the measures of the System Dashboard have been incorporated in the Mayor's Management Report (MMR). Measures will continue to be consolidated in the MMR to ensure that they are completely aligned with the System Dashboard. Mr. Campbell noted how important it is, not only for all internal staff across the organization, as well as Board Members and City Council Members, but also in terms of the public domain, to look at the same metrics.

State Update

Mr. Siegler reported that the Indigent Care Workgroup, of which Dr. Katz is a member, convened on October 10, 2018 and would be making recommendations on what to do with the transition collar of the Indigent Care Pool (ICP) and broader questions around the distribution of Disproportionate Share Hospital (DSH) dollars. Dr. Katz' position is that DSH payments should be distributed primarily to hospitals that provide disproportionate share of care for the uninsured and those on Medicaid. The Workgroup is expected to convene one more time before making their final recommendations to the Legislature for adoption.

Federal Update

Mr. Siegler reported that President Trump signed a piece of legislation focusing on the Opioid epidemic. While the policy changes were relatively modest from our perspective, it may result in some positive changes in federal reimbursement. He noted that there is growing recognition across the country of the importance of some of the substance use and behavioral health services Health + Hospitals delivers on a regular basis.

Mr. Siegler reported on a troubling development of the proposed rule on "Public Charge." He reminded the Committee that "Public Charge" is a longstanding piece of immigration law in the country stating that if an individual is dependent upon aid from the federal government his ability to become a citizen could be restricted. The Trump Administration's proposal attempts to dramatically expand the criteria for that determination. Health + Hospitals has sent an open letter to immigrant New Yorkers informing them that nothing has changed and that they are still welcome to seek care and sign up for benefits without fear. Seeking care and signing up for benefits now poses no risk to them or their families' progress through their immigration process. Health + Hospitals will continue to be vocal at the federal level in advocating

against this rule. Our ability to provide care to everybody regardless of their immigration status and their families' immigration status is fundamental to Health + Hospitals' mission. Health + Hospitals strongly oppose this rule change.

Mr. Siegler informed the Committee that under the proposed rule, previously excluded programs, including Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Women, Infants and Children (WIC) program and other similar programs would be included. However, Emergency Medicaid and the subsidies through the qualified health plans in the exchange are not included. It is not clear whether the Children Health Insurance Program (CHIP) will be included. Mr. Siegler noted that there is a lot of room for comments and urged people to make their voices heard during the open public comment period, which is taking place now. Health + Hospitals will be commenting, as well as a number of coalitions, are working to try and either block this rule or at least prevent some of the more damaging effects. Mr. Siegler clarified for Mr. Campbell that the new proposed rule was issued through the Department of Homeland Security (DHS).

INFORMATION ITEM

Strategic Planning Committee Update and System Dashboard

Mr. Siegler informed the Committee that his presentation would include:

- Insurance Enrollment Update
- Dashboard Changes and Next Steps
- Discussion of Q4 FY 2018 Performance
- Glossary + Dashboard
- Discussion of Selected Measures
 - E-consult
 - 30-day Behavioral Health Follow Up

Mr. Siegler reported that in August 2018, Health + Hospitals rolled out a new insurance enrollment effort across our facilities. The goal was to screen 100% of self-pay patients for eligibility through the NY State of Health web portal. Mr. Siegler reported that Health + Hospitals reduced the Fee Scale Options for the lowest income patients by aligning them with Medicaid and the Essential Plan.

Mr. Siegler reported that in one month, from August to September 2018, the number of applications for outpatient insurance enrollments jumped up 15% and the number of applications was 26% higher than in August of last year. In total, this could result in a total of about 3,000 more people who enrolled in one month versus the same month the prior year. In addition, it is the highest number of applications in a month ever outside of an open enrollment period and the third highest ever. Mr. Siegler cautioned that there are still significant follow-up to be done because we fail to document or screen some people or record their results. Even with this big jump, we are still 14% below our more aggressive FY 19 target.

Mr. Siegler shared several methodological and display changes to the Dashboard. Notably, tracking metrics at a fiscal year (vs calendar year) level, reporting on data from the most recently quarter with complete data (in this case Q4 2018 (April-June), and introducing Red, Yellow, and Green indicators for all measures.

Mr. Siegler and Dr. Eric Wei then reported on the critical measures of the Q4 FY 2018 System Dashboard for the reporting April-June period (see attached).

Mr. Siegler reported on the first measure of the Dashboard, which was the number of unique primary care patients seen in the last 12 months. He noted that the data for this measure required some correction from the prior period but the goal for FY 2018 and FY 2019 will remain the same: stemming the multi-year decline in primary care patients and beginning to grow patient volume.

Mr. Siegler reported of improving measures that are positively trending with E-consult, which is our means of expanding access to specialty care and speeding up referrals from primary care doctors into specialties.

Mr. Siegler reported on the negative trending measures. He reported that insurance applications on the Dashboard is reporting on the June number and is up 15% versus the same period last year.

Dr. Wei, Chief Quality Officer, reported that Sepsis 3-hour bundle data, as stated by the State's first quarter for 2018, is down by 1.7%, compared to the last quarter in 2017.

Dr. Wei reported that Bellevue now has a QuadraMed workflow that includes order sets, drop down menus and checklists that have been very positive.

Dr. Theodore Long, Vice President, reported that HgbA1c Control < 8 dropped down 0.4%, likely due to common cause variation. Significant improvements are expected as the system is currently rolling out the following actions:

- Simplifying the most recent evidence based protocols amongst all clinicians.
- Hiring clinical pharmacists to more effectively titrate patients' insulin.

Dr. Wei reported that the percentage of people left without being seen in EDs (ED LWBS) was up by 0.94% compared to last quarter.

Mr. Siegler turned the Committee's attention to the mixture of red, yellow and green indicators. It is hopeful that during the first six months of Dr. Katz' tenure, which is the period reported on for these measures, all the indicators would be green within, at or exceeding their targets. However, the red indicators show where to focus and

where more progress needs to be made. Mr. Campbell commented that if all the indicators were green they would not have been part of the Dashboard.

Mr. Siegler reported on three important metrics that are trending in the right direction. The first is #3, Patient Care Revenue/Expenses, which is the ratio of revenue within our control (collected revenue from billing and all operations - not waiver fund, not supplemental payments) over expenses (i.e., what we spend and is within our control) went up by \$150 million. The second one is line #7, Epic Implementation, which remains green. Mr. Siegler reported that within 7-10 days EPIC will go live in several of our facilities. Lastly, line #8, ERP, the other IT project, is also making progress.

Mr. Siegler reported on the culture of safety measures and stated that they are annually reported measures. He reminded the Committee that, as per the Board Chairman's recommendation, the Dashboard team is devising ways to monitor and report on these measures on an ongoing basis throughout the year. More updates will follow on these measures in the January report.

Mr. Campbell reiterated his recommendation from the previous meeting to celebrate success. He encouraged the staff to bring people or a team from a facility to applaud them for what they are doing well.

In the interest of celebrating success, Mr. Siegler acknowledged Mr. Jesse Singer, one of the leaders of the population health team, for his great work and success on E-consult.

Dr. Wei reported on the Behavioral Health 30-Day Follow-Up metric. He reported that the biggest challenge encountered with the metric is homelessness and substance abuse. He added that, besides homelessness, high utilizers (people in and out of the psych ER) tend to come back to the ER before they were possibly fit into an ambulatory care clinic. Dr. Wei added that substance abuse is a factor and that social determinants are outside of the control of the treatment team. Dr. Wei pointed out that some of the patients have no Health +Hospitals psychiatrists, which makes it even harder to have control over them. He reported that in the first Quarter of 2018, 40% of the behavioral patients were referred internally (to Health + Hospitals outpatient services), whereas 60% were referred to non- Health +Hospitals outpatient resources, which makes it harder to influence them. Moreover, only 46.2% of the 40% that were referred to internal outpatient services, actually showed up for their appointments versus 71.2% of the 60% that kept their external appointment.

Mr. Campbell stated that there are a lot of lessons to be learned throughout the enterprise whether it be behavioral health, ambulatory care or safety. He commended the Dashboard team and urged them to keep up the good work.

There being no further business, the meeting was adjourned at 1:40 P.M.

SUBSIDIARY REPORTS

SUMMARY OF MEETING HHC ACO INC. BOARD OF DIRECTORS OCTOBER 11, 2018
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The Board of Directors of HHC ACO Inc., NYC Health + Hospitals' subsidiary not-for-profit Accountable Care Organization ("ACO"), convened on October 11, 2018 to discuss 2017 performance results and shared savings distribution.

Among other matters, the Board discussed the following:

- ACO Chief Medical Officer Lana Vardanian, MD informed the Board of the ACO's Medicare Shared Savings Program (MSSP) results for 2017. The ACO saved \$5,276,973 in 2017, for which it will receive shared savings of \$2,182,360. The ACO also achieved a quality score of 84.4%. HHC ACO Inc. is the only MSSP ACO based in New York State to earn shared savings for five consecutive years and one of only 21 ACOs around the country to do so.
- ACO Chief Executive Officer Dave Chokshi, MD presented the framework for a proposed amendment to the ACO's shared savings distribution methodology in the ACO's Participant Agreements. The proposal recommended to increase the effect quality performance has on provider incentive payments from 50% to 67%, as well as other minor adjustments designed to reward high-quality, team-based care.

The Board approved the following resolution:

- Authorizing the Chief Executive Officer of the ACO to negotiate and execute an amendment to the ACO Participation Agreements or ACO Agreements currently in place with the New York City Health + Hospitals Corporation ("NYC Health + Hospitals") and Shared Savings Distributees consistent with the savings distribution methodology set forth in the Proposed 2017 Shared Savings Allocation (Exhibit B), and distribute the 2017 Performance Payment in accordance with such agreements as amended.

HHC Assistance Corporation - BOARD OF DIRECTORS October 9, 2018
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The meeting of the HHC Assistance Corporation Board of Directors, d/b/a OneCity Health Services, was held on October 9, 2018 in Room 532

located at 125 Worth Street with Israel Rocha presiding as Chairman. Mr. Foley opened the meeting due to Mr. Rocha's delay in attendance.

CALL TO ORDER

The meeting of the Board of Directors (the "Board") of HHC Assistance Corporation (the "Corporation") was called to order by William T. Foley at 10:03 a.m.

OLD BUSINESS

Mr. Foley, presented minutes of the August 30, 2018 Board meeting. A motion was made, duly seconded, and unanimously accepted to adopt the meeting minutes.

NEW BUSINESS

Tatyana Seta, Chief Financial Officer for OneCity Health, reviewed the current statement of financial condition, highlighting starting cash balance, revenue and expenses, and partner payments for Fiscal Year 19 through August 31, 2018. The acceleration of partner payments at the end of Fiscal Year 18 resulted in a lower than expected Fiscal Year 19 starting cash balance. To date, OneCity Health PPS has received \$639M in regular DSRIP revenues against a maximum of \$729M (88%), with total earnings amounting to \$686M. In addition, the PPS earned \$6M in Additional High Performance funds during Fiscal Year 17 and \$1.4M in high performance in Fiscal Year 19. Based on current analysis, OneCity expects to achieve another \$140M reliably through the end of DSRIP. To date, OneCity Health PPS distributed \$173M to partners across all Phases of contracting. Dr. Stocker requested an additional analysis to compare how PPS partner payments, as a percentage of overall earnings, compared across statewide PPS.

Molly Chidester, Chief Strategy Officer for OneCity Health, presented PPS performance on claims-based metrics to the Board. OneCity achieved 48% of improvement targets for 33 claims-based metrics which was the 3rd highest percentage of metrics achieved among downstate PPS peers. Benjamin Goldsteen, Chief Analytics Officer for OneCity Health, described the variance in outcomes among facilities. While overall performance on claims-based metrics is trending positively, Ms. Chidester noted the opportunity significant improvement on utilization measures such as preventable readmissions and ED visits. OneCity is implementing several strategies to close the gap in potentially avoidable utilization including the launch of ExpressCare, a new urgent care service at NYC Health + Hospitals, a patient outreach intervention resulting in 1,500 primary care visits in 2018, and enhancements to observation services.

Gerald J. Archibald, Partner at Bonadio, presented a summary of external audit findings to the Board. Mr. Archibald noted the uniqueness of the completed audit, stating that OneCity Health has been proactive in taking a leadership role by undertaking this outside

audit. Other PPS may be taking similar steps in the near future. The scope of the audit was delineated into four workstreams: 1) PPS Partner Selection and Contracting, 2) PPS Partner Funds Flow, 3) PPS Partner Portal, and 4) OCH Quarterly Reporting to the State. Audit activities formally began in June of 2018 and were completed ahead of schedule and under budget. Mr. Archibald credited this outcome to the transparent and helpful nature of OneCity Health staff.

Among other items, Mr. Archibald noted the following:

- Overall statewide challenges of working to integrate CBOs into VBP contracting with managed care organizations
- Audit methodology/process was well coordinated and there was a good understanding of key controls as well as excellent documentation of process and decisions made
- OneCity Health may explore use of a separate bank account to speed up payments, however the recent switch to the new AP system through PeopleSoft may negate that particular need
- OneCity maintains open line of communication with the State and goes above and beyond in the area of quarterly reporting by providing narratives to accompany completion of work plan deliverables
- Several recommendations were identified that were related to the Partner Portal, with a number of identified technological improvements that could be implemented to improve various aspects of the technology control environment

There being no further business, Mr. Rocha adjourned the meeting at 11:04 a.m.

MetroPlus Health Plan, Inc. – October 23, 2018

As reported by Mr. Bernard Rosen

CHAIRPERSON'S REMARKS

Mr. Rosen welcomed everyone to the MetroPlus Board of Director's meeting of September 13st, 2018. Mr. Rosen stated that the meeting would consist of the Executive Directors report presented by Dr. Saperstein, followed by the Medical Directors report presented by Dr. Talya Schwartz. Mr. Rosen stated that there would be two resolutions presented for approval.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rosen asked Dr. Saperstein, MetroPlus' Chief Executive Officer, to present his report. Dr. Saperstein's remarks were in the Board of Directors packet and a copy is attached hereto and incorporated by reference.

Dr. Saperstein began his report by informing the Board that the total Plan enrollment as of September 1, 2018 was 513,133. Dr. Saperstein

stated that the total enrollment went down slightly by a couple thousand members a month. Dr. Saperstein stated that based on last year applications in August (15,798) versus this year August applications (17,882) the Plan had anticipated a significant increase in membership. Dr. Saperstein informed the Board that most of the membership loss has been within the Medicaid and Essential Plan line of business. Dr. Saperstein stated that over the past year, there has been growth in the Essential Plan (EP) and Qualified Health Plan (QHP), both with a growth of 6,400 members.

Dr. Saperstein stated that recently the Plan has been faced with the decline of individuals enrolling in the health plan. Dr. Saperstein attributed this decline to a couple of different factors, one of which being the federal public charge rule. Dr. Saperstein informed the Board that individuals who receive any government sponsor coverage or insurance may potentially be unable to receive their permanent residency status. Dr. Saperstein stated this has been one of the challenges that the Plan has faced in addition to the State auditing application data to see if members are meeting the criteria for public coverage. Dr. Saperstein stated that because of this audit a lot of Essential Plan members have had their coverage retroactively removed due to the audit. This is an industry trend rather than a trend that is specific to the Plan but that the Plan is looking into how this will affect its bottom line.

For overall disenrollment, Dr. Saperstein stated that for July 2018 Medicaid disenrollment rate was 3.08 which was down from a higher rate of 3.96. Dr. Saperstein stated that the Plan is doing well with reaching out to members, helping them recertify, and providing the members with information but are losing members throughout the year due to other reasons such as State audits, members moving, and members no longer being eligible for Medicaid.

Dr. Saperstein informed the Board that the Plan will be exiting the Fully Integrated Dual Advantage (FIDA) market by the end of 2018. Dr. Saperstein stated that the State announced at one of their monthly meetings that the entire State will be exiting the FIDA market by 2019. Dr. Saperstein stated that the Plan had only grown to 206 members in FIDA. When the Plan looked at the services being provided to the 206 FIDA members, the Plan realized that it could accommodate the 206 FIDA members with a similar coverage package with its Managed Long- Term Care (MLTC) product and Medicare products. Dr. Saperstein informed the Board that the Plan is helping the members to choose the right health plan if they are somehow unable to accommodate the members, ensuring that they land safely with coverage before the end of the year.

Dr. Saperstein informed the Board that the Plan has received 7 million

incentive dollars for its high level of quality coverage for 4,000 HIV/SNP members. The overall score that the Plan received was 91%.

Mr. Dan still asked if a member loses eligibility for Medicaid and is still eligible for EP, is there a methodology so that those transitions can be accommodated. Roger Milliner, MetroPlus' Chief Growth Officer, answered that the Plan conducts outreach to see if individuals who disenroll from one line of business are eligible for another line of business. Mr. Still clarified that he was asking when the individual eligibility changes does the Plan have a way of knowing that this change has taken place. Dr. Saperstein stated that the State knows first from checking the member's eligibility. Dr. Saperstein stated that a lot of the disenrollment comes from members who have changed status such as a job change, marital status or a move.

MEDICAL DIRECTOR'S REPORT

Mr. Rosen asked Dr. Schwartz, MetroPlus' Chief Medical Officer, to present her report. Dr. Schwartz's remarks were in the Board of Directors packet and a copy is attached hereto and incorporated by reference.

Dr. Schwartz began her report by informing the Board on regulatory updates. Dr. Schwartz stated that contrary to what was in her report she recently received an update that the Plan will not be receiving a mid-November audit from the State. Instead the Plan will be receiving the audit in January. This delay will allow more time for the Plan to prepare for the audit. The audit will focus on Utilization Management functions and contracting. Dr. Schwartz stated that the audit will serve as a follow-up to the finding and citations that the Plan received last year to ensure that the Plan has corrected them.

Dr. Schwartz informed the Board on some of the initiatives that the Plan is taking for flu season. Dr. Schwartz stated that the Plan has a team stationed in Queens to administer flu shots and blood pressure screenings. Specific targeted efforts are ongoing social media campaign that highlight the start of the flu season and locations and which members can go to receive vaccinations. Members who call into Customer Service Call Center are also reminded that should receive a flu shot. In addition to those efforts, members who are homebound are monitored to see if they have been vaccinated.

Dr. Schwartz stated that there is a new initiative that the Plan is implementing within the Pharmacy Department. The focus of this initiative is to improve adherence to chronic medications and reoccurring preventable admissions. The Plan identifies members, specifically on the Medicare side, who have many chronic conditions, are in and out of the hospital, and based on their fill patterns are not adherence to the medications. Those members receive home visit from the Pharmacist to have their medication reviewed and to ensure

that the members are adherent to prescribed medication.

On housing initiatives, Dr. Schwartz informed the Board that the Plan is working with Comunilife to place homeless members into available units in the Bronx and Brooklyn. Dr. Schwartz stated that the Plan is focusing on members with behavioral health issues and HIV/AIDS. Dr. Schwartz informed the Board that the Plan is looking to expand this program to other homeless populations given the great success that the Plan is having so far. Dr. Schwartz stated that priority is given to members who are affiliated with New York City Health + Hospital but once that pool has been exhausted the Plan goes beyond NYC Health +Hospital and offer the services to anyone who is homeless and a MetroPlus member. To date 45 members have been prepared for placement and 20 members are currently awaiting to enter the unit. Dr. Schwartz stated that because of the Plan's success, Comunilife are opening additional units. Mr. Matthew Siegler commended Dr. Schwartz and Ms. Meryl Weinberg, MetroPlus' Director of Medical Management Operations on the impressive results and informed the Board that NYC Health + Hospital are looking to do similar services for their patients across a much larger universe of inpatient population. Dr. Schwartz stated that it felt good to help people who really need it and to make a difference in their lives.

Dr. Schwartz informed the Board on important software upgrades that were being made. One of which, being a resolution to be introduced at the end of Dr. Schwartz's report. Dr. Schwartz stated that the Plan has reached the end of negotiated acquisition process for member and provider portal services. Healthx was the selected vendor at the end of the negotiated acquisition process.

ACTION ITEM

The resolution was introduced by Marni Selway, MetroPlus' Utilization Management Consultant:

Authorizing the Executive Director of MetroPlus Health Plan, Inc ("MetroPlus" or "the Plan") to negotiate and execute a contract with Healthx to provide a web-based, hosted Member & Provider Portal platform, for a three (3) year term with two options to renew for a one (1) year term, each solely exercisable by MetroPlus, for an amount not to exceed \$7,000,000 for the total five (5) year term.

Mr. Rosen asked for a motion to discuss the resolution. There being no objections the motion was moved.

Mr. Rosen inquired if this was the Plan's first time implementing these services. Dr. Schwartz replied that the Plan currently has a portal in place, but the portal is very limited in its ability. Dr. Schwartz informed the Board that one of the biggest changes is that

the portal will now be web based. Dr. Saperstein asked that Ms. Selway give a summary of expectation that the organization will provide for us. Ms. Selway informed the Board that Healthx has experience with working with the Plan's claims processing vendor, DST Systems, which is often very important to the Plan integrating with online claims processing and authorizations. This is one of the key reasons why Healthx was chosen by the selection committee. Another reason why Healthx was selected is because they are highly experienced, Healthx has implemented member provider portals for over 200 health plans, some of which are the Plan's closest competitors. In addition, having a vendor who will host the Plan's data will reduce hardware cost in maintenance for upgrades and will be able to a vendor whose sole focus and expertise is on building and hosting security platform. Lastly, the Plan has a tight deadline for the children's Medicaid population. Two of the requirements are things that the Plan does not have which is the direct data entry of claims and the 24/7 online authorization request portal. Ms. Selway stated that the Plan might as well utilize a vendor who has already implemented these services.

The adoption of the resolution was seconded and unanimously adopted by the MetroPlus Board of Directors.

There being no further business Mr. Rosen adjourned the meeting at 3:38 P.M.

Mitchell Katz, M.D.
NYC Health + Hospitals President and CEO
Report to the Board of Directors
Thursday, October 25, 2018

FEDERAL, STATE, CITY UPDATE

Federal

On October 10th, the U.S. Department of Homeland Security published a proposed change to its "public charge" rules, which would limit an immigrant's ability to successfully apply for immigration relief if they have used certain government benefits in the past (including Medicaid), if they have a costly medical diagnosis, if they are low-income, and for other reasons which an immigration official would consider with great discretion. If the rule is finalized as proposed, tens of thousands of NYC Health + Hospitals patients could be impacted, and many thousands more could be deterred from seeking care or enrolling in coverage out of fear of negative impacts.

We have been communicating affirmatively with staff about these proposed changes, encouraging them to counsel patients to continue getting the care and coverage they are eligible for and need, as this rule is not final and will not penalize people for benefits used now before the rule is final. We are coordinating with the Mayor's Office of Immigrant Affairs, Greater NY Hospital Association, America's Essential Hospitals and others in an effort to push back on this dangerous proposal. To create greater engagement in the broader health care community, Dave Chokshi and I wrote an article that was published in JAMA; the article details the harms of the proposal and flags how difficult this proposed rule change would make it for doctors to provide care to undocumented patients. The public comment period for the proposed rule closes on December 10, 2018 and the earliest the final rule could become effective is around March 2019. We anticipate a number of entities will take legal action to prevent any final rule from taking effect if it looks similar to this proposal.

State Update

On October 10th, the State Department of Health convened its third meeting of the temporary workgroup on indigent care funding of which I am a member. Concerns were raised about the risk of adverse federal policies, such as federal Disproportionate Share Hospital (DSH) cuts and Public Charge, which would have an impact on the State and NYC Health + Hospitals specifically. There was consensus that the Workgroup's report should acknowledge that if federal DSH cuts occur, then the current State law would need to change to protect NYC Health + Hospitals. We would like to thank the Community Advisory Board members who attended the meeting to advocate on behalf of protecting NYC Health + Hospitals. The final meeting of the Workgroup is next month, and we are expecting to review the report's policy recommendations, which will be presented to the Governor and the State Legislature in December.

City

On October 3, Matthew Siegler, NYC Health + Hospitals Senior Vice President for Managed Care, Patient Growth, and Interim Director for Government & Community Relations, testified before the members of the New York City Council's Committee on Hospital Systems at an oversight hearing on changes in the delivery of health care services, and moving towards a community-based outpatient model. Chairwoman Carlina Rivera and members of the committee convened the hearing to learn more about hospital closures and consolidations, and the corollary impact on the health care delivery system in New York City, and specifically the impact on NYC Health + Hospitals. Additional themes that were addressed in the hearing were hospitals' work in reducing avoidable hospitalizations and health care moving away from reimbursement based on volume and type of services to value-based reimbursements.

NYC Health + Hospitals' testimony acknowledged the timeliness of the hearing, as we are currently capitalizing on the shift from inpatient care to outpatient care, which was a key strategy outlined in the "*One New York: Health Care for our Neighborhood*" report to transform the public health system into a high-performing, competitive, and sustainable community-based system. We also highlighted our current strategy to transform the health system's vast ambulatory care operation, outlined below.

HEALTH SYSTEM NEWS

NYC Health + Hospitals Adopts Five-Point Strategy to Transform Ambulatory Care

You have often heard me say that fixing primary care is key to our financial turnaround and vital to our promise to be responsive to the health needs of the communities we serve. I'm very pleased to report that this month we announced a series of strategic initiatives designed to transform the health system's vast ambulatory care operation, improve access to in-demand primary and specialty care, and reverse the recent trend of declining outpatient visits.

This new five-point strategy will be adopted across our health system's community-based health centers, including 11 hospital-based outpatient operations, which together provide more than five million outpatient visits to children and adults every year. The specific plans reflecting the five points will be implemented system-wide over the next six months.

The five major areas of strategic improvements are:

- Fix Continuity of Care and Build Fidelity with Assigned Primary Care Clinician
- Reduce No-Show Rates and Use Technology to Help Patients Come to their Appointments
- Expand eConsult to Reduce Long Wait Times for Specialty Care
- Improve Clinic Management by Empowering Doctors and Nurses to Practice at the Tops of Their Licenses
- Increase Revenue by Improving Billing and Coding

Through our plan, I'm confident we will improve patient care, patient experience, and our public health system's financial standing.

NYC Health + Hospitals Seeks \$40 Million from United Healthcare for Wrongful Denials

We are seeking to recover \$40.1 million from United Healthcare for wrongfully denied payments for the care we provided to more than 4,000 of their beneficiaries between July 1, 2014, and December 31, 2017.

These cases include:

- A one-year-old girl who was admitted to the hospital with an elevated heart rate and a fever associated with an abscess, for which she required surgery consultation for incision and drainage, as well as IV antibiotics.
- A 25 year-old woman with a history of multiple miscarriages was admitted at 22 weeks gestational age for medical treatment and observation because she was at high risk for losing her baby, evidenced by cervical shortening noted on ultrasound.
- A 32 year-old man was transferred from a psychiatric unit, where he was receiving care for acute psychosis and paranoid schizophrenia, to a medical unit for treatment for the flu and his 103.3-degree fever—both to enhance medical care and to prevent spreading the flu to other vulnerable patients in an open psychiatric unit.
- A 62 year-old woman was admitted after presenting in the emergency department with vision changes, chest pain, right arm sensory deficit, and right leg weakness—multiple risk factors for heart attack and stroke—just three days following discharge from another hospital for acute stroke.

I not only stand by our doctors' decisions to admit these patients, I would be shocked if they'd have come to any other decision. Our clinicians have no incentive to admit patients needlessly, while United Healthcare has an obvious conflict of interest: They want the premiums from their beneficiaries and don't want to pay for their care. Rather than provide appropriate reimbursement for services rendered, they prefer to give more money to their shareholders and reap big bonuses for themselves. The priorities are skewed. It's our responsibility to stand up and challenge wrongful denials, as all health systems should.

NYC Health + Hospitals Enhances Availability of Long-Acting Reversible Contraception

First Lady Chirlane McCray and NYC Health + Hospitals announced a new initiative aimed at increasing access to birth control in the City's public hospitals, doubling down on the City's commitment to be a national leader in reproductive rights. This fall, NYC Health + Hospitals will increase its stock of long-acting reversible contraceptives at all 11 of the city's hospitals and six Gotham Health ambulatory care centers, making these contraceptive devices available to women who request them during their primary care visit. Under its initiative, NYC Health + Hospitals will purchase 13,000 contraceptive

devices over the next three years - more than doubling the system's current supply. Health + Hospitals currently serves approximately 113,000 female patients of reproductive age (13 -49 years) across the public health system's ambulatory care centers and neighborhood clinics in the five boroughs. The increase in contraceptives will help protect nearly 5,000 more women against unwanted pregnancy. The initiative will also include:

- "Pregnancy intention" screenings for women of reproductive age: This screening will become a routine part of primary care, with the aim of connecting women as early as possible to the appropriate pre-pregnancy care, prenatal care, or birth control of their choice.
- "Health readiness" assessments for women planning a pregnancy: The screenings will help identify and manage chronic medical conditions - such as obesity, diabetes and hypertension - that increase the risk of maternal complications and deaths.
- Faster access to contraceptive devices for adolescents: Women ages 13 to 18 will be able to get same-day access to intrauterine devices in ambulatory clinics that offer women's health services. The current process requires adolescents first visit a pediatrician, then be referred to a gynecological specialist to get an IUD.
- Additional Staff: A new women's health Nurse Practitioner and support staff will be added to the family planning clinics at each of the 11 hospitals and six large community-based health centers.

NYC Health + Hospitals/Bellevue Expands Adult Primary Care Clinic

NYC Health + Hospitals/Bellevue completed a major expansion of its Adult Primary Care Clinic with newly repurposed space that supports the co-location of all Adult Primary Care services, improves access and continuity of care and reduces wait times for an appointment. The recently expanded clinic, located on the second floor of the Ambulatory Care Building, has added 12 patient exam rooms and increased available space by 2,200 square feet. The expanded space now accommodates 26 new staff members and supports an expanded collaborative care team that includes registered nurses, primary care providers, nurse practitioners, chronic disease care managers, patient navigators, patient care associates and administrative support staff. This expansion, along with other recent improvement efforts, have helped reduce wait times for a primary care appointments, with the average time a new patient has to wait for an appointment reduced to 14 days from 40 days.

NYC Health + Hospitals/Coney Island Moves Forward with \$738M Renovation Plan

NYC Health + Hospitals/Coney Island received key approval from the state to build an 11-story, 350,000-square-foot tower as part of a major hospital campus renovation that will replace and repair flood damage from Superstorm Sandy. The state Public Health and Health Planning Council's Establishment and Project Review Committee approved the hospital's application on October 11. The \$738 million project includes a new critical-services tower, which will house a flood-

resistant emergency department. It includes the renovation of its main building and existing tower, which were built in 1954 and 2005 respectively, demolition of an older building significantly damaged in the storm, and construction of a flood wall around the campus to protect it from future storms. The project will be funded mostly through a \$1.7 billion award the Federal Emergency Management Agency provided NYC Health + Hospitals to rebuild its facilities in late 2014. Of that total, \$922.7 million was slated for repairs in Coney Island. The renovations will enable the hospital to endure future natural disasters, improve the health care environment for patients and achieve greater operating efficiencies with a stronger, more resilient hospital.

NYC Health + Hospitals/Correctional Health Services Reaches Milestone in Its Creative Arts Therapy Program

NYC Health + Hospitals/Correctional Health Services announced that its Creative Arts Therapy Program conducted approximately 4,000 group sessions of individuals detained at Rikers Island since expanding in December 2016. The expansion, part of First Lady McCrory's [ThriveNYC](#) initiative, has enabled our correctional health staff to enhance the country's oldest and largest jail-based creative arts therapy program. Our correctional health team also hosted a very special art exhibit this month that featured powerful narratives of Creative Arts Therapy Program participants. The exhibit included approximately 80 pieces, ranging from self-portrait drawings and collages to poems and music compositions created over the past year under the guidance of creative art therapists. The art exhibit was made possible with the support of the School of Visual Arts.

Mayor's Office of Criminal Justice and NYC Health + Hospitals/Correctional Health Services Launch Pilot Program to Streamline Court-Ordered Psychiatric Evaluations

The Mayor's Office of Criminal Justice and NYC Health + Hospitals/Correctional Health Services launched a pilot program that streamlines psychiatric evaluations for defendants in the Queens Criminal Court. The pilot program at Correctional Health Services' Queens Forensic Psychiatric Evaluation Court Clinic focuses on court-ordered psychiatric evaluations, which largely comprise of fitness-to-stand-trial examinations -- also known as "730" evaluations. As the large majority of these evaluations are conducted for individuals who are incarcerated and awaiting trial, delays in the evaluation process can lead to longer lengths of stay in jail. In fact, the Mayor's Office found that defendants ordered to take 730 exams spend nearly three times longer in custody than the general population does for similar charges. The Queens pilot program aims to complete the 730 evaluation process in 14 business days for felonies and 7 business days for misdemeanors. Since the pilot launched in June, more than 84 streamlined psychiatric evaluations have been completed.

Free Screenings and Referrals to Recognize National Depression Screening Day

In recognition of National Depression Screening Day on October 11, NYC Health + Hospitals offered free, confidential depression screenings and treatment referrals to mental health providers at 14 patient care locations throughout New York City. Screenings were conducted by our expert mental health professionals for individuals, private consultations to help identify symptoms of depression and mood disorders. Patients requiring follow-up were referred for personalized tailored treatment within each location. Timely access to mental health care services is important to the well-being of our patients, which is why we seek different ways to engage them, including by integrating screening and treatment for depression into primary care, pediatrics, adolescent medicine, and obstetrics.

OneCity Health Update

Bonadio & Co., LLP, was engaged to provide independent external operational audit procedures over the Partner Selection, Partner Payments, Partner Portal controls, and Quarterly Reporting to assist NYC Health + Hospitals and OneCity Health in the controls of the OneCity Health Partner Portal and Partner interaction. The audit fieldwork was completed in August and the final audit report was presented to the OneCity Health Services Board of Directors on October 9.

Bonadio & Co. concluded that OneCity Health has developed the necessary core infrastructure to be in a position to achieve its organizational goals relative to the DSRIP program. The auditors concluded: there are sound operational and internal control policies and procedures in line with the DSRIP program; OneCity Health has a culture of continuous improvement and is not complacent with its policies; and the policies in place result in fair and equitable treatment of OneCity Health PPS partners, efficient use of resources and complete, accurate and timely reporting to the Department of Health.

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H₂O Update

Board of Directors Meeting

November 29, 2018

Kevin Lynch, SVP/CIO



(H₂O) Epic Electronic Medical Record (EMR) Initiative:

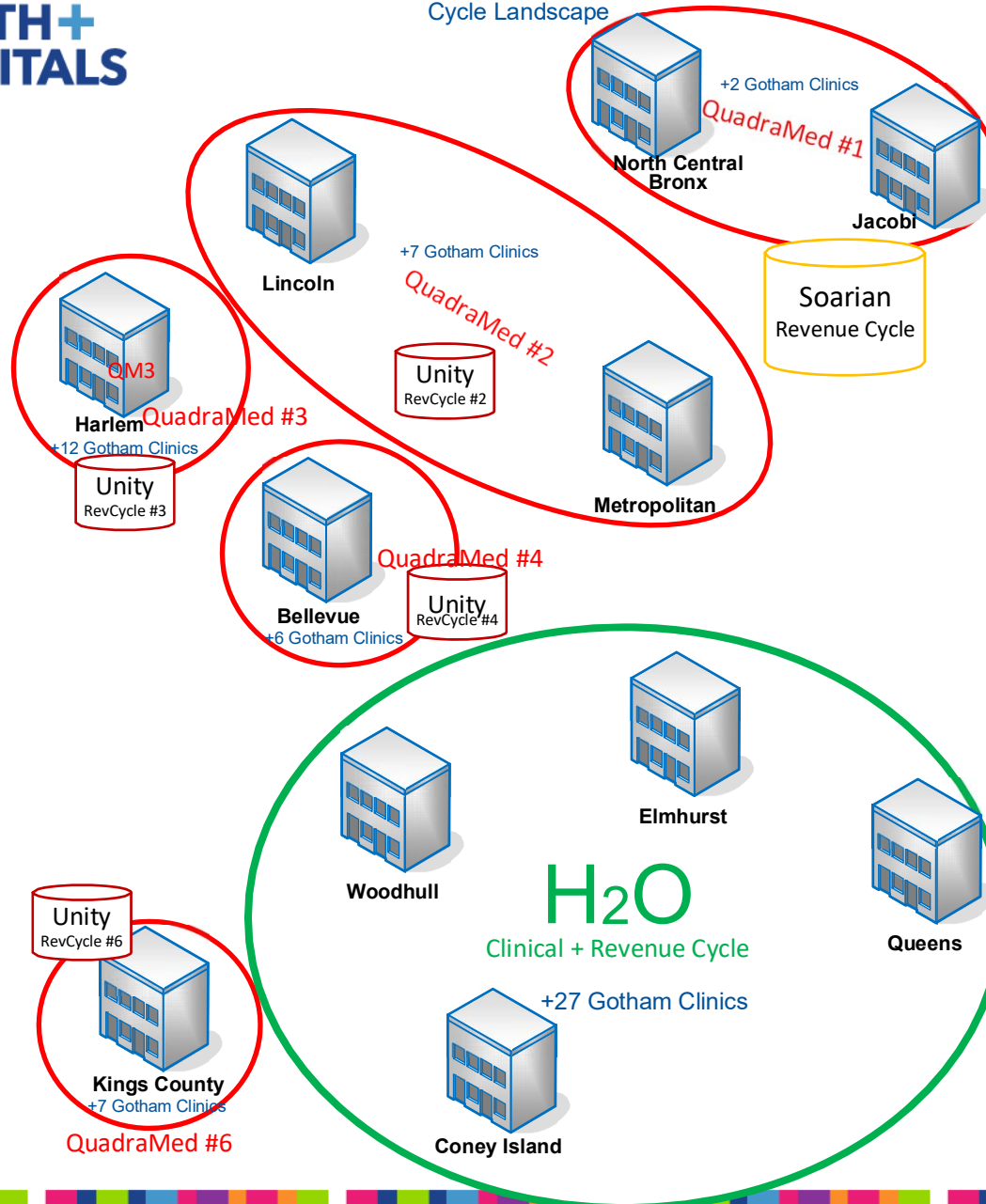
- We have a new name for enterprise medical record, H₂O which stands for Health and Hospital Online. H₂O has been successfully turned on at Woodhull/Cumberland and 10 associated Gotham Clinics for clinical and revenue cycle modules. We also retrofitted the revenue cycle module for Queens, Elmhurst, Coney Island and 17 associated clinics who have already been using the clinical modules to provide patient care.
- Patient care is being performed using H₂O in a meaningful way. The project is progressing positively with the natural discovery and remediation of a standard Go live issues. Our enthused and energetic staff are using H₂O effectively to provide patient care. We continue onsite support through for the next several weeks and will have dedicated staff allocated for additional week as needed.
- Our next go live will be at Bellevue, Harlem and all of their associated Gotham clinic locations on March 30, 2019.

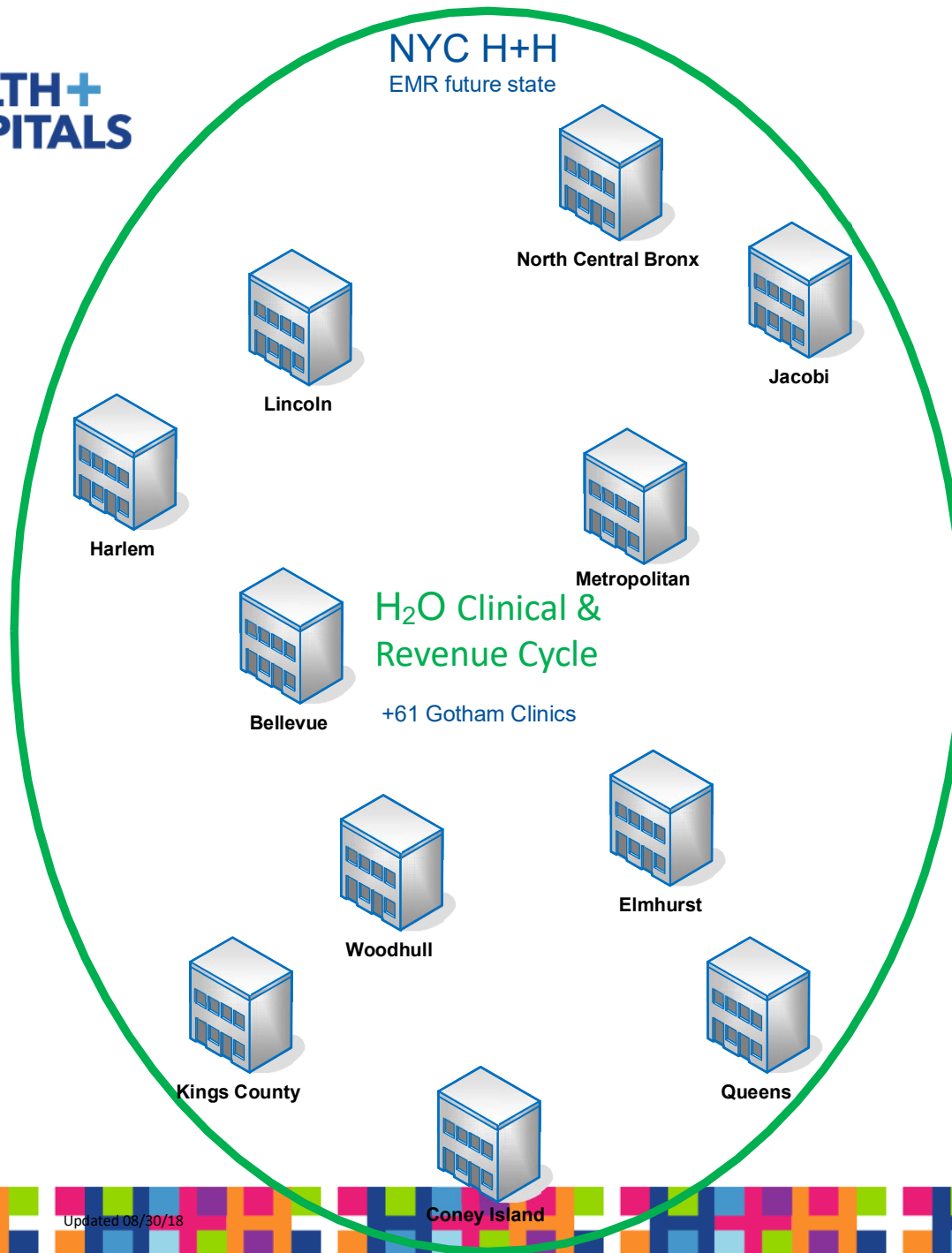




NYC H+H

Current Electronic Medical Record + Revenue
Cycle Landscape



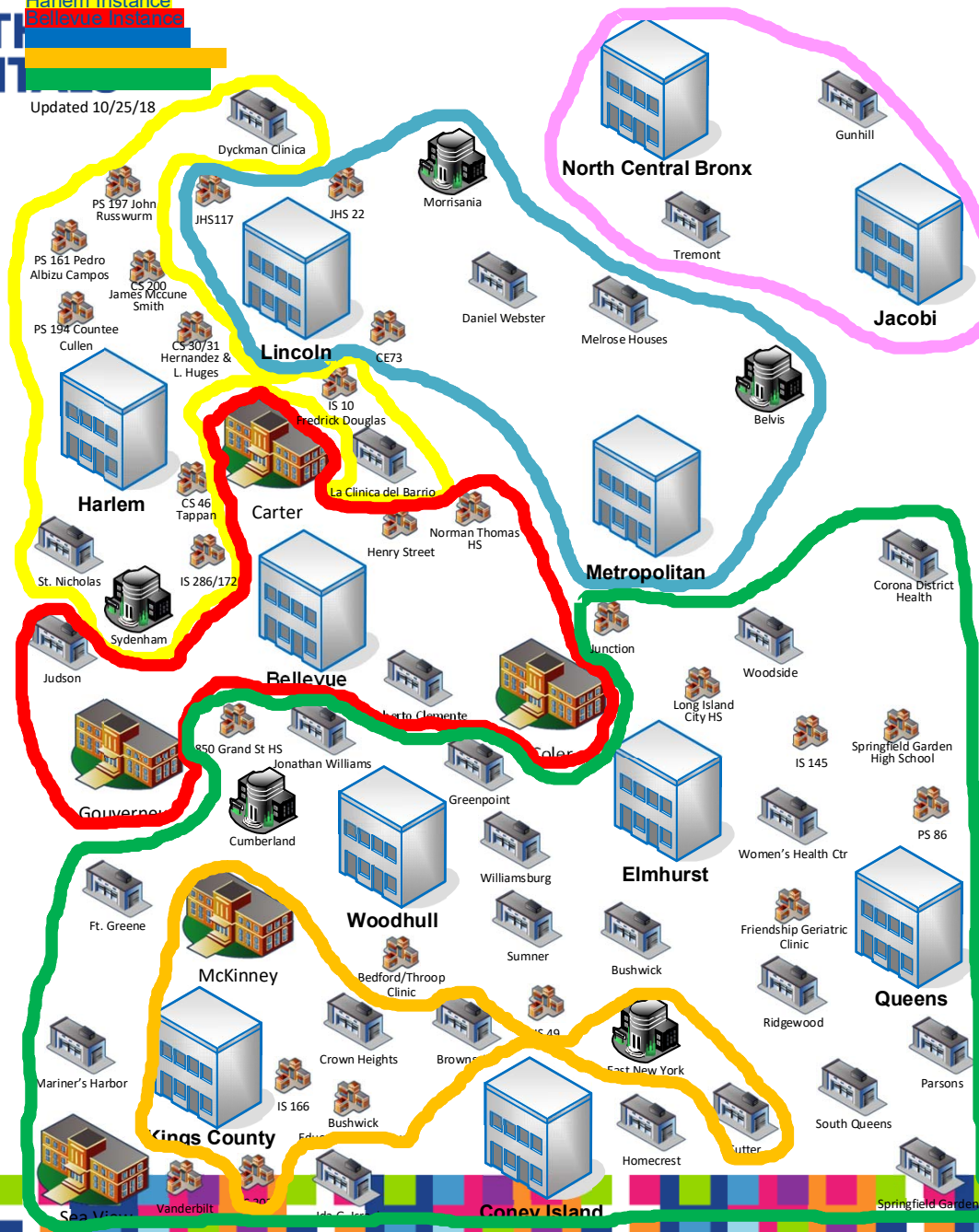


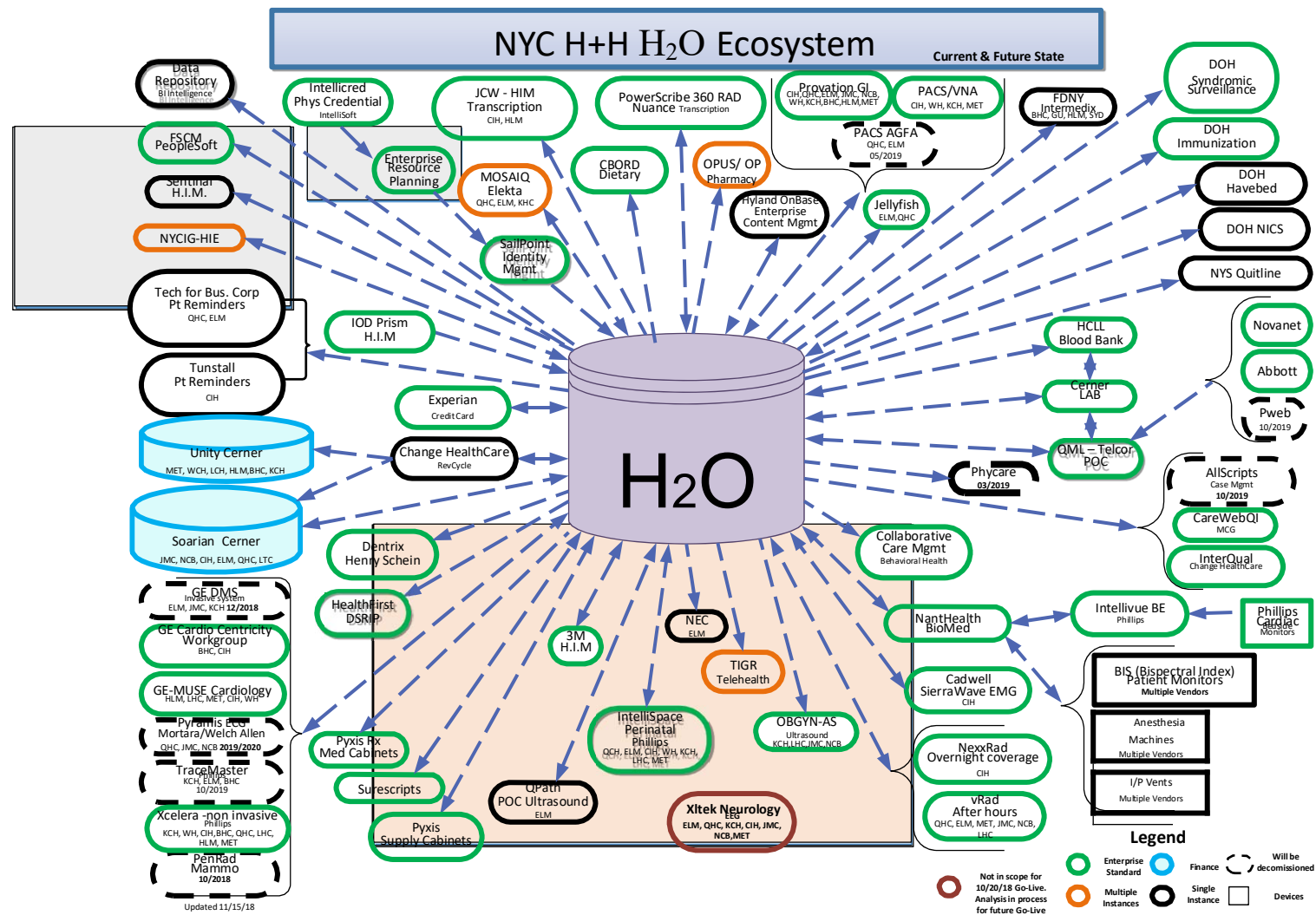
NYC H+H H₂O and QuadraMed Instances

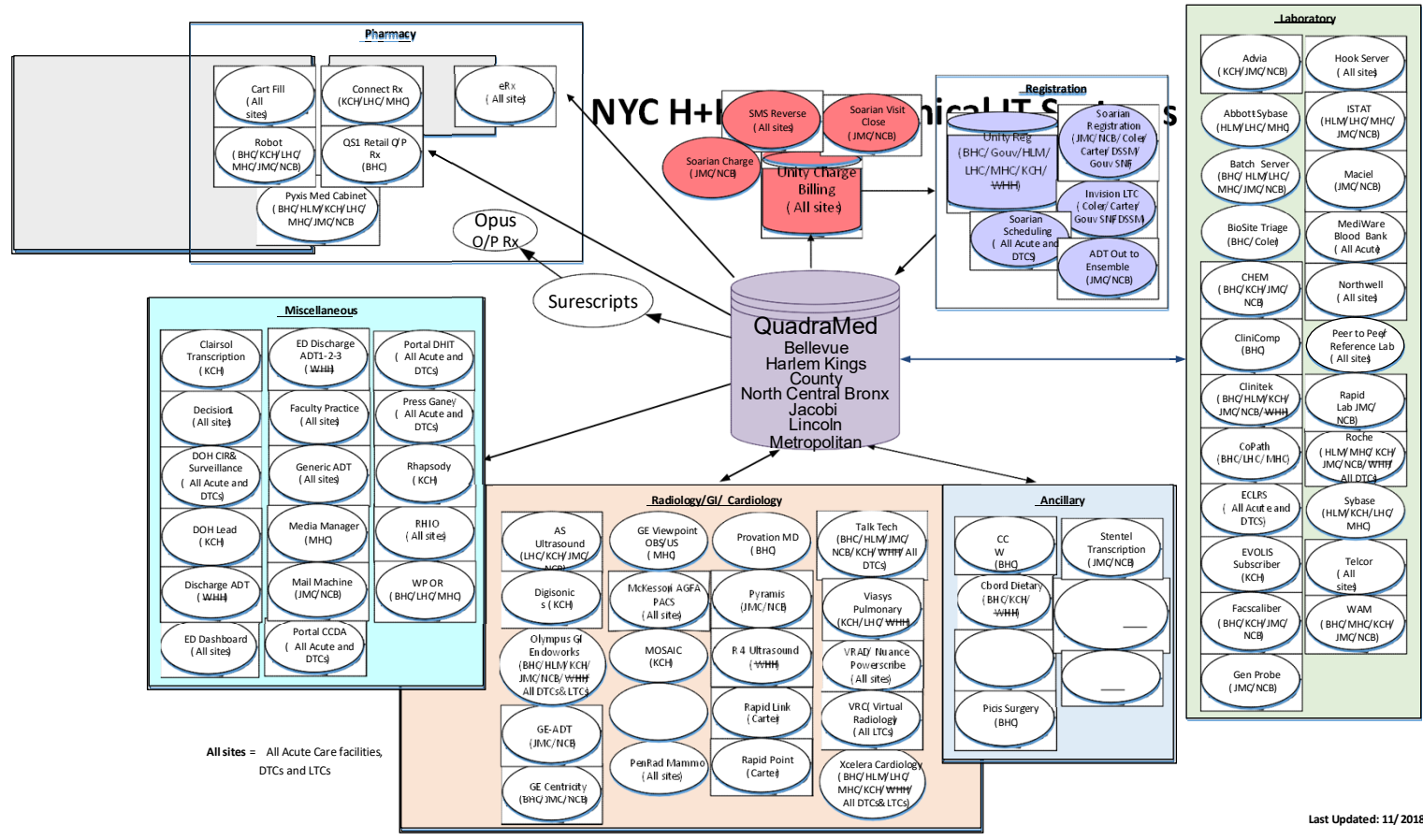
Post October 20, 2018

Jacobi / NCB Instance
Met / Lincoln Instance
Harlem Instance
Bellevue Instance

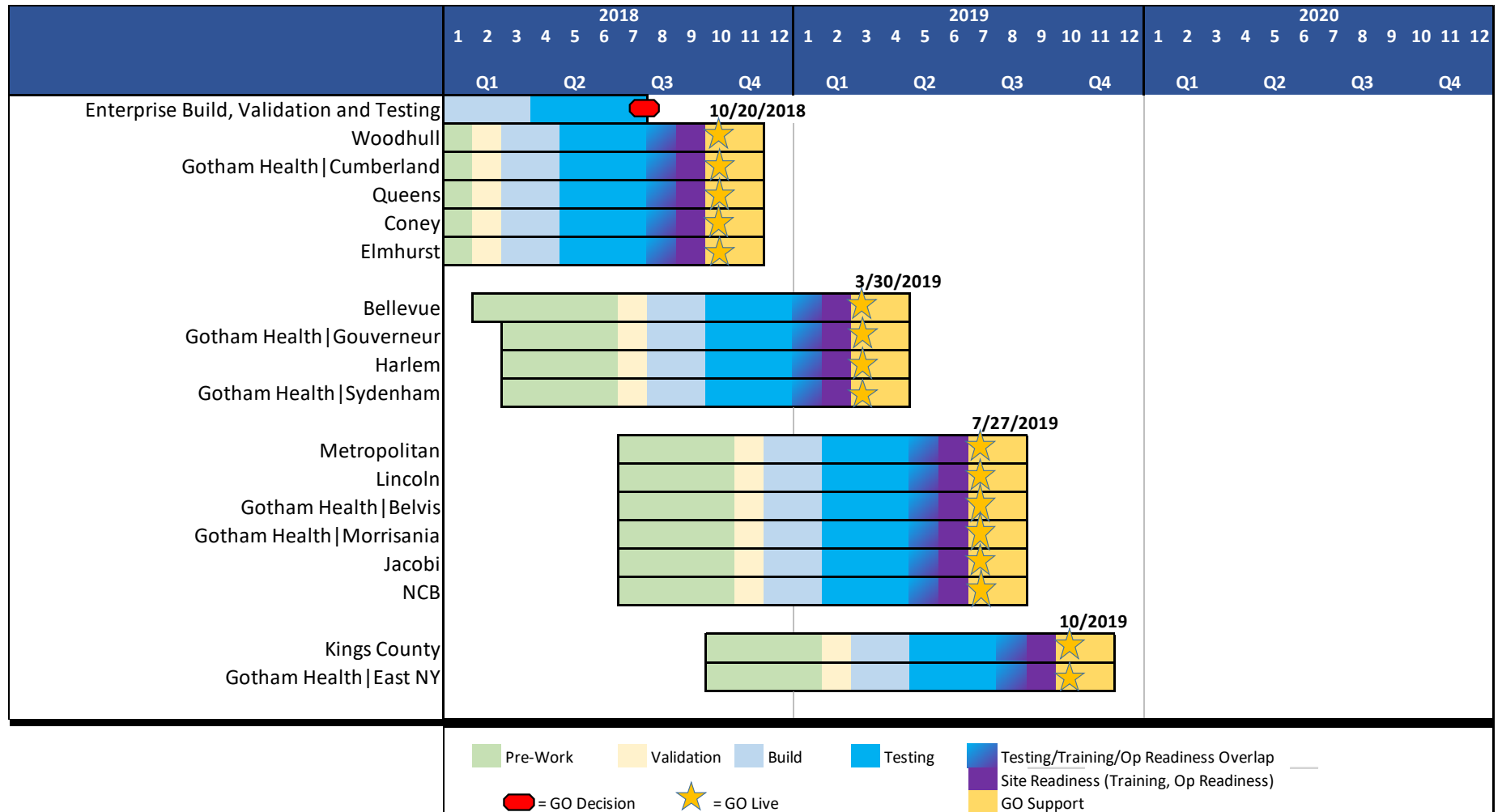
Updated 10/25/18







Epic EMR Implementation Timeline



Information Technology Budget Overview

Board of Directors Meeting

November 29, 2018
Kevin Lynch, SVP/CIO



H₂O Project Budget (Clinical & Revenue Cycle)

Operating: \$515M (FY13-FY21)

Capital: \$537M (FY13-FY21)

Enterprise Information Technology Services Budget (Other than H₂O):

Operating (FY18): \$240M

Capital* (FY19-FY21): \$156M

Capital Restructuring Finance Program (CRFP)

NYS Grant (2017-2021) IT Portion of the Total Grant Award: \$212M

***City Capital funds remaining based on Sept. FY19 Capital Plan**



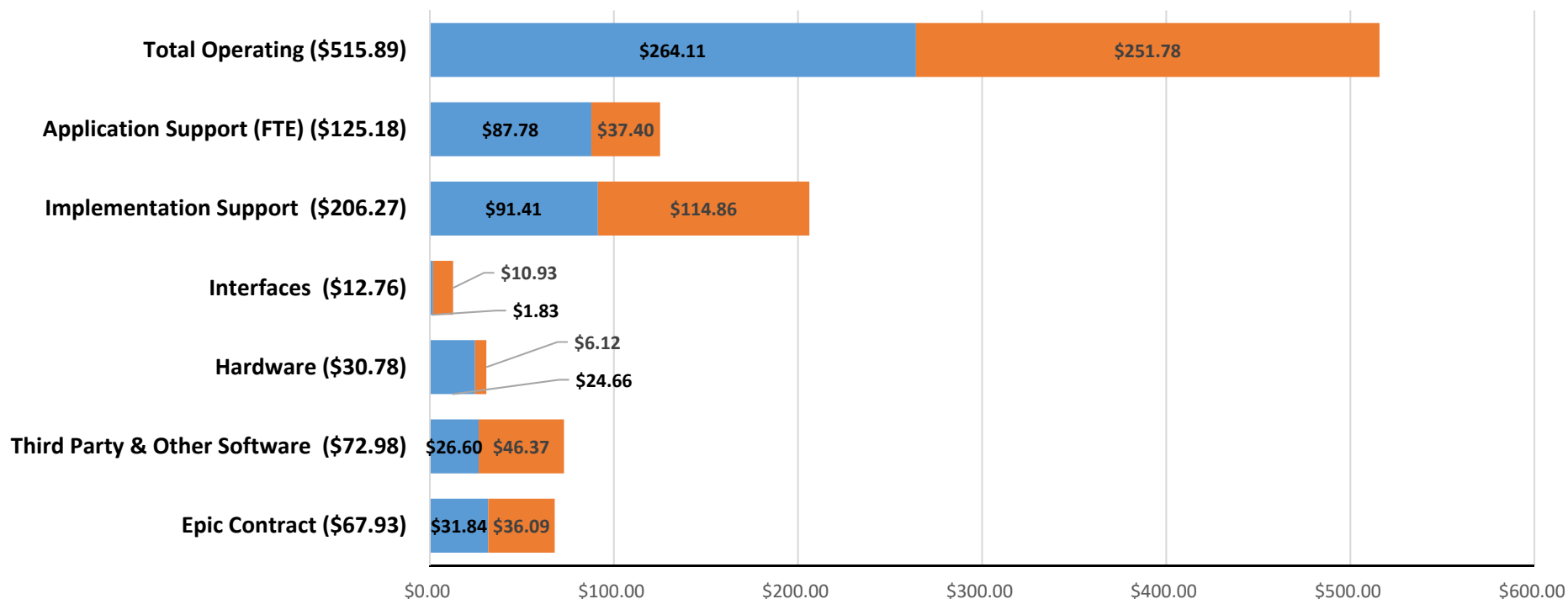
H₂O Project Executive Budget Summary (\$ in Millions)

Summary through FY19 (as of 9.30.18)	Accruals (FY13-FY19 Q1)	Remaining Balance	Total
Clinical Capital	\$262.96	\$123.92	\$386.89
Revenue Cycle Capital	\$29.86	\$120.55	\$150.41
Total Capital	\$292.82	\$244.47	\$537.29
Clinical Operating	\$246.67	\$130.51	\$377.18
Revenue Cycle Operating	\$17.44	\$121.27	\$138.71
Total Operating	\$264.11	\$251.78	\$515.89
Total Clinical	\$509.63	\$254.43	\$764.06
Total Revenue Cycle	\$47.30	\$241.82	\$289.12
Total	\$556.93	\$496.25	\$1,053.18



H₂O Operating Accruals vs Balance as of 9.30.18 (\$ in Millions)

FY13-FY21 Clinical and Revenue Cycle Operating Budget Summary



Application Support – H+H Employees assigned to H₂O program; as of 10/15/18 there are 182 H+H employees

Implementation Support – Consultants performing support and at-the-elbow support services. As of 10/15/18 there are 63 consultants in the operating budget; the number of consultants ramps up/down based on the project needs

Interfaces – build and maintenance of the integration points between H₂O and H+H business and clinical software applications

Hardware – purchase and maintenance of end-user equipment; servers and storage equipment in Jacobi and Sungard Data Centers

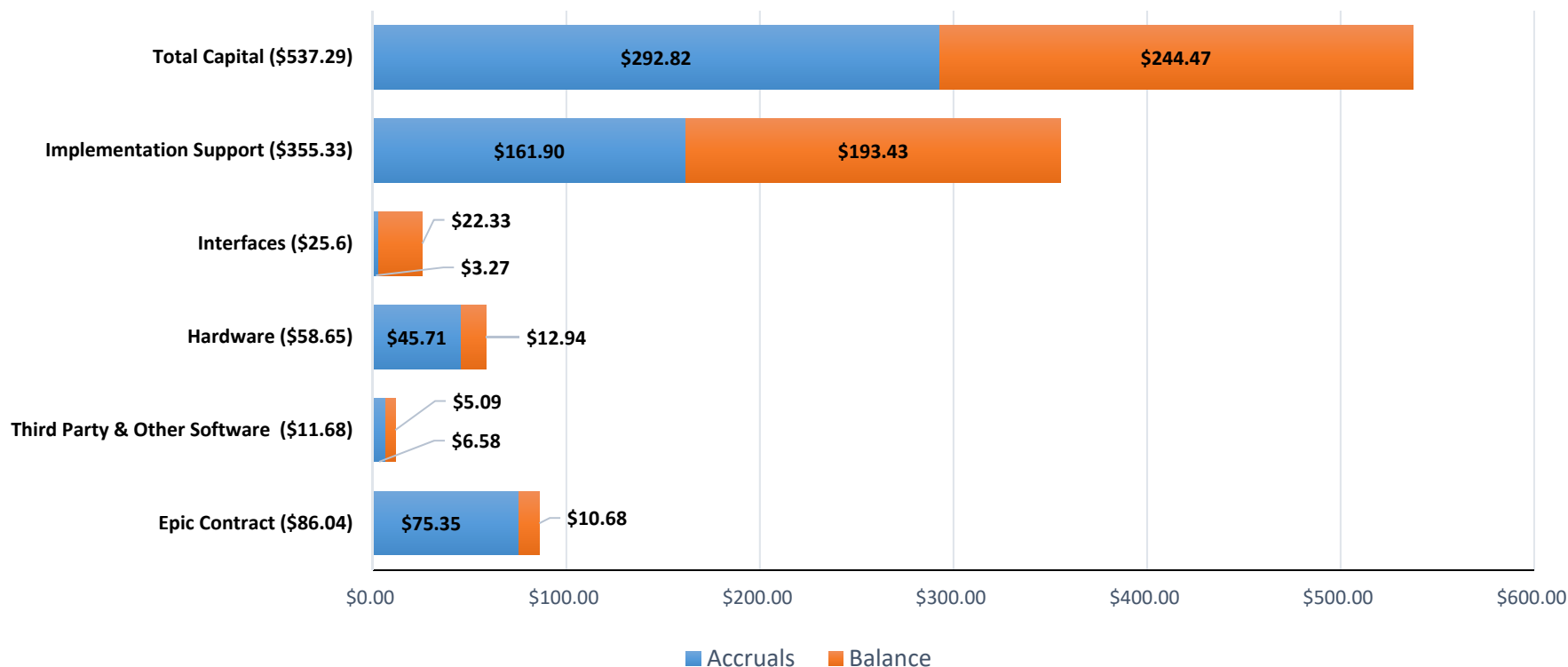
Third Party and Other Software – maintenance for non-Epic software

Epic Contract – maintenance of Epic software licenses



H₂O Capital Accruals vs Balance as of 9.30.18 (\$ in Millions)

FY13-FY21 Clinical and Revenue Cycle Capital Budget Summary



Implementation Support – Consultants performing design, build, testing and deployment. As of 10/15/18 there are 163 consultants in the Capital budget; the number of consultants ramps up/down based on the project needs

Interfaces – build of the integration points between H₂O and H+H business and clinical software applications

Hardware – purchase and installation of end-user equipment; servers and storage equipment in Jacobi and Sungard Data Centers

Third Party and Other Software – purchase of non-Epic software

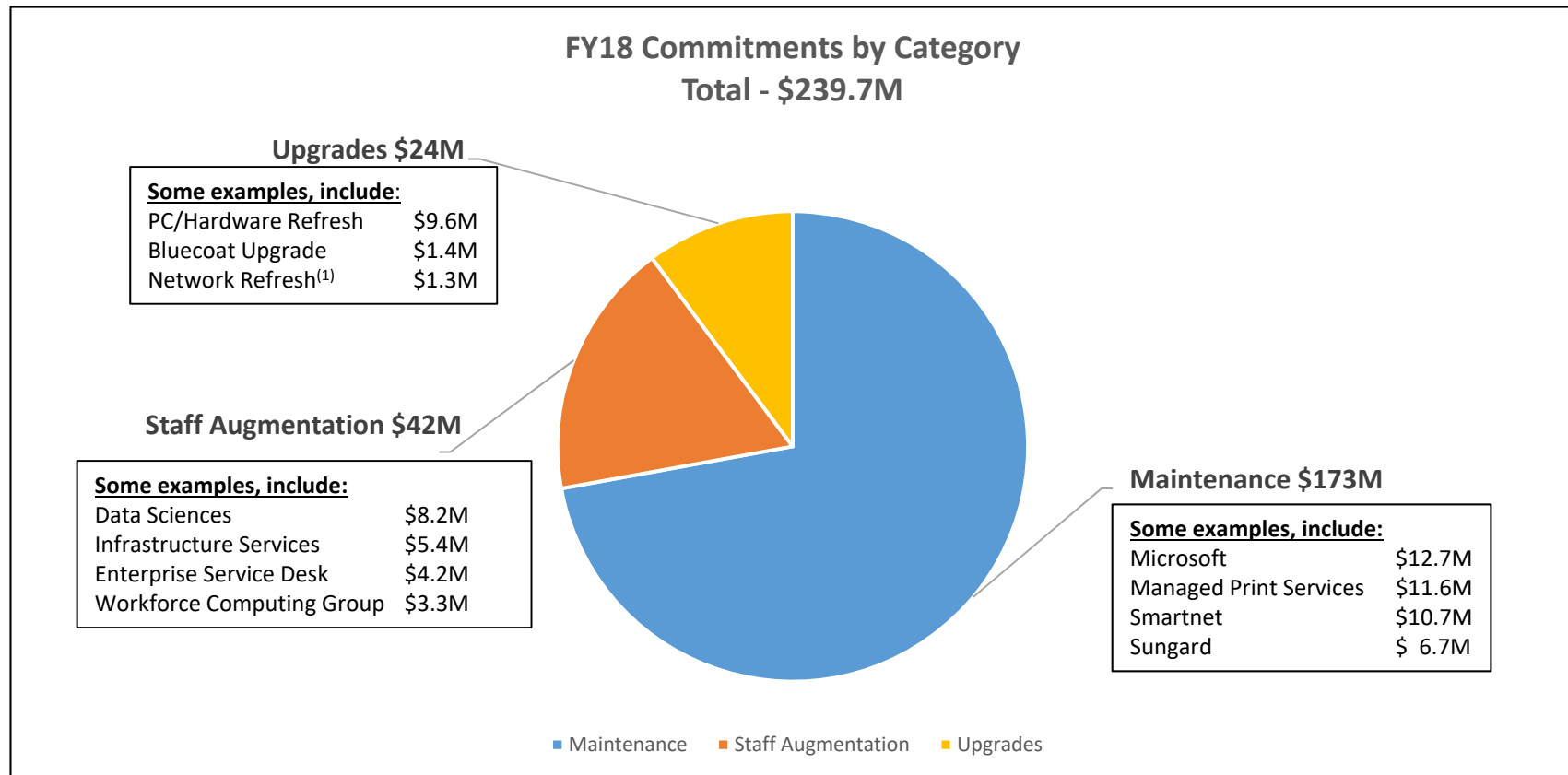
Epic Contract – purchase of Epic software licenses



FY18 Historical Spend (Non H₂O - Operating)

- The FY18 Commitments for Non H₂O was \$239.7M. This does not include reserves, Personal Services or H₂O-related OTPS funding.

(\$ in millions)

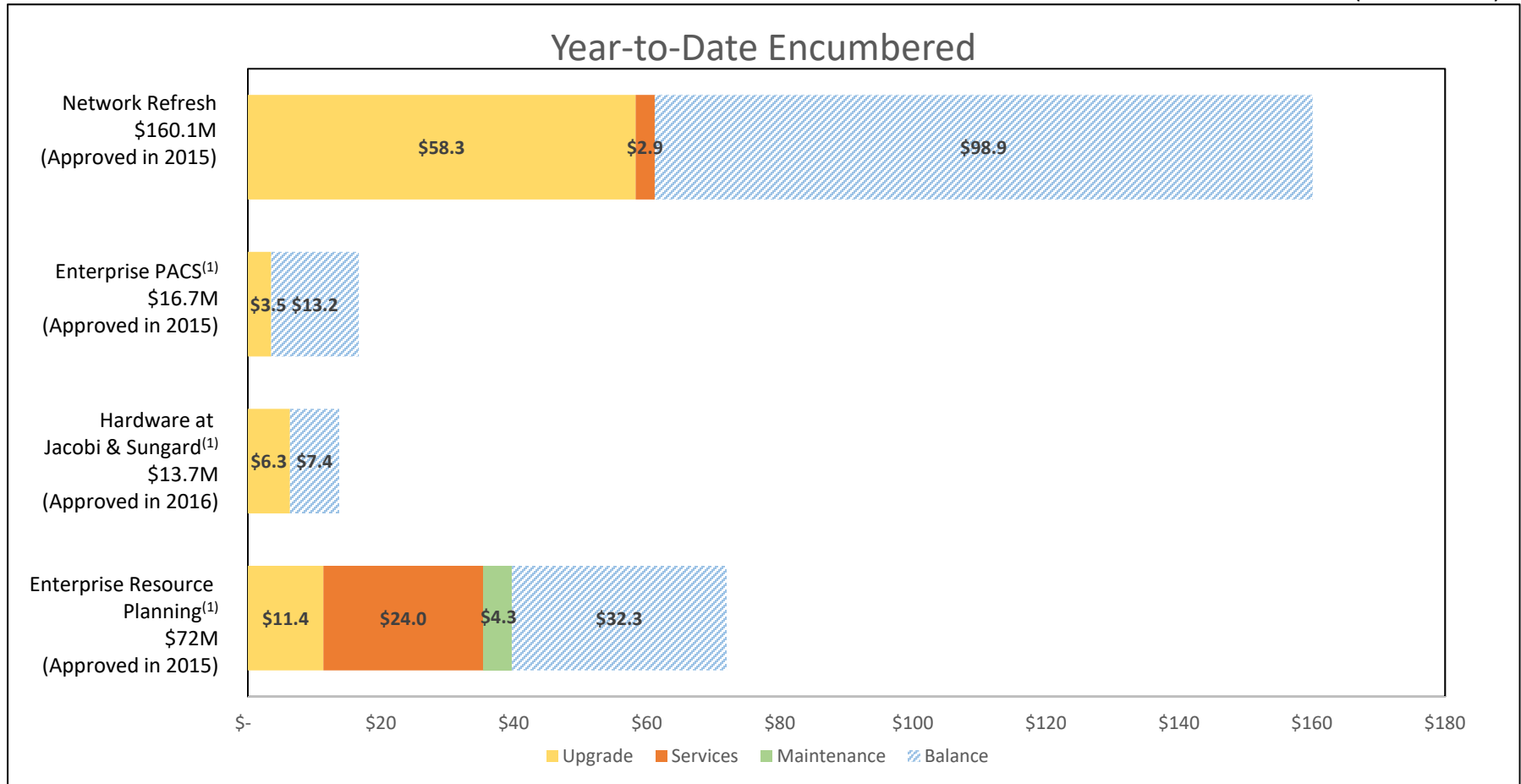


(1) Equipment that was not Capital eligible.



Approved Capital Projects with Expense

(\$ in millions)



The Year-to-Date Encumbered is by Non H₂O only through 9/13/18

The Year-to-Date Encumbered for the Radiology project only includes items for McKesson

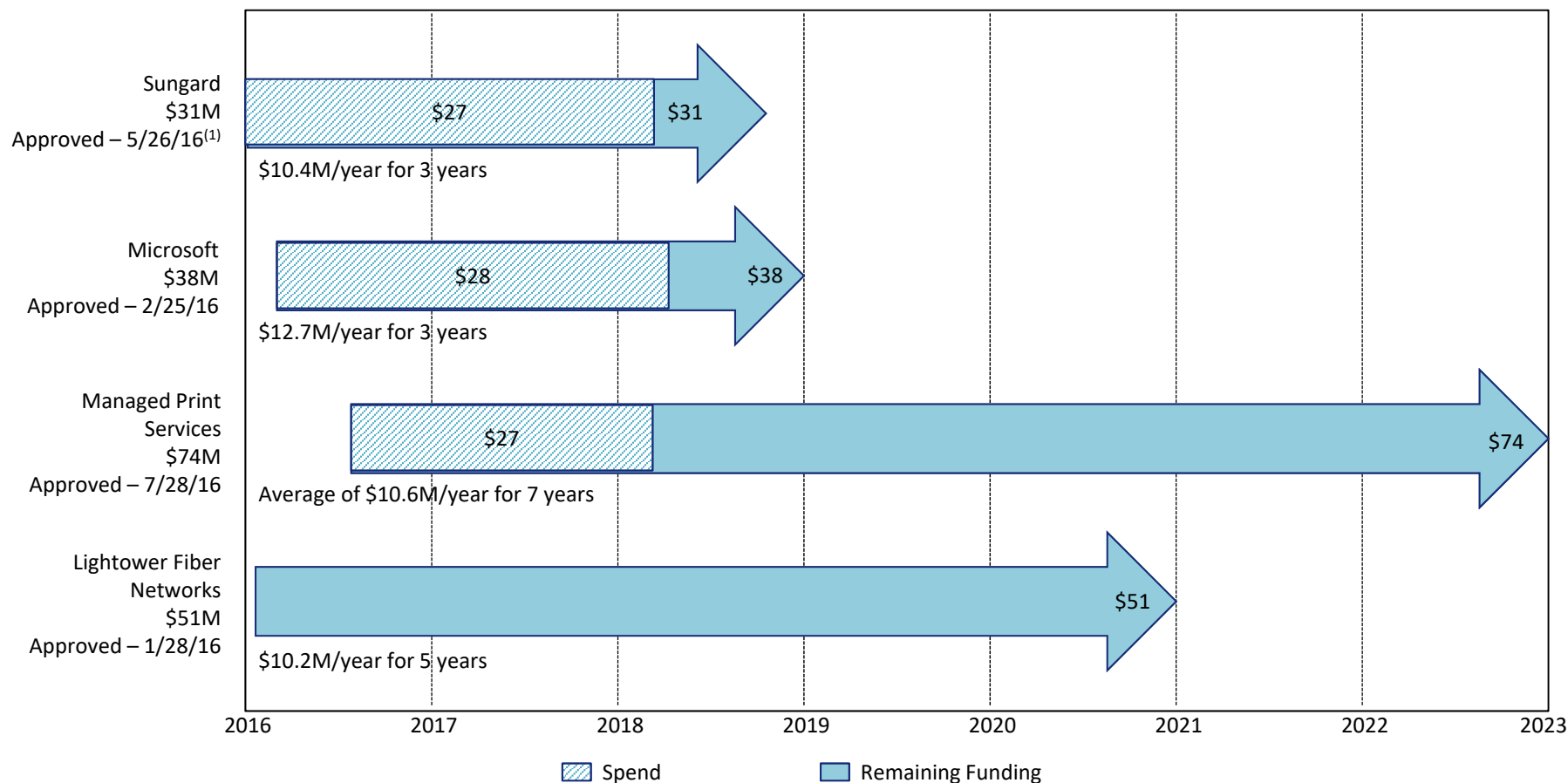
(1) Funding is comprised of Capital and Operating budgets.



Board Approved Contracts for Ongoing Operating Expenses

Board Approved Contracts vs Year-to-Date Encumbered

(\$ in millions)



Rounded to the nearest million.

Year-to-Date Encumbered is by Non H₂O only through 9/13/18

(1) Includes a funding increase of \$8M for previous contract.



NYS Grant

(CRFP/DSRIP Grant – IT Projects Only)

(As of August 31, 2018)

(\$ in Millions)

Grant/Cash Disbursement Summary

Project	Total Grant Amount	IT Portion		
		Grant Amount	Cash Disbursement Amount	Net Balance
Behavioral Health	\$44.6	\$7.9	\$0.0	\$7.9
Contact Center	\$19.4	\$11.8	\$0.1	\$11.7
Digital Health	\$109.1	\$109.1	\$10.0	\$99.1
Emergency Department	\$19.6	\$2.1	\$0.0	\$2.1
Population Health	\$81.3	\$81.3	\$4.8	\$76.5
Total	\$274.0	\$212.2	\$14.9	\$197.3



RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute an agreement with Press Ganey Associates, Inc. (“Press Ganey”) to provide Consumer Assessment of Healthcare Providers and Systems & Physician/Employee Survey Services as requested by the System over a five-year term cost of \$10,283,398.

WHEREAS, the System entered into a contract with Press Ganey dated October 25, 2011 following an RFP process and pursuant to authorization given by the System’s Board of Directors to provide CAHPS & Physician/Employee Engagement Survey services; and

WHEREAS, the current Press Ganey agreement will expire December 31, 2018 and the estimated not to exceed fee of \$1,400,000 required to fund the contract through that date is already part of the FY 18 budget; and

WHEREAS, the System wishes to enter into a new agreement with Press Ganey for its survey services; and

WHEREAS, there was a competitive bid process conducted by Supply Chain Services among multiple participants, the evaluation committee elected to partner with, Press Ganey due to their market share, ability to meet program requirements and continuation of existing services to avoid disruption; and

WHEREAS, the overall responsibility for monitoring the proposed contracts shall be governed under the Assistant Vice President, Patient Centered Care and supported by facility Patient Experience Officers.

NOW THEREFORE, BE IT:

RESOLVED, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute an agreement with Press Ganey Associates, Inc. to provide CAHPS Patient Survey services as requested by the System over a five-year term for a total amount of \$10,283,398.

Press Ganey Associates, Inc. Agreement

		FY18	FY19	FY20	FY21	FY22	FY23	FY24
CAHPS			\$1,132,211	\$2,089,526	\$1,933,539	\$2,101,642	\$2,075,949	\$950,531
Total Contract Value								\$10,283,398

32122

TO: Mitchell Jacobs, Director
Procurement System Operations
Division of Materials Management

FROM: Keith Tallbe *KT*

DATE: April 21, 2017

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, **Press Ganey Associates, Inc.**, has submitted to the Supply Chain Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

☐ Minority Business Enterprise ☐ Woman Business Enterprise ☒ Non-M/WBE

Project Location(s): Central Office

Contract Number: _____

Project: Transformation Services

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

KT:srf

Press Ganey/Consumer Assessment of Healthcare Providers and Systems & Physician/Employee Surveying

**Application to
Enter into Contract**

**Board of Directors
November 29, 2018**

**Vivian Sun
Chief Experience Officer/
Assistant Vice President**



Current State

- The System's current vendor, Press Ganey Associates provides various mandated Consumer Assessment of Healthcare Providers and Systems (CAHPS) surveys for patients and Physician/Employee engagement surveys
- Press Ganey is the market leader supporting 33,000 health care organizations creating continuous and sustainable improvement within the area of patient experience
- The original contract with Press Ganey annually valued at \$2,150,472.46 expired on 12/2017 and was extended with approval from the President's office for calendar year 2018
- The Human Experience Council, which is comprised of System/Site leadership and, Labor Partners who develops system wide strategy for patient experience
- Patient Experience Officers (PXOs), coach site employees to promote excellence in patient and resident experience, and report progress to leadership monthly.
- Over the last 3 years, the System's acute care hospitals recouped \$14.08MM of the \$16.71MM held back by CMS however, 59% of system 2019 Value Based Purchasing Program (VBP) losses were tied to patient experience of care ratings.

	Ambulatory Volume	Emergency Dept.	Inpatient Volume	Behavioral Health	Nursing Home	Long Term Care	Medical Practice	Health Home
Surveys	39,211	189,355	135,909	14,400	2,386	281	115,246	6,331

** 2017 volume survey count by department*



Overview of Procurement

- A Request for Proposals with CRC approval was issued in November 2017 for surveys to list of vendors and the City Record. Proposals were received from five vendors:

- Press Ganey Associates
- National Research Associates
- Professional Research Consultants
- Gallup Inc
- Qualtrics, LLC

- Press Ganey Associates received the highest score among the participants for this RFP based on the evaluation criteria:

- Firm's Experience
- Proposal Costs
- Strategy for Scope of Work
- Client References

Vendor	CAPHS	Phys/Emp
Press Ganey Associates	8.60	8.51
National Research Corporation	7.61	7.63
Professional Research Consultants	7.25	7.01
Gallup		7.81
Qualtrics		7.49

- Evaluation Committee

- Kim Mendez – SVP, Central Office
- Chris Roker – CEO, Queens
- April Alexander – Dir., Metropolitan
- Donna Geiss – AD, Jacobi
- Nathan Link – CMO, Bellevue
- Vivian Sun – AVP, Central Office
- Linda Lombardi – AD, Bellevue

- An application to enter into contract with Press Ganey was presented and approved at the September 18, 2018 Contract Review Committee Meeting



M&PA Committee Approval Request

- Press Ganey contract benefits include:
 - Updated online digital platform to provide additional reporting capabilities
 - Offering will include National Database for Nursing Quality Indicators (NDNQI) Solution which will provide nursing excellence tools and tracks performance at a unit level
 - 36 onsite advisory days w/Patient Experience Advisor
 - As the largest vendor with most amount of comparative data, offers the most robust comparative patient feedback database
 - Value Based Purchasing tool to calculate actionable information about the systems performance
 - A three year contract with 2 one –year options to renew at the System’s request
 - Total contract value of \$10,283,398



Board of Director Approval Request

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute an agreement with Press Ganey Associates, Inc. (“Press Ganey”) to provide Consumer Assessment of Healthcare Providers and Systems & Physician/Employee Survey Services as requested by the System over a five-year term cost of \$10,283,398.



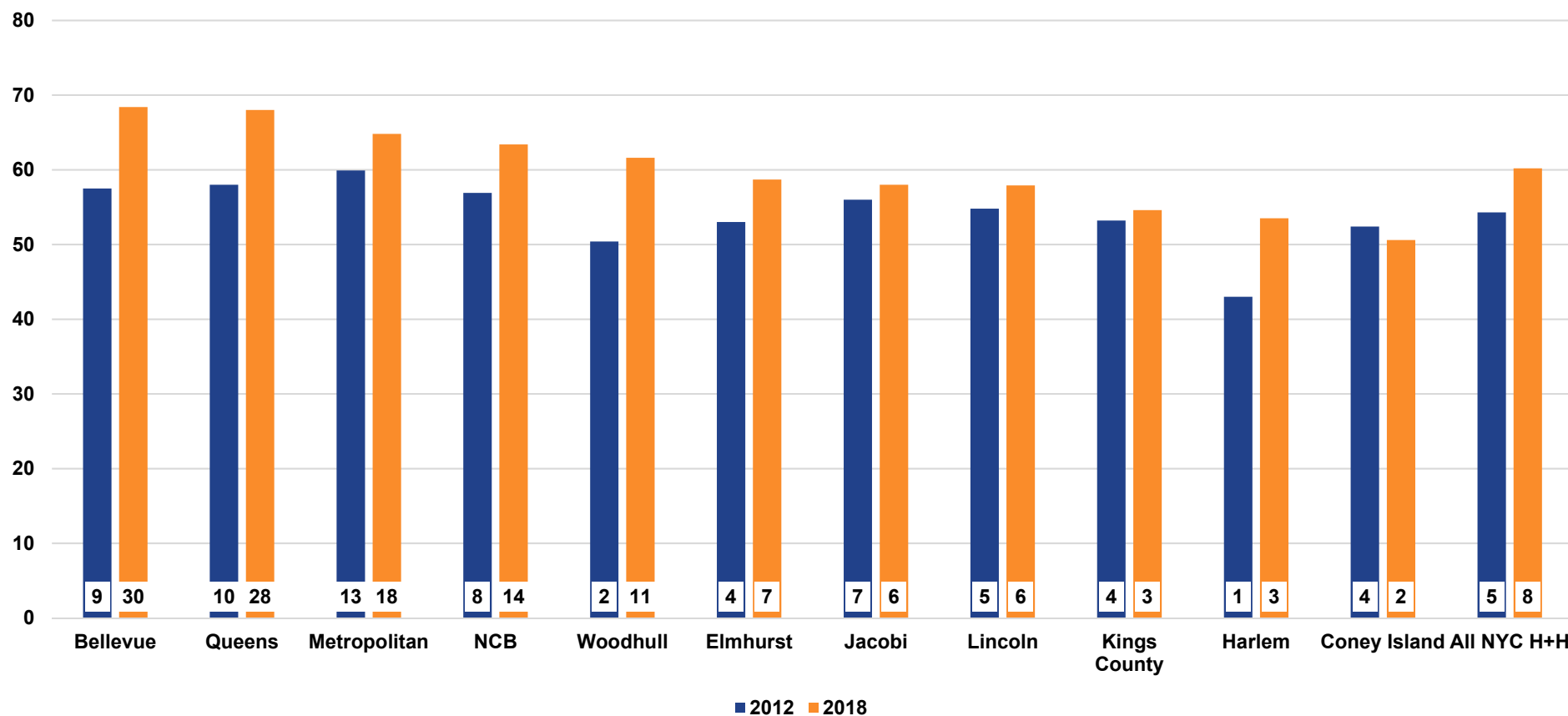
Appendix



Historical (Fiscal Year)	Spend
2015	\$2,743,347
2016	\$2,000,862
2017	\$2,513,258
Press Ganey Proposed	
Year 1	\$2,264,422



2012 to 2018 Inpt: Rate the Hospital

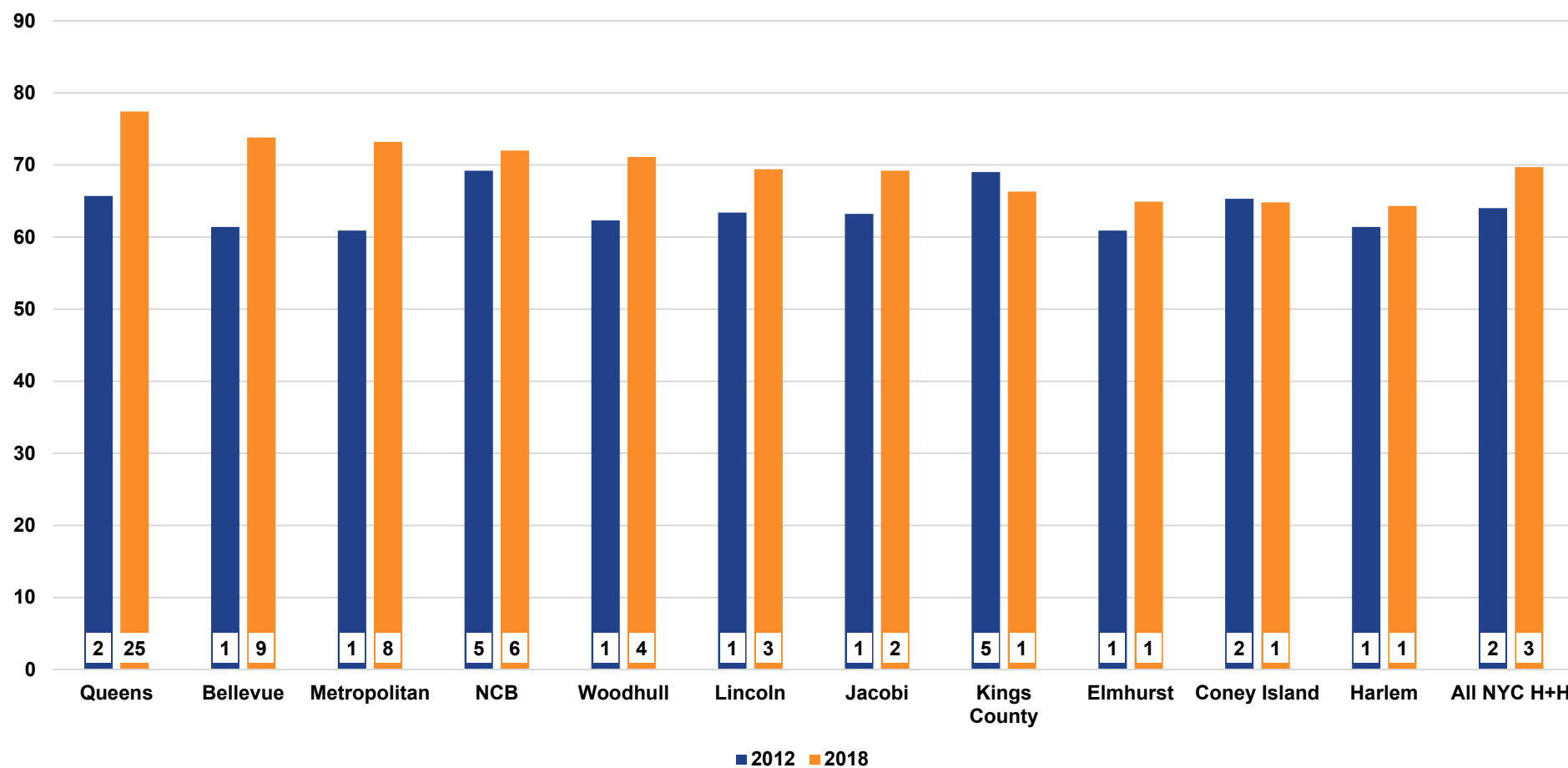


*Data labels at base of graph represent %tile ranking to all PG Database



2012 to 2018

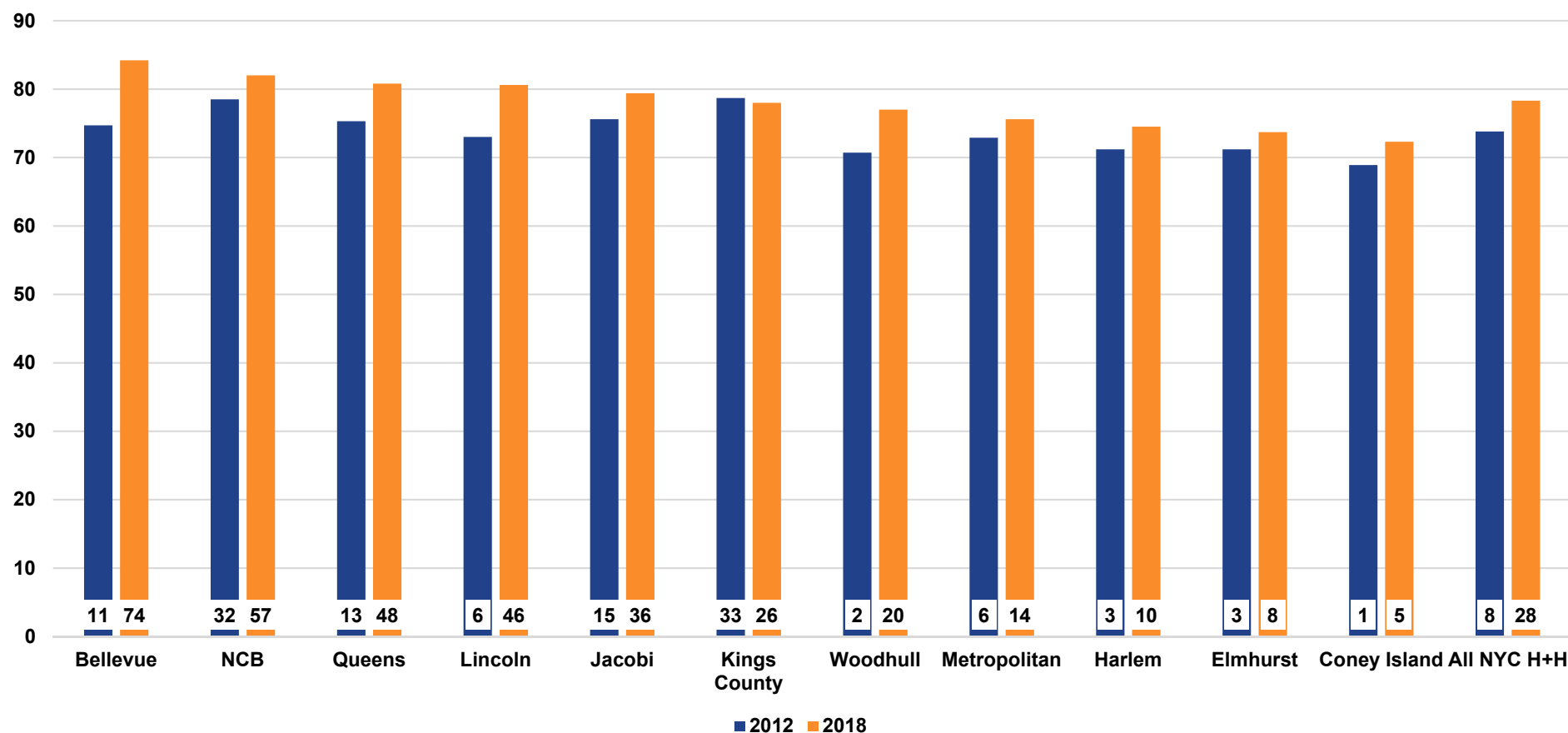
Inpt: Communication with Nurses



*Data labels at base of graph represent %tile ranking to all PG Database



2012 to 2018 Inpt: Communication with Doctors

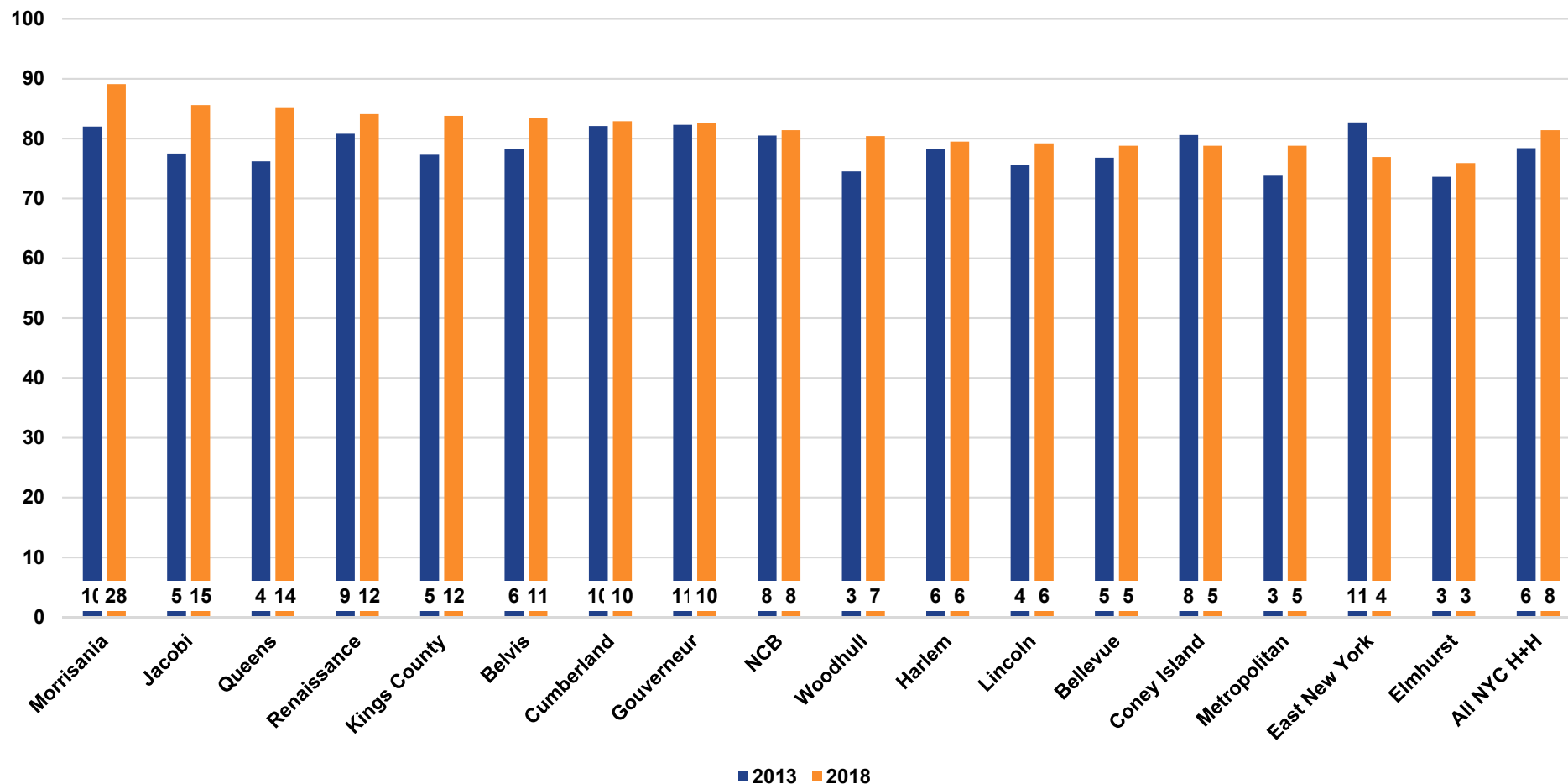


*Data labels at base of graph represent %tile ranking to all PG Database



2013 to 2018

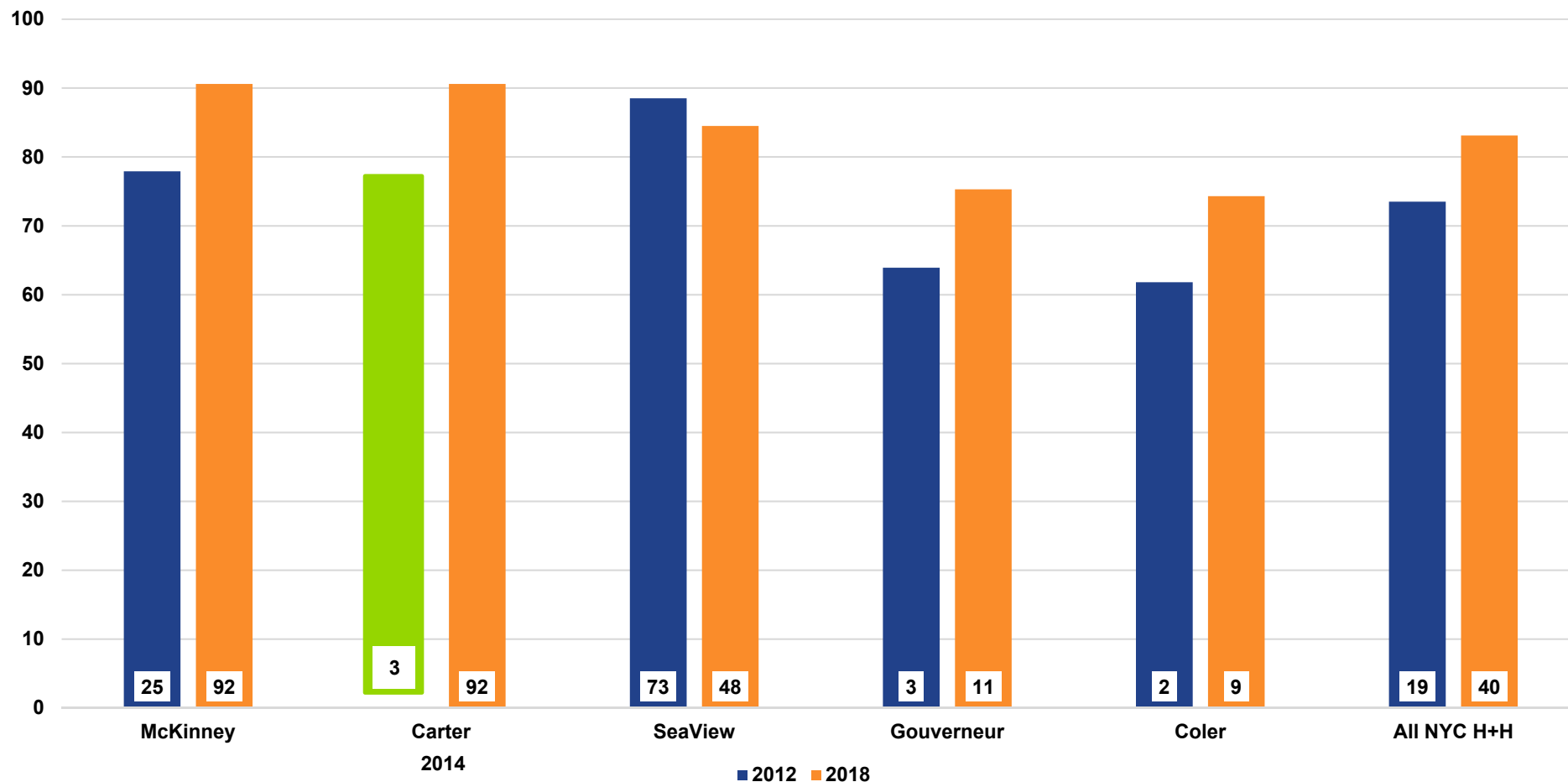
Medical Practice: Recommend This Provider Office



*Data labels at base of graph represent %tile ranking to all PG Database



2012 to 2018 PAC: Likelihood to Recommend



*Data labels at base of graph represent %tile ranking to all PG Database



RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute an agreements with CyraCom International, Inc. (“CyraCom”), Language Line Services, Inc. (“Pacific Interpreters”) Linguistica International, Inc. (“Linguistica”), and Propio Language Services, (“Propio”) to provide Over the Phone Interpretation Services as requested by the System over a five-year term cost of \$48,241,516.

WHEREAS, the System entered into a contract with CyraCom dated May 1, 2013 and Pacific Interpreters/Language Line Services dated July 23, 2013 following an RFP process; and

WHEREAS, an application to issue a request for proposals was presented before the Contract Review Committee at its May 15, 2018 meeting and was approved by its approval letter dated May 16, 2018; and

WHEREAS, after the Office of Supply Chain Services issued a request for proposals among multiple participants, the evaluation committee selected the two incumbents, CyraCom, Pacific Interpreters and two new suppliers, Linguistica and Propio, due to their competitive pricing, capabilities in providing multi-language support, ability to meet program requirements and continuation of existing services to avoid disruption; and

WHEREAS, the overall responsibility for monitoring the proposed contracts shall be governed under the Senior Assistant Vice President, Diversity & Inclusion Offices and supported by facility Language Access Coordinators.

NOW THEREFORE, BE IT:

RESOLVED, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute an agreement with CyraCom International, Inc., Language Line Services, Inc. Linguistica International, Inc., and Propio Language Services to provide Over the Phone Interpretation services as requested by the System over a five-year term for a total amount of \$48,241,516.

EXECUTIVE SUMMARY

Agreement with CyraCom, Pacific Interpreters, Linguistica, and Propio

Prior Agreement: CyraCom International, Inc. (“CyraCom”), and Language Line Services, Inc. (“Pacific Interpreters”) currently provides NYC Health + Hospitals with Over the Phone Interpretation (“OPI”) services. These services have been provided for the past year and are set to expire in the next few months as a result of a Request for Proposal conducted in 2013.

Procurement: NYC Health + Hospitals issued a Request for Proposal in May 2018 to 30 participants for Over the Phone Interpretation Services. A team of eight individuals comprising the selection committee elected to award the services to the incumbent providers, CyraCom, Pacific Interpreters and two new suppliers, Linguistica International, Inc. (“Linguistica”), Propio Language Services, (“Propio”). The Office of Diversity & Inclusion team will present an application to contract with CyraCom, Linguistica, Pacific Interpreters and Propio to the Contract Review Committee at its September 18, 2018 meeting.

Terms: The Office of Supply Chain Services has negotiated agreements with CyraCom, Linguistica, Pacific Interpreters and Propio to continue providing Over the Phone Interpretation services for a term of five years, three years with two one-year options to renew solely exercisable by the System.

Budget:

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
OPI Translation		\$5,618,050	\$8,932,700	\$9,468,662	\$10,036,782	\$10,638,989	\$3,546,329
Total Contract Value							\$48,241,516

31579B

Keith Tallbe
Senior Counsel, Director of Procurement
Legal Affairs, Supply Chain Services

TO: Joseph Varghese, Director
Procurement Systems/Operations
Division of Materials Management

FROM: Keith Tallbe KT

DATE: October 24, 2018

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, CyraCom International, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

☐ Minority Business Enterprise ☐ Woman Business Enterprise ☒ Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____

Project: Over the Phone Language Interpretation

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

KT/srp

30205B

Keith Tallbe
Senior Counsel, Director of Procurement
Legal Affairs, Supply Chain Services

TO: Joseph Varghese, Director
Procurement Systems/Operations
Division of Materials Management

FROM: Keith Tallbe *KT*

DATE: October 29, 2018

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Language Line Services, Inc., has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

☐ Minority Business Enterprise ☐ Woman Business Enterprise ☒ Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____

Project: Interpretation Services

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

KT/srp

32218

Keith Tallbe
Associate Counsel, Director of Procurement
Legal Affairs, Supply Chain Services

TO: Joseph Varghese, Director
Procurement Systems/Operations
Division of Materials Management

FROM: Keith Tallbe *KT*

DATE: October 4, 2018

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, **Propio LS, LLC**, has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

☐ Minority Business Enterprise ☐ Woman Business Enterprise ☒ Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____

Project: Medical Telephone Interpreters

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

KT/srp

32219

Keith Tallbe
Associate Counsel, Director of Procurement
Legal Affairs, Supply Chain Services

TO: Joseph Varghese, Director
Procurement Systems/Operations
Division of Materials Management

FROM: Keith Tallbe *KT*

DATE: October 5, 2018

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Linguistica International, has submitted to the Supply Chain Services Diversity Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

☐ Minority Business Enterprise ☐ Woman Business Enterprise ☒ Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____ Project: Medical Telephone Interpreters

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

KT/srp

Medical Over-The-Phone Interpretation (OPI) Services

Application to Enter Into Contract

**Board of Directors Meeting
November 29, 2018**

Matilde Roman, Esq.
Chief Diversity and Inclusion Officer
Office of Diversity and Inclusion



Current State

- In Fiscal Year 2017, the System utilized over 12 million minutes of Over-The-Phone interpretation services in over 180 languages and dialects, and has averaged 20% growth in service utilization in the last three years.
- The System selected three vendors during the 2013 RFP process: Cyracom, Pacific Interpreters, and Language Line Solutions.
- Pacific Interpreters was acquired by Language Line Solutions in 2015.
- Due to the increased utilization of services, the System has experienced longer-than-expected connection times.
- Contracts for both vendors will expire in FY 2019.



Overview of Procurement

- An application to issue a Request for Proposal was issued in May 2018 with approval from CRC, posted in city advertisement and submitted to 30 vendors in which nine proposals were received.
- The first round of scoring resulted in six vendors being shortlisted for in-person presentations from the nine proposals received.
- Evaluation Criteria:
 - Organizational Experience
 - Cost Proposal
 - Technical Qualifications
 - Performance Metrics
- Evaluation Committee:

■ Matilde Roman – CD&IO	■ Oma Sunkara – Dir, Harlem
■ Margarita Larios – AD, D&I	■ Noreen Brennan – CNO, Metropolitan
■ Melanie Colon – AD, Bellevue	■ Patricia Banks – AD, Coney Island
■ Mary Anne Marra – CNO, NCB	■ Joanne Grimes – Dir, Jacobi



Vendors Selected for Contracting

- An application to enter into contract with the following list of vendors was presented and approved at the September 18, 2018 Contract Review Committee Meeting

Vendor	Total Score	Ranking
Cyramcom	8.99	1
Pacific Interpreters	8.06	2
Linguistica	8.03	3
Propio	7.6	5



OPI Contract Details

- A three-year contract with 2 one-year options to renew at the System's request
- Proposed contract value is \$48MM
- Average Savings of \$1.4MM/year
- Pricing is structured in two tiers for 3 vendors: Spanish and all other languages to provide greater cost savings (Spanish is 70% of volume)
- Linguistica International is a MWBE vendor
- Business Associate Agreements will be executed to meet HIPAA regulations
- Office of Diversity & Inclusion will work with site leadership to establish a primary and secondary vendor to meet their volume and language requirements



Board of Directors Approval Request

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute an agreements with CyraCom International, Inc. (“CyraCom”), Language Line Services, Inc. (“Pacific Interpreters”) Linguistica International, Inc. (“Linguistica”), and Propio Language Services, (“Propio”) to provide Over the Phone Interpretation Services as requested by the System over a five-year term projected cost of \$48,241,516.



Appendix



2017 Annualized Minutes			
Facility	Spanish	Other	Total
Bellevue	1,991,410	1,073,110	3,064,520
Elmhurst	1,893,350	664,174	2,557,524
Jacobi	823,144	352,620	1,175,764
Woodhull	974,860	183,080	1,157,940
Lincoln	800,892	122,480	923,372
Queens	422,656	312,984	735,640
Coney Island	291,032	389,016	680,048
Metropolitan	594,678	79,136	673,814
North Central Bronx	449,028	147,944	596,972
Kings County	175,916	368,928	544,844
Harlem	335,574	201,896	537,470
Other Locations	252,690	45,856	298,546
Total	9,005,230	3,941,224	12,946,454



Historical Cost

Supplier	Language	2017 Spend
Cyracom	Spanish	\$ 4,068,362
	Other	\$ 1,849,590
Pacific Interpreters	Spanish	\$ 2,685,561
	Other	\$ 1,106,328
		\$ 9,709,841



Savings Forecast

	RFP Projected Costs	Historic Rates Extended	Expected Savings
Year 1	\$8,427,076	\$9,709,841	\$1,282,764
Year 2	\$8,932,701	\$10,292,431	\$1,359,730
Year 3	\$9,468,663	\$10,909,977	\$1,441,314
Year 4	\$10,036,783	\$11,564,575	\$1,527,793
Year 5	\$10,638,990	\$12,258,450	\$1,619,460
Total	\$47,504,212	\$54,735,274	\$7,231,062



RESOLUTION

Authorizing that John E. Ulberg (as successor to Plachikkat V. Anantharam) be elected to serve as a Director of the HHC Accountable Care Organization Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until his successor is duly elected and qualified, subject to his earlier death, resignation, removal, or termination of his employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

WHEREAS, in a June 12, 2012 Resolution of Executive Committee of the Board of the New York City Health and Hospitals Corporation (the "Corporation"), the Corporation authorized its president to create the ACO, a wholly-owned subsidiary public benefit corporation; and

WHEREAS, the ACO's by-laws designate the Corporation as the sole member of the ACO; and

WHEREAS, the ACO's by-laws further state that the directors of the ACO shall be elected by the Member; and

WHEREAS, the Corporation wishes to elect John E. Ulberg, to serve as a director for the ACO as a replacement for Plachikkat V. Anantharam.

NOW THEREFORE, BE IT:

RESOLVED, that the Corporation hereby elects John Ulberg (as successor to Plachikkat. V. Anantharam) to serve as a Director of the ACO Board of Directors in accordance with the laws of the State of New York until his successor is duly elected and qualified, until his earlier death, resignation or removal, or termination of his employment with any entity that has executed an ACO Participation Agreement or ACO Agreement.

11/29/2018
New York, NY