NYC HEALTH+ HOSPITALS

125 Worth Street ▪ New York, NY ▪ 10013

BOARD OF DIRECTORS MEETING

THURSDAY, JANUARY 24, 2019

A•G•E•N•D•A

CALL TO ORDER - 3:00 PM	**Dr. Pagán**
1. Adoption of Minutes: December 20, 2018	
Chair's Report	**Dr. Pagán**
President's Report	**Dr. Katz**
Legislative Update	**Mr. Siegler**
ACO Annual Membership Meeting:	**Dr. Chokshi**
>> **Action Items**<<	
2. RESOLUTION Authorizing the election of individuals, effective immediately, to serve as a Director of HHC ACO Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement.	**Dr. Katz**
3. Authorizing the New York City Health and Hospitals Corporation (the "**System**") to execute license agreement with the City of New York (the "**City**") acting by and through its Department of Health and Mental Hygiene ("**DOHMH**"), for the use of a parcel of land on the campus of NYC Health + Hospitals/Harlem ("**Harlem**") of approximately 35,500 square feet as depicted in the attached Exhibit A (the "**PHL Site**") for the purpose of constructing and operating a new Public Health Laboratory and Public Health Clinic (the "**PHL**"), which license shall continue perpetually until terminated by either party with the occupancy fee waived.	**Dr. Katz**
4. Approving the New York City Health and Hospitals Corporation Annual Board Committee Assignments Effective January 25, 2019, as set forth in the attachment hereto.	**Dr. Pagán**
5. Authorizing the New York City Health and Hospitals Corporation (the "System") to execute agreements with CyraCom International, Inc. ("CyraCom"), Pacific Interpreters, 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**
Subsidiary Report	
➢ MetroPlus	**Mr. Rosen**
Executive Session | Facility Governing Body Report ➢NYC Health + Hospitals | Kings County ➢NYC Health + Hospitals | McKinney	**Dr. Pagán**
Semi-Annual Governing Body Report (Written Submission Only) ➢NYC Health + Hospitals | Elmhurst	**Dr. Pagán**
>>**Old Business**<< >>**New Business**<< **Adjournment**	

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 20th day of December, 2018, at 3:00 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:

Dr. Mitchell Katz
Mr. Gordon Campbell
Dr. Herminia Palacio
Mr. Scott French
Dr. Gary Belkin
Ms. Josephine Bolus
Dr. Oxiris Barbot
Ms. Helen J. Arteaga
Ms. Barbara A. Lowe
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssouf

Scott French was in attendance representing Mr. Steven Banks in a voting capacity. Mr. Campbell chaired the meeting and Ms. Colicia Hercules, Corporate Secretary, kept the minutes thereof. Mr. Campbell called the meeting to order at 3:05.m.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on November 29, 2018 were presented to the Board. Then on motion made

and duly seconded, the Board adopted the minutes. Ms. Bolus abstained from voting, stating that she was not present at the prior Board meeting.

> **RESOLVED**, that the minutes of the meeting of the Board of Directors held on November 29, 2018, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Mr. Campbell welcomed Ms. Bolus back to the Board after an absence and congratulated Dr. Barbot for her appointment to be Commissioner of the Department of Health and Mental Hygiene. He asked Ms. Lowe to report on an event earlier in the week at Harlem Hospital where New York City launched the City Nurse Residency Program. Ms. Lowe said the event was incredible and spoke to the importance of nurse residency programs.

Mr. Campbell then congratulated and thanked departing Board members Ms. Youssouf, Mr. Page, and Mr. Rosen for their many years of Board service. Ms. Youssouf served on the Board for fourteen years, and had been Chair of the IT Committee, the Audit Committee, and the Capital Committee as well as serving on the Finance Committee and the Board of the HHC Capital Corporation. Mr. Rosen had served for twenty years, and had been Chair of the Finance Committee and of the MetroPlus Board, as well as serving on the Governance Committee, the HHC Capital Corporation, and the HHC

Physician Purchasing Group. Mr. Page served for five years and was Chair of the Capital Committee, as well as serving on the Audit, Finance and Strategic Planning Committees and the HHC Capital Corporation.

Mr. Campbell then recognized Deputy Mayor Palacio, who thanked the departing members on behalf of the Mayor for their many years of service and commitment to the Board. She noted that their commitment, expertise, and leadership had been instrumental in bringing the System to its current place. Dr. Katz also thanked the departing Board members for helping and guiding him, as he was new in his role and providing wisdom, guidance and institutional knowledge that helped him in making challenging decisions in his first year. Mr. Campbell then presented each of them with an engraved gift commemorating their time and contributions to the Board.

Mr. Campbell recognized Mr. Rosen, who spoke about his experiences on the Board starting under Mayor Giuliani, and acknowledged his departing colleagues for their many contributions. Ms. Youssouf thanked everyone for the honor of having served on the Board for fourteen years, through many Presidents and Board Chairs, and recognized her colleagues for their contributions. Mr. Page also expressed gratitude for his experience serving on the Board and

for all he had learned.

Mr. Campbell then reported that there were no new items on today's agenda requiring Vendex approval, and since the Board last met, one Vendex approval was received and is in the Board's materials. Mr. Campbell noted that the Board would be notified as outstanding Vendex approvals are received.

Mr. Campbell then recognized Dr. Katz for the President's report.

PRESIDENT'S REPORT

Dr. Katz's remarks were in the Board package and made available on the NYC Health + Hospitals website. They are incorporated by reference.

Dr. Katz noted that the Nurse Residency Initiative discussed by Ms. Lowe is a model he hopes to expand as part of promoting professionalism at Health + Hospitals across many disciplines. He hoped to develop a residency for nurse practitioners, for physician assistants, and expanded roles for clinical pharmacists, recognizing that Health + Hospitals will always hire new professional graduates and is committed to getting them the experience they need. Dr. Katz also commended MetroPlus for receiving a five star rating.

Mr. Campbell then recognized Senior Vice President Matt Siegler for legislative and policy updates. Mr. Siegler reported on a

decision from a federal district court in Texas holding that the Affordable Care Act is unconstitutional, which has been criticized by many legal scholars as overbroad. Mr. Siegler noted that Health + Hospitals would be active in advocating limiting or overturning the decision. Mr. Siegler also mentioned that the comment period for the proposed rule on "public charge" closed recently, and there were several hundred thousand comments filed. The System hosted a successful event at Gouverneur with the Commissioner of the Mayor's Office of Immigrant Affairs highlighting what the proposed public charge policy could mean to the System if finalized – including a $360 million loss in its first year. He committed that Health + Hospitals would continue to advocate aggressively against this policy.

Mr. Campbell then recognized Senior Vice President Maureen McClusky and Dr. Khoi Luong for an informational presentation on the selection of an electronic health record for post-acute care. Ms. McClusky reminded the Board of prior presentations where it was discussed that EPIC does not have a specialized component for post-acute care. Accordingly, Post-Acute Care obtained authorization to seek an interim electronic health record to serve post-acute care needs and to generate an estimated thirty-five million dollars over the first five years of implementation. After a thorough

solicitation and evaluation process, PointClick Care was selected as the EHR vendor for a three-year contract with two-year option for an extension and a total contract value of $3,868,697. The contract will provide for a 30-day cancellation so that the System has flexibility to shift to a different solution if EPIC successfully develops a post-acute care solution. Dr. Luong then explained some of PointClick Care's functionality and its large market share.

Ms. Lowe asked about the integration of MDS assessment tools with the new EHR. Ms. McClusky responded that Minimum Data Set (MDS)is the core of any post-acute EHR and that the MDS integration will be seamless. Ms. Bolus asked if the EHR will have a component for documentation of dental services, and Ms. McClusky replied that it would.

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BOARD COMMITTEE REPORTS

Attached hereto is a compilation of reports of the NYC Health + Hospitals Board Committees that have convened since the last meeting of the Board of Directors. The reports were received by Mr. Campbell at the Board meeting.

Mr. Campbell then received the Board's approval to convene an Executive Session to discuss matters of quality assurance, matters of potential or threatened litigation, and matters relating to

specific personnel.

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 and written governing body submissions from NYC Health + Hospitals/Bellevue; and (2) received and approved semiannual governing body (written submission) reports from NYC Health + Hospitals/Jacobi and NYC Health + Hospitals/North Central Bronx.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 4:05 p.m.

Colicia Hercules
Corporate Secretary

COMMITTEE REPORTS

Governance Committee: November 29, 2018
As Reported by Helen Arteaga Landaverde
Present Committee Members – H. Arteaga Landaverde, B. Rosen

Helen Arteaga Landaverde called the meeting to order at 12:45. Ms. Landaverde called a motion to accept the minutes of the Governance Committee meeting held on May 31, 2018. The motion was seconded and the minutes were unanimously approved.

Ms. Landaverde then requested a motion to discuss the proposed action item to amend the by-laws:

Action Items

Authorizing the amendment of the By-Laws of the New York City Health and Hospitals Corporation (the "System") to rename the Equal Employment Opportunity Committee as the Equity, Diversity and Inclusion Committee and to revise Article VI, Section 11 to state the duties and responsibilities of the Equity, Diversity and Inclusion Committee to be "oversight of the integration of diversity and inclusion best practices into all of the organization's activities to foster workplace diversity, promote vendor diversity, support workplace inclusion and to promote equity in access initiatives."

Ms. Matilde Roman, Chief Diversity Officer introduced the item into the record. Ms. Roman presented to the Committee the proposed changes to the by-laws and how these changes will better enable NYC Health + Hospitals to conduct its business.

After discussion, the motion was seconded and unanimously approved by the Committee for consideration by the full Board.

There being no further business, the meeting adjourned at 12:58 p.m.

FINANCE COMMITTEE: December 13, 2018
As Reported by Bernard Rosen
Committee Members Present: Bernard Rosen, Gordon Campbell, Helen Arteaga Landaverde, Dr. Mitchell Katz

Mr. Gordon Campbell called the meeting to order at 11:02AM. Before the adjournment of the meeting, Mr. Bernard Rosen called for the approval of the minutes, and the minutes of the October 15, 2018, meeting were approved as

submitted.

Mr. John Ulberg introduced a new member of the team, Mr. Justin Stec. At this time, Mr. Ulberg also announced that this would be the last meeting Mr. Kiho Park, CFO of Coney Island Hospital, and Mr. Robert Malone, CFO of Queens Hospital, who will be retiring. Mr. Ulberg thanked Mr. Park and Mr. Malone for their years of service. Mr. Ulberg also introduced a new format for presenting to the Finance Committee using a slide deck to highlight pertinent information from the monthly board reports and to allow for a deeper analysis into variances.

Mr. Ulberg began the presentation by stating the cash position is holding steady at $460 million. This is a small drop from last month, as expected. He indicated there might be a small additional drop in December. A supplemental payment from the State of $900 million is anticipated. Mr. Ulberg stated that disbursements against the budget are doing well with actuals only being $2 million off from the budget through Quarter 1. Revenue was off by $26 million which translates to less than 1% off on the net. Patient care revenue is $43 million off of the target, but he is confident it will be caught up by the end of the fiscal year. On the expenditure side, there was an uptick in staffing which in many ways was planned as investments are made in Nursing and Revenue Cycle positions.

CASH RECEIPTS & DISBURSEMENTS REPORT

Ms. Michline Farag began her reporting on global full-time equivalents (GFTEs). For Global FTEs, Health + Hospitals grew by 391 for Quarter 1, which reflects the investments that have been made to move towards more full time staffing and away from temp hires. The main drivers of the growth have been investments made in nursing, clinical business plans, and revenue cycle positions.

Mr. Ulberg acknowledged the good growth that has been seen in staffing and introduced the “pause” on system-wide hiring. This was an opportunity to establish industry standards, particularly in nursing. Each of the facilities is now being given their numbers so staff can review and return their plans. Mr. Ulberg stated that they are finding the right balance between the numbers that needs to be hit and resource adjustments so Health + Hospitals can continue to provide good quality care. Mr. Gordon Campbell asked if the finance team has signed off on the plan, and if the facilities have carte blanche in terms of hiring or would they still go through the vacancy control board (VCB) process. Mr. Ulberg responded that facilities are being given a suggested plan but also being asked to develop their own facility plan. Mr. Ulberg continued that some of the VCB review process is being taken out of the process so that facilities are more accountable for monitoring headcount and that budget targets are being met. Dr. Mitchell Katz noted that the VCB review process has acted as a work around since there

are no plans or agreements in place as to how many staff a hospital needs and each facility has its own idea for its staffing. Dr. Katz went on to say that Central Office does not want the review process. He would like each facility to know that it can hire a certain number of people then go out and do that, such as what has been done with the nursing model.

Mr. Campbell followed up by asking how much real time information Central Office is going to have in terms of hiring. Mr. Ulberg reiterated Dr. Katz's previous statement that Central Office is trying to put themselves in a situation where they define the level of resources needed and then extract themselves from the process. Mr. Ulberg then stated that another important component of that process is taking advantage of the data resources available. For example, PeopleSoft allows coding by unit. Those codes need to be implemented in order to know in a real time basis how many staff are on board versus the model. That is something they are working towards. Ms. Farag will head up a team of CFOs to get to the next level of budget which would have more of a variable element so if there is an uptick in a specific area there can be a corresponding adjustment in the budget on the expenditure and revenue side. Mr. Fred Covino added that there is a module in PeopleSoft called Position Control. They would like to use that to create a link with the budget which will help make the process more automatic. Dr. Katz would like a report six months out to update on where Finance is in the process.

Ms. Farag continued her report with Patient Care Revenue against the budget broken down by facility. The $43 million patient care revenue referenced earlier is not among all the facilities as there are some facilities such as NCB, Queens, Jacobi, and Bellevue which have exceeded their targets.

Mr. Robert Melican introduced the Pathways to Revenue Improvement the first of which is increasing staff productivity through training and education which is being rolled out in collaboration with the unions. Another pathway is improving the registration of ED and making sure to capture the insurance and get all of the elements for a clean claim to go through. Another element is the AR partnership contracts which are on path to start in January. The Clinical Documentation Improvement (CDI) and Coding Initiatives are going well. All of the CDI hires from the past year have been maintained. Automatic coding using 3M software is starting and on path. The ED Charge Capture Initiative is still monitoring the ability to improve the E and M levels of the patients as they come through the ED.

Mr. Ulberg shared that they are getting a first glimpse of data coming out of Epic, in terms of payments received. Mr. Melican indicated the charges are up and there is a lot of lift in the front end and back end in making sure claims get out. Mr. Ulberg followed up by stating Health + Hospitals is beating industry standard on some measures, but not all measures. Ms. Helen Arteaga Landaverde asked if the individuals mentioned earlier are from the Coding Academy. Mr. Melican responded that yes, they are from the Coding

Academy. The Coding Academy is one element of the coding improvement with the Epic improvement being the other.

KEY INDICATORS REPORT

Ms. Krista Olson began the utilization report with the overall discharges and visits through Quarter 1 of FY19 as compared to Quarter 1 of FY18. This is useful to get a directional sense for the year but as a reminder it does only show three months of data and sometimes with a shorter period of data more variation is seen. There is an approximately 3% decline in both discharges and visits, which is a continuation of the decline that had been seen previously.

Ms. Olson continued reporting discharges by facility for Quarter 1 of FY19 as compared to the same time period in FY18. Discharges are down by 3.4% with Metropolitan showing the most significant decrease at 14%, and NCB growing by 2%. Ms. Olson explained that the decline at Metropolitan is primarily through a decline in ED admissions. It appeared to be related to some community specific issues including a new medical center opening in conjunction with the facility doing a better job of managing their population through some of the DSRIP-funded activities. Metropolitan is also seeing a decline in readmissions to the ED. Dr. Katz noted that this is a difficult metric as more money is made by reducing readmissions and unnecessary admissions. So it is reflective of fewer people seeking Health + Hospitals for care, which can be positive if Health + Hospitals is providing better primary care, reducing patient readmission or decreasing utilization of the ED. Ms. Olson added that work on developing more value-based metrics may be included.

Ms. Olson compared visits by facility in Quarter 1 of FY19 against Quarter 1 of FY18. Visits were down 3.1% overall with acute facilities having gone down by 3.1%, and Gotham decreasing by 2.5%. Some facilities have increased slightly such as Coney, Elmhurst, Metropolitan, and Queens. Dr. Katz noted that if Metropolitan decreased its inpatient visits and increased its outpatient visits then they are doing exactly what they should be doing.

Ms. Olson continued by looking at Post-Acute Days in Quarter 1 of FY19 as they compare to Quarter 1 of FY18. Days have dropped 3.3% overall, which is primarily driven by Coler which is down by 14%. Gouverneur was up by 17% which reflects the new beds that were opened up during the course of last year. Dr. Katz stated that Coler is not an issue, reflecting its location and physical configuration of four-bed rooms, and that patients may choose other facilities for that level of care.

Ms. Olson continued reporting on case-mix index (CMI) and noted that the percentage increase had been corrected for the meeting against the published meeting package, in that the CMI has increased 8.6% year to date over FY18,

primarily the result of clinical documentation improvement and coding initiatives that ramped up during the course of last year. The variance was shown here starkly but it is likely that as last year's ramp up is captured in the data this will start to even out. Dr. Katz asked to confirm that the periods we are comparing here are Quarter 1 of FY19 and Quarter 1 of FY18. Ms. Olson confirmed that is the case and that any efforts that were made mid-year would not be reflected in Quarter 1 data for FY18. Dr. Katz noted that the 8.6% improvement is quite an improvement.

Ms. Olson then went on to length of stay (LOS) as compared to the citywide average adjusted for case mix. The variance against that benchmark last year (.5 days) was shown in comparison to the variance this year (.3 days). Ms. Olson stated that there are reasons why Health + Hospitals performs against the citywide average including patients and their needs varying from those across the city. Another reason is there are likely improvement opportunities in terms of discharge planning. CMI is a component of the LOS projection, and the complexity of Health + Hospital patients is not completely captured. Dr. Katz concurred that Health + Hospitals is likely at the correct length of stay in terms of the population being served.

Ms. Olson continued reporting on payor mix and detailed that the proportion of uninsured encounters declined in all service areas in Quarter 1 of FY19 as compared to Quarter 1 of FY18. This decrease was anticipated in the financial plan initiative to improve enrollment of the uninsured. Ms. Olson introduced the final utilization metric regarding observation, as was requested by the committee at the September Finance meeting. Observation is currently provided at eight out of the eleven acute facilities with variation across facilities.

Mr. Ulberg informed the Board that for the past three months new initiatives have been requested that have an opportunity for return on investment, using the DSRIP Venture Fund as a source of startup funding with the intention that these initiatives become self-sustaining after the startup phase. Mr. Ulberg continued by summarizing the Financial Work Plan Process that has been introduced system-wide to help implement new initiatives as well as address below-the-line items. Each initiative is assigned to a workgroup who meet monthly. Ms. Olson added that one of the reasons this has become so important for the organization is that it allows for the review of investments in FTEs and making sure they are aligned with the strategy of the system. Business plans are developed and reviewed; when approved, this becomes the means by which the hires can be approved and added to the budget. As these plans are implemented, the process flows into the monitoring and metric measuring phase to ensure the initiatives are performing as expected. The Financial Work Plan process came out of the need to streamline the process to implement financial plan initiatives to reach financial plan targets. Mr. Campbell noted that it is important to have these new initiatives as backup for any gaps in the plan that may arise. Mr. Ulberg added that they are currently

in the process of monetizing the workplan process so they can evaluate how the system is performing against the budget targets.

Mr. Ulberg then addressed some of the external risks that Health + Hospitals is facing, the first of which is the public charge. The proposed Federal policy could result in a financial loss of up to $362 million for Health + Hospitals. The issue will continue to be monitored, but as always, Health + Hospitals remains committed to serving all patients regardless of insurance status. Ms. Arteaga Landaverde asked if the $362 million included what would be lost at Gotham. Mr. Ulberg confirmed it did. The other area of concern is the Federal DSH cuts in FY20 and declining UPL. They are currently working with local and Federal partners to work on an advocacy strategy to avoid those cuts.

Mr. Ulberg added that they are also working on the Clinical Efficiency Analysis and are lining themselves up for after the New Year. Ms. Arteaga Landaverde requested a notation for post-acute care utilization data as those facilities are operating near capacity, and that utilization increases would be minimal. Mr. Ulberg confirmed that a notation could be added to reflect the high occupancy rate at those facilities.
Mr. Rosen asked if there were any additional questions on the board reports, particularly the variance in receipts. Mr. Covino noted that the primary reason for increased receipts this year was the significant increase in DSH and UPL receipts this year over last. Additionally, the Supp/SLIPA Pool was up by over $20 million for Quarter 1. Those two items offset the slight decline in patient care revenue. FY19 has also seen more regular timing for the Risk Pool payments. On the expense side PS is up slightly even though it is lower than it was at this time last year. This slight increase is due to retroactive collective bargaining and an increase in overtime. Additionally, Health + Hospitals is in a much better financial position now then this time last year. All of the pension payments have been made on time. Mr. Rosen asked if the payments are made on a monthly or quarterly basis. Mr. Covino responded that the payments are made on a monthly basis. Once the anticipated $900 million payment from the State is received, a full pension payment for the remaining amount will be made so there will be no additional assessments to our pension for the year.

Mr. Covino continued to explain the variances between FY19 actuals to FY19 budget. There is a slight decline on the receipts side, but there are a number of initiatives going into effect. As previously mentioned PS is a bit over target, but they are working with the facilities to bring that back in line with the plan.

Mr. Rosen asked if Krista would like to speak to the payor mix. Ms. Olson noted that the uninsured is improving in all five areas. Ms. Olson also noted that the positive offset is going into Medicare and Commercial rather than Medicaid. One note that is being further explored is an increase in

the Other category within Pediatrics.

There being no further business to discuss, Mr. Rosen adjourned the meeting at 11:41 am.

AUDIT COMMITTEE: December 13, 2018
As Reported by Gordon Campbell
COMMITTEE MEMBERS PRESENT: Mitchell Katz, MD, Helen Arteaga Landaverde, Robert Nolan
Gordon Campbell, Board Chair

The meeting was called to order at 12:07 P.M. by Mr. Gordon Campbell, Audit Committee Member. Mr. Campbell stated that as soon as Mr. Katz arrives, we will move to adopt the minutes of the Audit Committee meeting held on October 15, 2018.

Fiscal Year 2018 Draft Financial Statements
Mr. Campbell introduced the information item regarding the Fiscal Year 2018 Draft Management Letter.

Grant Thornton Management Letter
Ms. Radinsky presented by outlining the observations and recommendations.

Unlike a public company, we do not provide an opinion on internal control, under our professional standards noted on the Financial Statements issued in November 2018, we give an understanding of the control requirements, our processes and we do certain testing of the controls to support our process.

There are three levels of internal control deficiencies:
1. Control deficiency (lowest level) – exists when the design or operation of a control does not allow management or employee, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatement on a timely basis.
2. Material weakness (highest level) – is a deficiency or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the System's financial statement will not be prevented or detected and corrected, on a timely basis.
3. Significant deficiency (middle category) – less severe than the material weakness, but it is important enough to warrant the attention of the Board and this Committee and those people in charge of governance.

Accounts Payable

Significant Deficiency – During fiscal 2018, New York City Health + Hospitals transitioned to PeopleSoft ERP for the general ledger function, including Vendor Accounts Payable. We noted that while the new PeopleSoft accounts payable system maintains adequate reports and did not reconcile to the general ledger old system.

We recommend that management put controls at an appropriate level of precision to prevent misstatement of the accounts payable balance and continue to work to find ways to reconcile balances for the old system for the remaining time it is in use. Any unusual reconciling items should be investigated and addressed in a timely manner.

Mr. Weinman added that this comment relates to the old system. Since the implementation of the ERP, at the end of this year, we are not going to have balances related to the old system. All vendor payables will be in the new system as they are today and are already reconciled. We have accepted this comment; it is a long-standing comment that KPMG had for many years that the old system did not have adequate reports to reconcile. The adjustment made is immaterial to the financial statements and we recognized the need to move to a new system.

Patient Accounts Receivables and Net Patient Service Revenue – Credit Balances - we noted that credit balances in patient accounts receivable totalled approximately $80 million. We recommend that management develop a process to analyze the nature of the credit balances within patient accounts receivable and, on a monthly basis, record adjustments in the accounting records to reflect their proper disposition. In addition, management should investigate and determine the root cause for the credit balances while they are current. We understand that there is an EPIC system that the credit balances are being tracked electronically and routed to the appropriate people to investigate.

Dr. Katz asked what causes a credit balance in our system.

Mr. Weinman answered that for a single patient who has many visits, a payment for a visit was posted to a different visit that would cause an open balance for a visit and an overpayment to different visit.

Mr. Katz added that this should be routed to the appropriate department to make sure that the appropriate payment is applied to the account.

Patient Accounts Receivable and Net Patient Revenue – Patient revenue recorded after fiscal year-end for services prior to fiscal year-end.
We noted that patient service revenue is recognized for services based on the date those services are entered into the patient accounting system rather than as of the date the service was provided. As a result, the recording of revenue can occur up to several days subsequent to the date the service was provided. We noted that in fiscal 2017, revenue was recorded in a similar manner. Through audit procedures performed, we determined that the net impact of the improper cutoff of revenue between fiscal year 2017 to fiscal year 2018 was immaterial. This immaterial does not reflect the financial statements as a dollar value.

We recommend that management develop a process to determine the amount of revenue recorded in the month subsequent to the month that the service was provided and assess the net impact in order to determine if an adjustment to revenue is necessary.

Patient Accounts Receivable and Net Patient Service Revenue – Controls over manual data entry into the patient accounting system.
We noted two high dollar manual adjustments to patient account balances that were made in error. We recommended that NYC Health + Hospitals develop and formalize a policy consistent across all facilities, which requires periodic review of high dollar manual adjustments to patient account balances and high dollar patient account balances to ensure the accuracy of patient service revenue and accounts receivable. NYC H+H is in the process of building reports in Unity and Soarian to identify accounts with high dollar charges which will allow the facilities' Directors of Revenue Management to identify abnormal charges.

Information Technology
We performed systematic and automated controls that relate to the systems in place. We concentrated on the financial dependent systems; PeopleSoft, Unity and Sorian. These tests included: Unidentifiable User, Segregation of Duties, User Access, User Administration: New Hires.

CORPORATE COMPLIANCE UPDATE
Ms. Patsos began her update with Monitoring Excluded Providers -
Exclusion and Sanction Screening Report October 1, 2018 through November 30, 2018

During the period October 1, 2018 through November 30, 2018, there was one excluded individual and follow up regarding a previously identified excluded individual.

On October 16, 2018, the OCC was notified that a patient care associate at NYC Health + Hospitals/Lincoln appeared on the System for Award Management ("SAM") list as having been excluded by the Department of Education. She was excluded due to her lack of business honesty or integrity, pending completion of an investigation/legal proceeding. The individual was terminated on October 16, 2018, and there is no overpayment issue for this individual because she has not been excluded by the Office of the Medicaid Inspector General or the Office of Inspector General from participation in the Medicare or Medicaid programs.

Death Master File and National Plan and Provider Enumeration System Screening

The Centers for Medicaid and Medicare Services' ("CMS") regulations and the contractual provisions found in managed care organization provider agreements require screening of the System's workforce members, certain business partners, and agents to ensure that none of these individuals are using the social security number ("SSN") or National Provider Identifier ("NPI") number of a deceased person. This screening may be accomplished by vetting the SSNs and NPIs of such individuals through the Social Security Administration Death Master File ("DMF") and the National Plan and Provider Enumeration System ("NPPES"), respectively.

Reported Privacy Incidents for the period of October 1, 2018 through November 30, 2018

During the period of October 1, 2018 through November 30, 2018, thirteen privacy incidents were entered into the RADAR Incident Tracking System. Of the thirteen (13) incidents, four (4) were found after investigation to be violations of NYC Health + Hospitals HIPAA Privacy and Security Operating Procedures ("OPs"); two (2) were found not to be a violation of NYC Health + Hospitals HIPAA Privacy and Security Operating Procedures; and seven (7) are still under investigation. Of the four (4) incidents confirmed as violations, three (3) were determined to be breaches.

Reported Breaches for the Period of October 1, 2018 through November 30, 2018

NYC Health + Hospitals/ Jacobi – October 2018

Incident: On October 5, 2018, the OCC was notified of the incident, which occurred when NYC Health + Hospitals' vendor, CIOX, sent patient records, including information about the patient's medical history, diagnoses, medications, to the wrong courthouse. This incident occurred prior to CIOX's audit and Quality Assurance activities.

Breach Determination: Even though it is customary for the courthouse that received the misdirected records to transfer any such records to the correct courthouse, the courthouse that received the misdirected records could not confirm that the records were in fact received and appropriately transferred to the correct courthouse. The breach notice was sent on November 14, 2018. The records were subsequently sent to the appropriate requestor.

NYC Health + Hospitals/Bellevue ("Bellevue") – October 2018

Incident: This incident was brought to our attention on October 11, 2018, and occurred when Patient Relations at Bellevue received a report from a patient stating that in 2017 he received medical records for another patient. After an investigation into the incident, it was determined that the patient had requested the records in 2015, that the envelope containing the records was not opened until 2017, and not reported until October 2018. It appears that the incorrect release of records occurred due to the similarity in last names.

CIOX Audit Results

As reported at the October 2018 Audit Committee meeting, one of our vendors, CIOX, which responds to medical records requests on the System's behalf, was responsible for ten (10) HIPAA breaches this year. Consequently, the Chief Corporate Compliance Officer ("CCO") had a conversation with CIOX's Chief Privacy Officer to discuss what CIOX is doing to avoid further breaches. She informed the CCO that CIOX was implementing the following corrective actions.

- Performing 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;
- Conducting 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
- Developing an action plan based on the results of the audits to bring their workforce into compliance.

Status Update - HHC ACO, Inc.

1) As previously reported, 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.

2) On August 9, 2018, 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.

3) Recently, CMS announced that the ACOs may elect to extend their participation agreements for six months. CMS is permitting this extension to allow ACOs more time to implement two-sided risk arrangements. HHC ACO has therefore elected to extend its participation agreement with CMS through June 30, 2019.

4) HHC ACO expects to move into a two-sided risk contract beginning July 1, 2019, and expects to know more information after CMS issues the final MSSP regulation in 2019.

Aetna Desk Review

As previously reported, 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.

FY2018 Corporate Risk Assessment & FY2019 Corporate Compliance Work Plan

The Risk Assessment Process

The OCC identified various risks to the System, broken down by service line (*e.g*. acute care, post-acute care, etc.) and System-wide. These risks were presented to the Executive Compliance Workgroup ("ECW") in a Draft Risk Assessment on June 8, 2018, for review and potential revision and/or additions/deletions.

Records Management

Current Situation

As previously reported, 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. The Records Task Force was comprised of the System's Corporate Records Management Officer ("RMO"), and representation from the OCC, the Office of Supply-Chain, the Office of Legal Affairs ("OLA") and EITS. The mandate for the Records Task Force was to deal with the immediate problem of the excessive storage at Iron Mountain, and to establish a plan for the future of records management for the System.

Next Steps & Future State of Records

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 additional boxes will be sent to Iron Mountain.
- 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 ending 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.

In early September, the RMO along with the Office of Supply Chain met with EITS to plan for digitization of records. In subsequent meetings, EITS presented the software solution OnBase to the Records Task Force, which can be used as an enterprise content management system ("ECM"). Among other things, an ECM provides functionality such as indexing and labelling of digitized records, recording meta-data pertaining to the records, and manual or auto-purging of records past their retention period.

On November 15, 2018, the RMO presented to the EITS Intake Meeting NYC Health + Hospitals' records digitization initiative as the System's future state for records retention strategy. At the meeting, the EITS project management committee voted to advance the digitization initiative to the Health Information technology ("HIT") Committee, and assigned a project manager to the initiative. If the digitization initiative is accepted and voted upon as a "high priority" project at the upcoming HIT Committee meeting, the initiative will become an "IT Project" which will be tracked and assigned technology resources.

Mr. Campbell 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 1:04 P.M.

STRATEGIC PLANNING COMMITTEE: December 13, 2018
As Reported by Gordon Campbell
Committee members present: Gordon Campbell, Helen Arteaga Landaverde, Dr. Mitchell Katz, Mr. Nolan

Mr. Gordon Campbell, Chairman of the Strategic Planning Committee, called the December 13th meeting of the Strategic Planning Committee (SPC) to order at 1:10 P.M. The minutes of the July19, 2018, and October 15, 2018, of the Strategic Planning Committee meetings were adopted.

LEGISLATIVE UPDATE

Mr. Siegler greeted and informed the Committee that he would provide a quick public policy update followed by the System Dashboard Reporting Period: Q1 FY2019 (July-September 2018).

Public Policy Update

Mr. Siegler reported on two items on the Public Policy update to NYC Health + Hospitals:

1. Indigent Care Workgroup:
   The Indigent Care Workgroup which was convened by the State, has concluded its meetings and is currently drafting a final report. Mr. Siegler reminded the Committee that the Workgroup agenda was to discuss how Disproportionate Share Hospital (DSH) payments and the indigent care pool (ICP) are distributed across hospital systems in the State. NYC Health + Hospitals' Finance Team including John Ulberg, and Linda Dehart, Senior Vice President, Assistant Vice President respectively and Michelle DiBacco, Assistant Vice President, Government and Community Relations, in partnership with community groups and labor organizations around the State put together the consensus proposal that was discussed in the Workgroup on how to eliminate the transition collar of the indigent care pool and how to distribute funds in a more equitable way to systems across the State. The majority of the members of the Workgroup were supportive of the proposal. Mr. Siegler stated that there were no votes or final recommendations made by the Workgroup. While ultimately any changes has to be done through changes in State law, we feel good and proud about the work done to bring together many disparate groups and memberships of that committee to support one consensus proposal. Mr. Siegler noted that the NYC's Health + Hospitals – Community Coalition's ICP collar elimination/Medicaid rate financing proposal is a great success for our System as we received positive feedback from community groups. Mr. Siegler added that this proposal was not exclusively about our own finances, but took into account the interest of other hospitals around the State and community and labor organizations as well. The final report is being drafted by the chairs of the committee. Mr. Siegler informed the Committee that he will report back when the result of the report is made available.

   Mr. Gordon Campbell, asked when the report will be issued. Mr. Siegler answered that it will be early next year and reassured the Committee that the Workgroup's recommendations will be discussed and factored into ongoing budget discussions.

2. Public Charge:
   Mr. Siegler reported that the deadline for public comments to the proposed changes to the "public charge" rules from the Department of Homeland Security has passed. He stated that NYC Health + Hospitals was proud to be included in a very impressive comment the City submitted. Health + Hospitals submitted its own data analysis and

understanding of what the new rules would mean for our System to elected representatives from the federal, state and local level. In addition, we held a press conference with labor partners, community groups with the Commissioner of the Mayor's Office of Immigrant Affairs, among others, at Gouverneur last week. Health + Hospitals estimates that, at a high level, as patients are dis-enrolling from coverage or otherwise changing their behavior, the System's impact could be up to a loss of $362 million in the first year alone. This would warrant changes in our strategy and potential changes in state and local policy to help address that issue.

Mr. Campbell commended the Mayor and his staff, Dr. Katz and Health + Hospitals' at the Press Conference held at Gouverneur. He asked if there is any hope for a modification of the "public charge" rules. Mr. Siegler answered that there has been pushed back across the spectrum of the healthcare industry, social service groups and a variety of different interests. He emphasized that it is a rule and it does not require legislative approval. It falls to us and others who care about this proposal to exert maximum public pressure as the rule is under discussion. Mr. Siegler informed the Committee that many days before the deadline, there were over 120,000 comments submitted to the Department of Homeland Security; a number that could have been doubled by the deadline date. They are required to read and respond to all issues raised, which will lead to a long drawn out comment and review period. The rule will then go back to the Office of Management and Budget at the federal level which will be an indication that a final decision is forthcoming. There is no prescribed deadline on a final decision. They could either sit on it or withdraw, which has been the recommendation that many are hoping for.

Mr. Nolan asked if these proposed changes to the "public charge" rules affect one state more than another. For example, would they affect New York State more than Kansas? Mr. Siegler answered that it affects states with large populations of immigrants and mixed status households. However, the biggest effect is not even the number of people who are directly affected by the proposed changes because of the process of their immigration application, but rather the ones affected because of broader fear about the issue and what those changes could mean for them and their family in the future. In other words, the misinformation around the policy is as damaging as the policy itself.

Dr. Katz recalled a comment made by a staff member from the WIC Department at Gouverneur at the Press Conference. It was reported that a mother, who is not even at risk for her immigration status, asked to dis-enroll from the WIC program for fear that she could be penalized. Her comment was "I don't want to get infant formula because I don't want a public charge." Because the 'public charge' policy is so

complicated, it could have a huge impact on services as fear spreads in the community. Dr. Katz noted that, by the time the information reached the people, there is only one ingredient of truth in the information. As a result, this woman does not want to take infant formula for her baby even though there is no issue.

Mr. Nolan asked specifically who would be dealing with this issue since the rule does not need to be approved by Congress and that the House can have hearings through the appropriate Committee to continue to keep the issue alive. Would it be Senator Schumer and his position on the Senate side or on the House side? Mr. Siegler answered that both Senator Schumer and Representative Nadler, as Chair of the Judiciary Committee, and the House, which has jurisdiction over it, would be involved and would hold direct hearings on the issue. Mr. Siegler cautioned that the impact is so broad that any committee in the House could have a hearing and have a legitimate discussion on what this means for its jurisdiction. He informed the Committee that Commissioner Pallone from the Energy and Commerce Committee where he last worked, has jurisdiction over Medicaid and Public Health Service Act and would expect them to have hearings as well. It would be appropriate to talk to the entire delegation and then to the key health care committees and jurisdictions.

Mr. Nolan commented that California would be as disproportionately impacted as New York by the 'public charge' issue, which would add Speaker Pelosi to Nadler and Pallone from New Jersey in forming a Democratic Alliance that will keep this issue on the front line. Mr. Siegler stated that the "public charge" issue is on the radar as he had raised it with the staff of Leader Speaker Pelosi as well as the Health Committees. Mr. Siegler, at the next meeting will include an update on disproportionate share hospital payments with large federal policy, the State's budget and other relevant issues.

INFORMATION ITEM

Mr. Siegler reminded the Committee that we have moved to a fiscal year measure with quarterly reporting. He informed the Committee that the score card measures reflect the first quarter of fiscal year 2019 (see attached).

Mr. Siegler reported on improving measures that are trending positively. E-consult, which is our mean of expanding access to specialty care and speeding up referrals from primary care doctors into specialties, continues to be an impressive and important area of progress. E-consult is expected to be live, at least in one clinic, at all of our facilities by the end of this year. As mentioned in the Finance Committee meeting earlier today, the Patient Care Revenue over Expenses measure, which focuses on how we are executing on our revenue capture effort and controlling our expenses, continued to improve.

The number of insurance applications submitted per quarter measure is still below our target of 23,700, but the number trended up significantly from the prior month and prior quarter. Mr. Siegler noted that the month of October was the first month that we have ever exceeded our target; it was the highest month ever for insurance applications. Lastly, the Sepsis 3-hour bundle measure has seen positive trending.

Mr. Siegler reported on the negative trending measures. Unique primary care patients seen in the last 12 months measure went down from 417,000 the prior period to 414,503. Efforts are being made to push hard on driving and increasing the number of primary care patients. The goal this year was to stabilize the decrease, flatten out where we are on a full 12-month basis and then build from there. The engagement of more primary care providers and the improvements made in scheduling, and the overall process have rolled out first at Bellevue in the adult medicine clinic and then will move across the entire system.

Mr. Siegler reported on the AR days per month. Even though 43.5 is below our target of 45, it is still green on the chart because our target is still being met. Mr. Siegler informed the Committee that a new payment vendor was brought on and we had a delay as we were getting bills out the door to certain health plans. Another negative trending measure is the percent of patients who left the emergency department without being seen, which will be addressed later in Dr. Wei's presentation.

Mr. Siegler reported on the individual measures of the System Dashboard – December 2018:

1. Unique primary care patients seen in last 12 months: Even though the measure is trending down from the prior period, we are still in a positon to meet our target, which is why this measure is still yellow.
2. Number of e-consults completed/quarter: E-consults are already above the target for the quarter and trending up significantly. We were at 5,000 E-consults for the prior year and over 12,000 last quarter. E-consult is a great access to care measure, especially for specialty care.
3. Patient Care Revenue/Expenses: Moving in the right direction. Insurance applications submitted per quarter as discussed is red, but will be green at the next report.
4. # Insurance applications submitted/quarter: We are still a little below our target of 23,710, but the number trended up significantly from the prior month and prior quarter. October was the first month that we ever exceeded our target.
5. % of MetroPlus medical spend at Health + Hospital: Is ticking up slightly, but is still well below target and is red. Our investments in new clinical services, partnership with Dr. Long's team on how we

assign MetroPlus members into our primary care practices will continue to have a good impact.

6. Total AR days per month (excluding in-house): See above
7. Epic Implementation milestones: It is the most important item on the Information technology agenda. A number of hospitals will be rolling out in March including the partnership of Woodhull, Elmhurst, Queens and Coney Island. We have already gone live with the new facilities that are going to be coming on.
8. ERP milestones: Payroll and other internal processing IT project are making progress.

Mr. Siegler turned his presentation over to Dr. Eric Wei, Chief Quality Officer, to talk about the Quality and Outcomes, Care Experience and Culture of Safety measures.

Dr. Wei reported on:

9. Sepsis 3-hour bundle (2Q18): This is the highest we have ever been, 72.6% for the second quarter. This is above the New York State average and a jump of 6.6% from prior period. It is green.
10. Follow-up appointment kept within 30 days after behavioral health discharge: 59.6% for this quarter. It remains red because it is outside of the 5% variance, but is trending up from 57.8 to 59.6%.
11. HgbA1c control < 8: Increased from 63.5 to 64.1%. It is yellow because it is 2.5% below our goal. Dr. Theodore Long, and Dr. Dave Chokshi, Vice Presidents, are working hard making diabetes care one of our key priorities. Dr. Wei highlighted that Clinical Pharmacists in ambulatory care will be able to provide the teaching and the reinforcement of why it's important to take your medications.
12. % Left Without Being Seen in the ED: This metric is red and is at 8.67%. It needs some work as noted above.
13. Inpatient care – overall rating (Top Box): 62% remains the same as prior period. However, our initial results for quarter four are seeing a nice jump due to its correlation to I-CARE training. Some of our facilities that have not traditionally done so well have been improved and are now ranked in the top three after training 70% of their staff on I-CARE values.
14. Ambulatory care (medical practice) Recommend Provider Office (Top Box): Scores 9 and 10. 81.2%, .9 percent decrease due to common cause variation is still on the yellow range and is still within 5% of our goal.
15. Post-acute care – likelihood to recommend (mean) [2016]: 85.3% last period, now 87.1%, which is well above our goal of 84.3%

Dr. Katz shared with the Committee an interesting comment from an endocrinologist at Coney Island who has been receiving E-consults from general practitioners for diabetes from the system stating, "Please see

patient hemoglobin A1C10, patient noncompliant with medicines." Dr. Katz explained that if you are noncompliant, you don't need to see the endocrinologist because the only people who need to see the endocrinologist are the ones who are taking their medicines and are still not controllable. If the doctor already knows that the patient is not compliant, something needs to be done, other than a referral to the endocrinologist. Perhaps what these patients need are health coaches, not necessarily at the RN level, to help them figure out how to live their lives. So maybe that's something in the next discussion of how we continue. Even though it is green, we still want it to be much higher than even our goal. Something more need to be done around diabetic coaches to prevent people from sending the noncompliant patients to the endocrinologist, which is a terrible use of our resources. The endocrinologist should see the difficult-to-treat patients, not the noncompliant patients. These patients need the right resources, not necessarily more doctors because if you are not compliant with your medicines, more doctors is not a very sensible answer.

> 16-18.: These Culture of Safety measures are once a year metrics. The full HRQ survey is planned for later next year in 2019. That includes the question, "give your unit and workplace an overall safety grade." It will be put out as one question in early 2019, so we know how we are doing in that area. The percentage we are looking for is the percentage of people who rate us A's and B's.

At the request of Mr. Campbell, Dr. Wei invited Jeremy Segall, Senior Director, System Performance Improvement, to give a brief overview of what our new facility driven performance model will be. That is not the universal performance improvement process across our System, but what's going to replace our QAC for quarterly PI projects.

Mr. Segall greeted Committee members and invited guests. He stated that performance improvement cannot be conducted from Central Office, but at the facility level working with staff and allowing the facilities to realize that they have a voice. To empower facilities to join in on our strategic initiatives of moving the System towards improvement in all of the five pillars, this seven-step model listed below is adopted:

1. Enterprise-Wide meaningful measure selection
2. Choose high-priority facility-based quality initiatives of value
3. Director of PI from Central Office assigned to collaborate with each facility
4. Choose Pilot Units and teams; determine current & target states
5. Gap analyses, action plans, experiment & dashboards
6. Realize success: sustain & spread
7. Align in common direction; share best practices & learning lessons across system

Mr. Segall gave an overview of the new performance improvement model and shared with the Committee how it is going to roll out. He reported that there were over 162 global measures from regulatory and accreditation to DSRIP dashboard to population health metrics, as well as facility input on what they wanted to track to meet Joint Commission regulatory requirements. With the support of the facilities as well as senior leadership here at Central Office, the 162 measures were cut down to 62. Those measures were later truncated down to an even lower number of 20; i.e., 10 inpatient care and 10 ambulatory care measures. With the help of Directors of Improvement assigned to all 11 acute care hospitals, facilities are now able to partner with Central Office and work with those clinics as well to select one project per quarter that aligns with the system's five strategic pillars (Quality & Outcomes, Care Experience, Financial Sustainability, Access to Care and Culture of Safety). From each quarter, they have an option of selecting one out of four projects they will spearhead. The Directors of Performance Improvement will work with the direct patient care staff, local leaders as well as managers to start to do true tests of change per quarter which will be reported to the governing body at the Quality Assurance Performance Improvement Board Report meeting. The idea is to learn from each other, help the low performers increase and improve over time and support sustainment for the top performers.

Mr. Campbell commented that, John Ulberg and his team reported that there were about 65 ongoing efforts to support the financial sustainability pillar. He is concerned about how can we be aligned with different approaches. In other words, is there some symmetry that can be created since everyone is working on achieving the same objective? Mr. Campbell recommended that there should be some discussion in terms of the approach.

Dr. Wei commented that he and Mr. Ulberg had a great meeting last week about how to join the financial work plan process with this overall strategic planning of performance improvement. There are synergistic ways of speaking to each other as they are interrelated and towards achieving the same goals.

Mr. Campbell recommended to have a team or two from the facilities to come and present to the Board not only to showcase what they are doing, but also to give the Board and opportunity to thank them for their good work.

Mr. Segall reported on the three hour sepsis bundle for the second quarter of 2018:

- The NYS Sepsis measure changed metric criteria back in 1Q 2017 and since the definition changes the system reached its highest compliance rate for this reporting period

- 2Q 2018 is being reported as data is delayed from the state which is released by IPRO, the third party vendor that manages the state's report

- We continue to perform better than the NYS average and have done so since 2016, for every quarter
  - Individually 10 of the 11 acutes performed higher than the state average for this reporting period
    - Coney Island did not
  - Sometimes we are not meeting our own internal benchmarks and specific bundle element averages (i.e. – Blood Cultures Prior to Antibiotics)

- Three facilities showed dramatic improvement from last quarter (ranging from 8.2-12.6% increases) with overall 3-Hour Bundle compliance due to:
  - Modified screening processes (i.e. – SIRS, qSOFA)
  - Point of Care Lactate
  - Enhanced role definition of identifying Sepsis champions from both physician and nursing departments
  - EMR enhancements (i.e. – ordering of labs, general order sets, reminders of the sepsis protocol BCx prior to Abx, clinical decision making IT logic to nudge providers to think sepsis and answer specific questions, streamlining to support clinical flow that manages documentation better to meet the measure marks, etc.)
  - Education programs that now target residents more robustly
  - Provider drill-downs after cases are abstracted to target individualized education surrounding performance
  - Improved transparency of facility-specific sepsis compliance in Quality forums

- As for individual sepsis interventions within the 3-Hour Bundle, we improved with Timely Lactate and continue to steadily increase every quarter since 1Q 2017
  - We are at our all-time highest compliance rate of 94.3%
  - Three facilities increased on this bundle component ranging from 6.0-10.6%
    - Woodhull, Harlem, & Coney Island

- Timely Blood Cultures Prior to Antibiotics did dip by 1.3% this reporting quarter
  - Although a slight decrease, the rate has improved 8.5% since the beginning of 1Q 2017
  - Two facilities were able to increase, one by double digits (Lincoln by 13.4%), and Metropolitan by 9.5%

- Timely broad spectrum antibiotics was a challenge in the past but the System increased by almost 2%, and is at an all-time high hitting above 90%
  - Two facilities, again one by double digits Kings County at 11.8%, and Elmhurst 8.2%

- Other facility improvements that have helped bundle compliance include:
  - Sepsis Screening Tools to be used by bedside staff and at triage to monitor vitals, etc. to escalate to the appropriate providers
  - Lactic Acid and ED White Board alerts, larger Suspected Sepsis visualization on the cue
  - Sepsis Review Committees and as close to real-time/concurrent feedback

Dr. Wei reported on the % Left Without Being Seen in EDs metric. He stated that this is a metric with lots of opportunity for improvement. He clarified that this metric means that people who are choosing to come to our hospital, checking into our emergency departments, wanting to receive care were unable to be seen by a provider for a number of reasons. Dr. Wei reported that the slight increase is due to common cause variation. Please note that the "Left without being seen" metric is affected by multiple factors that are being addressed as noted below:

1. ED nurse staffing: working towards getting to a safe minimum staffing model in the Emergency departments.
2. ED provider staffing: doing analysis on matching provider staffing to patient arrivals.
3. Dwell time: patient is admitted but there's no room for them in the hospital so they take up precious space, beds in the emergency department so there's no room to see new patients.
4. Turnaround time: data needed to make a decision about whether a patient stays, goes home or gets transferred. Working on improving those turnaround times in order to make quicker decisions on dispositions.

Dr. Wei pointed out that currently this metric is set up by IT as a "catch all" bucket including:

1. Patients that do not meet that criteria of checking in before they see a provider and walk out.
2. Psychiatric ED patients. Almost all of the EDs have these patients looked at in our medical area first, to make sure there's no medical complaints or issues that need to be addressed in the adult ED before they go to psychiatric ED. But there is no disposition in Quadrimed that says transfer to the Psychiatric ED.
3. Patients transferred to Express Care.
4. Patients, who for some reason, were not checked out.

Dr. Wei is working with the IT team to more accurately reflect the "Left without being seen in EDs" population, which should favorably take off a few percentage points. Dr. Wei informed the Committee that he is doing a rotation working shifts one at a time at each of the eleven EDs. So far, he has done four and is currently at NYC Health + Hospitals/Metropolitan. His observation is that this is something that cannot be solved with one size fits all for our EDs. He recognized that silos within our EDs, and silos within our facilities are making it almost impossible to have meaningful improvement. Dr. Wei explained that because there was no true captain of the ship, who is ultimately accountable or responsible for operations, and for clinical outcomes in some of our EDs, the only way to get anything done was to go up the chain of command (to the CMO, CNO or COO). After a meeting with William Foley, Sr. Vice President, and his staff, a standard Table of Organization (TOO) was created naming the ED Medical Director or Service Chief that captain of the ship. A true Process Owner is created to help build the performance improvement team in each of the emergency departments to address their issues facing checking people in, and out, and any other relevant issues.

Dr. Wei acknowledged that there are lots of work to be done with this metric. The metric definition, as well as how the data is collected, needs to be fixed. Dr. Wei is gaining invaluable insights by actually working in these shifts and sharing the frustrations that the providers are feeling.

Besides the sample of suppositions collected, Mr. Campbell asked if we know the different hypotheses on why people are leaving. Dr. Wei answered that he will bring that issue to the ED Clinical Council to look for answers. He added that some facilities call back patients that they consider to be high risk. By adding a couple of questions to give them a script, they will be able to gather some information.

Mr. Robert Nolan, Board Member asked if we continue to lose nurses at an alarming rate. His concern is that it is a constant struggle since Health + Hospitals nurses' salaries are not comparable with some of the voluntary hospitals. He commented that Health + Hospitals brings on new nurses, trains them and later on lose them. Dr. Katz answered that it is an interesting challenge. He explained that contrary to Health + Hospitals, most systems pay differentials for nurses who work in specialized areas such as the ICU, ED and NICU. All Health + Hospitals nurses earn the same amount based on certification, and seniority but they do not earn pay differentials for those areas. Therefore, we fall very far behind in the market. Historically in our collaborative relationship with the Nurses' Union, they have not wanted to create differences between nurses. This is a challenge for Health + Hospitals because if we cannot afford to raise all of our nurses salaries (which include the skilled nursing facilities, where we have no issue at all recruiting nurses) to the pay rate of a nurse who is going to give oncologic

agents (which is probably the single hardest thing a nurse has to do). Because of this challenge, nurses come to Health + Hospitals especially in the ED, ICU and NICU, only because we will train new grads, and then they leave because there's a huge differential between what we pay and what they could get elsewhere. While Health + Hospitals values all its nurses and appreciates the idea, there needs to be some way to retain our nurses with the understanding that we cannot pay them all at the highest rate. Until that issue is resolved, it will be very hard for Health + Hospitals to maintain all of its nurses.

Dr. Wei interjected that because of the challenges outlined by Dr. Katz there was a spiraling negative effect nurses that were leaving at a faster rate. As the nurses in the Union or departments were leaving, the ones left were covering more and more of the workload and were also going out. According to the latest data, we lost 4% of them as consistent retirements and another 10% through attrition across the System. Dr. Wei reported that a year ago today, 330 new nurses were recruited. It is hopeful that, as we are getting closer to safe minimum staffing, less nurses are choosing to leave because of the work conditions, and the negative culture of the environment. Dr. Wei stated that we are heading in the right direction. He told the Board that he would invite Ms. Mary Anne Marra, Chief Nursing Officer, to bring an update with exact data on that issue.

Mr. Campbell commented that this issue always comes up at every single Annual Public Meeting. He then thanked the dashboard team for not only the Board’s but also upper and middle management’s edification on the System dashboard and urged them to keep up with the good work.

There being no further business, the meeting was adjourned at 2:07 PM.

SUBSIDIARY REPORTS

Summary of Report
HHC Capital Corporation Meeting: November 29, 2018

HHC Outstanding Bond Portfolio:

Ms. DeHart stated that this is the semi-annual meeting of the HHC Capital Corporation where the status of the System's bond financing program and other debt is presented. Page 1 shows H+H's current outstanding bonds of approximately $680 million, where a majority of bonds are fixed rate bonds, 79% ($535 million) and the remaining 21% ($145 million) are variable rate bonds, supported by letters of credit provided by JP Morgan Chase Bank and TD Bank.

Ms. DeHart specifically pointed out that the TD Bank letters of credit were successfully amended on October 31, 2018 to extend the expiration from September 3, 2019 to September 3, 2023 with the letter of credit fees remained the same.

HHC Bonds - Issuance History:

Ms. DeHart pointed to page 2 which shows a history of bonds issued. The outstanding bonds are the 2008 Series A-E, the 2010 Series A and the 2013 Series A bonds, with a total outstanding par amount of $680 million.

Construction Fund Balance on the 2010 Bonds:

Ms. DeHart described page 3, which shows that the unspent balance for the HHC Series 2010 construction fund is approximately $1.0 million.

A question regarding project completion status was asked. Ms. DeHart answered that most projects were completed, and the remaining balance will be spent down when OFD completed their reconciliation efforts with various vendors on the projects financed by 2010 Bonds.

Health System Bonds-Arbitrage Rebate:

Ms. DeHart explained page 5 that arbitrage rebate liability is required to rebate to the IRS when interest earnings on bond proceeds exceeded the tax-exempt bond yield (i.e. issuers are not allow to make any profit when borrowing in tax-exempt debt).

Ms. DeHart informed the Board that H+H's 2008 Series A (fixed rate) and Series B-E (variable rate) Bonds incurred no arbitrage rebate and yield restriction liability on both its 2008 Series A and Series B-E Bonds on its 10th bond year.

A question inquiring how much negative arbitrage was asked. Ms. Lok answered that the 2008 B-E (variable rate) Bonds incurred minimal negative arbitrage, while the 2008 Series A (fixed rate) Bonds incurred approximately $11 million negative arbitrage. Upon further review after the meeting, please let the record reflect that the negative arbitrage incurred by the 2008 Series A Bonds is $16.9 million at the 10th bond year (2018), and $10.8 million at the 5th bond year (2013).

Short Term Financing Program:

Ms. DeHart provided an overview of the organization's short term financing program on page 5. Through multiple resolutions approved by the Board in 2013 and 2015, Health + Hospitals authorized the Chief Financial Officer (CFO) to borrow up to $120 million on an "as-needed" basis.

Ms. DeHart informed the Board that H+H has borrowed the remaining $30 million as a variable rate loan from Citibank on October 30, 2018, before access to financing expired on October 31, 2018. The initial interest rate was set at 2.20%. The interest rate will be reset weekly based on SIFMA index.

2015 JP Morgan Chase Loan:

Ms. DeHart presented page 6, which outlined the status of the JPM Chase loan. The $60 million loan was borrowed at 2.088% fixed rate interest with a final maturity of July 1, 2022. As of the end of October 2018, H+H expended approximately $59.3 million of the proceeds, and the outstanding loan amount is $45.5 million.

2017 Citibank Loan:

Ms. DeHart presented page 7, which outlined the status of the Citibank loan, of which $30 million was borrowed as a fixed rate loan at the interest rate of 2.17% with final maturity of November 1, 2022; and the remaining $30 million was borrowed on October 30, 2018 as variable rate loan with final maturity of October 30, 2023.

As of the end of October 2018, H+H expended approximately $43.2 million of the proceeds, and the outstanding loan amount is $60.0 million.

New York Power Authority (NYPA) Financing for Energy Efficiency Program:

Ms. Lok presented page 8 and explained to the Board that in 2013 the H+H Finance Committee and the H+H Board of Directors had approved NYPA to provide interim financing as well as long-term financing for the construction of two comprehensive energy efficiency projects at Elmhurst Hospital and Metropolitan Hospital primarily to replace outdated boilers and make other related upgrades.

Ms. Lok further explained that NYPA typically only provides variable rate financing to their clients using their Commercial Paper program. In 2013,

H+H asked NYPA if they will consider providing fixed rate financing to H+H when the projects complete in a few years; and NYPA indicated that they will explore the fixed rate financing option. At that time, NYPA also indicated that either financing option would be for a term of up to 20 years.

As the projects were largely completed and placed into service in 2018, NYPA proposed the tax-exempt municipal lease structure to H+H as a fixed rate financing option. The structure was reviewed and determined that it was not viable. First, NYPA was not successful in closing any transaction under the proposed tax-exempt municipal lease structure, and second, the third-party financing provider (the banks) under the structure would only provide financing up to 10 years, while the useful life of H+H's boiler projects was much longer at 20+ years.

As a result, NYPA eventually agreed to provide H+H with 20-year variable rate loans for both projects; $22.8 million for Metropolitan Hospital and $21.5 million for Elmhurst Hospital, with 1.43% as the initial interest rate for 2018, and combined monthly debt service of approximately $212,500 began in September 2018. The interest rate will be reset annually in January or February by NYPA based on their prior 12 months' financing costs.

Bond Counsel Selection:

Ms. Lok informed the Board that H+H issued a RFP for bond counsel services in May 2018, and received two proposals from Harris Beach PLLC and Hawkins Delafield & Wood LLC. Both firms were interviewed by the Selection Committee comprised of members from NYC Management and Budget, NYC Comptroller Office, H+H Corporate Legal Affairs, H+H Corporate Finance and H+H Coney Island Hospital Senior Management.

Hawkins Delafield & Wood LLC was selected and approved by the H+H Board of Directors in the October 2018 meeting.

Adjournment:

There being no further business before the Board, Mr. Katz adjourned the meeting at 2:25 p.m.

Mr. Rosen welcomed everyone to the last MetroPlus Board of Director's meeting for 2018, December 4. 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. Mr. Rosen wished everyone a happy and healthy holiday season.

EXECUTIVE DIRECTOR'S REPORT

Mr. Rosen asked Dr. Saperstein, MetroPlus' Chief Executive Officer, to present his report.

Dr. Saperstein informed the Board that the total Plan enrollment as of November 1, 2018 was 513,380 and that total enrollment has been very stable from month to month.

For organizational updates, Dr. Saperstein informed the Board that the Plan earned an overall rating of 5 stars in the 2018 Medicaid Consumer Guide. The Plan is tied with HealthFirst based on quality and member satisfaction. Dr. Saperstein noted that in most categories the Plan performed better than Healthfirst and informed the Board that the Plan lost points in patient satisfaction with access to service.

Dr. Saperstein reported that the State Department of Health (SDOH) will be releasing revisions to the current Medicaid Managed Care (MMC)/HIV SNP/Health and Recovery Plan (HARP) model contracts. SDOH advised that these amendments are necessary to comply with federal requirements and that once finalized a new five-year contract for the period March 1, 2019 to February 29, 2024 will be submitted to CMS. These changes primarily impact Program Integrity requirements (Compliance, Fraud Waste and Abuse, records, & encounter data) but also affect incentive programs, member enrollment/disenrollment obligations, member notifications (website and notices), appeals/grievances (both member and provider), pharmacy, provider network/contracting, and quality of care controls.

In addition, MetroPlus has submitted a proposal to the State on the Telehealth Innovation Plan (TIP) and 2018 Quality Incentive (QI) initiatives. Plans whose proposals are approved will earn five bonus points for their QI award. In addition, MetroPlus submitted proposals for an additional single QI bonus point if the TIP demonstrates enhanced access to services and improves outcomes for women with high risk pregnancies and/or children in their first 1000 days of life.

Dr. Saperstein stated that New York State recently released CRG 2.10. The new model now utilizes Pharmacy Data and has an HIV isolation component on which MetroPlus faced an adverse impact. Based on SDOH projections, the Plan is anticipating a 1.9% reduction to the base Medicaid revenue. MetroPlus has contracted with Inovalon to conduct Medicaid chart review to assure accurate acuity across its population for the upcoming calendar year.

In terms of growth, MetroPlus has seen a 6% increase in the number of new enrollment gross application submissions in the month of September 2018 versus the same month one year prior in 2017. In addition, the Plan has had an increase of 2,356 gross applications and 3,067 gross members submitted by the Marketing Department in the month of October 2018 compared to September 2018. This will have a positive impact on the October 2018 – November 2018 Net Enrollment membership report. The Essential Plan (EP) and Qualified Health Plan (QHP) lines of business have seen the greatest increase in membership from 2017 to 2018. QHP increased by 6,628 members (87%) and EP increased by 5,530 members (7.9%).

MetroPlus' HARP line of business continues to grow year over year and has seen a 53% increase from October 2016 to October 2018. It should be noted that a contributing factor to the decline in the Medicaid Managed Care LOB is partly due to members transitioning to the HARP LOB.

Effective December 31, 2018, MetroPlus will no longer participate in the Fully Integrated Duals Advantage (FIDA) Program. The Plan currently has 206 FIDA members, most of whom will be passively enrolled into another health plan's FIDA program.

Dr. Saperstein stated that retention efforts for Medicaid/EP/CHP continue at 83% average for 2018 compared to 81% during 2017. The recent increase in the overall disenrollment percentage in the month of August 2018 is largely in part due to a State Reconciliation in the Essential Plan. The October 2018 Grace Period Premium Payment Outreach for the QHP, EP, and CHP lines of business has helped to decrease the overall number of dis-enrollments.

The Plan has implemented several key strategies to reduce the number of dis-enrollments with the goal of increasing the overall retention rate including: system modification to eliminate potential data entry errors at point of sale; two workgroups to address gaps in the 834 Transaction Application Enrollment Process; and dedicated units to focus on Premium Collection and Document Collection Outreach.

The Plan has also seen an improvement in the QHP Retention Rate from 2017 to October of 2018. The QHP Disenrollment Rate improved from 12.93% to 5.43% for a net decrease of 7.5%. CHP & EP lines of business both saw a

1.33% and 1.08% net percent disenrollment decline while MMC remained flat.

Last month, the Department of Homeland Security published a draft rule known as the “public charge” rule. It permits the denial of green card applications to immigrant individuals who may have received government benefits such as cash assistance and healthcare. While it has not been finalized, it will likely have a chilling effect on immigrant communities who need medical treatment. MetroPlus is deeply committed to delivering comprehensive care to all members regardless of their backgrounds and will continue to do so.

Affinity Health Plan will no longer provide QHP in the marketplace for 2019, which the Plan believes will be a key opportunity for MetroPlus to increase its membership in this line of business as former Affinity customers seek alternative coverage.

MEDICAL DIRECTOR’S REPORT

Mr. Rosen asked Dr. Schwartz, MetroPlus’ Chief Medical Officer, to present her report.

MetroPlus is working on several projects to house its members. Dr. Schwartz gave a status of each of the projects.

Comunilife Woodhull Project is housing for homeless single adults, 18 years of age and older, who can live independently with support services. 59 units are available. 73 eligible members have been submitted to Comunilife (CBO) with 53 accepted. The members are awaiting the building’s receipt of their temporary certificate of occupancy, occupant tours of the facility, and placement notification. Projected move in date is late December 2018-January 2019.

Comunilife West Farms Project is for homeless single adults living with HIV. 80 units are available with 8 members identified for this opportunity and 2 in the process of placement. Historically and currently there are many opportunities for people living with HIV and AIDS to access permanent housing, thereby reducing demand.

Comunilife 80/20 Housing Project is 9 scattered, supportive housing units with double occupancy for single individuals, are available in the Bronx for individuals currently receiving inpatient psychiatric services. This housing would be an appropriate discharge plan for many NYC Health + Hospitals members. However, facilities must identify eligible members early in their hospitalization and retain members until the application process is complete. To date, only one member has been identified and placed in this housing. Capitalizing on this housing requires optimal discharge planning. Many facilities are not willing to retain members until

placement, thereby driving up their length of stay.

Section 8 Housing is 80 housing vouchers that are available for homeless individuals or families with one member experiencing a disability. Since initiating the Plan’s efforts on November 19th, 2018, it has identified 318 members eligible for this highly desirable and rarely available opportunity in New York City. There are many options for applying these vouchers that significantly subsidize rent for members who meet the income requirements of the program. Currently, the Plan has engaged 14 people in the process for submission after outreaching 31 of the 318 members. Efforts are continuing with increased staff resources applied to this project, as demand is high, and these vouchers are being distributed on a first come first serve basis.

Jewish Home Supportive Housing Project is the Jewish Home’s first effort into supportive housing and 51 units are currently available in the Bronx. The Plan has identified 168 members eligible for this housing. This project was launched on November 28, 2018, and MetroPlus has yet to outreach eligible members. Efforts for outreach will begin in December to ensure Plan members benefit from this available permanent housing.

Dr. Schwartz reported that, as of December 1st, the Utilization Management operations of durable medical equipment (DME) was assumed by Integra Partners. Integra will be making all determinations on UM criteria and communication of the decisions as well as reporting, and fraud waste and abuse. MetroPlus will maintain the provider network and will pay claims in accordance with UM determinations.

Dr. Schwartz stated that, as of December 1st, transportation services for the Managed Long Term Care and FIDA members were assumed by National MedTrans. The vendor will be responsible for coordinating transportation services using their fleet of cars and Lyft as back up service, when appropriate. Similarly, to Integra, MetroPlus will be paying the transportation claims.

As of November 15th, MetroPlus terminated its contract with EviCore for UM services for high-tech radiology. A subset of those services currently require authorization and are being processed by the MetroPlus UM department.

The written appeal submitted by Beacon Health Partners regarding the procurement process of MetroPlus in its Negotiated Acquisition to select a new vendor for behavioral health services was reviewed by NYC Health+ Hospitals Procurement Review Board (PRB). PRB determined that MetroPlus fairly and properly conducted its negotiated acquisition procurement process and properly awarded the contract for the Services to Community Care Behavioral Health Organization.

Dr. Schwartz stated that, at the time being, the Plan continues to experience significant operational issues with Beacon. Beacon continues to have claims payment issues brought on by their own failures to load roster updates and improper claims denials caused by multiple configuration problems. Beacon continues to struggle with timely and thorough responses to State complaints. Quantities of claims reported to the State via All Payer Database (APD) submissions for calendar year 2017 are greatly lagging when compared to quantities from the same timeframe in 2016 and may affect MetroPlus’ rate setting and CRG scores. Additionally, there are over 30 joint operational projects ongoing at any given time, mostly attributed to Beacon’s poor operational performance.

Dr. Schwartz announced that, on December 11th, MetroPlus Partnership in Care Department will host its first CME Live Symposium to educate providers on contemporary issues in HIV management. The event was held at the Metropolitan Hospital Center and is part of the department’s effort to engage and promote collaboration with providers who care for HIV patients.

MetroPlus elected to bring Prior Authorization review for Specialty medications in 2019 in-house instead of delegating this function to CVS

Health.

Opioid initiative, through prior authorization rules, continues to yield dramatic results with approximately 5,000 less members utilizing opioids and a decrease of approximately 300,000 in day supply of opioids (first three quarters of 2017 compared to first three quarters of 2018). This initiative is also decreased opioid spend by 47%.

ACTION ITEMS

The first resolution was introduced by Mr. Dan Still, MetroPlus Board Member.

Adopting the Annual Operating Budget and Expense Authority of the MetroPlus Health Plan, Inc. (the "Plan"), for Fiscal Year 2019.

Dr. Saperstein stated that this resolution was fully discussed at the Finance Committee in November and asked Mr. John Cuda to discuss the budget and answer any questions the Board members may have.

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

The second resolution was introduced by Dr. Schwartz.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to increase the Inovalon contract amount by $2,300,000 to include the retrospective Medicaid coding validation/risk adjustment program, for a total contract amount not to exceed $2,950,000 per year.

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

INFORMATION ITEM

Mr. Robert Micillo, MetroPlus' Chief Information Security Officer, gave a brief presentation informing the Board on the security initiatives that the Plan is implementing to ensure MetroPlus information is protected.

There being no further business Mr. Rosen adjourned the meeting at 2:08 P.M.

Mitchell Katz, MD
NYC HEALTH + HOSPITALS PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
DECEMBER 20, 2018

CITY, STATE AND FEDERAL UPDATE

City Update

NYC Health + Hospitals and the NYC Department of Health jointly submitted a letter on December 6 to NYC Council Member Mark Levine, Chair of the Committee on Health, in support of the *New York State Health Act,* which would establish a single-payer health system in New York State. Expanding access to health insurance coverage and implementing a single payer system would support Health + Hospitals' mission to provide high quality health care services to all New Yorkers regardless of their ability to pay. We also participated in City Council hearings where we highlighted the NYC Health + Hospitals World Trade Center Environmental Health Program for survivors with physical and mental health conditions related to the 9/11 terrorist attacks; as well as our services for patients impacted by female genital mutilation/cutting.

State Update

The State Department of Health has yet to release the report of its findings of the Temporary Workgroup on indigent care funding which was due on December 1. However, NYC Health + Hospitals and the Community Coalition continue to advocate for our proposal which would direct indigent care funding to NYC Health + Hospitals and other safety net hospitals and at-risk hospitals across the state. This will be one of our priorities in the upcoming State legislative session which begins on January 9, 2019. As the new session begins, we look forward to continuing our working relationships with both Senator Gustavo Rivera and Assembly Member Richard Gottfried who will be the Chairs of the Health Committee in their respective houses.

Federal Update

- I was very proud to join members of our staff, immigration advocates, elected officials, and labor partners earlier this month to call on all New Yorkers to speak out and reject the proposed changes to the federal "public charge" rule and remind New Yorkers to seek care without fear. If adopted, these changes could prove to be a far-reaching and highly damaging immigration policy shift, penalizing immigrants for utilizing certain public benefits for which they are eligible—essentially forcing them to choose between proper medical treatment and pursuing a green

card or visa renewal. NYC Health + Hospitals serves more than one million New Yorkers annually—40 percent of whom are born outside the United States – and we are likely to bear a disproportionate burden if the changes to public charge were to take effect. The proposed rule would pose significant risks, partially due to fear, and could harm 350,000 of our patients. Our analysis suggests that as many as 62,000 patients could abandon Medicaid and other insurance, more than one million patient visits could be skipped, and much-needed prescriptions to prevent or treat contagious diseases like the flu and tuberculosis could go unfilled. Just as disturbing, are the predicted declining health outcomes that could result including increased complications in pregnancy, more premature births, and maternal deaths. In addition to fueling the current environment of fear among immigrants and the potentially negative health impact to patients, our estimates show that our public health system could absorb a financial loss of up to $362 million in the first year.

During the rally, we heard stories from our front-line insurance enrollment counselors and WIC benefits managers about patients who are already declining to enroll in Medicaid, dropping out of our MetroPlus health plan, and refusing essential WIC program benefits– even though that program which offers nutrition assistance to women and children is not part of the targeted public benefits under the public charge rules. We believe the current impact pales in comparison to the much larger anticipated effects if the rule is to be implemented. We submitted our formal comments along with the City Of New York and its many service agencies, and more than 200,000 others from around the country who sent in their comments against this proposal. We also sent a letter to the New York Congressional Delegation urging their continue advocacy against this proposal and distributed educational materials about the public charge in 14 languages. We expect to hear from the federal government sometime in March.

Thanks to Henry Garrido, Executive Director of DC37, for agreeing to author a joint Op-ed with me that was published in the Daily News to bring attention to this issue and underscore how it simply runs counter to the great progress we have made at NYC Health + Hospitals.

- On December 14 a federal judge issued a ruling in the Texas v Azar case, the latest legal challenge to the Affordable Care Act. The ruling, though not unanticipated, was sweeping in its breadth. It found the law’s individual mandate to be unconstitutional and inseverable for the remainder of the statute, rendering the entire law invalid. The Trump Administration quickly stated that the ruling had no effect on the current ACA open enrollment period or on the myriad other ongoing programs and policies originally included in the ACA. The ruling is

certain to be appealed to the 5th circuit court of appeals and will prompt fierce advocacy from Democrats in Congress and stakeholders across the nation. Liberal and conservative legal scholars have questioned the soundness of the ruling and expect it to be overturned on appeal. However, given recent changes to the composition of the US Supreme Court, the case will warrant close attention and strong public opposition. This is simply a cruel and misguided ruling. Dismantling health benefits to millions will result in deaths and suffering. And I hope the appeals court will make a better decision. On a positive note – this week we also learned that New York's open enrollment figures continue to defy national trends and exceed the state's performance last year. More than 1 million people have enrolled for the first time or renewed coverage through December 14 on the NY State of Health marketplace set up under the Affordable Care Act. Unlike the federal exchange, which closed December 15, New York residents have until January 31 to choose a plan.

ONECITY HEALTH UPDATE

- On November 29, 2018, the New York Academy of Medicine hosted the public comment day for New York's 1115 waiver program. OneCity Health PPS partners submitted written comments about the value of the partner network, the services provided by OneCity Health, and the investments they have made through the funding earned from the DSRIP program.
- OneCity Health was highlighted as the top PPS in the State for improving performance on avoidable admission of pediatric patients with asthma.
- OneCity Health was selected to present at the New York State Department of Health DSRIP Learning Symposium next February 2019 to share some best practices in a number of areas of success:
  - Demonstrating impact: Improving Follow-up after Psychiatric Hospitalization and Implementation of Opioid Addiction Intervention Services in 11 Public Emergency Departments, in partnership with the NYS Health + Hospitals Office of Behavioral Health
  - Building effective partnerships: Addressing Barriers to Learning: How Schools and Community Partners are Supporting NYC Youth
  - Spreading and scaling best practices: Scaling New Care Models: Standardizing and Implementing ExpressCare across a Large Health System
  - Sustaining Impact post-DSRIP: Creating Sustainability in CBOs in a Value-Based Payment Environment

ORGANIZATIONAL NEWS

Mayor Appoints New NYC Health + Hospitals Board Members

Mayor Bill de Blasio last week announced the appointment of five members to the NYC Health + Hospitals Board of Directors who will begin their service effective January 1, 2019. The new members are: José A. Pagán, Sally B. Hernandez-Pinero, Anita Kawatra, Feniosky Peña-Mora, and Freda J. Wang The new board members bring expertise from both the private and public sectors, including health policy and delivery, community development, engineering, health communications, and municipal finance and infrastructure. We look forward to the addition of the newly appointed board members, who will bring their own fresh perspectives and enthusiasm to the oversight of our essential public health system.

On behalf of the entire NYC Health + Hospitals family, I want to share our deep gratitude to the board members who will be completing their service to the board at the end of this month. Emily Youssouf, Mark Page and Bernie Rosen have each given so generously of their time and expertise over many years in support of our health system's mission. I also want to thank Gordon Campbell for so ably serving as Action Board Chair and for continuing on as board member. We've been fortunate to have this dedicated group of New Yorkers serving in this important volunteer leadership role.

Nurse Residency Program Will Help Retain Great Nurses

Mayor Bill de Blasio this moth announced the launch of the nation's first City-led nurse residency program in 24 participating local hospitals – including all of our 11 acute care facilities at NYC Health + Hospitals. During the first year of the program, called the Citywide Nurse Residency program, 500 newly-hired nurses will be provided with specialized training and mentorship to promote job retention. Estimates show that losing one nurse can cost up to $100,000 and retention of newly-graduated nurses is a challenge. While residencies are a recognized best practice for retaining nurses, New York City's public and safety net hospitals have not had the capacity and resources to launch these programs. We are excited to offer our nurses this opportunity to thrive in our hospitals and help us deliver quality health care to so many New Yorkers.

NYC Health + Hospitals Develops New Guidelines to Improve Quality of End of Life Care

New guidelines developed by NYC Health + Hospitals clinicians are helping providers to make difficult, life-sustaining treatment decisions for patients who have no next of kin, no advance care directives and lack the ability to make informed medical decisions. This is a real challenge that poses moral and ethical dilemmas and undue stress for clinical care teams in nursing homes and long-term care facilities all across the country. But our skilled providers and ethics experts have developed a new decision tool – an "Algorithm for the Unbefriended" -- that was applied to care for residents at NYC Health + Hospitals/Coler and has already proven successful in improving end of life care for these patients. The tool guides an

ethical, compassionate and careful framework for all providers, one that minimizes ambiguity and the potential for arbitrary decisions for this most vulnerable population of New Yorkers.

Most significant among the outcomes was that unnecessary or unwanted treatments were largely avoided for many of these residents who were elderly, frail, debilitated and in advance stages of dementia. The tool helped the team endorsed a reduction in patient transfers for acute care, thereby sparing them from medically inappropriate, burdensome treatments that would have been of little benefit. The ethics-focused group also determined that enhanced oral feedings were the more compassionate alternative to the traditional tube feeding that is often followed in these cases. The patient care outcomes lauded and reported in the fall 2018 issue of the New York State Bar Association Health Law Journal.

NYC Health + Hospitals/Elmhurst Recognized as Leader in Helping Patients Manage High Blood Pressure

The American Heart Association and American Medical Association named NYC Health + Hospitals/Elmhurst a leader in the national effort to get people's blood pressure under control and reduce the number of Americans who have heart attacks and strokes each year. The hospital received the organization's "Target: BP™" recognition award presented to physician practices around the country that share a common goal to reduce the number of adult patients with uncontrolled blood pressure and improve health outcomes associated with heart disease. I know the clinical teams have worked closely with our patients to help them make lifestyle adjustments that include a focus on exercise and healthy eating. Their efforts are having a real impact and empowering patients to make choices that will lead to good outcomes.

New Robotic Technology to Enhance Surgical Care at NYC Health + Hospitals/Kings County

NYC Health + Hospitals/Kings County has enhanced its surgical capabilities with the acquisition of the highly advanced da Vinci Robotic Surgical System, which they showcased to the community at the hospital's inaugural Robot Day. The "robot" is operated by a trained surgeon who is in control at all times. It has four interactive arms, a high-definition 3D vision system, and an ergonomically designed console that allows surgeons to perform minimally invasive and complex surgical procedures with precision and dexterity. In addition to being less invasive than traditional surgery, robotic surgery allows surgeons to see patients' tissue and organs magnified up to 10 times. Patients are expected to experience minimal incision scarring, shorter hospital stays, reduced pain and discomfort, less need for medication to manage pain, and faster recovery times. The robotic system will be used to perform a variety of minimally invasive surgeries for complex diseases and conditions in gynecology, urology, and thoracic, general, and colorectal surgery.

NYC Health + Hospitals/Bellevue Announces January Launch of Plant-Based Diet Program

NYC Health + Hospitals/Bellevue announced today that its pilot program to help patients transition to a plant-based diet and healthy lifestyle will launch on January 16, 2019. The program has already attracted 260 participants, more than double what was expected, with more enrollees every day. The Plant-Based Lifestyle Medicine Program includes a whole-foods, plant-based diet to improve, and in some cases reverse, chronic conditions such as heart disease, diabetes, obesity, high cholesterol, and high blood pressure. The program is designed to serve as an intensive resource for adult patients with chronic disease who wish to reduce their cardio metabolic risk through healthful lifestyle changes, including following a diet that emphasizes legumes, whole grains, fruits, vegetables, nuts, and seeds, and reduces animal products, fried foods, refined grains, and added sugars. The program has hired new staff, including a health coach and a dietitian. The pilot program is a result of Brooklyn Borough President Eric L. Adams' advocacy around plant-based nutrition.

MetroPlus Receives Top 5-Star Rating

If you ride the subways, you may have seen new MetroPlus Health Plan advertising that says MetroPlus members are seeing stars. That's because MetroPlus this month was ranked New York City's highest-rated health plan for exceptional clinical services, high consumer satisfaction, commitment to community and the great rewards available to MetroPlus members. Our health plan earned an overall rating of 5 stars, the highest possible score in the New York State Department of Health 2018 Consumer's Guide to Medicaid and Child Health Plus Managed Care Plans in New York City. The health plan's overall rating included 5 stars in the clinical areas of Cardiovascular Care, Diabetes Care, Child and Adolescent Care, Women's Preventive Care, and Adult Care. This top ranking really reflects well on our entire public health system. It not only recognizes our health plan for superior member services but also for its excellent provider network which includes all of the NYC Health + Hospitals acute care hospitals, our ambulatory care services and community based health centers, and our skilled nursing facilities. Congratulations to the MetroPlus team and to the committed clinicians in our health system.

MetroPlus Health Plan Celebrates Efforts to Reduce Isolation Among Seniors

MetroPlus' new 5-star rating was partly earned thanks to the health plans model community outreach efforts and commitment to overall wellness among its members. One example of these efforts was demonstrated earlier this month at a holiday reunion of members who participated in the health plan's

Camp MetroPlus, a five-week program launched last summer to reduce isolation among seniors through a series of special events to promote health, wellness, and social activities. MetroPlus Medicare members and staff were joined by representatives from the New York City Police and Fire Departments and Brooklyn Borough President Eric L. Adams who shared lessons from his own experiences in embracing a healthier lifestyle.

MetroPlus Health Plan Opens New Community Office in the Bronx

MetroPlus staff was joined by local Bronx leaders and community residents this week to celebrate the grand opening of its new flagship community office in the Longwood section of the Bronx with toy distribution, healthy treats, and free dental screenings for children. The MetroPlus Community Office is located at 953 Southern Boulevard, at East 163rd Street in the Bronx. MetroPlus has significantly expanded its presence in local communities this year. The health plan has opened two new offices in Manhattan and one in Staten Island, in addition to the multiple locations already in Brooklyn, Queens, and the Bronx. MetroPlus can also be found at kiosks or offices within all NYC Health + Hospitals facilities, as well as at community partner locations.

# # #

HHC ACO INC.
ANNUAL MEMBERSHIP MEETING
January 24, 2019
At 3:00 p.m.
125 Worth Street, 5th Floor Board Room
New York City

AGENDA

CALL TO ORDER

OLD BUSINESS

1. Approve and adopt minutes of the HHC ACO Inc. ("ACO") Membership meeting held on December 21, 2017 (Exhibit A)

NEW BUSINESS

2. REPORT by ACO Chief Executive Officer Dave Chokshi, M.D. and Chief Medical Officer Lana Vardanian, M.D. on the ACO's activities (Exhibit B)

3. RESOLUTION Authorizing the election of individuals, effective immediately, to serve as a Director of HHC ACO Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement

ADJOURNMENT

HHC ACO INC.
MINUTES OF THE
MEMBERSHIP MEETING
December 21, 2017
125 Worth Street, Room 532
New York City

ATTENDEES

MEMBERS

Gordon Campbell, Acting Chair
Stanley Brezenoff, Interim President
Josephine Bolus, RN, MS, NCP, APRN-BC
Jo Ivey Boufford, M.D.
Vincent Calamia, M.D.
Helen Arteaga Landaverde, M.P.H.
Robert F. Nolan
Mark N. Page
Bernard Rosen
Emily A. Youssouf

CALL TO ORDER

The 2017 Annual Membership Meeting of HHC ACO Inc. (the "ACO") was called to order by Gordon Campbell, Acting Chair of the New York City Health + Hospitals Board of Directors, at 2:30 PM.

NEW BUSINESS

The first item on the agenda was a report on the ACO's recent activities by Dr. Lana Vardanian, Chief Medical Officer. HHC ACO Inc., a wholly owned subsidiary and non-profit organization of New York City Health + Hospitals, earned shared savings as a Track 1 Medicare Shared Savings Program participant for performance year 2016.

HHC ACO Inc. was established in 2013. Since its inception, it has contracted twice with the Centers for Medicare and Medicaid Services (CMS) to participate in the Track 1 Medicare Shared Savings Program. Currently, HHC ACO Inc. is

completing the second agreement period, calendar years 2016-2018. In the past two calendar years, we added external affiliates to our ACO network to expand our reach geographically. Currently, Community Healthcare Network and Brightpoint Health participate in our ACO. Starting January 2018, University Physicians of Brooklyn will also be added to our network.

We intentionally started an ACO focusing on the Medicare FFS population to learn how to best deliver value based payment in a resource-stripped environment. As such, we became a learning laboratory at Health and Hospitals where we have been able to successfully test strategies to succeed in a value-based payment model. We work collaboratively with our colleagues in the Office of Population Health and our ACO Clinical Leadership at facilities to ensure our methods of data delivery are tested and improved.

Our efforts are reflected in our success, both financially and in our quality scores. As Mr. Campbell mentioned, HHC ACO Inc. is the only MSSP program in New York State to earn shared savings for four consecutive years, and only 18% of ACOs nationwide achieved this goal. For calendar year 2016, HHC ACO Inc. earned a total of $3.6 million out of which $1.5 million is shared with us. In addition to reducing unnecessary utilization, we achieved a 90.15% quality score. This is no small feat, as earning shared savings in 2016 was further complicated by the fact that, in this program, our success in previous years makes our benchmark lower in the following years. In calendar year 2015, the benchmark was $9,300 per patient per year. In calendar year 2016, that benchmark was adjusted by CMS to $8,700 per patient per year.

Ms. Youssouf pointed out there was also a decrease in beneficiaries in 2016. Dr. Vardanian acquiesced stating that that was another reason why success in 2016 is truly remarkable. Dr. Vardanian explained that in 2016, HHC ACO Inc. saw a decrease of approximately 2,000 beneficiaries. A small percentage of the attrition is explained by Medicare FFS beneficiaries joining a Medicare Advantage Plan. A large portion of that attrition, however, is explained by beneficiaries seeking care out of network. These beneficiaries sought primary care in the same place where they received specialty care.

Ms. Youssouf inquired whether this is a trend that will continue. Dr. Vardanian noted that the team will be working closely with facilities to analyze and monitor beneficiary engagement on a quarterly basis to assess where the gaps of care are and how to address them.

Mr. Campbell then noted that as more partners are added, the number of beneficiaries assigned to the ACO will increase. He then asked whether the ACO analyzes whether new partners will contribute to the margin positively or not. Dr. Vardanian stated that the ACO team does analyze performance prior to engaging a new partner. To be proactive, the ACO supplies these new partners with actionable data so they can improve their performance throughout the year.

Mr. Brezenoff added that, in terms of specialist availability, this is an issue that manifests itself in several ways throughout Health and Hospitals. He noted that Dr. Katz is aware of this issue as well.

Seeing as there were no further questions on performance, Dr. Vardanian updated the Board on next steps for HHC ACO Inc. The ACO team, with the authorization of the Board, submitted an application to the State for an ACO Certificate of Authority on October 5th. This application, if accepted, will allow HHC ACO Inc. to be an All-Payer ACO. By becoming an All-Payer ACO, HHC ACO Inc. would be able to enter into value-based payment agreements with any payer, expand its network, and increase the number of lives attributed to the ACO. The State of New York has already executed its first read of our application for which there was only one question, which we answered. The State will notify our ACO when they've made a final decision.

Dr. Jo Ivey Boufford inquired about the implications of scaling current operations and whether there was a sense of scale if new agreements were made for other payers. Dr. Vardanian replied that the scaling of operations would be gradual and incremental. The current team located centrally is lean and we would have to scale that gradually as well. Mr. Robert Houston added that having a Certificate of Authority with the State does not, in any way, automatically force us to engage in new agreements. Instead, it gives us the authority to engage in new agreements as we see fit in the next few years and after planning how best to grow and develop the ACO.

Mr. Campbell then asked the members if there were any other questions. No questions were asked. He then continued to the final agenda item, to approve the resolution as presented in the materials the Board Members received prior to the meeting. The resolution is as follows:

> **Authorizing that each of the following persons be elected to serve as a Director of HHC ACO Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation,**

removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

Mitchell A. Katz, M.D. (as successor to Stanley Brezenoff, effective January 8, 2018)

Dave A. Chokshi, M.D. (as successor to Ross M. Wilson, M.D.)

Plachikkat V. Anantharam

William T. Foley

Israel Rocha, Jr.

Jeromane Berger-Gaskin, a Medicare beneficiary Director

A Director who shall be the Chief Executive Officer of Physician Affiliate Group of New York, P.C. ("PAGNY")

A Director to be named by NYC Health + Hospitals to represent physicians employed by New York University School of Medicine and providing services in NYC Health + Hospitals facilities, as specified in a writing by NYC Health + Hospitals that is delivered to the Chairman of the ACO

A Director to be named by the Icahn School of Medicine at Mount Sinai, doing business as Mt Sinai Elmhurst Faculty Practice (the "Elmhurst FPP"), as specified in a writing by the Elmhurst FPP that is delivered to the Chairman of the ACO

A Director to be named pursuant to a designation by a majority in number of the Presidents of Coney Island Medical Practice Plan, P.C., Downtown Bronx Medical Associates, P.C., Harlem Medical Associates, P.C., and Metropolitan Medical Practice Plan, P.C. (the "PAGNY FPPs"), as specified in a writing signed by such majority that is delivered to the Chairman of the ACO

A Director to be named pursuant to a designation by a majority in number of the members of the ACO Advisory Committee, as specified in a writing signed by such majority that is delivered to the Chairman of the ACO

This resolution was duly seconded. Mr. Campbell congratulated the new ACO Board Members, including Dr. Mitchell Katz who was currently present in the meeting.

ADJOURNMENT

There being no further business, Mr. Campbell adjourned the meeting at 3 p.m. *sine die.*

RESOLUTION OF NEW YORK CITY
HEALTH AND HOSPITALS CORPORATION ("CORPORATION")

Authorizing that each of the following persons be elected, effective immediately, to serve as a Director of HHC ACO Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

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Dave Chokshi, M.D.;

John Ulberg, Jr., M.P.H.;

Andrea Cohen, Esq.;

Israel Rocha, Jr., M.P.A.;

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A Director to be named pursuant to a designation by a majority in number of the members of the ACO Advisory Committee, as specified in a writing signed by such majority that is delivered to the Chairman of the ACO.

WHEREAS, the ACO was established as a subsidiary to NYC Health + Hospitals, and the ACO's By-laws designate NYC Health + Hospitals as the sole Member of the ACO; and

WHEREAS, the ACO's By-laws state that Directors of the ACO shall be elected annually by the Member.

NOW, THEREFORE, BE IT

RESOLVED, that the Member hereby authorizes that each of the following persons be elected, effective immediately except as noted below, to serve as a Director of the ACO Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

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Dave Chokshi, M.D.;

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A Director to be named pursuant to a designation by a majority in number of the members of the ACO Advisory Committee, as specified in a writing signed by such majority that is delivered to the Chairman of the ACO.

1/24/2019
New York, New York

NYC HEALTH+ HOSPITALS | ACO

NYC Health + Hospitals Accountable Care Organization

Annual Member Meeting

January 24, 2019

Dave Chokshi, M.D., Chief Executive Director

Lana Vardanian, M.D., Chief Medical Officer

NYC HEALTH+ HOSPITALS | ACO

Organizational Structure CY2018

HHC ACO Inc.
Wholly-owned subsidiary of H+H, est. 2012. Operating under its own TIN

20 ACO Clinician Leads
- Embedded in each PCMH or Network Partner site

- NYC H+H
  - Bronx
    - Jacobi
    - NCB
    - Lincoln
    - Belvis
    - Morrisania
  - Manhattan
    - Bellevue
    - Harlem
    - Metropolitan
    - Gouverneur
    - Renaissance
  - Queens
    - Elmhurst
    - Queens
  - Brooklyn
    - Kings
    - Coney Island
    - Woodhull
    - Cumberland
    - East NY
- Network
  - Community Healthcare Network
    - 14 FQHCs
  - Brightpoint Health
    - 10 FQHCs
  - SUNY University Physicians of Brooklyn

Blue: Hospital-based clinics

Purple: Community-based clinics

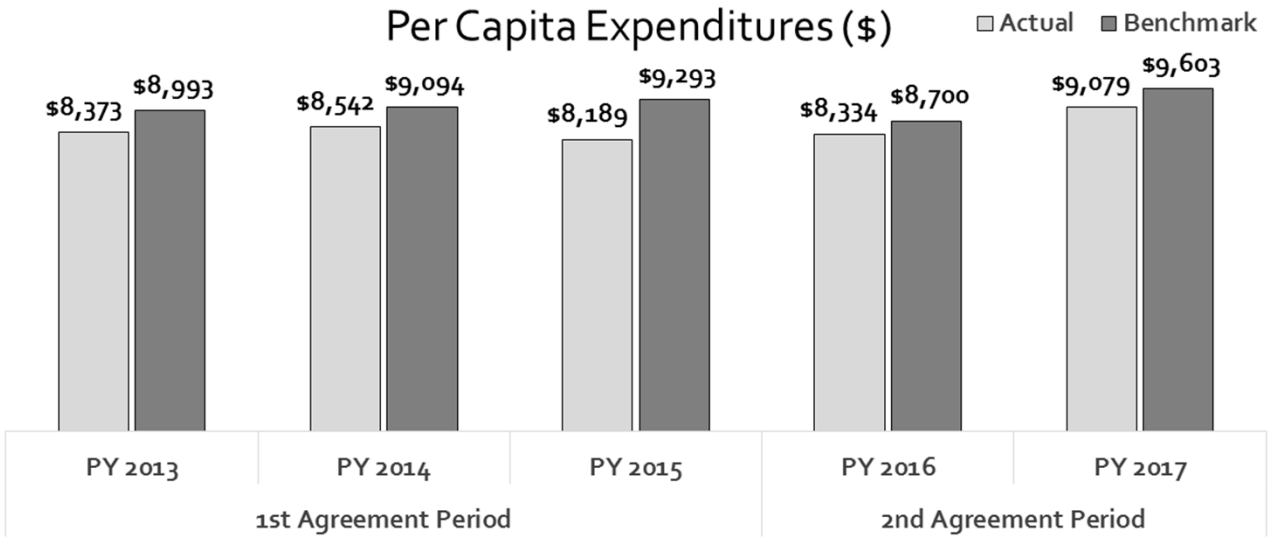
NYC HEALTH+ HOSPITALS | ACO

Approach

NYC HEALTH+ HOSPITALS | ACO

Results

- HHC ACO Inc. is the only Medicare Shared Savings Program (MSSP) ACO in NY State to achieve shared savings for five consecutive years — and one of only 21 MSSP ACO's across the nation to do so.
- HHC ACO saved Medicare a total of ~$36.5M in 5 years, earning ~$16.1M of those savings.
- In PY 2017 we generated ~$5.3M in total savings, earning ~$2.2M in shared savings.



NYC HEALTH+ HOSPITALS | ACO

PY 2017 Quality Performance Snapshot

Domain Domain Score	Selected Performance Measures	HHC ACO 2017	All ACOs 2017 Average
Patient/ Caregiver Experience **72.38**	Getting Timely Care, Appointments, and Info	67.05	80.60
	Health Promotion and Education	68.83	62.30
Care Coordination/ Patient Safety **65.23**	All Cause Unplanned Admissions for CHF	102.82	79.16
	Fall Screening	77.20	74.38
Preventative Health **100**	BMI Screening and Follow Up	73.17	70.69
	Depression Screening and Follow Up	91.45	61.98
At Risk Population **100**	Hypertension Control	69.64	71.47
	Diabetes Composite	53.23	44.55

NYC HEALTH+ HOSPITALS | ACO

ACO Dashboard

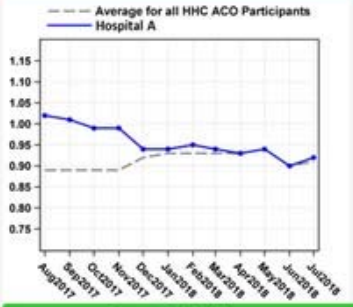
1 Snapshot of ACO Performance

Assignment Year: Claims from August 2017 to July 2018

Attributed Patients	ED Visits per 100 Patient	Admissions per 100 Patient	Expenditure Per Patient Per Year

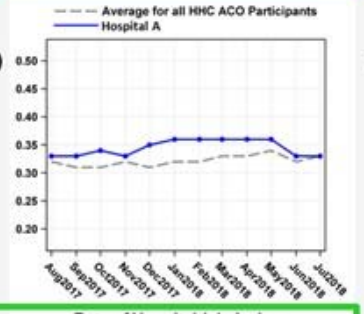
2 ACO Population Statistics

Click Below to Jump to Respective Tables	# of Unique Patients	% of Unique Patients
At Risk		
Visited ED		
Admitted as IP		
Expenditure above Agerage		
May Benefit from Palliative Care Program		
PCP/Alt-PCP Assigned		
No PCP/Alt-PCP Assignment		
Primary Care Appointment Needed		
NYCHA Development Residents		
Substance Use Disorder		
Cancer		
CHF		
COPD		
Diabetes		
ESRD		
HIV/AIDS		
Major Psychological Disorder		
Sickle-Cell Disease		
Deceased		



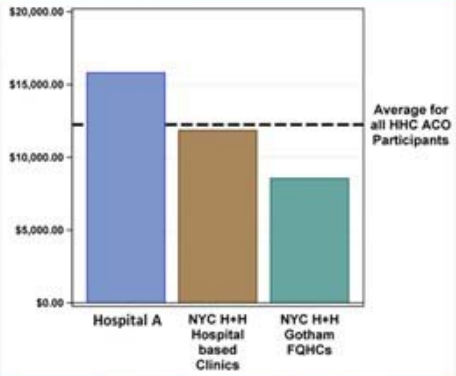
Rate of ED Visits (Per Attributed Patient Per Year)

3



Rate of Hospital Admissions (Per Attributed Patient Per Year)

4



Medicare Fee-for-Service Expenditure* (Per Attributed Patient Per Year)

*The expenditure calculation is based on 12 month unadjudicated claims data; does not include expenditures for patients who declined or "opted out" of data sharing; and does not incorporate the CMS-HCC and demographic risk adjustment. Final results may differ from the expenditures shown above.

5 Chronic Condition Coding

Click Below to Jump to Respective Tables	# of Patients who were Diagnosed in the Past	# of Patients who were NOT Coded in the Last 12 Months	% of Patients who were NOT Coded in the Last 12 Months
CHF			
COPD			
Diabetes			
ESRD			
HIV/AIDS			
Major Psychological Disorder			
Sickle-Cell Disease			

For clinical questions, please contact:

Dr. Lana Vardanian
Lana.Vardanian@nychhc.org
(212) 788-3393

Michael Levitin
Michael.Levitin@nychhc.org
(646) 694-7190

For operational questions, please contact:

Rachael Steimnitz
Rachael.Steimnitz@nychhc.org
(646) 694-7049

For technical questions, please contact:

Shun Ito
Shunsuke.Ito@nychhc.org
(212) 676-0923

Areas highlighted by green squares are buttons linked to respective tables with patient/visit level information, click to activate the links

1. Snapshot of key performances for your ACO
2. Summary population statistics of patients attributed to your ACO
3. Per attributed patient rates of ED visits/IP admissions over time
4. Per attributed patient average of aggregated Medicare FFS expenditure
5. Summary of potentially undercoded patients based on past claims

NYC HEALTH+ HOSPITALS | ACO

Looking Ahead

- The ACO has extended its current contract for an additional 6-month period, from 1/1/19 through 6/30/19.
- We anticipate moving to a two-sided risk contract after this period. This means that we will be held accountable financially if we do not achieve certain financial and quality goals, whereas under our current (upside only) contract we are eligible to share in savings but would not share in losses.
- Due to its merger with Hudson River Health Care, BrightPoint will no longer participate in our ACO effective 1/1/2019 (due to regulatory requirements since Hudson River has its own ACO).

NYC HEALTH+ HOSPITALS | ACO

Resolution

Resolution elects the following Directors to the HHC ACO Board for 2019:

NAME	GROUP REPRESENTED
Mitchell Katz, M.D.	NYC Health + Hospitals
Dave Chokshi, M.D.	NYC Health + Hospitals
John Ulberg, Jr., M.P.H.	NYC Health + Hospitals
Andrea Cohen, Esq.	NYC Health + Hospitals
Israel Rocha, Jr., M.P.A.	NYC Health + Hospitals
Gary Kalkut, M.D.	NYC Health + Hospitals, recommended by NYU to represent their employed physicians at Bellevue, Cumberland, and Woodhull
Jasmin Moshirpur, M.D.	Mt. Sinai Elmhurst Faculty Practice
Luis Marcos, M.D.	Physician Affiliate Group of New York, P.C.
Warren Seigel, M.D.	Coney Island Medical Practice Plan, P.C., Downtown Bronx Medical Assoc. P.C., Harlem Medical Associates, P.C., and Metropolitan Medical Practice Plan, P.C.
David Gross, Esq.	Non-Affiliated Participants (Community Healthcare Network and University Physicians of Brooklyn)
Jeromane Berger Gaskin	Medicare Beneficiary

RESOLUTION OF NEW YORK CITY
HEALTH AND HOSPITALS CORPORATION ("CORPORATION")

Authorizing that each of the following persons be elected, effective immediately, to serve as a Director of HHC ACO Inc. ("ACO") Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

Mitchell Katz, M.D.;

Dave Chokshi, M.D.;

John Ulberg, Jr., M.P.H.;

Andrea Cohen, Esq.;

Israel Rocha, Jr., M.P.A.;

Jeromane Berger-Gaskin, a Medicare beneficiary Director;

A Director who shall be the Chief Executive Officer of Physician Affiliate Group of New York, P.C. ("PAGNY");

A Director to be named by NYC Health + Hospitals to represent physicians employed by New York University School of Medicine and providing services in NYC Health + Hospitals facilities, as specified in a writing by NYC Health + Hospitals that is delivered to the Chairman of the ACO;

A Director to be named by the Icahn School of Medicine at Mount Sinai, doing business as Mt Sinai Elmhurst Faculty Practice (the "Elmhurst FPP"), as specified in a writing by the Elmhurst FPP that is delivered to the Chairman of the ACO;

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A Director to be named pursuant to a designation by a majority in number of the members of the ACO Advisory Committee, as specified in a writing signed by such majority that is delivered to the Chairman of the ACO.

WHEREAS, the ACO was established as a subsidiary to NYC Health + Hospitals, and the ACO's By-laws designate NYC Health + Hospitals as the sole Member of the ACO; and

WHEREAS, the ACO's By-laws state that Directors of the ACO shall be elected annually by the Member.

NOW, THEREFORE, BE IT

RESOLVED, that the Member hereby authorizes that each of the following persons be elected, effective immediately except as noted below, to serve as a Director of the ACO Board of Directors in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified, subject to such person's earlier death, resignation, removal, or termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement:

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A Director to be named pursuant to a designation by a majority in number of the members of the ACO Advisory Committee, as specified in a writing signed by such majority that is delivered to the Chairman of the ACO.

1/24/2019
New York, New York

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "**System**") to execute license agreement with the City of New York (the "**City**") acting by and through its Department of Health and Mental Hygiene ("**DOHMH**"), for the use of a parcel of land on the campus of NYC Health + Hospitals/Harlem ("**Harlem**") of approximately 35,500 square feet as depicted in the attached Exhibit A (the "**PHL Site**") for the purpose of constructing and operating a new Public Health Laboratory and Public Health Clinic (the "**PHL**"), which license shall continue perpetually until terminated by either party with the occupancy fee waived.

WHEREAS, DOHMH has undertaken a project to build the PHL as a state of the art facility to replace the aging and outmoded facility now operated by DOHMH on First Avenue in Manhattan; and

WHEREAS, to accommodate the construction of the PHL, the System will have to demolish the existing buildings on the PHL Site, specifically the Old Nurses Residence, Power Plant, Women's Pavilion and construct an oxygen tank farm; and

WHEREAS, on May 31, 2018 the System and DOHMH executed an agreement with the New York City Economic Development Corporation ("**EDC**") whereby EDC will procure, oversee and administer the design, construction and other related services for the demolition of the Power Plant and the Women's Pavilion and the construction of the PHL; and

WHEREAS, an amendment of the above agreement is anticipated whereby EDC will also manage the demolition of the Old Nurses' Residence;

WHEREAS, City capital funds will be made available for both the demolition of the Power Plant and the Women's Pavilion and the construction of the PHL; and

WHEREAS, the System will be responsible for decanting the Old Nurses' Residence and the Women's Pavilion including relocating the data center, the relocation of the oxygen tanks and the re-routing of the steam and utility lines supplying Harlem Hospital;

WHEREAS, the City is to provide City capital funds this set of activities; and

WHEREAS, the Executive Director of NYC Health + Hospitals/Harlem and the Vice President for Facilities Development will be responsible for managing the decanting, the demolition of the Old Nurses Residence and for managing the relationship with EDC with regard to the other demolition and the construction of the PHL to the limited extent that it impacts Harlem.

NOW THEREFORE, it is resolved that the New York City Health and Hospitals Corporation be and hereby is authorized to execute license agreement with the City of New York acting by and through its Department of Health and Mental Hygiene for the use of a parcel of land on the campus of NYC Health + Hospitals/Harlem of approximately 35,500 square feet as depicted in the attached Exhibit A for the purpose of constructing and operating a new Public Health Laboratory and Public Health Clinic which license shall continue perpetually until terminated by either party with the occupancy fee waived.

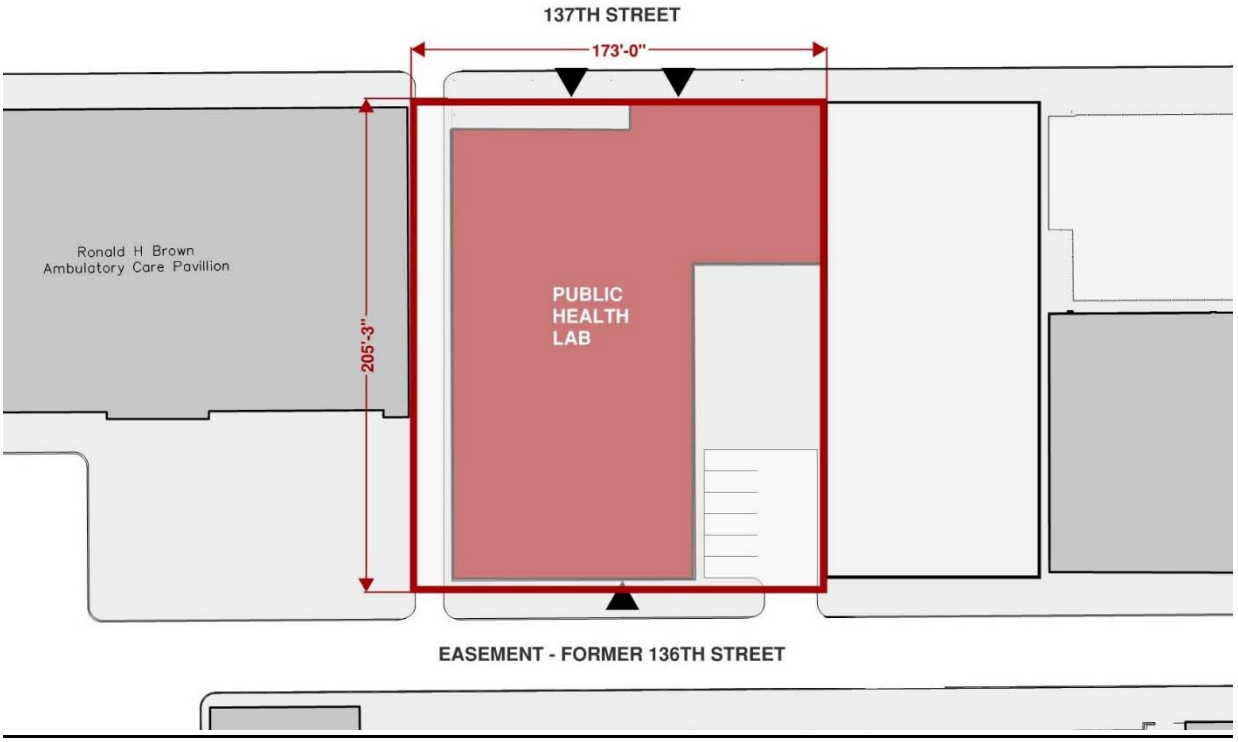
EXECUTIVE SUMMARY
LICENSE OF LAND AT NYC HEALTH + HOSPITALS/HARLEM
TO DEPARTMENT OF HEALTH AND MENTAL HYGIENE FOR
A PUBLIC HEALTH LABORATORY

OVERVIEW/ NEED: The City of New York, through the Department of Health and Mental Hygiene ("DOHMH"), currently operates a Public Health Lab ("PHL") at 455 First Avenue. Designed in the 1950s and operational since the early 1960s, the PHL is no longer suitable for modern laboratory science. The building is in poor condition and has continuing operational issues that result in interruptions of service that impact testing. The laboratory spaces were designed to meet the needs of lab work and technology of the 1950s. Space and basic services (power, water, IT, phones, etc.) are inadequate. A renovated facility will enable DOHMH to efficiently and appropriately use new technologies safely and efficiently. DOHMH considered various options to renovate the existing PHL building or build a new lab building in a different location. After reviewing proposals and cost estimates, it became clear that the best option was to build a new PHL in a different location. In 2017, the System, DOHMH, EDC and the Mayor's Office considered constructing the new building in a portion of the Harlem Hospital campus and in December 2017, a decision was made to proceed with that plan. On May 31, 2018 the System and DOHMH executed an agreement with EDC whereby EDC will procure, oversee and administer the design, construction and other related services for the demolition of the Power Plant and the Women's Pavilion and the construction of the PHL. It is anticipated that an amendment of that agreement is anticipated whereby EDC will also manage the demolition of the Old Nurses' Residence.

PROGRAM: EDC, DOHMH and the System will collaborate to make the PHL construction possible. Considerable preliminary work will be performed by the System including decanting the Old Nurses' Residence and the Women's Pavilion including relocating the data center, the relocation of the temporary oxygen tanks and the re-routing of the steam and utility lines supplying Harlem Hospital. Thereafter, EDC will proceed with the necessary demolition which is anticipated to commence on or about January 2020. Once demolition is completed, the construction of the PHL will begin. The PHL is provisionally anticipated to be 9 stories high and will contain approximately 230,000 square feet of space.

OPERATIONS: The PHL will be operated entirely by DOHMH and will function independently of Harlem Hospital. The System will not be responsible for any portion of the costs of the operation of the PHL.

EXHIBIT A


137TH STREET
173'-0"
Ronald H Brown
Ambulatory Care Pavillion
205'-3"
PUBLIC
HEALTH
LAB
EASEMENT - FORMER 136TH STREET

RESOLUTION AUTHORIZING LICENSE OF LAND AT NYC HEALTH + HOSPITALS/HARLEM TO DOHMH FOR PUBLIC HEALTH LAB

Board of Directors Meeting
JANUARY 24, 2019

Roslyn Weinstein

Vice President, Facilities, Capital and Operations

NYC HEALTH+ HOSPITALS

Overview

- Current PHL on First Ave., built in the ‘50s, is out of date and too old for renovation.
- DOHMH has been searching for years for a new site of at least 35,000 square feet that is centrally located and near transportation
- EDC led the search

NYC HEALTH+ HOSPITALS

PHL at Harlem Hospital

- Selection of Harlem Site for PHL announced by CH Jan 9, 2018
- 35,500 sf site to be cleared by demo of several buildings/structures and relocation of mechanical systems
- Financed by City Capital
- PHL planned to be 9 stories and 230,000 sf
- 200 staff to be employed

NYC HEALTH+ HOSPITALS

Public Health Lab -- Functions

- **Outbreak Detection and Response** – food borne outbreaks, Legionnaire's Disease, Zika, Ebola, Hepatitis A, H1N1, West Nile Virus, meningitis, measles, etc.
- **Clinical testing** – DOHMH Sexual Health and Tuberculosis clinics, reference testing for clinical laboratories, testing for OCME
- **Environmental testing** – potable water, beach water, food, WNV mosquito program, biothreat agent testing
- **New technologies** – Whole Genome Sequencing, national leader in Biosafety
- **Training and Outreach** – Biosafety resource for clinical laboratories, Medical Technology training programs with CUNY, Post-doctoral fellowship program, outreach to schools, National leader in public health laboratory science

RESOLUTION

Approving the New York City Health and Hospitals Corporation Annual Board Committee Assignments Effective January 25, 2019, as set forth in the attachment hereto.

WHEREAS, Article VI. Section 1(c) of the bylaws of New York City Health and Hospitals Corporation provides that the Chairperson of the Board shall annually appoint, with the approval of the majority of the Board, the members of the standing committees of the Board; and

WHEREAS, the Chairperson has proposed the appointments set forth in the attachment hereto.

NOW, THEREFORE, be it

RESOLVED that the New York City Health and Hospitals Corporation Board of Directors hereby approves the appointments of the members to the standing committees of the Board as reflected in the attachment, which appointments shall be effective from January 25, 2019 until such time as any changes are approved by the Board.

NYC HEALTH+ HOSPITALS

BOARD OF DIRECTORS

Standing Committees Assignments
Draft 1/24/2019
Board of Directors Meeting

DRAFT

Standing Committees
Committee Assignments

STANDING COMMITTEES OF THE BOARD	
Executive	**Chair: José Pagán** **Members: Steven Banks** **Josephine Bolus, RN** **Mitchell Katz, MD** **Herminia Palacio, MD** **Feniosky Peña-Mora**
Audit	**Chair: Helen Arteaga Landaverde** **Members: Josephine Bolus, RN** **Mitchell Katz, MD** **Anita Kawatra** **José Pagán**
Capital	**Chair: Feniosky Peña-Mora** **Members: Josephine Bolus, RN** **Gordon Campbell** **Mitchell Katz, MD** **José Pagán** **Freda Wang**
Community Relations	**Chair: Josephine Bolus, RN** **Members: Helen Arteaga Landaverde** **Sally Hernandez-Piñero** **Mitchell Katz, MD** **Robert Nolan** **José Pagán**
Equal Employment Opportunity (EEO)	**Chair: Helen Arteaga Landaverde** **Members: Josephine Bolus, RN** **Oxiris Barbot, MD** **Mitchell Katz, MD** **Robert Nolan** **José Pagán**
Finance	**Chair: Freda Wang** **Members: Gordon Campbell** **Sally Hernandez-Piñero** **Mitchell Katz, MD** **Barbara A. Lowe, RN** **José Pagán** **Feniosky Peña-Mora**
Governance	**Chair: José Pagán** **Members: Ms. Helen Arteaga Landaverde** **Vincent Calamia, MD** **Gordon Campbell**

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STANDING COMMITTEES OF THE BOARD *(cont'd)*

Information Technology (IT)	**Chair: José Pagán** **Members: Steven Banks** **Josephine Bolus, RN** **Vincent Calamia, MD** **Mitchell Katz, MD** **Barbara Lowe, RN**
Medical & Professional Affairs (M&PA)	**Chair: Vincent Calamia, MD** **Members: Josephine Bolus, RN** **Mitchell Katz, MD** **Barbara Lowe, RN** **José Pagán**
Quality Assurance (QA)	**Chair: Mitchell Katz, MD** **Members: Helen Arteaga Landaverde** **Oxiris Barbot, MD** **Josephine Bolus, RN** **Barbara Lowe, RN** **José Pagán**
Strategic Planning	**Chair: Gordon Campbell** **Members: Oxiris Barbot, MD** **Sally Hernandez-Piñero** **Mitchell Katz, MD** **Anita Kawatra** **Robert Nolan** **José Pagán** **Herminia Palacio, MD**

ASSIGNMENTS BY MEMBER (COMMITTEE & SUBSIDIARY)

José A. Pagán
Chair of the Board

Member to All Committees

Chair: Executive – Governance – Information Technology

Mitchell Katz, MD
President and CEO

Ex-officio Member to All subsidiary boards and Committees Except Governance and is a Member of Audit and serves as ex-officio

Chair: Quality Assurance

Helen Arteaga Landaverde

Chair: Audit - Equal Employment Opportunity
Member: Community Relations
Governance
Quality Assurance

Steven Banks

Member: Executive
Information Technology (IT)

Oxiris Barbot, MD

Member: Equal Employment Opportunity
Quality Assurance
Strategic Planning

Josephine Bolus, RN

Chair: Community Relations
Member: All Other Standing Committees of the Board except Governance, Finance & Strategic Planning

Vincent Calamia, M.D.

Chair: M&PA
Member: Governance
IT

Gordon Campbell
Vice Chair of the Board

Chair: Strategic Planning
Member: Capital
Finance
Governance

Anita Kawatra

Member: Audit
Strategic Planning

Barbara A. Lowe, MS, RN

Member: Finance
IT
Quality Assurance
M&PA

Feniosky Peña-Mora

Chair: Capital
Member: Executive
Finance

Robert F. Nolan

Member: Community Relations
Equal Employment Opportunity
Strategic Planning

Herminia Palacio, MD, MPH

Member: Executive
Strategic Planning

Sally Hernandez-Piñero

Member: Community Relations
Finance
Strategic Planning

Freda Wang

Chair: Finance
Member: Capital

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute agreements with CyraCom International, Inc. ("CyraCom"), Pacific Interpreters, 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 Solutions 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., Pacific Interpreters, 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 Pacific Interpreters, Inc. ("Pacific Interpreters") currently provides NYC Health + Hospitals with Over the Phone Interpretation ("OPI") services.

Procurement: New York City Health and Hospitals Corporation issued a Request for Proposal in May 2018 to 30 participants for Over the Phone Interpretation Services. A team of nine individuals compromising 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 presented an application to contract with CyraCom, Linguistica, Pacific Interpreters, and Propio to the Contract Review Committee, which was approved at its September 19, 2018 meeting. An application to contract with the four vendors was presented to the M&PA Committee and approved at their November 8, 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

Medical Over-The-Phone Interpretation (OPI) Services

Application to Enter Into Contract

Board of Directors Meeting January 24, 2019

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

Overview

- Over-the-Phone Interpretation (OPI) services is available 24 hours, 7 days a week across the System.
- In FY18, NYC Health + Hospitals provided OPI services in 262 languages and dialects.
- NYC Health + Hospitals meets all federal, state and local laws and accreditation standards related to the provision of language services.
- These new proposed contracts will permit H+H to continue providing high quality, comprehensive service, and save up to $7M over 5 years.

Current State

- In FY17 and FY18, the System utilized over 12 million minutes of OPI services, in more than 200 languages and dialects, and has averaged 20% growth in service utilization in the last three fiscal years (FY14 - FY 17).

- NYC Health + Hospitals currently uses two vendors for OPI services: CyraCom and Pacific Interpreters (also known as LanguageLine Solutions)

- Due to the increase in utilization of services, the System has experienced longer-than-expected connection times.

Overview of Procurement

- A Request for Proposals (RFP) was issued in May 2018, approved by the Contract Review Committee.
- The RFP was distributed to thirty vendors and posted on the City Record Online.
- Minimum Requirements:
  - 10 years of experience providing interpretation services to healthcare organizations
  - 3 non-NYC H+H client references from healthcare facilities or healthcare systems to whom the vendor has provided services in the past three years
- Proposal evaluation criteria:
  - ✓ Organizational Experience (25%)
  - ✓ Cost Proposal (25%)
  - ✓ Technical Qualifications (35%)
  - ✓ Performance Metrics (15%)

Objectives of the Procurement Process

- Enhance services through language offerings and technology.
- Increase the pool of vendors to improve timely services to facilities.
- Find opportunities to reduce cost, while maintaining quality and timely services.

Vendor Selection Process

- Nine proposals were received and evaluated by the review committee.
- As part of the solicitation process, all references provided in each proposal were verified.
- Six vendors with top ranking scores were invited for in-person presentations.
- Evaluation Review Team:
  - Noreen Brennan – CNO, Metropolitan
  - Oma Sunkara – Dir, Harlem
  - Patricia Banks – AD, Coney Island
  - Paul Cush – Sr Dir, EITS
  - Joanne Grimes – Dir, Jacobi
  - Matilde Roman – CD&IO
  - Margarita Larios – AD, D&I
  - Melanie Colon – AD, Bellevue
  - Mary Anne Marra – CNO, NCB

Vendors Selected for Contract

- Following the presentations, additional vendor documents were reviewed, resulting in the removal of two vendors for further consideration.

- Four vendors were then selected for consideration.

  - **CyraCom**
  - **Pacific Interpreters (LanguageLine Solutions)**
  - **Linguistica International**
  - **Propio Language Services**

Committee Approval Process

- On September 18, 2018, an application to enter into contract with the four vendors was presented and approved by the Contract Review Committee:
    - CyraCom
    - Pacific Interpreters (LanguageLine Solutions)
    - Linguistica International
    - Propio Language Services
- On November 8, 2018, an application to enter into contract with four vendors was submitted to the M&PA Committee and approved.

Proposed OPI Contracts

- Three-year contract with two one-year options to renew (solely exercisable by the System)
- Business Associate Agreements executed to meet HIPAA regulations
- Projected contract value is $48 million for five-year period
- Projected cost savings of $7 million over the five-year period.
- The plan is to use all four vendors to ensure quality and timely delivery of services, while leveraging less expensive vendors to realize cost reductions.

Board of Directors Approval Request

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

NYC HEALTH+ HOSPITALS

Appendix

Transition Plan

- Onboard new vendors – 30 to 60 days
- Work with the telecommunications department to connect new vendors
- Work with site liaisons to distribute user access information
- Activate evaluation process to monitor progress and ensure quality standards are met
  - Collection of key performance indicators
  - Feedback surveys
  - Tests to the system

NYC HEALTH+ HOSPITALS

Utilization

Fiscal Year 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

NYC HEALTH+ HOSPITALS

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**