NYC HEALTH + HOSPITALS

125 Worth Street ▪ New York, NY ▪ 10013

BOARD OF DIRECTORS MEETING

THURSDAY, APRIL 18, 2019

A•G•E•N•D•A

CALL TO ORDER - 3:00 PM	
1. Adoption of Minutes: March 28, 2019	**Mr. Pagán**
Chair's Report	**Mr. Pagán**
President's Report	**Dr. Katz**
Legislative Update	**Mr. Siegler**
>> **Action Items**<<	
2. Authorizing New York City Health and Hospitals Corporation (the "System") to furnish a guaranty of a required repayment mechanism to be issued by HHC ACO, Inc. ("HHC ACO") for the benefit of the United States Centers for Medicare and Medicaid Services ("CMS") in the form of a letter of credit, an escrow, a surety, or in any other form as shall be permitted under the MSSP regulations, in a maximum stated principal amount not to exceed $7,000,000 in connection with the participation by HHC ACO in the CMS Medicare Shared Savings Program (the "MSSP") for such period as is required by CMS. **Authorizing the President or any Senior Vice President of the System to execute and deliver a guaranty agreement, a note, and any and all other agreements, documents or instruments necessary or desirable in connection with the issuance of the guaranty and the letter of credit or any other form of repayment mechanism that satisfies CMS requirements, including a funded escrow account or a surety.** **(EEO/Vendex: NA)**	**Ms. Wang**
Committee and Subsidiary Report	
➢ Governance	**Mr. Pagán**
➢ Information Technology	**Mr. Pagán**
➢ Audit	**Mr. Pagán**
➢ Accountable Care Organization (ACO)	**Dr. Katz**
Executive Session | Facility Governing Body Report ➢NYC Health + Hospitals | Metropolitan Hospital	**Mr. Pagán**
2018 Performance Improvement Plan and Evaluation (Written Submission Only) ➢NYC Health + Hospitals | East New York Diagnostic & Treatment Center - Gotham	
Semi-Annual Governing Body Report (Written Submission Only) ➢NYC Health + Hospitals | Coney Island ➢NYC Health + Hospitals | Sea View	**Mr. 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 28th day of March, 2019, at 3 P.M., pursuant to a notice which was sent to all of the Directors of NYC Health + Hospitals and which was provided to the public by the Secretary. The following Directors were present in person:

Mr. José Pagán
Mr. Matthew Siegler representing Dr. Mitchell Katz
Dr. Oxiris Barbot
Dr. Myla Harrison representing Hillary Kunins
Mr. Gordon Campbell
Ms. Barbara A. Lowe
Mr. Robert Nolan
Dr. Herminia Palacio
Ms. Sally Hernandez-Piñero
Ms. Freda Wang
Mr. Feniosky Peña–Mora
Ms. Anita Kawatra

Mr. José Pagán, Chair of the Board, chaired the meeting, and Ms. Colicia Hercules, Corporate Secretary, kept the minutes thereof. Mr. Pagán called the meeting to order at 3:15 p.m.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on February 28, 2019 were presented to the Board. Then, on motion made and duly seconded, the Board unanimously adopted the minutes.

> **RESOLVED**, that the minutes of the meeting of the Board of Directors held on February 28, 2019, copies of which have been presented to this meeting, be and hereby are adopted.

Mr. Pagán noted for the record that the following individuals are present in a voting capacity: Matthew Siegler representing Dr. Katz and Dr. Myla Harrison representing Dr. Hillary Kunins.

CHAIRPERSON’S REPORT

Mr. Pagán thanked Mr. Nolan for participating in the Joint Commission exit session at Jacobi on March 1st and asked Mr. Nolan if he would you like to provide any feedback.

Mr. Nolan reported that The Joint Commission had of course been visiting Jacobi during the week to review and evaluate the hospital.

Mr. Nolan stated that the most important thing the evaluation team found was that Jacobi was operating really well. There were no major deficiencies found in services anywhere across the hospital. However, minor deficiencies were found and many of them were taken care of during the survey time or will be in the upcoming weeks.

Mr. Nolan stated that they were very impressed with the attitude of the staff, starting with the CEO, right on down to staff. They were impressed with the way the hospital operated and the way management and staff got along so well. They passed with flying reviews and so it was a good day, not just for Jacobi, but Health and Hospitals.

Mr. Pagán thanked Mr. Nolan for his feedback.

Mr. Pagán also thanked Ms. Lowe for participating in the panel discussion at Cumberland, celebrating Women's History Month, and he asked Ms. Lowe if she would please provide some feedback.

Ms. Lowe stated that it was a really nice event. It was designed to involve people from the community and staff. Many of our Gotham staff were panelists so it was really nice to spend down time with them. The panel discussion was about women in leadership, and various views and perspectives were presented. The event was well organized and was a wonderful experience for all present.

Mr. Pagán thanked Ms. Lowe

Mr. Nolan then recognized and thanked JoAnn Liburd for being extremely helpful and for being knowledgeable in her preparation for the exit session with the Joint Commission.

Mr. Pagán thank both Mr. Nolan and Joann Liburd.

Mr. Pagán asked Ms. Hernandez-Piñero if she would like to provide feedback on her site visits to Gouverneur and Carter.

Ms. Hernandez-Piñero stated she visited NYC Health + Hospitals/Gouverneur for about an hour. The facility is amazing and so beautiful. She was impressed with the variety of the services and amenities offered at NYC Health + Hospitals/Gouverneur.

Ms. Hernandez-Piñero stated her visit to NYC Health + Hospitals/Carter demonstrated some of the same services. However, she was very impressed with the ventilator weaning floor and noted that this is where they transition people off ventilators to be able to breathe on their own. Ms. Hernandez-Piñero noted that it is a highly skilled service and that they have the most up-to-date equipment and are nationally ranked in their ability to wean patients off the ventilator.

Mr. Pagán thanked Ms. Hernandez-Piñero for sharing.

Mr. Pagán noted the 2019 annual public meetings schedule is already posted and the first meeting will be in Manhattan at Gouverneur, Tuesday, April 2nd; Bronx at Jacobi, Tuesday, April 30th; Queens at Elmhurst, Tuesday, May 7th; Staten Island at Sea View, Tuesday, June 11th; Brooklyn at Woodhull, Tuesday, June 18th. Mr. Pagán noted all meetings will start at 6:00 p.m.

Mr. Pagán noted that with respect to Vendex, since the Board began the process of approving contracts prior to Vendex approvals, there are nineteen new items on today's agenda, of which eleven are approved. There are three items from previous board meetings pending Vendex approval, which is in the Board materials.

Since the Board last met, we have received two Vendex approvals; we will continue to notify the board as outstanding Vendex approvals are received.

Mr. Pagán then recognized Mr. Siegler to deliver the President's report on behalf of Dr. Katz, which will also include the legislative update.

PRESIDENT’S REPORT

Mr. Siegler indicated that the full written report is in the Board materials; however he would like to highlight a few pertinent items. Dr. Katz testified before the Hospitals Committee of the City Council to present NYC Health + Hospitals’ financial results through the second quarter and its status from a budget perspective. It was a good discussion about the progress we have made on generating revenue and controlling expenses.

Mr. Siegler noted we are up $80 million in patient care revenue versus this time last year; we are on track for $757 million in revenue generating initiatives and $430 million in expense reducing initiatives. Three hundred forty net new nurses were on-boarded, which is a key investment for us, along with approximately 150 revenue cycle staff to help us generate revenue.

Mr. Siegler recognized our New Chief Nurse Executive, Natalia Cineas, who is attending her first official board meeting as a member of the team.

Mr. Siegler noted a couple of very exciting events in the last month, including the groundbreaking on our new hospital building on Coney Island. This will be a resilient, 11-story structure that we are investing in and really trying to grow. It has unique geographic opportunities there.

Mr. Siegler also noted there was a great event at NYC Health + Hospitals/Woodhull for the expansion of the emergency department. It was a $5 million investment from the Brooklyn City Council delegation. Mr. Siegler noted that the Emergency Department expansion will be a great investment in Central Brooklyn, which is in an important strategic area for us and nearby where we are investing in a new ambulatory care facility.

Mr. Siegler noted that we are continuing to work on the core infrastructure and development behind NYC Care, the Mayor's guaranteed health care initiative. We are working with elected officials, community partners, and other City Agencies to spread the word in advance of the launch this summer in the Bronx. We will begin focus groups with key community members in the Bronx in the next couple of weeks to start making sure the message and the benefit package and everything we are preparing meets community needs. Mr. Siegler recognized Dr. Ted Long from our Ambulatory Care team, who is leading the implementation of the Mayor’s Guaranteed Health Care initiative, for doing a great job.

Mr. Siegler transitioned into the legislative update and noted the state budget remains in close negotiations in Albany. Both houses of the Legislature reversed or took out the Governor's proposed healthcare cuts. Mr. Siegler stated there still remains a significant budget gap to be filled and the question of what, if any, healthcare cuts will remain in the final budget is still being negotiated. The Governor did indicate after the one-house budgets came out that the healthcare cuts would be off the table and they would offer alternative areas for savings.

Mr. Siegler noted the key priority that remains top of the list for NYC Health + Hospitals is some clarity and increased fairness around the Disproportionate Share Hospital (DSH) Program and the indigent care pool in particular. Mr. Siegler noted that NYC Health + Hospitals, with a number of community coalition partners, including labor, immigration groups, and others, advanced a proposal to target that funding to hospitals that provide a disproportionate share of care to those on Medicaid and uninsured. Mr. Siegler noted that it is unclear if that proposal will make it into the final budgets but hoped at least some language specifying that if federal DSH cuts do happen, NYC Health and Hospitals should not be unfairly targeted with those cuts, and any cuts should be equitably distributed among hospitals, will be included. Mr. Siegler noted that we continue to push hard for that.

Mr. Siegler noted that at the federal level the President has released a budget proposal that, if enacted, includes Disproportionate Share (DSH) hospital cuts, additional deep cuts to Medicaid and Medicare, and would repeal significant portions of the Affordable Care Act, with a devastating effect on connecting Americans to health insurance and improving the quality of their care. Mr. Siegler noted NYC Health + Hospitals obviously strongly opposes that.

Mr. Siegler noted there continues to be litigation around the Affordable Care Act. Mr. Siegler noted that there is a Fifth Circuit case in which the Trump Administration has taken a pretty remarkable position of not defending the constitutionality of the Affordable Care Act. Health + Hospitals remains vigilant on the outcome of this case, because the Affordable Care Act is so central to the work we do. Mr. Siegler concluded his President's Report on behalf of Dr. Katz and his legislative update.

Mr. Campbell recognized Dr. Dave Chokshi who was just named one of Crain's New York Business 40 under 40.

Mr. Peña-Mora read into the record three action items presented at the Capital Committee:

ACTION ITEM 2

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a five-year revocable license agreement with the Sleep Disorders Institute ("SDI") for its use and occupancy of 1,038 square feet of space to operate a diagnostic and treatment center on the 7th floor of the "H" Building at NYC Health + Hospitals/Bellevue (the "Facility") at an occupancy fee of $60,204 per year or $58 per square foot to be escalated by 2.75% per year for a five year total of $318,038.

Dr. Michael Rawlings, Chief Operating Officer, NYC Health + Hospitals/Bellevue, addressed questions that were posed by the Board. He clarified that the current capacity of 692 referrals would be drastically increased and the benefits of having this service on-site would lead to better patient care and experience. The logistics of providing these services to the forensic patients from Rikers would be improved. These services at NYC Health + Hospitals/Bellevue would provide an opportunity for the System to make more referrals for patients to receive services within the network. Ms. Hernandez-Piñero commented that this is an extraordinary initiative that will provide enhanced care throughout the system.

There being no further discussion, the motion was duly seconded and unanimously approved.

ACTION ITEM 3

RESOLUTION

Authorizing New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute an agreement with the New York Power Authority ("NYPA") together with Customer Installation Commitments covering six energy efficiency upgrades (the "Projects") for the planning, design, procurement, construction, construction management and project management services necessary at NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Bellevue, NYC Health + Hospitals/Jacobi, NYC Health + Hospitals/Kings County and NYC Health + Hospitals/Elmhurst (the "Facilities") at a cost not-to-exceed $42,407,088 which includes a 10% contingency.

Ms. Roslyn Weinstein, Vice President, Office of Facilities Development, Cyril Toussaint, Director of Energy Management and Sustainability and Louis Iglhaut, Assistant Vice President, Facility Management presented an overview of the contract between New York Power Authority (NYPA) and NYC Health + Hospitals.

Mr. Toussaint presented a historical perspective of the relationship between NYPA, NYC Health + Hospitals and the New York City Department of Citywide Administrative Services (DCAS). He explained the ENCORE (Energy Efficiency Clean and Energy Technology Program Agreement with NYPA to provide services including constructions of energy efficiency projects with an aim of achieving the Mayor's Greenhous Gas Initiative to reduce GHG emissions by 80% by 2050.

There are six proposed projects in five facilities which are shovel ready with energy efficiency components and fiscal savings.

After further discussion, Mr. Pagán called for a vote and the resolution was unanimously approved.

Action Item 4

RESOLUTION

Amending the resolution adopted by the board of directors of New York City Health and Hospitals Corporation, NYC Health and Hospitals on December 6th, 2016, the authorized execution of requirements contracts with seven architectural and engineering AE consulting firms namely DaSilva Architects, PC, Francis Cauffman, Inc., Gertler & Wente Architects, Lothrop Associates, LLP, MJCL Architect, PLLC, Perkins Eastman Architects, DPC, and TPG Architecture, to provide professional AE design services; and with six Mechanical, Engineering, and Plumbing ("MEP") consulting firms, namely Goldman Copeland Associates, PC, Greenman- Pedersen, Inc., Jacob Feinberg Katz & Michaeli Consulting Group, LLC, Kallen & Lemelson, Consulting Engineers, LLP, LiRo Engineering, Inc., and R. G. Vanderweil Engineers, LLP, to provide professional MEP design services; and with six Local Law Inspection consulting firms, namely HAKS Engineers, Architects and Land Surveyors, PC, Hoffman Architects, Inc., Raman and Oudjian Engineers and Architects, PC, Ronnette Riley Architect, Superstructures Engineering + Architecture, PLLC, and Thornton Tomasetti, Inc., to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law 11 compliance on an as-needed basis at various facilities throughout the organization with such amendment increasing the $15,000,000 not to exceed limit by $8,000,000 to bring the total not to exceed limit to $23,000,000.

Mr. Peña-Mora noted for the record an amendment in the resolution correcting the Board approval date from December 6 to December 14 of 2016.

Roslyn Weinstein, Vice President of Office of Facilities Development and Louis Iglhaut, Assistant Vice President, Facility Management, presented an overview of the existing requirement contract that this resolution would amend and how requirements contract vendors are procured by Health and Hospitals.

Ms. Wang requested clarification on whether there was a not-to-exceed amount per vendor or for the pool of vendors. Mr. Iglhaut responded it is for the pool.

Ms. Hernandez-Piñero asked whether this contact covers the system or is it for a specific facility. Ms. Weinstein explained the contact is for the system use by need.

Ms. Weinstein and Mr. Iglhaut further explained that in addition to this contact each facility has its own capital budget, however they utilize these vendors for architectural, engineer and MEP services. These contractors are pre-vetted and ready for use by each facility based on funding availability.

Mr. Iglhaut noted on the record an additional amendment – the executive summary stated that the contracts will expire February 2016 which is incorrect, the contracts will expire February 2020.

Upon motion duly seconded, the amended resolution, set out below, was unanimously approved.

Amending the resolution adopted by the Board of Directors of New York City Health and Hospitals Corporation ("NYC Health + Hospitals") on December 14, 2016 that authorized the execution of requirements contracts with seven Architectural and Engineering ("AE") consulting firms namely DaSilva Architects, PC, Francis Cauffman, Inc., Gertler & Wente Architects, Lothrop Associates, LLP, MJCL Architect, PLLC, Perkins Eastman Architects, DPC, and TPG Architecture, to provide professional AE design services; and with six Mechanical, Engineering, and Plumbing ("MEP") consulting firms, namely Goldman Copeland Associates, PC, Greenman- Pedersen, Inc., Jacob Feinberg Katz & Michaeli Consulting Group, LLC, Kallen & Lemelson, Consulting Engineers, LLP, LiRo Engineering, Inc., and R. G. Vanderweil Engineers, LLP, to provide professional MEP design services; and with six Local Law Inspection consulting firms, namely HAKS Engineers, Architects and Land Surveyors, PC, Hoffman Architects, Inc., Raman and Oudjian Engineers and Architects, PC, Ronnette Riley Architect, Superstructures Engineering + Architecture, PLLC, and Thornton Tomasetti, Inc., to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law 11 compliance on an as-needed basis at various facilities throughout the organization with such amendment increasing the $15,000,000 not to exceed limit by $8,000,000 to bring the total not to exceed limit to $23,000,000.

Mr. Pagán noted the committees and subsidiaries reports were in Board Member folders and would be submitted into the record, and he asked for there are any questions or comments about the reports.

Hearing none, Mr. Pagán then requested the Board's approval to convene an executive session, which motion was unanimously approved.

Mr. Pagán asked that only those specifically invited remain in the Boardroom.

FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session.

OPEN SESSION

Mr. Pagan reported that during the executive session, the Board received oral governing body submissions from NYC Health + Hospitals Coler Long Term Care and Rehabilitation Facility; Carter Nursing Facility and Carter Specialty Hospital.

The Board received and approved semi-annual governing body report from NYC Health + Hospitals/Woodhull.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 5:45 P.M.

Colicia Hercules
Corporate Secretary

COMMITTEE REPORTS

GOVERNANCE COMMITTEE - February 28, 2019
As Reported by: José Pagán
Committee Members – José Pagán; Vincent Calamia; Helen Arteaga Landaverde
Staff – Mitchell Katz; Andrea Cohen; Yvette Villanueva; Colicia Hercules; Matilda Roman

The meeting was called to order at 2:03 pm by José Pagán.

Mr. Pagán called a motion to accept the minutes of the Governance Committee meeting held on November 29, 2018. The motion was seconded and the minutes were unanimously approved.
Mr. Pagán then requested a motion to discuss the proposed action item to amend the by-laws:

Action Item:
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 is to be "the oversight of the integration of best practices related to diversity and inclusion 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.

Mr. Pagán then requested a motion to convene an executive session to discuss personnel matters. The motion was seconded and approved.

This meeting of the Governance Committee was convened in executive session to deliberate on the following personnel actions.
During the Executive Session, the Committee considered a nominee to the following corporate officer level position:

Dr. Natalia Cineas – Senior Vice President, Chief Nurse Executive
Following a discussion conducted by Dr. Mitchell Katz, and the subsequent deliberations by the Committee attendees, Mr. Pagán called for a motion to recommend Dr. Natalia Cineas as Senior Vice President, Chief Nurse Executive.

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 2:36 p.m.

EQUITY, DIVERSITY AND INCLUSION - March 12, 2019
As Reported by: Helen Arteaga Landaverde
Committee Members Present: Helen Arteaga Landaverde; Robert F. Nolan; Matthew Siegler

A meeting of the Equity, Diversity and Inclusion Committee (formerly the Equal Employment Opportunity Committee) of the NYC Health + Hospitals' Board of Directors was held on March 12, 2019 in the Board Room at 125 Worth Street, Room 532, New York City. Committee Chair, Helen Arteaga Landaverde, presiding. Matthew Siegler was in attendance representing Dr. Mitchell Katz. The meeting was called to order at 3:35 p.m. A motion to approve the minutes of the November 13, 2018, meeting was duly made and unanimously approved.

CONDITIONAL APPROVAL CONTRACTS
W.B. MASON COMPANY, INC.
W.B. Mason's Material Management (Office Supplies) contract was awarded in April of 2017 with a value of $8.8 million. This year, the vendor has 3 job groups with workforce underrepresentation for women as follows: First/Mid-Level Managers Job Group 1B; Sales Job Group 4A; and Laborers and Helpers Job Group 8A.

Trevis Hinds, Regional Director of Human Resources; Adrienne Rosa, HR Representative; Bob Berrian, HR Manager; Brian Charpentier, Branch Manager; and Giselle Rojas, Account Executive represented W.B. Mason.

Trevis Hinds, Regional Director of Human Resources introduced his colleagues who collectively support the NYC Health + Hospitals account. This year, they refined their workforce data in order to better represent the workforce that supports the NYC Health + Hospitals account. Manhattan, Bronx, Brooklyn, and Secaucus are the four locations that provide support. The total number of employees reflected for 2019 are from those specific locations.

In 2017, W.B. Mason hired a learning and development specialist with over 25 years of experience. On a quarterly basis, the company monitors and trains their workforce who are predominantly people of color. For Management (57% diverse), Customer Service (51% diverse), Sales (22% diverse), Distribution (85% diverse), and Human Resources (80% diverse). The total workforce is at least 50% diverse, but noted an opportunity for improvement in the Sales position, as only 22% are women and/or minority. W.B. Mason promotes for leadership positions from within, especially for Distribution, Customer Service, and Sales in which 98% of leadership roles in those departments are promotions from within. 100% of Distribution supervisors and managers have been drivers. Since W.B. Mason hires mostly people of color as drivers and also promotes from within, their ratio increases for people of color who are leaders. The learning and development leader trained new supervisors and managers in order to provide the tools, techniques, and reinforcement necessary to be successful in their new role.

Blanche Greenfield, Deputy General Counsel, inquired if W.B. Mason has relationships with trucking schools in order to encourage and hire women. Mr. Hinds stated that they do and meet quarterly with them. He even periodically checks in with institutions they do not generally work with in-case there are students who may be interested. Ms. Greenfield asked if this has been a successful way of recruiting women. Mr. Hinds said they have had minimal success.

Mr. Hinds stated that the company depends on diversity because of the nature of the business. It is important for their sales people to reflect the diversity of businesses in New York City. Therefore they primarily hire from the community, local schools in the boroughs, and lower Westchester. Ms. Greenfield stated that despite the need, there is still an underrepresentation and asked what W.B. Mason attributes that to since their current efforts are not successful. Mr. Hinds responded by stating that this can be attributed to the overall economy and low unemployment rate. He expressed as a possible solution the need to build relationships within schools earlier.

Mr. Hinds reiterated that W.B. Mason promotes from within and strives to put their leaders in a better position to be successful by training them with content created by the learning and development leader. The training helps new supervisors and managers transition to their new leadership roles. Their next training session is on March 21 and 22 with an average of 8-14 trainees attending each session. Matilde Roman, the Chief Diversity and Inclusion Officer, asked how many people have been trained under the new learning and development lead. Mr. Hinds states that 100% of their supervisors have taken the training since it is mandatory. The training is meant for new and existing supervisors. W.B. Mason has also upgraded their trainings to allow employees to take them remotely using their smart phone or tablet, making it accessible for all employees. There are many trainings available for employees via distance learning, even courses that are not assigned to them. The e-learning modules range from 2-6 minutes so the content does not take up too much of their time and they can learn in real-time.

The Committee Chair, Helen Arteaga Landaverde, asked about the 43% decrease in the workforce totals from 2018. Mr. Hinds stated the lower employee numbers are due to refining the workforce data with a focus on the four locations that actually service the NYC Health + Hospitals account. In years past, they provided a larger workforce sample that included employees that had no impact on the business.

Turnover occurs generally between 6-9 months of hiring, with both resignation and separation as reasons and the overall tenure is four years. With the fairly stable workforce, it is unlikely to see immediate changes since there is no opportunity for turnover. Helen Arteaga Landaverde asked for questions from the EDI Committee. There were none, so she thanked and excused representatives from W. B. Mason.

MICROSOFT CORPORATION

Microsoft Corporation's Volume Licensing Enterprise Agreement contract with NYC Health + Hospitals was awarded in 2013 with a value of $34.5 million. Microsoft has 2 job groups with workforce underrepresentation for women in 2019: Professional Job Group 1 and Professionals Job Group 12. Donna Francis, NYC Health + Hospitals Account Manager; Tammie Beatty, Talent Management Consultant; Rob Lyv, Technical Account Manager; Mario F. Montero, Human Resources Lead; and Brooke Lowry, Diversity and Inclusion Director represented Microsoft Corporation.

This year, for job group 1, there are two technical sales roles: Account Technology Specialist and Technology Solution Professional. For Job Group 12, there are two service roles: the Technical Consultants and the Premier Field Engineer. From August 2017, which is the last time Microsoft presented before NYC Health + Hospitals, Microsoft has made significant growth in female representation of the technical sales roles. They have gone from about 2.3% of the overall population to a representation of about 8%. The demand for the role has not been as great as it was so the growth has slowed but the retention has been strong. The service roles are back on the list this year due to internal movement – the women have moved on into other roles within Microsoft. Brooke Lowry said that a good thing about this is that they are seeing these women and other diverse talent move into engineering.

Since Microsoft works as a national/regional model, if a role sat in New York as a Premier Field Engineer, it does not mean that it will be backfilled in New York as a Premier Field Engineer. From a recruiting perspective, Microsoft looks based on where the talent is, so they will look for candidates regionally. Talent will sit where they want to sit but they will be able to travel in to different accounts and work different accounts. The workforce data provided are employees who sit in the New York office but once someone there leaves or is promoted, it does not automatically create a vacancy which makes it difficult to report out to NYC Health + Hospitals. The numbers comprise of employees who sit in the Times Square office in field service and sales roles – it does not include their retail footprint which is large and has great diversity. Microsoft sees that as a future pipeline for other roles but it is not included in the 707 employee number. The instructions provided advised only use workforce numbers specific to the field sales office, which makes it difficult to eliminate the current underrepresentation. To obtain a better representation of the workforce, it would require advanced data mining for Microsoft to be able to report the associated employees to NYC Health + Hospitals. Ms. Beatty went on to say that she does have Microsoft's New York City employee data. Their female representation across the board is 30%, which is above Microsoft local. African American/Black is at 10.5%, and Hispanic is at 12.5%.

Ms. Roman mentioned that Microsoft did eliminate the Professionals Job Group 2 female underrepresentation from 2017 so there has been progress. Ms. Beatty said that that was an area of growth. That job group has two main titles: Cloud Solution Architect and Customer Success Manager. The Customer Success Manager was a new role and therefore came up underrepresented when they only had one employee with the title. Since then 23 additional employees were hired, and the role is now 63% female. In the areas with growth they have been strong with driving diversity numbers. In the areas without growth, or when it does not matter where the role sits, it is more difficult.

Ms. Lowry mentioned that Microsoft will be hosting an inclusion summit on March 28 in their New York office. There are internal and external groups attending so she extended an invite to NYC Health + Hospitals. Microsoft will forward the details to Ms. Roman.

NYC Health + Hospitals will follow up with Microsoft on the reporting strategy. Helen Arteaga Landaverde asked for questions from the EDI Committee. There were none, so she thanked and excused representatives from Microsoft Corporation.

WORKFORCE DIVERSITY REPORT OUT

Matilde Roman, Chief Diversity and Inclusion Officer, reported the demographic data compiled for NYC Health + Hospital's workforce as of January 2019. There were over 38,000 employees, of which 80% represents a minority group and 69% represent women in the workforce. The average age of the workforce is 48. Note the data excludes affiliate staff, vendors, and temp agencies.

The breakdown of the H+H workforce by race/ethnicity and gender: 43% are Black/African American, 21% Asian, 19% Hispanic/Latino, and 16% White.

Dr. Machelle Allen, Senior Vice President for Medical and Professional Affairs, mentioned when looking at the separations, hiring, and promotions, it would be helpful to look at the denominator; for example, for x number of Black/African American employees, looking at what percentage were separated, hired, or promoted. It would be another way of looking at the data. The team agreed.

Matthew Siegler, Senior Vice President for Managed Care, pointed out that 27.5% of Black/African were promoted, while they represent 43% of the entire workforce, which is another way of looking at the data.

Yvette Villanueva, Vice President for Human Resources, stated that this pattern is similar to what other companies face – if the opportunities are not there, then there is no place for employee promotions.

Ms. Greenfield mentioned, as opposed to W.B. Mason, many of our staff are in a unionized title; therefore, there may not be direct lines for promotion. Also, some may not want to go from a unionized job to a group 11 managerial job since there is less job security. This is a consideration for people, especially during challenging times.

NYC Health + Hospitals participates in over 80 job boards and professional organization sites. NYC Health + Hospitals' Talent Community has attracted over 1,000 candidates who are interested in working for NYC Health + Hospitals. The Human Resources Talent Acquisition team has held 12 events in 2018 which has led to over 300 hires/promotions as well as 25 college/university career events. External partners include Workforce1, NYS DOL, and as of March 2019, NYC DOE. NYC Health + Hospitals' also advertises in recruitment and retention efforts, loan forgiveness and scholarship programs. Worth noting is the HRSA – National Health Service Corp which currently has 34 staff enrolled. The estimated cumulative return is anywhere from $170,000 to $1.7 million depending on the years of commitment required. The System has hosted over 80 student internships in 2018 and will be rolling out the nursing residency program in April 2019 which will help nurses successfully transition during their first year out in the field. The tuition discount program has been expanded to 17 schools to help attract talent. This information is offered during new employee orientation and available on the learning academy site.

Future efforts will include conducting workforce analysis on our affiliate staff, working on the recruitment strategy for NYC Care, identifying broader categories of diversity such as gender identity and veteran status, conduct workforce/patient population analysis, and reporting on diversity training.

Ms. Landaverde asked if there were any old business or new business. Hearing none, she thanked the EDI Committee, NYC Health + Hospitals staff and board members for their time and adjourned the meeting at 4:33 p.m.

Community Relations Committee Meeting – March 12, 2019
As Reported by Matthew Siegler
Committee Members Present: Sally Hernandez-Pinero: Robert Nolan: Matthew Siegler representing Dr. Katz in a voting capacity.

The meeting of the Community Relations Committee (CRC) was called to order by Mr. Matthew Siegler, Senior Vice President, for Managed Care, Intergovernmental Relations and Patient Growth, NYC Health + Hospitals at 5:35p.m.

Mr. Siegler noted that a quorum had been established. He requested a motion for the adoption of the minutes of November 13, 2018. A motion was made and seconded. The minutes were adopted.

CHAIRPERSON’S /PRESIDENT’S REMARKS:
Mr. Siegler welcomed everyone and introduced himself. He explained that regrettably, Mrs. Bolus, Committee Chair nor Dr. Michell Katz, President, is not able to attend this evening. Mr. Siegler noted that NYC Health + Hospitals/Metropolitan, Bellevue and Elmhurst would present their annual activity report.

Mr. Siegler began his remarks by introducing Sally Hernandez-Piñero, newly elected member to NYC Health + Hospitals Board of Directors. Mr. Siegler thanked all the CABs for a successful Lobby Day, in Albany, NY on Tuesday, February 12th. Mr. Siegler reported that over eighty (80) CAB and Auxiliary members made the trip, despite the inclement weather. Mr. Siegler noted that the CAB, Auxiliary members and staff connected with fifty (50) Assembly and Senate members. He added that an additional scheduled 20 legislators, whose appointments were canceled because of the snowstorm, were delivered informational packets at their offices with appointments sought for their local district offices.

Mr. Siegler reported that the States’ Senate and Assembly had released its One House budgets in response to the Governor’s budget. Mr. Siegler continued and recognized that NYC Health + Hospitals did not get everything we wanted in the State budget. He added while some of the key language on Disproportion Share Hospital (DSH) was not included, both houses took strong stance to oppose healthcare cuts and preserve Medicaid cuts. Mr. Siegler congratulated the CABs for their efforts and noted that there is more work to be done.

Mr. Siegler reported that in December 2018, the Mayor announced a $52 million capital and infrastructure investment for NYC Health + Hospitals/Metropolitan. And noted that the investment is a testament that we (NYC Health + Hospitals) are not trying to close any of the facilities, but rather invest and keep them open.

Mr. Siegler concluded his remarks by announcing that in early January, Mayor de Blasio announced NYC Care, a Guaranteed Health Care Plan. Mr. Siegler noted that it is a two part initiative to connect every New Yorker who is uninsured to health care. He continued and noted that the first part will be a new health access program called NYC Care that is funded with $100 million dollars to connect New Yorkers who are ineligible or unable to afford insurance to care and coverage at NYC Health + Hospitals. Ms. Siegler noted NYC Care guarantees access to an assigned primary care doctor, specialty cares, prescription drug and customer service. Mr. Siegler announced that the program would roll out in Bronx this summer.

NYC Health + Hospitals/Metropolitan

Mr. Siegler introduced Mr. J. Edward Shaw, Chairperson of NYC Health + Hospitals/ Metropolitan and invited him to present the CAB's annual report.

Mr. Shaw began his presentation by thanking members of the Board for the opportunity to present the Metropolitan's CAB annual report. Mr. Shaw continued and noted that tonight's report would be brief and provided an overview.

Mr. Shaw announced that Metropolitan CAB held a successful Legislative Breakfast that was well attended by members of the community who were eager to hear the health system's legislative priorities.

Mr. Shaw reported that the Met CAB also hosted a successful Annual Public Meeting in June, 2018. At another event the CAB honored some local community leaders and reported to stakeholder on its work with the hospital on behalf of the community. Another highlight of 2018 was a community forum on Housing and Drug Epidemic. The forum focused on the rampant opioid use and the need for better services for homeless individuals in East Harlem.

Mr. Shaw concluded his presentation by stating, "the CAB has a continued focus on ensuring that Metropolitan remains open and ready to serve the complex and evolving health care needs of our community. East Harlem needs Metropolitan."

Mr. Siegler thanked Mr. Shaw for his report and moved the agenda.

NYC Health + Hospitals/Bellevue

Mr. Siegler introduced Mr. John Roane, Chairperson, NYC Health + Hospitals/Bellevue and invited him to present on behalf of the Bellevue CAB.

Mr. Roane began his presentation by reporting that, to better achieve its mission, the Bellevue CAB voted to accept the Executive Committee's recommendation to focus on those committees that have a major impact on the CAB activities. Mr. Roane explained that the CAB eliminated the following committees: Budget and Planning, Contracts and Affiliations, Psychiatry and Virology and Oncology. He noted that these committees or possibly new committees might be resurrected in the future, if needed. The current committees are Events, Executive, Legislative, Membership, Patient Care & Advocacy, and Security & Emergency Preparedness.

Mr. Roane reported that the CAB members regularly support the special events and campaigns issued by Health +Hospitals held throughout the year. Mr. Roane added that whenever there was a special "awareness events" held in the atrium lobby such as Breast Cancer, Domestic Violence, Heart Health, Denim Day, Mammogram/ Mini Health Fair, Hispanic Heritage Celebration, Back to School, Black History Month the CAB participates by hosting a "tabling" event where the CAB seeks to educate the public about the services offered at Bellevue, recruit new members and register new voters. Mr. Roane added that in December 2018, Cardinal Timothy Dolan celebrated a Christmas Eve Mass, for patients, visitors and staff. He added that it was a special honor to host the Cardinal.

Mr. Roane continued and informed the Committee members, CAB Chairs and invited guests that outside of Bellevue, the CAB had held tabling events assembled by elected officials such as State Senators Brad Hoylman, Chair Judiciary Committee and Liz Krueger's Senior Fairs to serve the community. Mr. Roane added that three (3) CAB members planned and coordinated an information sharing and voter registration drive in the housing complex Haven Plaza this past summer and participated in the National Night out Against Crime.

Mr. Roane thanked the staff of the Office of Intergovernmental Relations, for their support and knowledge. Mr. Roane stated that he became a better Chair having observed and put into use the "best practices" that he sees at the Council of CABS monthly meetings.

Mr. Roane informed members of the Committee, CAB Chairs and invited guests that at the Bellevue CAB monthly meeting William Hicks, Chief Executive Officer, gives his report on what is going on currently and what future plans are in the works at Bellevue and Health + Hospitals. Mr. Roane noted that the CAB voiced their questions and concerns. Also in attendance were: Michael Rawlings, Chief Operating Officer, Rebecca Fischer, Chief Financial Officer, Dr. Nathan Link, Medical Director, and Omar Abedalrhman, Chief Nursing Officer, Evelyn Hernandez Associate Executive Director Public Affairs & Community Relations and Justin Chin, CAB Liaison.

Mr. Roane concluded his presentation by announcing that on Friday, March 1st, the Bellevue CAB hosted a successful Legislative Breakfast. Mr. Roane added that this year's keynote speaker was Councilman Mark Levine, Chair of the Health Committee and that legislative updates were provided by both Gayle Brewer, Manhattan Borough President and Carlina Rivera, Council member.

Mr. Siegler thanked Mr. Roane for his presentation and highlighted the following upcoming 2019 Annual Public meetings dates and locations:

Manhattan- Tuesday, April 2, 2019-6:00 p.m., at NYC Health + Hospitals/Gouverneur located at 227 Madison Street-Auditorium
Bronx- Tuesday, April 30, 2019-6:00 p.m., at NYC Health + Hospitals/Jacobi 1400 Pelham Parkway South –Jacobi Training Center, Bldg 4- Second floor
Queens-Tuesday, May 7, 2019-6:00 p.m. at NYC Health + Hospitals/Queens located at 79-01 Broadway, 1st Floor Rm A1-22
Staten Island-Tuesday, June 11, 2019-6:00 p.m. at NYC Health + Hospitals/Sea View located at 460 Brielle Avenue—Lou Caravone Community Service Bldg
Brooklyn-Tuesday, June 18, 2019 6:00 p.m., at NYC Health + Hospitals/Woodhull located at 760 Broadway- Dolores E. Jackson Auditorium-3rd floor Auditorium

NYC Health + Hospitals/Elmhurst

Mr. Siegler introduced Ms. Eartha Washington, Chairperson of NYC Health + Hospitals/ Elmhurst and invited her to present the CAB's annual report.

Ms. Washington began her presentation by reporting that the Elmhurst CAB had a very productive year under her leadership and Israel Rocha, Chief Executive Officer of NYC Health + Hospitals/Elmhurst. Ms. Washington noted that the CAB held ten (10) regularly scheduled meetings and at each meeting information on Community Health Partnership and programs were discussed.
Ms. Washington informed members of the Committee, that she is a valued member of the Community Engagement Pillar. She continued and explained that together the Pillar provide quality care focused on the evolving needs of Elmhurst patients and the community.
Ms. Washington continued and highlighted CAB members' support of Elmhurst achievements and key milestones in 2018:

Announced that Elmhurst was verified as a Level I Trauma Center by The Committee of Trauma of the American College of Surgeons (ACS). This verification is only awarded to select centers that provide the highest quality of trauma care for all injured patients. Elmhurst is only one of 3 Level 1 Trauma Center in the borough of Queens.

Announced that for the 2nd year in a row, Elmhurst's Department of Neurosurgery has been awarded the Health grades Cranial Neurosurgery Excellence Award. Ms. Washington explained that this award recognizes hospitals for superior outcomes in cranial neurosurgery. Patients who have cranial neurosurgery at these nationally recognized hospitals have a lower risk of dying.

Reported that in September, Elmhurst officially launched NYC Health + Hospitals' first Express Care Clinic. Ms. Washington explained that the new walk-in urgent care center provides patients 18 years and older, facing non-life-threatening medical issues, with faster access to appropriate levels of care.

Announced that Elmhurst successfully completed a one-day Joint Commission survey for Advanced Certification for Primary Stroke Care. Ms. Washington added that this vigorous survey now places Elmhurst on track to achieve The Joint Commission Thrombectomy Capable and Comprehensive Stroke certifications this year.

Ms. Washington concluded her presentation by stating “as the New Year begins, the CAB is committed to monitoring the quality of services provided to patients, assisting in the assessment of community needs, and ensuring that population health needs are met and reflected in the hospital's programs and activities.” Ms. Washington continued and added that the Elmhurst CAB will continue to advise the hospital on the development of plans and new projects and establish and maintain dialog with the community.

Gladys Dixon, requested that a response to the Annual Public Meetings would be helpful to the CABs and the Community. Mr. Siegler accepted her suggestion and agreed to look into this.

The meeting was adjourned at 6:30 PM.

CAPITAL COMMITTEE – March 19, 2019
As Reported by: José Pagán
Committee Members Present: José Pagán, Freda Wang, and Mitchell Katz.

The meeting was called to order by José Pagán, Chairman of the Board, at 9:05 A.M.

VICE PRESIDENT’S REPORT

Roslyn Weinstein, Vice President, announced that there would be a ground-breaking ceremony, for the new Critical Services Building at Coney Island, later in the week. The new building is a Federal Emergency Management Agency (FEMA) funded project that was a big part of NYC Health + Hospitals recovery from Superstorm Sandy.

Ms. Weinstein advised that the meeting agenda included a resolution to proceed with a license agreement at Bellevue, for the Sleep Disorder Institute, request for approval to enter into contract with the New York Power Authority (NYPA) for six (6) energy upgrade projects at a cost not to exceed $42 million, and a not to exceed threshold increase for requirement contracts used throughout the system.

That concluded her report.

ACTION ITEMS

> Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a five-year revocable license agreement with the Sleep Disorders Institute (“SDI”) for its use and occupancy of 1,038 square feet of space to operate a diagnostic and treatment center on the 7th floor of the “H” Building at NYC Health + Hospitals/Bellevue (the “Facility”) at an occupancy fee

of $60,204 per year or $58 per square foot to be escalated by 2.75% per year for a five year total of $318,038.

Michael Rawlings, Chief Operating Officer, NYC Health + Hospitals / Bellevue, read the resolution into the record. Mr. Rawlings was joined by Christopher Roberson, Director, NYC Health + Hospitals / Bellevue.

Mr. Rawlings explained that Bellevue regularly referred patients for sleep study, last year 692 patients were referred to the Sleep Disorders Institute (SDI), which runs an institute on West 55th Street. He noted that the plan being presented was that they occupy space within the facility to operate a five (5) patient sleep center, providing services 24 hours a day, seven (7) days a week, with the exception of holidays. Mr. Rawlings confirmed that there was already a contract in place with SDI, where they visit the facility to do sleep studies for Riker's prisoners that are patients at Bellevue. Having this space, on site, would be convenient not only for Bellevue patients but also for the forensic patients from Riker's.

Freda Wang asked how the space and rental rate were selected? Mr. Rawlings noted that the space being presented to SDI was previously used for another sleep study program, run by New York University. That program no longer operates at Bellevue and therefore the space was vacant. He then engaged the team from Legal Affairs, that manages real estate transactions, and they requested a fair market value assessment of the space to be performed by a selected Health + Hospitals Real Estate consultant. Essentially this would be no cost to Bellevue, would generate revenue, and all renovation, upgrades and outfitting would be done by SDI.

Ms. Wang asked if there would be any Capital expenditure required. Mr. Rawlings said no.

Ms. Wang asked if there would be ongoing expenses such as utilities and security. Mr. Rawlings said those would all be factored into the license agreement. There was a separate agreement being made between SDI and Sodexo, who provides linen services at Bellevue, as SDI would be using those services as well.

Ms. Wang confirmed that the occupancy fee rate included utilities. Mr. Rawlings said yes.

Dr. Mitchell Katz, President, Chief Executive Officer, asked how the money would flow for patients that were uninsured. Mr. Rawlings explained that Bellevue paid for uninsured patients, at the Medicaid rate, and the rent would help to offset that. Of the 692 patients referred to the program in the prior year, 212 were uninsured and the cost was approximately $59,000. Mr. Katz asked if those payments go directly to SDI and Mr. Rawlings said yes.

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

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

> Authorizing New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute an agreement with the New York Power Authority ("NYPA") together with Customer Installation Commitments covering six energy efficiency upgrades (the "Projects") for the planning, design, procurement, construction, construction management and project management services necessary at NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Bellevue, NYC Health + Hospitals/Jacobi, NYC Health + Hospitals/Kings County and NYC Health + Hospitals/Elmhurst (the "Facilities") at a cost not-to-exceed $42,407,088 which includes a 10% contingency.

Cyril Toussaint, Director, Office of Facilities Development, read the resolution into the record.

Ms. Wang asked for an explanation of the funding for the projects. Mr. Toussaint explained that funding came from two (2) sources, the Department of Citywide Administrative Services (DCAS) contributed approximately 76% of the funding, and the remainder comes from NYC Health + Hospitals Capital funds.

Mr. Toussaint explained that the current Energy Efficiency-Clean Energy Technology (ENCORE) Program agreement between the City of New York, NYPA, and Health + Hospitals had expired, and the new ENCORE agreement between the City of New York and NYPA will not be finalized for at least another six months. For that reason Health + Hospitals was seeking to enter into their own agreement with NYPA, approving limited funding that is approved and identified for shovel ready projects. This will allow Health + Hospitals to move forward while the citywide contract is finalized.

Ms. Wang asked if there was any risk that the money from DCAS would not be provided when needed. Mr. Toussaint said no, there is very little risk of that. All funds must be registered with the New York City Comptroller's Office, and that will solidify reimbursement.

Ms. Weinstein asked for an explanation of the ENCORE agreement and why the risk was so low. Mr. Toussaint stated that the ENCORE agreement had been initiated in 2015 between the City of New York, the New York Power Authority and various City agencies, and allows for NYPA to manage energy efficiency projects. Mr. Toussaint said the only risk of losing the funds would be if they were not registered before the end of the fiscal year.

Ms. Wang asked what registering the money consisted of. Mr. Toussaint said that after approval by the Board of Directors, the projects being presented would be presented to the Comptroller's office for review, and they approve the allocation of funds.

Ms. Wang asked what would happen to the 10% contingency were it not used or needed. Mr. Toussaint said it would go back to its original pool, whether that was Health + Hospitals Capital dollars or DCAS dollars.

Ms. Weinstein noted that using NYPA, which is permitted to do Design-Build construction projects, has realized savings in other projects and is anticipated to do the same with these projects.

Mr. Pagan asked if someone would be sure that the funds would get registered and the committee would be informed when funds were registered and approved. Ms. Weinstein said yes. She explained that the process has little risk, it does involve questions from the Comptroller’s Office, but little risk of rejection.

Ms. Wang asked if the projects were part of the PlaNYC Energy Efficiency program. Ms. Weinstein said yes.

Ms. Wang asked if possible delays would inhibit the meeting of any related City mandates. Ms. Weinstein said no, we are well on our way to meeting that mandate.

Ms. Wang asked how the projects were selected. Mr. Toussaint said that the Office of Facilities Development had comprehensive energy audits performed at a number of facilities and these projects were identified during that process.

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

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

> Authorizing the resolution adopted by the Board of Directors of New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) on December 6, 2016 that authorized the execution of requirements contracts with seven Architectural and Engineering (“AE”) consulting firms namely DaSilva Architects, PC, Francis Cauffman, Inc., Gertler & Wente Architects, Lothrop Associates, LLP, MJCL Architect, PLLC, Perkins Eastman Architects, DPC, and TPG Architecture, to provide professional AE design services; and with six Mechanical, Engineering, and Plumbing (“MEP”) consulting firms, namely Goldman Copeland Associates, PC, Greenman-Pedersen, Inc., Jacob Feinberg Katz & Michaeli Consulting Group, LLC, Kallen & Lemelson, Consulting Engineers, LLP, LiRo Engineering, Inc., and R. G. Vanderweil Engineers, LLP, to provide professional MEP design services; and with six Local Law Inspection consulting firms, namely HAKS Engineers, Architects and Land Surveyors, PC, Hoffman Architects, Inc., Raman and Oudjian Engineers and Architects, PC, Ronnette Riley Architect, Superstructures Engineering + Architecture, PLLC, and Thornton Tomasetti, Inc., to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law

11 compliance on an as-needed basis at various facilities throughout the organization with such amendment increasing the $15,000,000 not to exceed limit by $8,000,000 to bring the total not to exceed limit to $23,000,000.

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

Mr. Pagan asked how the original not to exceed amount of $15,000,000 was selected. Ms. Weinstein explained that reviewing historical spend against the contracts is how the threshold was established, but in the past year or two there has been approval of funds for a number of projects, and that increased the spending against the contracts. Construction for Delivery System Reimbursement Incentive Program (DSRIP) construction projects and design for the upcoming move, all funded but unanticipated expenses are pushing past the previous approved threshold.

Dr. Katz stated that the expenditure is approved separately but this approval is for authorizing work against these contracts, up to that amount. We are approving the mechanism for spending, not the spending. Ms. Weinstein agreed.

Mr. Iglhaut explained that these contracts were solicited following New York City procurement rules, and were entering their final contract year, and the increased threshold was anticipated to last through the remainder of the contracts. Ms. Wang asked that the $23 million was anticipated to last the remainder of the year. Mr. Iglhaut said yes.

Ms. Wang asked if all $23 million was already identified for specific projects. Ms. Weinstein said no, the additional $8 million would be for planned and funded projects as well as new, unanticipated, projects that receive funding approval. Whether that be Local Law 11 or regulatory work.

Mr. Pagan asked if there could be more explanation of the contracts, their use, and procurement, at the full Board of Directors meeting. Ms. Wang agreed, noting that for new member, that are unfamiliar, it could seem like the Board is approving spend of $23 million.

Dr. Katz requested that the presentation include explanation that funding is approved on a separate pathway. Mr. Iglhaut said yes, a work order would not be signed for any of these vendors without funding in place.

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

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

On motion, the Committee voted to adopt the minutes of the October 15, 2018, Capital Committee meeting.

There being no further business, the meeting was adjourned at 9:29 A.M.

Finance Committee – March 19, 2019
As Reported by: Freda Wang
Committee Members Present: Freda Wang, Sally Hernandez-Piñero, Dr. Mitchell Katz, Barbara A. Lowe, José Pagán

Ms. Freda Wang called the meeting to order at 9:53 am. The minutes of the December 13, 2018 meeting were approved as submitted.

SENIOR VICE PRESIDENT'S REPORT

Mr. John Ulberg began his report stating that the major topic for today's meeting is to review the financial plan results through the Quarter 2 (Q2) – a period that covers June 1, 2018 through December 31, 2018. Mr. Ulberg reported that Health + Hospitals (H+H) finished Q2 1% below the net margin target. This includes expenditures, which are higher than budgeted by $25M strategic investments in hiring nursing staff and investments in revenue cycle improvements. Facilities reset their budgets to close the gap on the $25M. On the revenue side H+H is missing the target by net $10M, with patient care revenue $40M below target largely due to Epic rollout. This was offset by MetroPlus receipts and volume decline. There are internal and external risks that could potentially impact H+H which, are being monitored closely for changes. Mr. Ulberg requested reserving five minutes at the end of the meeting to discuss a letter of credit that is needed for the operations of the Accountable Care Organization (ACO).

Mr. Ulberg reported on overall revenue and expenditures. On the expenditure side, H+H is over budget by $25M mainly due to staff disbursements in nursing and revenue cycle. On the revenue side, H+H is $10M under the target, with patient care revenue currently $40M below budget. H+H is on track to recover those funds through the end of this fiscal year (FY) and the early part of the next FY.
Dr. Mitchell Katz commented that although H+H has not made the targets yet, he is optimistic about the progress H+H has made in the transformation plan considering how close to the ambitious targets H+H has come. Dr. Katz further noted that if H+H had not made strategic investments in nursing staff that H+H would have met the expense targets.

KEY INDICATORS; CASH RECEIPTS & DISBURSEMENTS REPORTS

Ms. Michline Farag reported that Q2 expenses are less than $25M away from our expense target. This is largely due to staffing investments in clinical models including the nursing model, key business initiatives, and revenue cycle improvements. In addition, a hiring pause was put in place to allow H+H to reset its' budgets.

Ms. Freda Wang asked if the hiring pause had been lifted, and Ms. Farag confirmed that it had been after facilities submitted plans.

Ms. Sally Hernandez-Piñero asked if the expense reductions were allocated by facility, and Mr. Fred Covino confirmed that it was done by facility.

Mr. Katz commented that historically budgeting facility-to-facility has not been something that H+H has done due to the differences in budgets by facility.

Mr. Ulberg commented that when H+H took the pause and implemented the nurse staffing model, H+H set objective benchmarks to measure the number of nurses needed by the number of patients.

Ms. Farag continued her report discussing the drop in staffing numbers from 49,410 in November 2015 to 44,279 in April 2018. In FY17 H+H implemented the transformation plan that imposed controls on Global Full Time Equivalents (GFTE). GFTE describes the full complement of H+H overall staffing resources, including full-time employees, part-time, hourlies, temporary workers, affiliations, and over time, which, are all converted into “global” full-time equivalents. In November 2015, H+H implemented staffing controls such as vacancy review to prepare for the transformation plan that came in FY17. Overall H+H has decreased GFTEs by around 5100 since November 2015. In FY19 GFTEs has a slight increase due to the investment in strategic hires.

Ms. Farag reported H+H’s recalibration of the staffing mix to support clinical and revenue generating investments. Of the total full-time staff hired this year, the largest increase was in nurses, revenue cycle initiatives, and funded business plans.

Mr. José Pagán asked what type of staff we did not hire during the reduction.

Ms. Farag reported reductions to temporary workers, hourlies, non-clinical titles, and implementing controls on backfilling and management hiring. Dr. Katz noted the hiring freeze was system-wide.

Mr. Pagán raised a question about year-to-year changes in nursing staffing and Ms. Farag noted that in the past H+H did not have a staffing model for nursing to benchmark against and now those controls are in place.

Ms. Barbara A. Lowe asked if there is a way to look at the nursing model in a dynamic way since nursing is a large part of the Human Resource (HR) budget.

Dr. Katz replied that the goal is to get ahead of vacancies in nursing by proactively training new nurses.

Ms. Krista Olson noted that H+H is implementing an integrated staffing model for nursing now.

Ms. Wang asked if nurses in different fields are compensated the same throughout H+H. Mr. Covino replied that most nurses are paid the same across H+H. Dr. Katz noted there is some variation in salary based on nurse credentials but overall they earn the same. Dr. Katz further noted that H+H is working with New York State Nurses Association (NYSNA) about providing differential payments to be more competitive with the rest of the industry.

Ms. Farag continued her report by providing an overview of H+H staff growth that has shifted away from temporary workers to full-time employees. This enables a more stable workforce. Temporary workers and hourlies have declined and H+H full- and part-time staff has increased. Over time (OT) has also increased but is anticipated to go down. Some of the OT is due to nurse training and as they transition to full-time their OT will decrease.

Ms. Hernandez-Piñero asked if part-time staff is heavily concentrated on nurses, and Mr. Covino said it is not concentrated in nursing. Mr. Pagán asked how H+H adjusts pay for the OT staff, and Mr. Katz replied that OT at H+H is complicated because it does not cost us more than an increased hourly rate based on how the City benefits work. He noted that H+H does not want staff to burnout on OT and he does not want H+H to make OT mandatory but he acknowledged that some staff want to work OT.

Ms. Wang asked for confirmation that OT will not continue to grow over time. Mr. Covino noted that H+H is keeping pace with the rest of the industry on OT.

Ms. Hernandez-Piñero asked what the average nurse salary is for registered nurses and Mr. Covino, off the top of his head, said an average of $94,000.

Ms. Wang asked if the new staffing model for hiring has stabilized or if there is more work to do, and Ms. Farag replied stating it varies by facility.

Mr. Ulberg reported on the facility gap closing plans H+H is implementing to recoup the $25M. The four major categories of savings are in staff attrition, OT reduction, non-staffing cost reduction, and revenue offset of expense. The finance team has monthly meetings with facilities to understand where they need help and the barriers that are in their way.

Ms. Lowe asked if we have Chief Medical Officers (CMOs) in facilities that help to manage this piece of the budget, and Mr. Ulberg said that we work closely with them to monitor progress on how they are doing. Ms. Farag reported on corporate-wide revenue. FY19 revenue is $65M higher than FY18 actuals and close to FY19 target. Total patient care revenue is up $80M vs. FY18 actuals driven by stronger risk contract performance.

Ms. Olson reported on the connection between revenue and discharges. Two-thirds of the decline in discharges vs. FY18 are associated with our risk-based health plans. Although there is an uptick in self-pay, it is expected to convert to insurance. Although there is a decline in discharges in the risk base, we can make it up later in risk pool revenue with MetroPlus and HealthFirst. Dr. Katz commented that having fewer discharges is a good thing. Ms. Olson noted that although volume has dropped, attribution levels have increased by 8,095 covered lives.

Ms. Olson continued her report by describing that although discharges are down by 3.8%, by the end of 2020 we expect to offset this by achieving improvements in coding and documentation, recoupment of delays in accounts receivable (AR) related to Epic implementation, and anticipated risk pool revenue. There is a negative impact on cash, but over time we will make most of that up in discharges to date.

Ms. Wang asked for clarification on the end of FY20 date, and Ms. Olson replied stating that the risk pool revenue takes time to get because of the lag in processing claims with the payer. Mr. Pagán asked if there are opportunities that we are missing to make sure we capture patients insured by MetroPlus and Ms. Olson noted that there are transformation plan initiatives that seek to address retention and reduce leakage. Mr. Matt Siegler added that if MetroPlus and HealthFirst members are assigned a Primary Care Physician (PCP) at H+H, then the members are attributed to us and therefore we can capture the risk. The next step after PCP assignments is to look at leakage to other systems and assessing whether we invest in that service in a facility or implement a transportation plan to a facility that does have that service.

Ms. Hernandez-Piñero asked if patients can switch PCPs within a year, and Mr. Siegler responded that patients could switch at any time. Ms. Hernandez-Piñero asked if research is being done on retention tracking and Mr. Siegler, responded saying yes and that patients are assigned or they select a PCP and the auto-assigned MetroPlus members are 90% assigned to H+H.

Ms. Lowe asked if H+H looks at performance levels of PCPs to make decisions about retention and assignments and Mr. Siegler said this is not currently part of the process because the issue tends to be the churn on and off insurance rather than switching providers.

Ms. Marji Karlin reported on the components of revenue variance as it relates to revenue cycle. Candidate for billing (CFB) is an area we saw revenue cycle performance drop. CFB is a term that refers to all claims that should be ready for billing and have been coded out to a coding vendor for review. Once claims have passed five days available for coding H+H should be able to send the bill to the patient. We have increased by 4.4 days between July and December. Largely this is because of Epic go live. There have been edits to workflows related to coding, charge capture, system billed issues, issues about alternate level of care billed, etc. There is expected fine-tuning after an Epic go-live so CFB was at an all-time high in December but the issue has been mitigated since.

Ms. Karlin continued her report on revenue variance mitigation. The board authorized vendor partnerships to help work areas of the receivable that have not historically been addressed by facilities, for example high volume low dollar insured claims. In addition, H+H has not done proactive outreach on self-pay charges or to patients who do not respond to statements. To follow-up on those balances, H+H is working to assist patients in getting insurance coverage or if they cannot get coverage help patients apply for H+H Options. Revenue for these vendor partnerships will start to roll-in at the end of FY19 and beginning of FY20. CFB has reduced and is being managed by the facilities. H+H has more in receivables than is typical but it is being addressed now that the claims backlog has been addressed. Epic, revenue management, and facilities are working to address this backlog.

Ms. Hernandez-Piñero asked how much money the backlog is and Ms. Karlin replied that claims follow-up for CFB is about $27M.

Ms. Karlin continued her report on self-pay AR. There is a delay in sending statements in association with Epic go-live – the first group of statements went out this week. The residual balance notices sent out for self-pay patients will include a flyer to help them understand how they can apply for insurance or help them apply for H+H Options.

Ms. Hernandez-Piñero asked if the balances have a wide spectrum.

Ms. Karlin noted there is a wide variation in balances and for the very high balances staff do phone outreach in addition to the letters.

Ms. Karlin further noted that there are focused efforts in all of the facilities with Epic to do a better job at catching insurance at or before the appointment.

Ms. Karlin continued her report on revenue cycle growth trajectory demonstrating that it is on track to exceed FY19 target by $10M.

Ms. Olson presented on the increase in case mix index (CMI). CMI is a measure of the complexity of inpatient stays. H+H has increased by over 10% year-to-date (YTD) since last year which is aligned with all the clinical documentation improvement efforts over the last year. Some changes are to the patient population but H+H also implemented specific measures to capture diagnostic codes and are more accurately reflecting the complexity of the patients H+H serves. Mr. Katz noted that this is important for billing because value-based payment (VBP) arrangements must be risk adjusted. It is also good for quality measures because they are also risk adjusted.

Ms. Olson reported on actual length of stay (LOS) compared to expected LOS, which is adjusted for CMI using citywide data. Last year H+H actuals were more than a 0.5 days greater than city average. This year

H+H actual remained the same but the expected went up. By capturing the complexity of H+H patients, H+H can see that compared to city benchmarks H+H is improving.

Mr. Pagán asked if the increase in CMI is across the board and Ms. Olson noted that yes and to reference the appendix detail if interested in facility-level data. Dr. Katz noted that the coding academy has been very successful.

Mr. Ulberg reported on the internal and external risks for H+H. Notable risks include the Governor's initial budget and the major changes in nursing home CMI; the Governor's 30-day Amendment repealing 2% hospital increases; federal public charge rule changes; the President's budget, which proposed cuts across the board to Medicaid and Medicare and raised enough concern with the NY State legislature to create a protection fund; Federal DSH cuts in October that would require H+H to absorb up to $700M. Mr. Ulberg noted that H+H is working to get those cuts restored and lobby the State on proportionately spreading the cuts across all hospitals if they do happen. On the avails side, MetroPlus managed patient care costs has reserves and H+H is working on a Medicaid admin grant for admin costs.

Mr. Ulberg introduced an Accountable Care Organization (ACO) action item that will be introduced to the full board in April. The HHC ACO, a subsidiary nonprofit organization of H+H, is a high performer and is the only NYS ACO to achieve positive results in Medicare Shared Savings Program (MSSP) for five years in a row. As it currently stands, the ACO has upside risk only and Centers for Medicare and Medicaid Services (CMS) is requesting that ACOs go into an upside-downside arrangement which means that ACOs will take on risk. To protect the ACO in the event of downside risk, the ACO must establish a reserve and have a letter of credit. Ms. Linda DeHart elaborated that the ACO's best option is the upside-downside risk agreement and because of this CMS requires a guaranteed payment mechanism if there is liability. The letter of credit is the best option for the ACO. Approval from the Board is needed to get this letter of credit for the ACO. The estimated cost is $4-$7M.

Dr. Katz noted that taking on downside risk is a good option because it can increase the upside risk.
Ms. Wang asked for clarification on whether the ACO needs H+H to assume the risk.

Ms. DeHart replied that the ACO will enter the agreement with the larger upside potential, but the downside is that if they do not achieve the expected performance they will be liable to pay CMS. The ACO will set aside some earnings to build up a reserve so that in the event of liability, H+H will assume minimal risk. Ms. DeHart noted that CMS has yet to tell us the exact amount that is required.

There being no further business to discuss, Ms. Wang adjourned the meeting at 10:59 am.

SUBJECT: Talking Points – Strategic Planning Committee March 19, 2019 Meeting

DATE: March 22, 2019

Committee members present: Jose A. Pagan, Ph.D., Dr. Oxiris Barbot, Sally Hernandez-Pinero, Dr. Mitchell Katz, Freda Wang

---

On behalf of Mr. Gordon Campbell, Chairman of the Strategic Planning Committee, Dr. Jose Pagan, called the March 19th meeting of the Strategic Planning Committee (SPC) to order at 11:05 A.M. The minutes of the December 13, 2018 of the Strategic Planning Committee meeting 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: Q2 FY2019 (October-December 2018) and a discussion of two selected measures: percentage of MetroPlus spend at Health + Hospitals and number of insurance applications submitted per quarter.

Public Policy Update

Mr. Siegler reported that the Governor's 30-day budget amendments came out with significant healthcare cuts. These cuts have been reversed in both of the One House Budget bills. The key issue that Health + Hospitals has been tracking in the budget, amongst many, is the distribution of disproportionate share hospitals (DSH) payments. The proposals that we put forward which, attracted a lot of support was the indigent care workgroup to adjust the distribution to make sure that hospitals that treat a disproportionate share of people on Medicaid and without insurance receive the indigent care pool funds were not included in the Governor's amendments or in the One House Budget bills. Included was a statement of support in the Senate legislation for protecting Health + Hospitals, should federal DSH cuts happen; a key strategic priority for Health + Hospitals. The DSH cuts are quite substantial, ranging from $139 million for some facilities down to $35 million for some of our smaller community hospitals. A key ongoing priority will be to try to reverse those cuts at the federal level and get some protection into State policy stating that, should the cuts happen, Health + Hospitals should not endure the most of those cuts.

Mr. Siegler reported that, with the Legislature's action, the Governor reversed his positions on some of the key cuts he included in his proposal indicating that they will seek savings in other parts of the budget. Health + Hospitals will continue to have ongoing discussions with legislators and the Governor’s staff about the Indigent Care Pool (ICP) and DSH funding and how our system and our proposal can be helpful as they seek to close the budget gap. Mr. Siegler concluded his legislative update stating that, as of now, it looks as if healthcare would not be a carrier for cuts to balance the State budget this year, and assured the Committee that H+H will continue to monitor that closely.

INFORMATION ITEM

Strategic Planning Committee Update and System Dashboard
Matt Siegler
SVP Managed Care and Patient Growth
Dr. Eric Wei
Chief Quality Officer

Mr. Siegler informed the Committee that the scorecard measures reflect the second quarter of fiscal year 2019 (see attached).

Mr. Siegler reported on some of the key measures of Q2 FY2019 performance in the Dashboard. Improving measures that are trending positively include:

E-consult, our electronic consultation system for specialty referrals, continues to grow at a rapid pace. E-consult had an interesting coverage in the *New York Times* recently, featured as a model of how safety net systems and other systems can be more efficient, reduce specialty wait-times and improve access to care. E-consult is live in over 100 clinics at all acute facilities, and in at least one in all of our acute facilities and shortly in the Bronx via accelerating roll out in advance of NYC Care.

# of Insurance Applications per Quarter. Over the years, the city has done a terrific job in boosting insurance enrollment around the city. A very big deal for the city and for the system is for Health + Hospitals to put forward an extra effort in improving its workflows and processes to boost applications inside of our facilities. We are up over 23,000 applications in January, which is a huge number with a large potential for growth.

Patient Satisfaction/Post-acute care: Under Dr. Wei’s supervision, on a patient experience perspective, and Maureen McClusky, Sr. Vice President for Post-Acute Care, excellent progress was made. Launching a patient experience council; putting those happy or not meters throughout the facilities to rate the patient experience to judge how we are doing at a unit level; and focusing on meals and their PFAC.

HgbA1c control < 8. Dr. Wei reported that this most recent system-wide performance improvement initiative led out of the Office of Population Health with Nichola Davis, Sr. Assistant Vice President, in conjunction with our Ambulatory Care leadership included the following improvements:

getting point of care HgbA1c testing - lot of patients were falling out by not having their HgbA1c in the record for 12 months
Training of nurses to be able to call patients at home before and after visits for education purposes, coaching, or going over the medication regiments, as there is no time to do so in a crunched 15 minutes primary care physician visit. It is hopeful that trained Pharm Ds will take over some of the medication regiment changes as well as the education and the reinforcement; this will use Pharm Ds at the top of their license and off-loading the nurses and physicians.
Dr. Wei explained that this is a critically important clinical measure for diabetes care with tremendous revenue implications, factored into the State quality bonus programs, and into managed care quality bonus programs. Dr. Wei reported that as a result, of these improvements, Health + Hospitals received $30 million in VBP QIP quality bonus revenue last year.

Mr. Siegler reported on the negative trending measures.
AR days per month and Patient Care Revenues/Expenses in this quarter was raised because there was some delay in getting bills out of the door due to the EPIC roll out. As such, EPIC will have significant collection benefits going forward.
ERP milestones. We are on track rolling out at Bellevue and Harlem and, in 12 hours and 25 minutes (as confirmed by Kevin Lynch, Sr. Vice President, EITS Administration), at several of our community health centers. EPIC also includes a large scale payroll finance and purchasing system redesign. There is a need to look at some key measures and data points that would be lined up across the various systems. Therefore, the decision was made to hold back some key measures until the start of the fiscal year so that we could have a smoother launch.

The % of MetroPlus dollars that come into Health + Hospitals. After many improvements year-to-year, this measure dipped in the final quarter.

Other updates Mr. Siegler reported on are:

Unique primary care patients seen in last 12 months. Currently we are experiencing a data definition and harmonizing process due to the launch of EPIC, which added a third financial system to the previously two that track and define a primary care visit. A unified system-wide number will be available by next quarter.

Mr. Siegler explained that the Dashboard is broken down into several key strategic areas: Increasing primary care, the number of unique primary care patients we have seen in the last 12 months; a measure of specialty care, the number of E-consults completed per quarter; four key financial sustainability measures; two information technology measures and quality measures including care experience, culture of safety.

Mr. Siegler reported on the individual measures of the System Dashboard – March 2019:

Unique primary care patients seen in last 12 months: The goal of primary care patients is to stabilize the decline we have seen in several years and then grow from there. As indicated above, the data will be available by next quarter.

Number of E-consults completed/quarter: E-consults are currently at 15,000 this quarter, which is up from 6,000 last year and will continue to accelerate and grow.

Patient Care Revenue/Expenses: It is above target.

Insurance applications submitted/quarter: While the number was just under 21,000 in December 2018, in January 2019, we were over 23,000 and close to our target of 23,700.
% of MetroPlus medical spend at Health + Hospital: There is a 2% point improvement since the end of 2017, which represents $100m in new revenue coming into Health + Hospitals. Though there was a little dip at the end of 2018, we are up from 37.7% to 39.5%. The ambitious target is at 45%. How we assign MetroPlus members into our primary care practices will continue to have a good impact. Key initiatives that Health + Hospitals has underway with MetroPlus to drive this number up are to: increase the number of new members at MetroPlus who are assigned to Health + Hospitals primary care providers which is now up to 90 % compared to 50% a year ago; work on patients retention, and get them connected to care and make sure they stick and use Health + Hospitals for delivery.

Total AR days per month (excluding in-house): Due to the EPIC roll out in December, that measure jumped up to 54.6. We were down last year to 47 and even further last quarter to 43.8.

Epic Implementation milestones: On track. We had a very successful go live at four of our acute facilities back in October. Two will be added in ten days and, by October of this year, we will be live at all of our acute facilities and all the community health centers.

The ERP is lagging a little bit, but will be live at the start of the fiscal year.

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:

Sepsis 3-hour bundle (2Q18): We are at 69.7%, which, is well over the State benchmark of 63.5%. We had a slight drop from 72.6% of the prior period mostly due to some issues the nurses are experiencing to be able to build some order sets in Quadrimed.

Follow-up appointment kept within 30 days after behavioral health discharge: A slight drop from 59.6% last quarter to 57.4% of the goal of 66% due most likely to common cause variation.

HgbA1c control < 8: See above. Dr. Chokshi added that compared to prior periods, some modest progress are being made with the help of a major category of interventions that include better data tools; some clinical guidance including a diabetes medication guideline, as well as a quality improvement tool kit; some pharmacy changes, in addition to trying to integrate what we are doing in terms of chronic disease improvement with addressing unmet social needs that may also result in poorer diabetes control.

% Left Without Being Seen in the ED: This metric is an options metric; one that we have been challenged with. It is multifactorial because not only the metric is not being measured correctly but also because there are other buckets of patients being dumped into left without being seen. To reach the 4% goal, significant improvements have to be made this year to eliminate siloes and to ensure that the ED Chief is the Captain of the ship and ultimately accountable for the clinical and operational issues in the ED.

Inpatient care – overall rating (Top Box): This target is provided by Press Ganey. Scores 9 or 10 on a scale of 1 to 10. We are at 62% of the goal of 65.4%.

Ambulatory care (medical practice) Recommend Provider Office (Top Box): This target is provided by Press Ganey. 81.3% of a goal of 83.6%. This metric is slowly creeping up due to its correlation to I-CARE training and the implementation of Happy or Happy Not meters in all of our ambulatory settings, as well as working on our call center, front end patient financial services and the clerks who check patients in.

Post-acute care – likelihood to recommend (mean) [2016]: Another target provided by Press Ganey. This metric is green. We were able to maintain that level of satisfaction at 87.1%, which is well above our goal of 84.3%.

As for the culture of safety measures, #16, 17 and 18, Dr. Wei informed the Committee that an updated data point will be provided at the next meeting. One of the questions of the Agency for Healthcare Research and Quality (AHRQ) patient safety culture survey performed is to give your work area or unit an overall patient safety grade, A, B, C, D or F. The metric is the percentage that gives us A or B. The listed targets for these measures are based off the national benchmarks for the AHRQ survey.

Mr. Siegler concluded his presentation by thanking Committee members and invited guests for their time.

There being no further business, the meeting was adjourned at 12:00 Noon.

SUBSIDIARY REPORTS

HHC Assistance Corporation – February 25, 2019
As Reported by: Israel Rocha
BOARD OF DIRECTORS

The meeting of the HHC Assistance Corporation Board of Directors, *d/b/a OneCity Health Services,* was held on February 25, 2019 in Room 418 located at 125 Worth Street with Israel Rocha presiding as Chairman.

CALL TO ORDER

The meeting of the Board of Directors (the "Board") of HHC Assistance Corporation (the "Corporation") was called to order by Mr. Rocha at 4:03pm.

OLD BUSINESS

Mr. Rocha presented minutes of the October 9, 2018 Board meeting. A motion was made, duly seconded, and unanimously accepted to adopt the meeting minutes.

NEW BUSINESS

A motion was made, duly seconded, and unanimously accepted to adopt a resolution electing Israel Rocha as President and Chief Executive Officer, recognizing the Directors designated by the Sole Member:

- Mitchell Katz, MD
- Jeremy Berman
- Sheldon McLeod
- Israel Rocha
- Matthew Siegler
- Michael Stocker
- John E. Ulberg

Mr. Rocha presented a CEO update for the Board. OneCity Health continues to pursue projects and partnerships that will enable sustainable models once the demonstration period ends. Management recently visited with Geisinger to learn more about their food pharmacy program and is currently planning along with Kings County and City Harvest, to pilot a prescription program that would deliver food directly to patients that meet documented nutritional needs. As with other projects, OneCity Health will track clinical and financial outcomes and may pursue partnerships with managed care organizations to sustain successful interventions.

Mr. Rocha presented a draft of the OneCity Health impact report, a publication highlighting OneCity Health programs, OneCity Health's collective impact approach, and patient success stories. The report will act as a repository, documenting the program success and a reporting resource for interested parties once DSRIP comes to an end.

OneCity Health recently participated in the annual DSRIP Learning Symposium held in Saratoga. Representatives from OneCity and MetroPlus were invited by the State Medical Director to present on their successful partnership that resulted in reducing adverse health outcomes and costs associated with patients diagnosed with asthma. At the symposium, the New York State Department of Health (DOH) announced their intention to pursue a DSRIP extension. Per DOH request, OneCity Health is helping to draft a white paper that will layout the case for an extension from the public hospital, intergovernmental transferring entity (IGT) perspective. The State is currently considering different types of funding models/waivers and continue shifting payments for health care toward a value-based model.

Mr. Rocha presented a brief background on OneCity Health’s 14 priorities: 1) Patient Informatics & Precision Medicine; 2) Development & Funding; 3) Evaluation, Quality, & Performance Improvement; 4) Community Health; 5) Palliative Care Pathways; 6) Clinical Pathways & Care Connect; 7) Short-Stay Care Redesign; 8) Advanced Care Institutes; 9) Behavioral Health Redesign; 10) AmbCare+; 11) Retail Clinic Design; 12) Regulatory Oversight & Reporting; 13) Workforce Redesign; and 14) Revenue, Redesign & Resilience. Board members also discussed other funding sources to focus on workforce training.

Mr. Rocha presented overall state performance data on reduction in avoidable hospital use among the New York State Medicaid and DSRIP attributed populations, showing progress toward the goal of reducing avoidable utilization by 25%.
Wilbur Yen, Chief of Staff for OneCity Health, noted that the State will re-run performance data due to errors that were found impacting DY3 and DY4 outcomes and associated payments. Dr. Stocker requested OneCity Health-specific performance to compare across other PPS.

Mr. Yen further presented findings from a recent Department of Health survey that was conducted to look at post-DSRIP planning by PPS. Findings indicated that PPS are considering a range of contracting mechanisms including Accountable Care Organizations (ACO), Independent Physician Associations (IPA), and Managed Services Organizations (MSO). NYC Health + Hospitals is likewise exploring options and assessing its ability to continue network contracting through its existing ACO and formation of an IPA.

Tatyana Seta, Chief Financial Officer, OneCity Health, presented an overview of the next phase of community partner contracting, the term extending into the next fiscal year. Ms. Seta guided the Board through the partner share of funds allocation methodology, accounting for reliable revenue projections, day-to-day operations costs, partner payments, and a reserve for future sustainability. Mr. Stocker expressed concern regarding public perception of a reserve and the allocated amount. Ms. Seta stated that the amount allocated toward the reserves was previously shared and approved by the PPS governance committee, which included community partners. John Ulberg, Chief Financial Officer for NYC Health + Hospitals noted that the percentage of dollars held in reserves by OneCity Health, was in line or lower than what other PPS were planning to hold. A motion was made, duly seconded, and unanimously accepted to adopt a resolution, authorizing OneCity Health management to allocate an amount not-to-exceed $176M of Performing Provider System partner share of funds for Phase IV contracting for fiscal years 2019 and 2020, to support DSRIP projects and activities.

Next, a motion was made, duly seconded, and unanimously accepted to adopt a resolution, presented by Mr. Rocha,

> "Authorizing OneCity Health management to recommend to New York City Health and Hospitals Corporation, to take the steps necessary to secure an extension of the Delivery System Reform Incentive Payment Program with the New York State Department of Health to maximally achieve the purposes of the program and support future sustainability."

Ms. Seta reviewed the current statement of financial condition, highlighting starting cash balance, revenue and expenses, and partner payments for Fiscal Year 19 through December 31, 2018. The acceleration of partner payments at the end of Fiscal Year 18 resulted in a lower than expected Fiscal Year 19 starting cash balance. To date, OneCity Health PPS has distributed $209M to partners across all Phases of contracting. Efficacies were made to the funds distribution process, reducing the payment cycle by 30 days.

Lastly, Mr. Rocha presented the DSRIP timeline, stating that the report generating payment would be submitted in March 2020, with the last performance window ending in June of 2019. Auditing of the program would be conducted through March of 2021.

ADJOURNMENT

There being no further business, Mr. Rocha adjourned the meeting at 5:00 p.m.

MetroPlus Health Plan, Inc. – March 12, 2019
As reported by Ms. Sally Hernandez-Piñero

CHAIRPERSON'S REMARKS

Ms. Sally Hernandez-Piñero welcomed everyone to the MetroPlus Board of Director's meeting on March 12, 2019. Ms. Hernandez-Piñero 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. Ms. Hernandez-Piñero stated that there would be two resolutions presented for approval. The minutes from the January 22nd Board of Directors meeting were approved.

EXECUTIVE DIRECTOR'S REPORT

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

Before Dr. Saperstein began the Executive Director's report he welcomed Ms. Sally Hernandez–Piñero, MetroPlus new Chairperson, and Mr. Christopher Roker, MetroPlus' new Board member and gave a brief description of the new member's work history.

Dr. Saperstein stated that the total year revenue for 2018-year end was 3.15 billion. Medical expenses were 2.64 billion. In addition, because of the Plans' full risk value-based arrangement with NYC Health + Hospital, the risk share provision to NYC Health + Hospital was 273.8 million. This made MetroPlus' total medical expenses 29.14 billion which was a 92.2% medical loss ratio, surpassing the State minimum of 85%. The Plan's administrative expense operated on 7.6% of revenue, at 240.8 million for administrative loss ratio. Dr. Saperstein stated that MetroPlus adjusts the risk to maximize the dollars into NYC Health + Hospital each year and to also maintain a very small profit margin of 0.49% at the end of the year which was a net of 15.1 million dollars. The net income of 15.1 million was based off 6,216,970-member months.

On membership growth, Dr. Saperstein informed the Board that the total Plan enrollment for the month of February 2019 was 516,647. Dr. Saperstein listed the breakdown of enrollment by line of business. MetroPlus Gold, Health and Recovery Plans (HARP), and Essential Plan (EP) have increased the most in membership from February 2018 to February 2019. MetroPlus Gold increased by 3,522 members or 30%. HARP increased by 2,109 members or 19%. EP increased by 2,981 members or 4%. Dr. Saperstein stated that MetroPlus Gold Membership has increased by 338% from February 2015 to February 2019. Child Health Plan, on the other hand, increased by 58% over the last four years showcasing a significant growth in both lines of business. Dr. Saperstein informed the Board that 77% of commercial MetroPlus Gold population resides in five city agencies.

Dr. Saperstein stated that it is worth mentioning at the beginning of July 1st 2019, due to an agreement between the Office of Labor Relations (OLR) and Emblem, to be able to maintain rates at a lower base and avoid inflation of the emblem rate, 100% of all New York City employees that begin employment following July 2019 have to enroll in the Health Insurance Plan (HIP) product line of Emblem. Only after these employees have been enrolled for a year, on day 363, is there an opportunity for the employee to change health plans. Most of the Plan's enrollment has been through new employees enrolling into the

Plan, so this is going to become a concern for the Plan. Mr. Williams asked if MetroPlus has anticipated the projected impact. Dr. Saperstein answered that 80% of MetroPlus' membership is new employees, only about 20% transfer during the open enrollment period.

Dr. Saperstein stated that MetroPlus has started working with many of the NYC Health + Hospitals facilities to look at all the potential enrollees. Since August 2018, the Plan has had 48,571 referred to the Plan by Marketplace Facilitated Enrollers. Of the 48,571 referrals, 45,261 were interviewed by the Plan. 13 % of the referrals were able to enroll in MetroPlus. 28% of the referrals to the Plan was able to receive emergency Medicaid and 59% were not able to qualify for insurance, which, was much higher than the Plan had anticipated. Ms. Hernandez–Piñero asked if the 59% of referrals who did not qualify for health insurance did not qualify because they were over income. Dr. Saperstein answered that the ones who did not qualify were mostly illegal immigrants who did not qualify for any product.

MEDICAL DIRECTOR'S REPORT

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

Dr. Schwartz began her report by informing the Board that 25% of MetroPlus' members who are assigned to a NYC Health + Hospital primary care provider (PCP) actually ended up seeing a community-based PCP. 4% of the people who were assigned to a NYC Health + Hospital PCP saw exclusively a community–based provider. The remaining 21% saw a combination of both NYC Health + Hospital PCP and community–based PCP. On average, only 66% of the members who were assigned to a NYC Health + Hospital PCP have a visit within the year for their assigned PCP. On the other hand, when compared to the community, more than 90% who are assigned to a community–based PCP visit their community – based PCP. Dr. Schwartz stated that what this means is higher loyalty and affiliation of Plan members to their community–based PCP compared to NYC Health + Hospital PCP. What the Plan is going to do because of the member's preference in utilizing community–based PCP is strengthen the relationship with community–based physicians. The goal is to get to a level two value-based payment (VBP) relationship with community–based PCP. This is in conjunction with a mandate from the State Department of Health (SDOH) to have 80% of the Plan's volume under VBP arrangement. In addition to following the State guidelines, the Plan is also hoping to increase referrals within the NYC Health + Hospitals facilities.

Dr. Schwartz informed the Board that the urgent care spends has doubled from 2017 to 2018. Emergency Room (ER) rate was stagnant with an uptick in urgent care. The Plan is now noticing a slight decrease (3%) within the ER rate, Dr. Schwartz attributes this decrease to a significantly higher volume of visits to the emergency department (ED). Due to the exponential growth in urgent care visits the Plan has closed their networks. This means that MetroPlus will not be adding any additional urgent care centers into the network except for NYC Health + Hospital as NYC Health + Hospital continues to open its express care locations. Those urgent care center will be the centers added into the network.

Dr. Schwartz stated that the Plan investigated the pharmacy cost per member per month (PMPM) based on who writes the prescriptions then compared the cost based on whether the prescriptions were written by a NYC Health + Hospital provider or a community-based provider. Dr. Schwartz stated that the PMPM cost for prescriptions from NYC Health + Hospital providers was $402 versus the $261 from community–based providers. What this means is that more complex patients who need more medicine and more care will visit a hospital-based clinic versus going to a community-based clinic. Dr. Schwartz stated that what doesn't align is the total risk scores or Clinical Risk Group (CRG) for the Medicaid population. The Plan observed that the CRG rates are higher within the community when is should be the reversed effect since complex patients are going to hospital-based clinics to receive their medication. Dr. Schwartz stated that this issue is a matter of coding. The CRG doesn't truly reflect the complexity of the patients, it reflects the accuracy and robustness of the coding. Dr. Schwartz informed the Board that NYC Health + Hospital is working on multiple projects to improve and capture all the diagnosis that are required to elevate the CRG. Dr. Eric Wei, NYC Health + Hospital's Vice President & Chief Quality Officer, stated that the issue is more than just coding, it's also the documentation. Dr. Schwartz added that the methodology that the State is using has changed. This change has affected MetroPlus in a negative way and impacted the bottom line in a very significant way. Dr. Schwartz stated that more than ever coding efforts, documentation, and then translate into a diagnosis code is critical.

For enhanced care management model, Dr. Schwartz stated that MetroPlus is planning on taking care-management to a completely new level. The Plan is going to run a pilot program to see if this new approach will be effective. The Plan will ultimately be observing the entire care-management population at a zip code level, to identify where the highest number of members who have high complexity of chronic conditions combined with social and economic challenges reside. The Plan has run its own analysis but have also collaborated with Optum which, contributes data that they have regarding consumer information. Through this action, the Plan will take a more comprehensive view at what constitutes a complicated member and will also help to truly identify where the pockets of needs are and operate the Plan's care-management function out of that pocket. The Plan will be present in the neighborhood where members with chronic conditions are and bring all the resources to resolve the issues in these areas.

ACTION ITEMS

The first resolution was introduced by Ms. Hernandez-Piñero, MetroPlus' Chairperson.

> *Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to increase the Change Healthcare Technologies, LLC ("Change Healthcare") contract amount by $309,037 for the first year and $269,037 per year thereafter to include the InterQual Connect product, for a total contract amount not to exceed $1,164,037 for year one (1) which includes one-time implementation fees and annually thereafter $1,124,037 per year.*

Dr. Schwartz stated that Change HealthCare is a vendor that the Plan currently has a contract with, this vendor owns InterQual. InterQual is the criteria that the Plan applies to determine whether a service is medically necessary or not. Currently, the way it works is that a PCP comes to the Plan, sending all medical information, the Plan then applies the medical information against those criteria and determine whether the service is medically necessary or not. Dr. Schwartz stated that this process is time consuming and often has many delays. To resolve this issue, MetroPlus is implementing a new portal that will serve both the members and the providers. As part of this portal, the Plan is going to integrate the criteria into the portal. Providers who want authorization will go into the portal, input the medical information, and depending on whether the case is straight forward the provider will receive immediate judication on whether the service are approved or not. This will significantly improve the services the Plan is providing to the members and the providers. It is also mandated as part of the transition to children services into managed care. To migrate the criteria that the Plan currently has into the new platform that will be incorporated into the portal; there is an implementation fee and an additional cost to change healthcare to do this. Dr. Wei asked if the Plan will see any cost saving. Dr. Schwartz answered that once the program is fully implemented, the Plan expects to see staff reduction in the Utilization Management Department.

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

The second resolution was introduced by Ms. Hernandez–Piñero.

> *Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to increase the Inovalon contract amount by $330,000 per year to include the current contract shortfall, use of CDEaaS™ and transition QSI XL™, for a total contract amount not to exceed $930,000 per year.*

Dr. Schwartz stated that Inovalon is a current vendor that takes claims data and runs it through their software engine to calculate clinical measures. These measures are then submitted to the State and Center for Medicare & Medicaid Service (CMS) to let the Plan know how they are performing in quality. There are two enhancements that Inovalon is offering MetroPlus that the Plan would want to implement. One being the CDEaas, which is the ability to access medical records of non-NYC Health + Hospital providers. Inovalon currently has access to about 2,500 providers who are in the MetroPlus' networks, but the Plan does not have access into their medical records. This means that during Healthcare Effectiveness Data and Information Set (HEDIS) season, where the Plan collects all this information, the Plan must hire staff to go into offices to retrieve these medical records manually. This enhancement will reduce that effort tremendously. QSI XL is a cloud – based solution that will resolve issues with server capacity. Mr. Roker asked if Dr. Schwartz quantified how much revenue would come from the 2,500 community providers. Dr. Schwartz answered that this is extremely hard because the Plan only gets extra points if the members are compliant. The Plan can't currently say how many of those members are compliant. Dr. Schwartz stated that when this data is pulled and the members are not complaint it will not help the Plan. It all depends on how many of the members will be in compliance.

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

There being no further business Ms. Hernandez-Piñero adjourned the meeting at 4:01 P.M.

Mitchell H. Katz, MD
NYC HEALTH + HOSPITALS - PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
March 28, 2019

CITY, STATE, FEDERAL UPDATE

City

On March 25th, I testified at a hearing of the City Council’s Committee on Hospitals and discussed NYC Health + Hospitals financial results through Q2 2019 and answered questions on a range of topics, from NYC Care to correctional heath to the systems’ services for LGBTQ New Yorkers. I was pleased to report that our second quarter financial results demonstrate that our investments in patient care and revenue generation are working, and that Health + Hospitals’ balanced five-year financial plan positions us for stability and success. Our FY 2020 budget plan is on track to achieve $757 million from revenue-generating initiatives and $430 million from expense-reducing initiatives thanks to improved billing and better performance on our value-based contracts. On the expense side, we are less than $25 million—or 1%—over budget mostly due to investments to hire 340 nurses and coding staff to help us collect more reimbursements for our services from payers. I also noted the risks that remain, including recent budget proposals by the Trump administration, the Medicaid disproportionate share hospital cuts, and the proposed changes to the Department of Homeland Security's public-charge rule. The Committee was supportive of Health + Hospitals direction and will continue to be a critical partner in our transformation efforts.

State

The legislature and Governor continue to negotiate the state budget in advance of the April 1 deadline. Both houses of the legislature reversed the Governor’s health care cuts in their one-house budget bills. The Governor subsequently indicated he would pursue budget savings in other areas. NYC Health + Hospitals continues to advocate for the community coalitions proposal to reform the distribution of Indigent Care Pool funds to fairly compensate hospitals who truly provide a disproportionate share of care to Medicaid and uninsured patients.

Federal

President Trump’s budget proposal includes significant cuts to Medicare, Medicaid and other critical health care programs. While the budget is not expected to become law, the extreme level of cuts underscores the importance of NYC Health + Hospitals advocacy to prevent cuts to the Medicaid Disproportionate Share Hospitals program and protect other programs critical to our patients. In addition to the draconian budget proposal, on March 25th the Trump administration took the highly unusual step of refusing to defend the constitutionality of the ACA in the Texas v Azar case. While both conservative and liberal legal scholars view this challenge to the ACA as unsound, the Trump Administration’s step is a reminder that NYC

Heath + Hospitals and our advocacy partners need to remain vigilant in our defense of the ACA.

ONECITY HEALTH UPDATE

OneCity Health PPS launched its Phase IV contracting, following the approval of funding by the OneCity Health Central Services Organization Board and OneCity Health PPS Executive Committee. Two Project Participation Opportunity were issued to Phase IV partners for 1) the Behavioral Health Intensive Care Transitions Intervention/Critical Time Intervention (CTI) and 2) the expansion of the Home-Based Environmental Asthma Program. These programs aim to enhance or expand services that will improve the outcomes of the PPS population and prepare partners for a future value-based payment environment.

ORGANIZATIONAL NEWS

NYC Health + Hospitals Earns 100% of Value Based Payments

I am pleased to announce that NYC Health + Hospitals has received 100% of the incentivized payments -- $30 million -- for the 7th quarter in a row of the New York State Value Based Payment-Quality Improvement Program (VBP-QIP), which provides incentivized payment opportunities to support safety-net hospitals as they transition to the value-based purchasing contracting model. While we have received the maximum $210 million to date, there are three more quarters to go and our staff are working diligently to continue to show improvement in the six selected quality measures.

NYC Health + Hospitals/Coney Island begins Construction of New, State of the Art, Super-Storm Resilient, 11-story Hospital Building and Campus

I was very pleased to join the staff, community advisory board members and elected officials to mark the construction of the new, state-of-the-art, flood resistant, 11-story tower building and emergency department at NYC Health + Hospitals/Coney Island. This is the hospital where my family got care when I was young, so I am particularly proud to be part of this exciting new beginning. We’re building a stronger, more resilient hospital that will endure future natural disasters and can provide uninterrupted service during severe storms. We are also renewing our commitment to excellence for the thousands of patients and families who rely on this essential health care facility and deserve nothing less than quality, compassionate care, in a new health and wellness campus.

This transformation is part of a major $922 million hospital campus renovation funded by FEMA to demolish, replace and repair flood damaged buildings from Superstorm Sandy. The new hospital building, built on the north side of the hospital’s campus, is expected to open in early 2022; other parts of the campus renovation are expected to be completed spring 2023. Critical patient services will be located above the 500-year Floodplain. This project represents the first completely new building on the campus since 2006 and supports the public health system's broader multi-year redesign to build a competitive, sustainable organization that will continue to offer high-quality and accessible health care to the people of New York City.

NYC Health + Hospitals/Woodhull Will Expand Emergency Room with $5 Million from NYC Council Brooklyn Delegation

NYC Health + Hospitals/Woodhull announced plans for an expansion and renovation of the hospital's emergency department to improve access to services, alleviate overcrowding, reduce wait times and improve the patient experience. The expansion project will be fully funded by a $5 million capital allocation from the New York City Council's Brooklyn Delegation and is expected to be completed the first quarter of 2020. The Emergency Department (ED) expansion will add 5,000 square feet of space that will include 16 additional exam rooms, a new and improved state of the art nurse's station, a new isolation room and a "transition hub", where patients who are being discharged from the ED are linked to a primary care or specialty service follow up visit, can receive consultation regarding their medications, and access care management services.

While as a health system we aim to reduce the need for emergency room care by keeping people healthy and managing their chronic conditions through regular visits to a primary care clinician, people will always need emergency care. This expansion will help us better serve those who entrust us with their care at some of life's most difficult moments, and give us the opportunity to connect them to the primary care services they need to stay healthy and out of the ED. I want to thank Council Members Antonio Reynoso, Mark Treyger, and Carlina Rivera and the entire Brooklyn delegation for their support of NYC Health + Hospitals/Woodhull.

More Staten Islanders Choose MetroPlus Health Plan

MetroPlus Health Plan announced that more Staten Islanders have enrolled in its affordable health insurance coverage, an important step in supporting New York City's commitment to guarantee health care to all New Yorkers. NYC's public option health insurance plan reported a jump in membership on Staten Island by nearly 250% in one year. More than 5,200 Staten Islanders chose MetroPlus as their preferred plan of choice by the end of 2018, compared to 1,500 at the end of 2017. The five-star health plan also expanded its provider network to 400 physicians and specialists on Staten Island to offer comprehensive coverage for primary and preventive care, mental health services, and other specialty care that meets the health needs of the community, including the comprehensive outpatient services available at the new NYC Health + Hospitals/Gotham Health, Vanderbilt center that opened last year.

Too many Staten Islanders are still living without health insurance or guaranteed health care. We will continue to step up our efforts to engage more Staten Islanders who are eligible but uninsured to get them connected to the affordable insurance options available through MetroPlus and ensure access to quality care in their community.

Patient Safety Champions Awards

For National Patient Safety Awareness Week, more than 200 employees gathered at NYC Health + Hospitals/Jacobi for the annual System-wide Patient Safety Conference, an important event to celebrate our successes and commitment to creating a culture of safety for our patients, coworkers, visitors and the community we serve. The highlight of the conference was the presentation of our Patient Safety Champion Awards. This year, the Presidential Patient Safety Champion Award was given to the NYC Health + Hospitals/Metropolitan's Infection Prevention and Control Team for focusing on zero harm in hospital acquired infection. NYC Health + Hospitals/Lincoln took 2nd place for achieving zero hospital acquired pressure injuries with sustainable reductions in pressure injuries for over 5 years. NYC Health + Hospitals/Bellevue was awarded 1st place in Patient Safety Performance Improvement for Ventilator Associated Pneumonia in Adult Trauma Patients.

Creative Arts Therapy Conference

For many, art, music, dance, drama and poetry are ways to escape from the hustle and bustle of everyday life. Here at NYC Health + Hospitals, these forms of creativity hold more clinical importance when incorporated into our patients' treatment plans. To celebrate National Creative Arts Therapies Week and to highlight the role, our health system held its first annual Creative Arts Therapies Conference last week at NYC Health + Hospitals/Gouverneur. Nearly 170 system-wide health care staff member gathered to celebrate and learn more about the cutting-edge work of our Licensed Creative Arts Therapists. We have more than 100 Licensed Creative Arts Therapists – the largest concentration of any health system in the nation – working to transform the care and wellness of patients and their families. The purpose of Creative Arts Therapies is to help patients improve their self-management and problem-solving skills while providing a means of addressing past traumas, reducing stress and building self-esteem. The goal is also to alleviate patients' symptoms for both acute and chronic mental and behavioral health challenges.

NYC Health + Hospitals/ Bellevue Recognized for Adolescent HPV Vaccination Efforts

NYC Health + Hospitals/Bellevue Pediatric Primary Care Clinic received the "*HPV Vaccine Is Cancer Prevention Champion Award*" for outstanding efforts to protect adolescents from cancers caused by the human papillomavirus (HPV) and achieving high HPV vaccination rates. The national award is a partnership of the Centers for Disease Control and Prevention, the Association of American Cancer Institutes, and the American Cancer Society. Congratulations to the team at Bellevue for their successful efforts to expand access to HPV vaccination among adolescents. As an early adopter of the HPV vaccine, the clinic embraces the strategy of promoting the initiation of HPV vaccination at nine years of age, which is a key factor in achieving high rates of immunization. Thanks to their innovative approaches to educate patients, they have been able to achieve an 86 percent HPV vaccination rate.

Sally Hernandez Piñero Appointed Chair of MetroPlus Health Plan Board

Sally Hernandez-Piñero was appointed Chairperson of the Board of Directors of MetroPlus Health Plan, Inc. MetroPlus is the low-cost, five-star quality health insurance plan of choice for more than 500,000 New Yorkers. As the health plan owned by NYC Health + Hospitals, MetroPlus is a vital component of Mayor de Blasio’s Guaranteed Health Care plan to ensure coverage for all New Yorkers. Ms. Hernandez-Piñero will fill a 5-year term effective February 28, 2019. She replaces Bernard Rosen, who has served as MetroPlus Board Chairperson since May 2000.

Natalia Cineas Appointed Chief Nurse Executive for NYC Health + Hospitals

We are fortunate to have Natalia Cineas, DNP, RN, MS, a respected nurse leader and care provider, join our management team as Senior Vice President and Chief Nurse Executive of NYC Health + Hospitals. Our nurses are at the heart of our mission to care for all New Yorkers without exception, and as Chief Nurse Executive, Natalia will help set the standard for care and consistently represent the voices of patients and nurses in all important discussions and decisions. I’m especially pleased to say that Natalia was born at NYC Health + Hospitals/Kings County, and like many of our staff who rely on Health + Hospitals for their family’s care, she will have a unique opportunity to give back to a system that took care of her and her family.

# # #

RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the "System") to furnish a guaranty of a required repayment mechanism to be issued by HHC ACO, Inc. ("HHC ACO") for the benefit of the United States Centers for Medicare and Medicaid Services ("CMS") in the form of a letter of credit, an escrow, a surety, or in any other form as shall be permitted under the MSSP regulations, in a maximum stated principal amount not to exceed $7,000,000 in connection with the participation by HHC ACO in the CMS Medicare Shared Savings Program (the "MSSP") for such period as is required by CMS.

Authorizing the President or any Senior Vice President of the System to execute and deliver a guaranty agreement, a note, and any and all other agreements, documents or instruments necessary or desirable in connection with the issuance of the guaranty and the letter of credit or any other form of repayment mechanism that satisfies CMS requirements, including a funded escrow account or a surety.

WHEREAS, the System is the sole member of HHC ACO, an accountable care organization organized and operating under the laws of the State of New York; and

WHEREAS, HHC ACO has applied to CMS to participate in its "Enhanced Track" MSSP; and

WHEREAS, under CMS' regulations, an accountable care organization participating in the "Enhanced Track" MSSP must furnish CMS with a "required repayment mechanisms" to secure the payment by the accountable care organization to CMS of shared losses under the MSSP each in an amount equal to the requirement established by CMS in the form of: (i) a funded escrow account; (ii) a letter of credit; or (iii) a surety bond; and

WHEREAS, HHC ACO has determined that it is desirable for it to participate in the MSSP and to do so it is necessary for HHC ACO to provide a required repayment mechanism for shared losses in one of the forms described above, or any other repayment mechanism allowed by MSSP regulations; and

WHEREAS, HHC ACO has determined that the maximum amount of the repayment mechanism requirement of CMS for participation by HHC ACO in the MSSP will not exceed $7,000,000; and

WHEREAS, the System and HHC ACO intend to provide a required repayment mechanism in the form of a letter of credit to be issued by a third-party lender (the "Lender") for the benefit of CMS in an amount not to exceed $7,000,000, or, alternatively to provide a funded escrow account or a surety or another form of repayment mechanism that satisfies the MSSP regulations; and

WHEREAS, to secure the issuance of the letter of credit on behalf of HHC ACO, HHC ACO will enter into a reimbursement agreement with the Lender whereby the System will agree to reimburse the Lender for all amounts drawn on the letter of credit to pay amounts due from HHC ACO to CMS with respect to shared losses under the MSSP; and

WHEREAS, to secure the issuance of the letter of credit on behalf of HHC ACO, the Lender will require the System to issue a guaranty of the associated obligations of HHC ACO; and

WHEREAS, the System's Board of Directors has determined that it is desirable to guarantee the obligations of HHC ACO in connection with the issuance of the letter of credit or any other required repayment mechanism furnished to CMS under the MSSP.

NOW THEREFORE, be it

RESOLVED, that the System hereby is authorized to furnish a guaranty of a required repayment mechanism to be issued by HHC ACO. for the benefit of CMS in the form of a letter of credit, a funded escrow account, a surety bond, or in any other form as shall be permitted under CMS regulations, in a maximum stated principal amount not to exceed $7,000,000 in connection with the participation by HHC ACO, Inc. in Medicare Shared Savings Program for such period as is required by CMS.

RESOLVED, that the President or any Senior Vice President of the System is hereby authorized to execute and deliver a guaranty agreement, a note, and any and all other agreements, documents or instruments necessary or desirable in connection with the issuance of the guaranty and the letter of credit or any other form of repayment mechanism that satisfies CMS requirements, including a funded escrow account or a surety.

Adopted April 18, 2019

EXECUTIVE SUMMARY
GUARANTY OF LETTER OF CREDIT
FOR HHC ACO, INC.

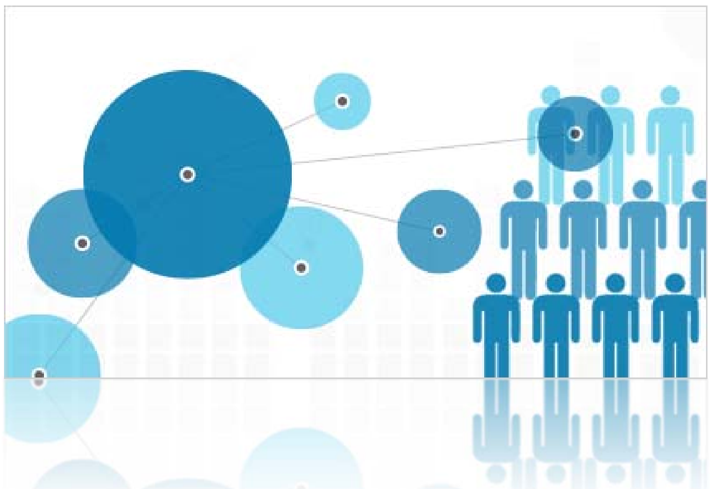
BACKGROUND: HHC ACO, Inc. ("HHC ACO") is an accountable care organization formed in 2012 to meet the purposes and goals of the Medicare Shared Savings Program. HHC ACO is a membership not-for-profit corporation with New York City Health and Hospitals Corporation (the "System") as its sole member. It is the only Medicare ACO in New York that has generated shared savings in all of the past five years, including $16 million in earned savings. The System received more than $1,000,000 of these savings, which it committed to improving care-coordination efforts. Building on its past success, HHC ACO's board decided to renew its participation with CMS for the next agreement period, which runs for 5.5 years. HHC ACO seeks to increase its revenue potential by participating in what CMS calls the "Enhanced Track," a performance-based model in which HHC ACO takes on both upside and downside risk for the entire 5.5 year agreement period. As a condition of allowing HHC ACO to participate in an arrangement that carries downside risk, CMS requires that HHC ACO establish a mechanism to demonstrate its ability to repay CMS for potential losses (a "Repayment Mechanism.") The three Repayment Mechanisms CMS has deemed permissible are: a surety bond, a funded escrow account, and a letter of credit. Because HHC ACO is thinly capitalized, it is requesting that the System issue a guaranty of its obligations under the letter of credit, funded escrow account, or surety bond. HHC ACO anticipates that the selected Repayment Mechanism will be a letter of credit.

PROPOSAL: The proposed resolution authorizes the System to furnish a guaranty of the Repayment Mechanism to be issued by HHC ACO for the benefit of CMS in the form of a letter of credit, an escrow fund, a surety bond, or in any other form permitted by CMS regulations, in a maximum stated principal amount not to exceed $7,000,000 in connection with the continued participation by HHC ACO in the Medicare Shared Savings Program.

The resolution further authorizes the President, or any Senior Vice President of the System to execute and deliver a guaranty agreement, a note, and any and all other agreements, documents or instruments necessary or desirable in connection for the issuance of the guaranty and the letter of credit, escrow fund or surety bond.

NYC Health + Hospitals Board of Directors Meeting

Accountable Care Organization



Dave Chokshi, VP

John Ulberg, SVP/CFO

Linda DeHart, AVP

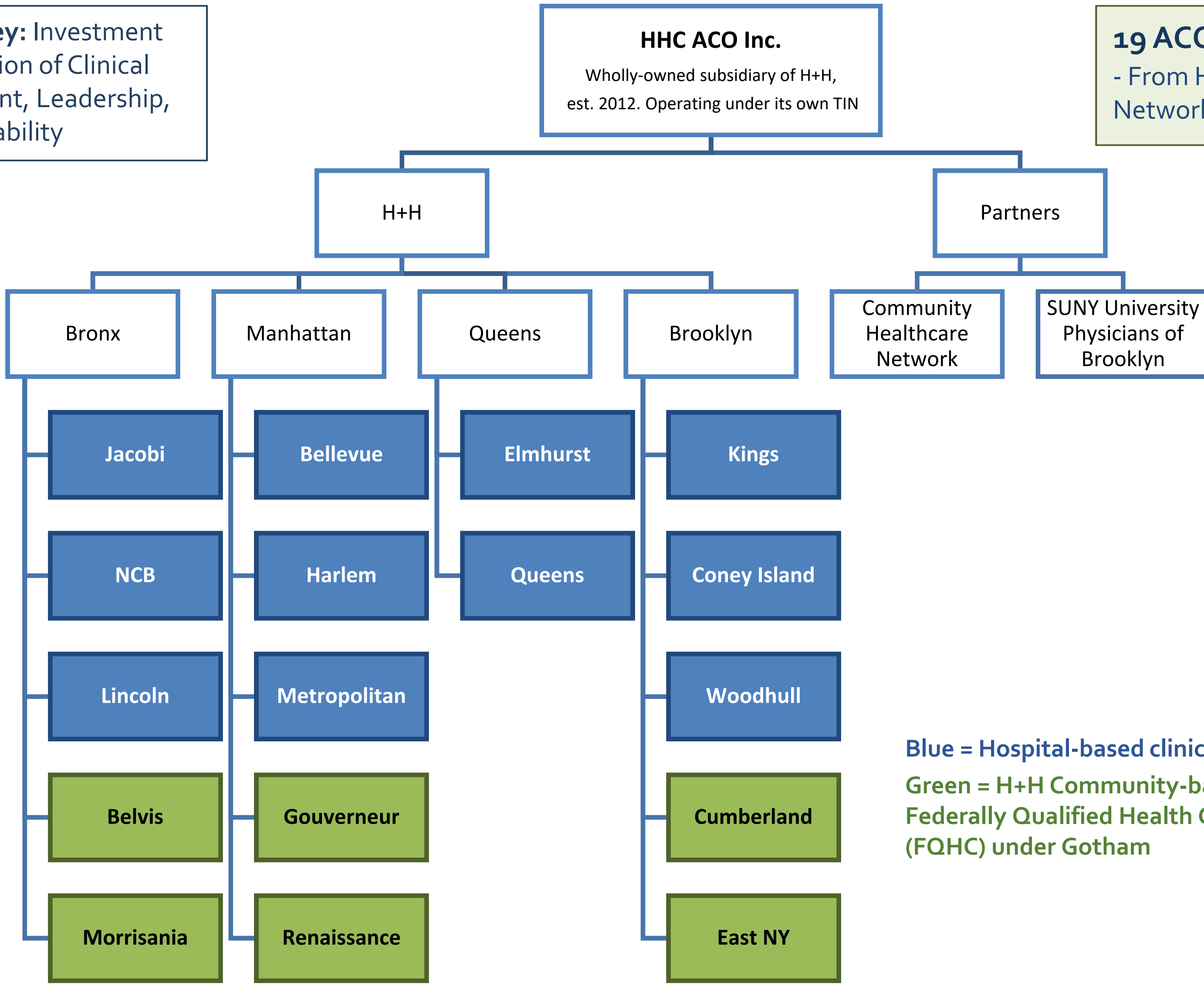
April 18, 2019

NYC HEALTH+ HOSPITALS | ACO

Overview

Success Key: Investment in Foundation of Clinical Engagement, Leadership, & Accountability

19 ACO Clinician Leads
- From H+H clinics and Network Partners



Blue = Hospital-based clinics

Green = H+H Community-based Federally Qualified Health Centers (FQHC) under Gotham

NYC HEALTH+ HOSPITALS | ACO

Performance History

- HHC ACO Inc. is the only Medicare Shared Savings Program Accountable Care Organization based in New York State to achieve shared savings for 5 consecutive years—and one of only 21 MSSP ACOs across the country to do so
  - Saving Medicare Program over $36M
  - Earning $16M of those savings

	PY 2013	PY 2014	PY 2015	PY 2016	PY 2017	Total Savings To-Date
Assigned Beneficiaries	12,369	13,294	12,241	10,042	10,293	
Person-Years	11,973	12,896	11,886	9,819	10,082	
Total Savings ($)	7,428,094	7,122,016	13,118,302	3,592,166	5,276,973	36,537,551
Quality Score (%)	100%	76%	94%	90%	84%	
Earned Performance Payment ($)	3,639,766	2,644,605	6,052,364	1,586,859	2,182,360	16,105,954

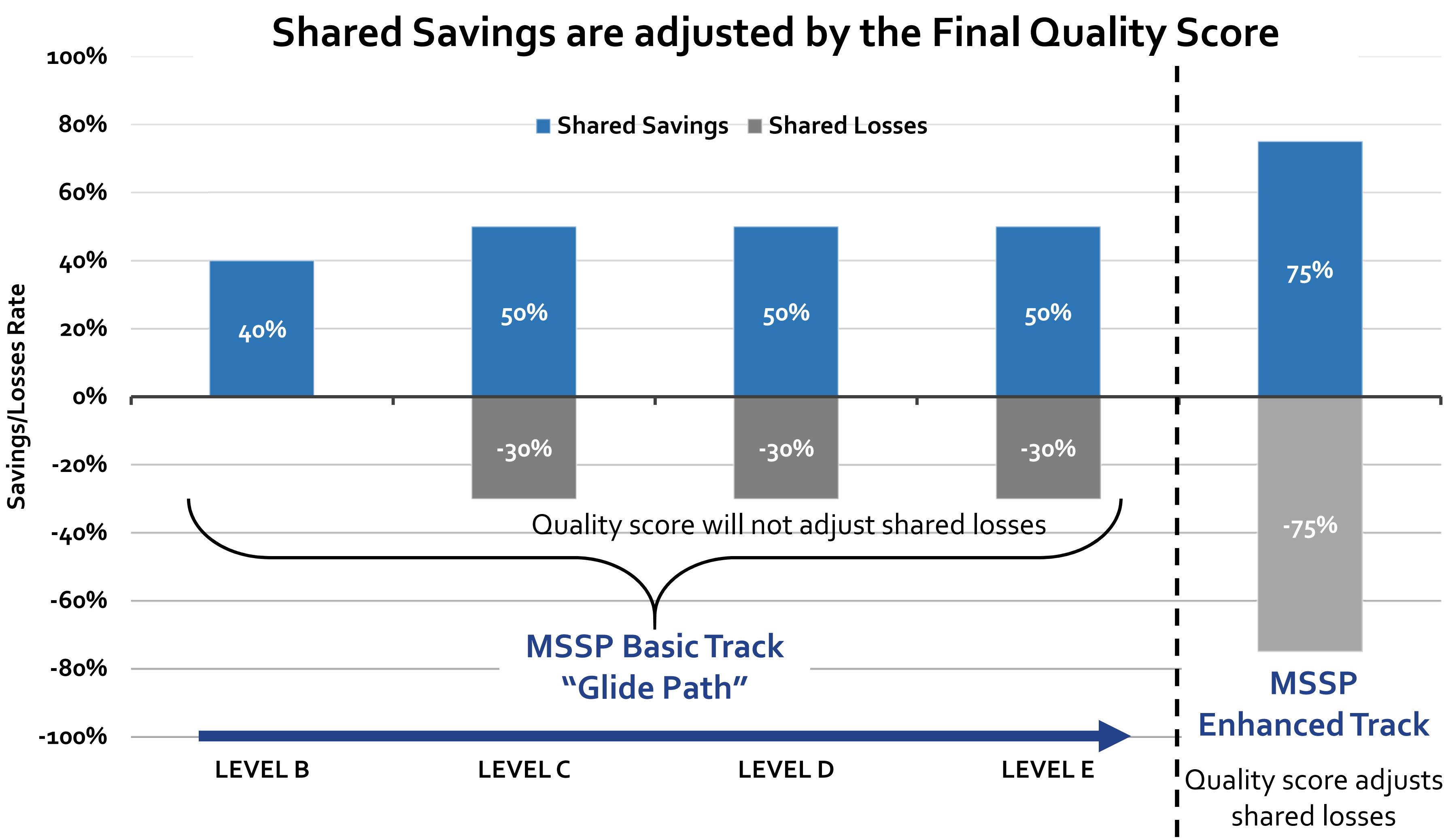
- Since 2013, the ACO has generated nearly $1M for New York City Health + Hospitals to support care teams in their work (Team Funds).

MSSP Contract Renewal Details

- CMS re-designed the Medicare Shared Savings Program on Dec. 2018
  - Agreement periods for the Program are now 5.5 years instead of 3
  - ACOs can choose from 2 distinct Tracks:
    - **Basic Track (Glide Path)**, which replaced Tracks 1 and 1+
    - **Enhanced Track**, formerly Track 3
  - Regardless of the Track chosen, by 2021 renewing ACOs must participate in a performance-based risk model with the possibility of owing repayment to CMS

- HHC ACO chose to participate in the Enhanced Track, which is a performance based model for the entire agreement period
  - Conservative projections indicate that the ACO is highly unlikely to owe CMS
  - Allows the ACO to earn shared savings at the highest rate (up to 75% of savings)
  - Qualifies the ACO to become an Advanced Alternate Payment Model – automatic additional 5% revenue adjustment based on their Medicare Part B spend for H+H and its Affiliates
  - The contract will run from July 1, 2019 to December 31, 2024.

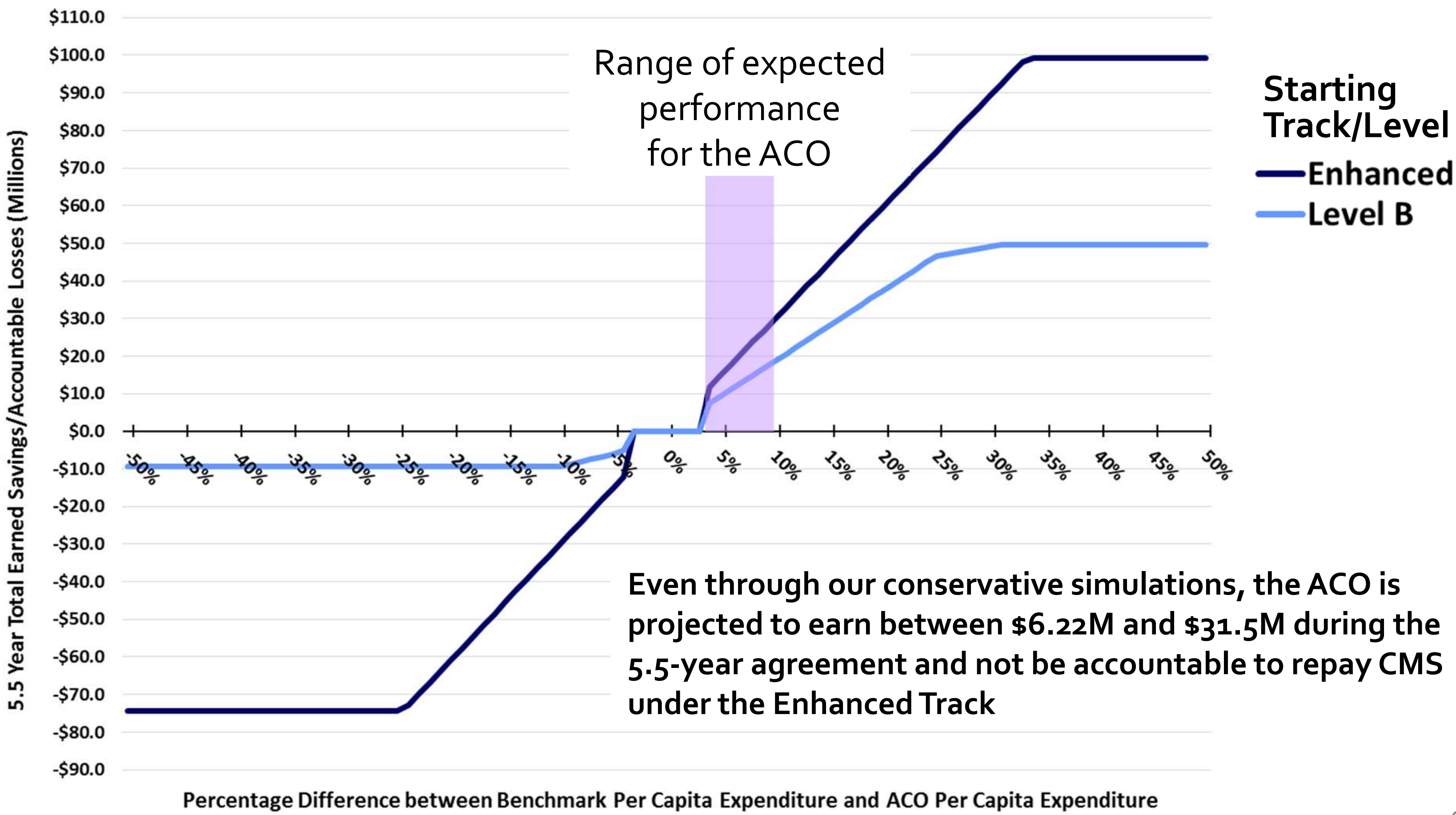
Shared Savings/Losses Rates



NYC HEALTH+ HOSPITALS | ACO

Expected Performance

Shared Savings/Losses by % Difference between ACO Performance and Benchmark Expenditures



Even through our conservative simulations, the ACO is projected to earn between $6.22M and $31.5M during the 5.5-year agreement and not be accountable to repay CMS under the Enhanced Track

Assumptions: Displaying the conservative scenario; Prospective Alignment; Quality Score: 81.5%; MSR/MLR: Variable; Regional expenditure growth rate matching national expenditure growth rate

Repayment Mechanism

- CMS requires ACOs participating in performance-based risk models to establish a repayment mechanism to ensure its ability to collect any funds owed by the ACO:
  - Acceptable options include a letter of credit, an escrow, or a surety bond
  - The repayment mechanism must be in place prior to the July 1, 2019 start of the renewal agreement, and remain in place 12 months following the end of the agreement
  - The required value of the repayment mechanism will be the lesser of Medicare expenditures for patients assigned to the ACO or Medicare revenue of the ACO participants and providers, as determined by CMS and updated annually.
    - Estimated amount required for the first 2 years is $3.5 M
    - Estimated amount required by 2024 is $5M
    - Year 1 actual amount will be provided by CMS on May 3rd
- H+H determined that the best option for the ACO is a letter of credit, which is less costly than a surety bond and was preferable to tying up H+H operating funds in an escrow.

HHC ACO, Inc. LOC

LOC Provider:	TD Bank N.A.
Borrower:	HHC ACO, Inc. (ACO)
Guarantor:	NYC Health and Hospitals Corporation (H+H)
LOC Beneficiary:	Center for Medicare and Medicaid Services (CMS)
Type of LOC:	Unsecured Irrevocable Standby Letter of Credit
LOC Amount:	Up to $7,000,000
Term:	36 months, annual automatic renewal, with final maturity of 12/31/2025
Purpose:	To provide liquidity support to CMS in the event that ACO incurs any losses in the MSSP
In the event of a Draw:	ACO or H+H shall repay the full amount on the day of the draw; if not repaid on the same day, the draw will bear interest a default rate pegged to Prime

In the Unlikely Event

- There is no expectation that there will ever be a draw against the ACO LOC.
  - CMS would only draw funds from the ACO LOC, if the ACO's accountable portion of losses are not directly paid in full within 90 days of receiving notification from CMS.
  - Although we do not anticipate the ACO to incur any losses, the ACO will retain 20% of net shared savings (each year it makes savings) to establish a reserve to be used in the event there is a required payment.
  - In the event that a liability to CMS exceeds the amount available in the ACO reserve, H+H would likely pay CMS on the ACO's behalf.
    - The ACO would then be liable to repay H+H.

NYC HEALTH+ HOSPITALS | ACO

Timeline

Draft LOC Agreement Submitted to CMS with ACO Application	2/19/19	√
Revised LOC Agreement & Response to Round 1 Comments	3/19/19	√
Revised LOC Agreement & Response to Round 2 Comments	4/15/19	
Final Revised LOC Agreement & Response to Round 3 Comments (if necessary)	5/2/19	
ACO Renewal Application Approval Notice	Late May	
ACO Renewal Agreement Signed, LOC Executed, and Submitted to CMS	6/3/19	
Start of Renewal Agreement Term	7/1/19	