

**CALL TO ORDER - 3:00 PM**

1. Adoption of Minutes: December 19, 2019

**Chair's Report**

**President's Report**

**Legislative Update**

**>> Action Items<<**

2. Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a contract with **RightSourcing Inc.** (the "Contractor") to provide supplemental staffing to the System by managing the services of temporary staffing companies over a three year term with two one-year options exercisable solely by the System, for an amount not to exceed \$700,000,000. .  
(Finance Committee – 01/09/2020) **Vendex: Approved / EEO: Approved**
3. Authorizing New York City Health and Hospitals Corporation (the "System") to execute an agreement with **Draeger, Inc.** ("Draeger") to supply the System's needs for medical anesthesia equipment and associated programmatic support (clinical, operational, biomedical, IT) over a ten year period commencing March 1, 2020 and ending February 28, 2030 at a total cost not to exceed \$18.6 Million subject to funding availability.  
(Medical and Professional Affairs Committee 01/09/2020 ) **Vendex: Approved / EEO: Approved**
4. Authorizing New York City Health and Hospitals Corporation (the "System") **to establish an Independent Practice Association (an "IPA")** through the formation of a subsidiary New York not-for-profit corporation, currently anticipated to be named NYC Health + Hospitals IPA, Inc. (hereinafter referred to as "NYC H+H IPA"), consistent with applicable regulations, which will be controlled by the System in its capacity as the sole member of NYC H+H IPA. NYC H+H IPA shall enter into agreements with various providers ("Participating Providers") pursuant to which NYC H+H IPA will (a) seek to negotiate favorable reimbursement rates from third party payors for services to be performed by such Participating Providers, (b) facilitate and promote the coordination of care where appropriate, (c) engage in shared savings programs and (d) structure value-based payment and/or risk sharing arrangements approved by the Boards of Directors of NYC H+H IPA and the System according to the general rules established by each of such boards of directors for the review and approval of contracts. Should there be any conflict, restriction or other issue that prevents the formation of NYC H+H IPA under such name, the System may select another name at the discretion of the System's management.  
(Medical and Professional Affairs Committee 01/09/2020 ) **Vendex: NA / EEO: NA**

**Committees and Subsidiaries Report**

- Governance
- Community Relations
- Medical and Professional Affairs
- Finance
- HHC Capital Corporation (Subsidiary)
- HHC Accountable Care Organization, Inc. Sole Member Annual Meeting (Subsidiary)

**Executive Session | Facility Governing Body Report**

- NYC Health + Hospitals | Kings County
- NYC Health + Hospitals | McKinney

**Semi-Annual Governing Body Report (Written Submission Only)**

- NYC Health + Hospitals | Elmhurst

**>>Old Business<< >>New Business<<**

**Adjournment**

Mr. Pagán

Mr. Pagán

Dr. Katz  
Ms. Brown

Ms. Wang

Dr. Calamia

Dr. Calamia

Mr. Pagán  
Mr. Nolan  
Dr. Calamia  
Ms. Wang  
Ms. Wang  
Mr. Pagán

Mr. Pagán

Mr. Pagán

**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**

A meeting of the Board of Directors of New York City Health and Hospitals Corporation was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 19th day of December, 2019, at 3 P.M., pursuant to a notice which was sent to all of the Directors of New York City Health and Hospitals Corporation and which was provided to the public by the Secretary. The following Directors were present in person:

- Mr. José Pagán
- Dr. Mitchell Katz
- Mr. Scott French
- Dr. Raul Perea-Henze
- Dr. Vincent Calamia
- Dr. Oxiris Barbot
- Dr. Hillary Kunins
- Mr. Robert Nolan
- Ms. Helen Arteaga Landaverde
- Ms. Sally Piñero-Hernandez
- Mr. Feniosky Peña-Mora
- Ms. Freda Wang

Mr. Pagán, Chair of the Board, called the meeting to order at 3:06 p.m. Mr. Pagán, chaired the meeting and Ms. Colicia Hercules, Corporate Secretary, kept the minutes thereof.

Scott French was in attendance representing Steven Banks in a voting capacity.

**EXECUTIVE SESSION**

Mr. Pagán requested the Board's approval to convene in executive session because the matters to be discussed involve confidential and privileged information related to ongoing litigation.

A motion was made, second, and approved to enter into an executive session.

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

**OPEN SESSION**

**ADOPTION OF MINUTES**

The minutes of the meeting of the Board of Directors held on November 21, 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 November 21, 2019, copies of which have been presented to this meeting, be and hereby are adopted.

### **Vendex Approvals**

Mr. Pagán noted that since NYC Health + Hospitals began the process of approving contracts prior to vendex approvals, there are three new items on the agenda requiring Vendex approval of which two have such approval. There are five items from previous board meetings pending Vendex approval, which are in the Board materials. Since the last meeting, one Vendex approval has been received; the Board will be notified as outstanding Vendex approvals are received.

### **Information Session - Correctional Health Services - Therapeutic Units**

Patricia Yang, Senior Vice President, Correctional Health Services, provided an overview on the System's decision to provide Outposted Therapeutic Housing units for patients in custody with complex clinical conditions who need higher levels of care than can be provided in the jails, but do not need inpatient hospitalization. The City has committed \$325 million to establish these units at NYC Health + Hospitals/Bellevue and NYC Health + Hospitals/Woodhull Hospitals. Depending upon final design, approximately 250 beds will be established between the two facilities, to accommodate patients with medical, mental health and/or substance use issues who require regular and frequent access to the specialty services only available at the hospitals. With the Department of Correction providing security, Correctional Health Services will operate these secured units as a pioneering approach to providing high quality health care to persons in custody, in a humane, dignified, and safe manner.

### **Chair's Report**

Mr. Pagán congratulated Dr. Katz on behalf of the Board for being named by Modern Healthcare as one of the 100 Most Influential people in Healthcare in the Nation. Mr. Pagán said that this recognition is well-deserved for Dr. Katz's tireless work in elevating the City's healthcare system and his commitment to NYC Health + Hospitals' mission of

guaranteeing healthcare to all New Yorkers regardless of status or ability to pay.

**President's Report**

Dr. Katz notified the Board that his full report is included in the Board materials and posted on-line. However, he highlighted some significant System achievements. First, NYC Care has enrolled more than 10,000 New Yorkers in the Bronx since its launch in August, two months ahead of projected schedule. NYC Care will launch in Brooklyn and Staten Island in January 2020 and will be available Citywide by the end of next year. Dr. Katz also highlighted that there was a very successful EPIC go-live at Kings County and the nine associated Gotham Health Community-based health center.

Mr. Pagán thanked Dr. Katz and directed the meeting to the action items for consideration.

**ACTION ITEM 2:**

Mr. Pagán read the resolution:

Approving the New York City Health and Hospitals Corporation **Annual Board Committee Assignments** Effective January 1, 2020, as set forth in the attachment hereto.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 3:**

Ms. Hernandez-Piñero read an Amended resolution:

**AMENDED** - Authorizing the Executive Director of **MetroPlus Health Plan, Inc. ("MetroPlus")** to negotiate and execute an extension to the existing contract with **Beacon Health Strategies, LLC ("Beacon")**, to provide behavioral health management services through June 30, 2020;

and

Authorizing additional funding of \$10.25M to cover the extension period. This item was presented to the MetroPlus Board on October 29, 2019.

Dr. Talya Schwartz, President and CEO of MetroPlus Health Plan presented.

Dr. Schwartz provided a background and current state of the Plan's management of behavioral health claims. She explained that the Plan's

expected contract with Community Care Behavioral Health Organization to take on the management of Behavioral Health claims had been halted based on the mutual decision of CCBHO and the Plan. Instead, the Plan wishes to extend its current contract with Beacon Health Strategies LLC with the plan of taking the function of managing behavioral health claims in-house. She further described a justification and pricing for the requested contract extension.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 4:**

Ms. Hernandez-Piñero read the resolution:

Authorizing the **amendment of the By-Laws of MetroPlus Health Plan, Inc. ("MetroPlus")** amending Section 2 of Article VII of the Bylaws of MetroPlus to read as follows:

"Section 2. Standing Committees. The following committees shall be designated as standing committees: Executive Committee, Finance Committee, **Quality Assurance/Performance Improvement Committee**, Audit & Compliance Committee, Customer Services and Marketing Committee"

And further authorizing the amendment of Article VII, Section 5 of the MetroPlus Bylaws to state the duties and responsibilities of the Quality Assurance/Performance Improvement Committee to include:

"overseeing performance improvement activities to foster sharing of performance improvement priorities, identifying new areas of opportunity for performance improvement, and the spreading of performance improvement best practices."

This item was presented to the MetroPlus Board on October 29, 2019.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 5:**

Mr. Peña-Mora read the resolution:

Authorizing New York City Health and Hospitals Corporation (the "System") to execute a ten year lease with **2356 Partners LLC (the "Landlord")** for the use and occupancy of approximately 2,100 square feet of ground floor space at 2356 Nostrand Avenue, Brooklyn to operate a Supplemental Food Program for Women, Infants and Children (the "WIC Program"), managed by NYC Health + Hospitals/Kings County Hospital Center (the "Facility") at a rent of \$108,000 per year, or \$51.43 per square foot to be escalated by 3% per year for a total of \$1,238,099 over the ten year term with an

option to terminate after four years exercisable only by the System if funding is reduced.

This item was presented to the Capital Committee - 12/12/2019

Ms. Christine Flaherty, Senior Vice President Office of Facilities Development and Mr. Sheldon McLeod, Chief Executive Officer and Executive Director of NYC Health + Hospitals/Kings County Hospital presented.

Mr. McLeod described the current WIC sites operated by NYC Health + Hospitals/Kings County Hospital's area and explained that the proposed new site was a replacement for a similar one located nearby that was forced to close due to the landlord's decision not to renew the lease. He also explained the rent to be charged at the proposed new location.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 6:**

Mr. Peña-Mora read the resolution:

Amending the resolution adopted in September 2019 by the Board of Directors of New York City Health and Hospitals Corporation (the "System") authorizing the execution of a 30 year lease with **Camelot of Staten Island, Inc. ("Camelot")** with Camelot holding a 19 year renewal option for the operation of a residential Substance Use Disorder ("SUD") program on the campus of NYC Health + Hospitals/Sea View (the "Facility") on land including the Administration Building with such amendment increasing the initial term to 50 years with Camelot holding a ten year renewal option thereby yielding rental income to the System over the initial term of \$24,371,087 at \$12.50 per sq. ft. escalated by 2.5% per year. This item was presented to the Capital Committee on 12/12/2019.

Ms. Flaherty and Mr. Jeremy Berman, Deputy General Counsel presented. They reviewed the previously approved resolution and explained the reason for the term extension was to satisfy a State concern that the term be long enough to full amortize the State's investment in the renovation of the subject property.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 7:**

Mr. Peña-Mora read the resolution:

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a contract with **Johnson Controls Inc.** (the "Contractor") to provide Building Management System maintenance services at various facilities throughout the System over a three year term with option exercisable solely by the System, for two one-year extensions, for an amount not to exceed \$15,510,315.

This item was presented to the Capital Committee on 12/12/2019.

Ms. Christine Flaherty, Senior Vice President Office of Facilities Development presented the background, RFP criteria and procurement overview, vendor selection, contract term and negotiated contract schedule and MWBE plan for the proposed resolution.

Following discussion and upon motion made and duly seconded, the Board unanimously approved the resolution.

**COMMITTEE AND SUBSIDIARIES REPORTS**

Mr. Pagán noted the Committee and Subsidiary reports are in Board folders and would be submitted into the meeting record, and he asked for questions or comments about the reports.

**EXECUTIVE SESSION**

Mr. Pagán then requested the Board's approval to convene an executive session to discuss confidential and privileged quality assurance information and that some of the information may related to proposed or actual litigation and/or confidential medical information of patients.

A motion was made, seconded, and approved to enter into the executive session.

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

**FACILITY GOVERNING BODY/EXECUTIVE SESSION**

The Board received and approved governing body report from NYC Health + Hospitals/Bellevue and NYC Health + Hospitals/Harlem Hospital.

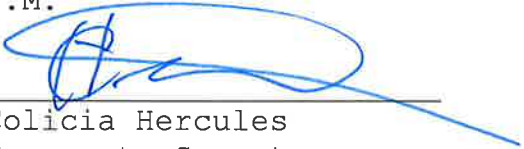
The Board received and approved semi-annual governing body reports (written submissions) from NYC Health + Hospitals/North Central Bronx and Jacobi.

The Board also considered the Governance Committee recommendation to appoint Danielle DiBari as Senior Vice President for Pharmacy/Business Operations - the recommendation was unanimously approved.

The Board acting as the Governing Body of NYC Health + Hospitals/Coney Island Hospital also considered the Governance Committee's recommendation to appoint Svetlana Lipyanskaya as Chief Executive Officer of Coney Island Hospital and that appoint was also unanimously approved by the Board.

**ADJOURNMENT**

Thereupon, there being no further business before the Board, the meeting was adjourned at 5:20 P.M.

  
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Colicia Hercules  
Corporate Secretary



## COMMITTEE REPORTS

### AUDIT COMMITTEE - DECEMBER 12, 2019

As Reported by José Pagán

**Committee Members Present:** José Pagán, Mitchell Katz, Freda Wang - in a voting capacity for Helen Arteaga Landaverde, Sally Hernandez-Piñero, Feniosky Peña-Mora

#### Call to Order

Mr. José Pagán, Board Chair called the meeting to order at 10:08 A.M.

#### CORPORATE COMPLIANCE UPDATE

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

During the period from September 21, 2019 through November 22, 2019, there was one excluded vendor. On September 24, 2019, the OCC was notified that a vendor providing hospice services was terminated from participating in the Medicare program, effective May 31, 2019. There were no payments to this vendor after this date; therefore, no overpayment or disclosure is required. Supply Chain Services has inactivated this vendor in their database.

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

#### Privacy Incidents and Related Reports

During the period of September 21, 2019 through November 22, 2019, twenty-one (21) incidents were entered in the System's RADAR Incident Tracking System. Of the twenty-one (21) incidents entered in the tracking system, eighteen (18) were found after investigation, to be violations of NYC Health + Hospitals HIPAA Privacy and Security Operating Procedures ("OPs"); one (1) was found not to be a violation of NYC Health + Hospitals HIPAA Privacy and Security OPs; and two (2) are still under investigation.

Of the eighteen (18) incidents confirmed as violations, eight (8) were determined to be breaches. These breaches involved giving a prescription to

the wrong patient, sending medical records to the wrong law firm, disclosure of a patient's medical condition in the presence of another individual not authorized to receive this information, and giving After Visit Summaries to the wrong patients.

In addition, on October 3, 2019, the NYC Health + Hospitals Office of the Inspector General ("IG") was informed that, between 2016 and November 2019, an employee at NYC Health + Hospitals/Jacobi disclosed the PHI of an unknown number of NYC Health + Hospitals' patients. The IG informed NYC Health + Hospitals of this incident on November 7, 2019. Specifically, the information that was disclosed included patients' names, telephone numbers, and the fact that they had been in motor vehicle accidents.

The OCC was able to obtain the names and telephone numbers of approximately 300 affected individuals, approximately 200 of which the OCC was able to match with addresses. These affected individuals were notified of this breach on December 2, 2019. In addition, a substitute notice has been placed on NYC Health + Hospitals' public website, which includes the circumstances of the breach and a toll free number to call for additional information. An internal investigation is ongoing, and appropriate disciplinary action will be taken.

#### **Office for Civil Rights ("OCR") Reports Regarding HIPAA Incidents**

Since the last Audit Committee meeting, the OCC received one report from the OCR regarding a HIPAA incident at NYC Health + Hospitals/Bellevue ("Bellevue"). The report, dated September 17, 2019, concerned a patient's complaint that Bellevue failed to provide access to the patient's medical records. Although the OCR closed this matter, the OCC investigated it and learned that the patient did in fact receive some of his electronic records on August 29, 2019, and Bellevue has provided him with his remaining medical records. The OCC will send a response to the OCR explaining the circumstances of the complaint and the actions taken to remediate the issue.

#### **Compliance Reports**

For the period of September 21, 2019 through November 22, 2019, there were fifty-six (56) compliance reports, one (1) (2%) of which was classified as Priority "A,"<sup>2</sup> seventeen (17) (30%) were classified as Priority "B," and thirty-eight (38) (68%) were classified as Priority "C" reports. For purposes here, the term "reports" means compliance-based inquiries and compliance-based complaints.

#### **Status Update on OneCity Health**

OneCity Health, as a PPS Lead in the DSRIP Program, is responsible for taking reasonable steps to ensure that Medicaid funds distributed as part of the DSRIP program are not connected with fraud, waste, and abuse. To satisfy its compliance obligations as a PPS Lead, and to fulfill the requirements of the OMIG DSRIP compliance guidance, OneCity Health has developed a compliance attestation form, which is designed to assess its Partners' compliance with the program requirements.

OneCity Health Partners must certify annually to OneCity Health that they have met their DSRIP compliance training obligations and certain other compliance-related obligations. Accordingly, the OCC, on behalf of OneCity Health, will distribute a Memorandum to OneCity Health Partners early next year, with a link to a *Compliance Attestation of OneCity Health Partners* ("Attestation"). The Attestation, which provides OneCity Health and the OCC with a critical snapshot of the compliance foundation of its DSRIP Partners, is required to be completed by all OneCity Health Partners.

**Status Update - HHC ACO, Inc.**

On September 30, 2019, HHC ACO, Inc. ("HHC ACO") received its PY2018 performance report, indicating that it had successfully earned shared savings for six years in a row. In PY2018, HHC ACO reduced costs for its Medicare beneficiaries by \$7.26 million, of which it earned \$2.97 million in shared savings (this compares to \$2.18 million in PY2017). In addition, HHC ACO is the only ACO based in New York State to earn shared savings over six consecutive years, and one of the only 18 ACOs around the country to have earned that distinction.

On October 1, 2019, HHC ACO submitted its quality measures to NYS Department of Health ("DOH") to satisfy DOH's Quality Assurance Reporting Requirements (QARR) for the following measures:

- a. Breast Cancer Screening;
- b. Colorectal Cancer Screening;
- c. Controlling High Blood Pressure; and
- d. Diabetes: Hemoglobin Alc Poor Control.

**HIPAA Risk Analysis and Security Assessment**

To ensure the System's compliance with the requirements of HIPAA and HIPAA regulations, the System has engaged a third party vendor, Coalfire Systems, Inc. ("Coalfire"), to conduct a HIPAA enterprise-wide Risk Analysis and Security Assessment. Coalfire conducted on-site reviews at all of the System's acute care facilities, skilled nursing facilities, and Diagnostic and Treatment Centers, and a sample of the Gotham Health clinics. It also conducted virtual reviews of fourteen (14) other Gotham Health clinics.

In addition, Coalfire has performed penetration tests of the System's systems and applications to determine their vulnerability to unauthorized access. It is also assessing a sample of the System's vendors to determine their compliance with HIPAA and the security of the System's PHI that they maintain.

Coalfire has been submitting draft reports of its findings, and expects to submit final reports by the end of this year.

**National Corporate Compliance and Ethics Week 2019**

The OCC commemorated National Corporate Compliance & Ethics Week from November 4th to 8th. This year's Corporate Compliance and Ethics Week theme, **Awareness**,

**Recognition, Reinforcement,** embodied key elements of the OCC's work towards increasing the prominence of compliance concerns, acknowledging the duty to report them, and emphasizing the importance of professional and ethical conduct in carrying out our duties and responsibilities.

Mr. Pagán stated that per Section 14 of the By-Laws: Committee Attendance states, "if any member of a standing or special committee of the Board will not be present at a scheduled committee meeting, the member may ask the Chair of the Board to request that another Board member, not a member of that committee, attend the scheduled meeting and be counted as a member for purposes of quorum and voting." Helen Arteaga Landaverde designate, Ms. Freda Wang in a voting capacity, as having her vote at this meeting.

Mr. Pagán asked for a motion to adopt the minutes of the Audit Committee meeting held on October 10, 2019. A motion was made and seconded with all in favor to adopt the minutes.

#### **Grant Thornton Management Letter**

Ms. Radinsky presented by outlining the observations and recommendations.

There are three levels of internal control deficiencies:

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

We are happy to report that there are no Material Weakness. We identified the following significant deficiency:

#### **Grants Revenue Not Properly Recognized**

##### *Observation*

We noted that the Grants Department was not consistently applying the accrual basis of accounting relating to grant revenue recognition. As a result, we proposed an audit adjustment reducing grant revenue by approximately \$8 million which is not reflected in the June 30, 2019 financial statements since the amount was not considered material to the financial statements.

##### *Recommendation*

We recommend that management, on a periodic basis and at year end, review all expenses related to expense reimbursement contracts to ensure that the revenue and accounts receivable related to these expenses are properly recognized in the same period that the expenses are recorded. In addition, communications

should be enhanced between the Grants Department and the Corporate Comptroller's Office to ensure timely, proper and complete accounting for grant revenue.

**Status of Prior Year Findings/Observations:**

*Accounts Payable* has been closed as well as *Patient Accounts Receivable* and *Net Patient Service Revenue - Controls over manual data entry into the patient accounting system*.

Still open and Management is working on them are the *Patient Accounts Receivables* and *Net Patient Service Revenue - Credit Balances* and *Patient Revenue recorded after fiscal year end for services prior to fiscal year-end*.

**Information Technology**

**Unidentifiable Users**

*Observation*

Upon reviewing the Soarian active account listing, we were unable to locate one employee that had an active Soarian administrator account.

*Recommendation*

We recommend that all user accounts should be reviewed and accounted for to ensure only appropriate and active users have access.

**Segregation of Duties**

*Observation*

We noted that seven PeopleSoft users with direct data access also maintain security administrator privileges.

*Recommendation*

We recommend limiting program maintenance access to IT personnel who do not have security administrator privileges. If segregation of duties is not feasible, management should consider implementing mitigating controls (e.g., an activity log report of the administrators' actions reviewed by an independent party on a regular basis) to compensate for the lack of segregation around operating and security related functions.

**User Access Review**

*Observation*

We noted that the Organization does not perform a formal periodic review of Network, PeopleSoft, Unity, Soarian, and EPIC user entitlements to ensure access changes were conducted in accordance with management's expectations.

*Recommendation*

We recommend management perform a comprehensive review of user access entitlements on a regular basis (i.e., at least once per fiscal year). The review should be performed by department heads and/or business owners independent of security administration functions, based on system reports provided by system administrators and include the following:

- Review Network, PeopleSoft, Unity, Soarian, and EPIC account listings to ensure generic/group IDs are appropriate (use of such is strongly discouraged and should be minimized to the extent possible)
- Review Network, PeopleSoft, Unity, Soarian, and EPIC account listings to ensure accounts for terminated employees have been disabled or removed
- Review individual user access to ensure access is restricted to appropriate functions based on current job responsibilities
- Review access to powerful privileges, system resources and administrative access to ensure access is restricted to a very limited number of authorized personnel

The access review should be formally documented by the department head and evidence retained. Any identified conflicts in access rights should be followed up and resolved in a timely manner.

### **User Administration**

#### *Observation New Hires*

Although a ticketing system is in place, management was unable to provide adequate documentation for all of the new hire sample we selected for testing. We recommend that IT maintain complete documentation regarding all newly hired personnel. In the event that application access was added post hire, any changes to user access rights should be documented and approved by appropriate stakeholders.

#### **Terminations**

Although a ticketing system is in place, management was unable to provide adequate documentation for all of the termination sample we selected for testing.

#### **Recommendation**

We recommend that the business units and/or Human Resources notify IT of terminated employees in a timely manner (e.g., within 24 hours) so that IT may disable/remove the terminated users' access as soon as possible to prevent unauthorized access into the Organization's systems.

### **INTERNAL AUDIT UPDATE**

Mr. Telano reported on external audits by outside regulatory agencies. The first is the Children of Bellevue Auxiliary - NYC Comptroller's Office. This review has been in effect since April of this year, is already 8 months old and counting. They continue to do testing and are awaiting for the Audited Financial Statements from the CPA firm BKD before they finish their review. I have no comments on findings or anything related to the review.

The second audit is a follow-up of Nurse Hiring and Retention - NYC Comptroller's Office. This audit is winding up. They are reviewing certain documents and they visited three sites (Community Care, Gouverneur and Kings County). They are done with the fieldwork. We have a wrap up meeting scheduled for tomorrow (Friday) in which they will discuss their findings.

**Other activities within Internal Audits**

Auxiliary Audits - The Office of Internal Audits has had the responsibility to hire an outside CPA firm to certify the financial statements of all 22 Auxiliaries. Loeb & Troper was hired 4 years ago to undertake these audits. Since their merger with BKD in late 2018, their performance has declined to the point that only one (1) audit has been completed for the Calendar Year 2018 financial statements.

As a result of this poor performance, it has been decided that the 5th year option on the contract would not be exercised. It has also been determined that only 11 of the 22 Auxiliaries require a review or audit of their financial statements by a CPA firm. Prior to the new RFP being rolled out, a determination has to be made whether 11 or 22 reviews/audits will be conducted.

Ultimately, the firm selected will require approval by the Audit Committee.

**Anonymous Letters**

An anonymous letter was received from the President's Office, regarding improper payroll procedures in the Nursing Department at NYC Health + Hospitals/Elmhurst. An Audit Memorandum was issued to the President/CEO discussing the results of the investigation.

Two other anonymous letters were received but the investigations were already being done by the Inspector General and an external consulting firm.

**EXECUTIVE SESSION:**

At this point the Chair requested a motion to convene an executive session to discuss confidential and privileged matters that may be related to anticipated or actual litigation, as well as certain personnel matters.

Second, opposed, the motion is carried.

Thank you everyone and asked that only those specifically invited remain in the Boardroom.

**OPEN SESSION:**

The Committee re-convened in open session.

There being no other business, the meeting was adjourned at 11:04 A.M.

<p><b>CAPITAL COMMITTEE - DECEMBER 12, 2019</b> <b>As Reported by Feniosky Peña-Mora</b> <b>Committee Members Present:</b> Feniosky Peña-Mora, José Pagán, Sally Hernandez-Piñero, Freda Wang, and Mitchell Katz</p>
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The meeting was called to order by Feniosky Peña-Mora, Chairman of the Capital Committee, at 11:09 A.M.

On motion, the Committee unanimously approved the minutes of the November 12, 2019, Capital Committee meeting.

#### **SENIOR VICE PRESIDENT'S REPORT**

Christine Flaherty, notify the Committee that she participated in a press conference with the City compelling the Governor to sign the NYC Design Build Act which passed both branches of the State in June of 2019 this morning. The Act in its current form would give H+H Authority to utilize design-build delivery and would for specific new construction projects save the system precious dollars and accelerate timelines. There is hope that the Governor would consider signing the bill before the end of the year.

Ms. Flaherty announce that the Office of Facilities Development (OFD) had a new Assistant Vice President of Housing and Real Estate, Leora Jontef, who joined the team and would be helping to develop and accelerate plans to bring more housing options to the systems' vulnerable patient population faced with homelessness and unstable housing. Additionally she congratulate Manuel Saez, who was promoted to Assistant Vice President of Facility Management for the system. Mr. Saez would continue to play a key role in ensuring the facilities were fully supported, operational and compliant at all times.

There would be a series of educational sessions to be held in the New Year, including; an educational session at Bellevue Hospital on February 7<sup>th</sup>; an overview of the systems' working group on the newly forming Health + Housing initiative in March; and, an overview of the strategic vision for OFD in May of 2020.

Additionally, the RFP for Architectural and MEP design services had been publicly posted on December 9, with a due date after the New Year, and the Exterior Envelope solicitation was expected to be out to the industry before the end of the calendar year. Supply Chain's recently hired Heather McCreary, who has a background working in design & construction and will be working on continuous improvement of processes and reporting, including standardizing methods for performance reviews system-wide.

This concluded Mrs. Flaherty's report, and she turned the meeting over for discussion of the three action items on the agenda.

Mr. Peña-Mora asked if the RFP for Architectural and MEP design services included some of the recent discussion and recommendations of the Capital Committee, regarding MWBE utilization and performance metrics. Mrs. Flaherty said the RFP included an increase to MWBE utilization criteria. Mrs. Flaherty clarified that currently the evaluation criteria is an internal process and a standardized approach on performance was being discussed.

Mrs. Flaherty advised that the first action item on the agenda is being presented on behalf of Kings County leadership, as they are in the midst of EPIC implementation.

#### **ACTION ITEMS**



Jeremy Berman, Deputy Counsel, read the resolution into the record. Mr. Berman was joined by Christine Flaherty, Senior Vice President, Capital Design and Construction.

- **Authorizing New York City Health and Hospitals Corporation (the "System") to execute a ten year lease with 2356 Partners LLC (the "Landlord") for the use and occupancy of approximately 2,100 square feet of ground floor space at 2356 Nostrand Avenue, Brooklyn to operate a Supplemental Food Program for Women, Infants and Children (the "WIC Program"), managed by NYC Health + Hospitals/Kings County Hospital Center (the "Facility") at a rent of \$108,000 per year, or \$51.43 per square foot to be escalated by 3% per year for a total of \$1,238,099 over the ten year term with an option to terminate after four years exercisable only by the System if funding is reduced.**

Mr. Berman explained that this resolution was a proposal to open a new WIC site, replacing a similar site that had been located nearby, that closed due to an expired lease that the landlord had no interest in renewing. The State approached Health + Hospitals requesting that a replacement site be opened. Mr. Berman noted that there were 27 WIC sites operated throughout the system, six (6) in rented locations and 21 on site within H+H facilities. Of those total WIC sites, there were three that had been operated within the Kings County catchment area, one located within the "T" building on the Kings County campus, one in East Flatbush on Church Avenue, and the former Nostrand Avenue site. That last site being the location that closed and was to be replaced by the Nostrand Avenue site being presented for approval to lease space.

Mrs. Flaherty presented a map indicating each of the aforementioned locations.

Sally Hernandez-Piñero asked if the WIC sites provided care to individuals who otherwise would have difficulty reaching the other sites, or if they specifically provided supplemented hospital services. Ms. Flaherty responded that these sites are at the request of the State to meet the demand for services within that community.

Mr. Peña-Mora credited the team with finding a replacement site so close to the previous site.

Freda Wang asked whether the State be covering all aspects of the program. Mr. Berman clarified that the employees were H+H employees but the State funding covered their cost, as well as lease payments and some other outlier costs.

Ms. Wang asked if the funding was provide in four (4) year cycles and that was why the term was for 4 years. Mrs. Flaherty clarified that funding was provided in shorter-term cycles, every 24 months the State allocates funding, but H+H highly anticipates continued funding, particularly in light of the fact that NYS DOH requested the site, however the landlord was not willing to negotiate a lease for less than 4 years. Ms. Flaherty noted that there are some months in the lease that do not correspond to the currently approved funding, but again, that funding is anticipated and continued funding has historically been approved by the State.

In response to questions, Ms. Flaherty clarified that this is the funding structure for all WIC programs and the State is aware of the lease terms.

Mr. Peña-Mora stated that this was discussion regarding the difference between the lease and the funding and that the demand for the services outweighed the few months risk. He noted that the system did its best to align the time-periods by getting the shortest lease term possible.

In respond to questions Mr. Berman clarified that the State does pay some occupancy fee for WIC sites location within H+H facilities and that all the programs services focus on food and nutrition. He also clarified that the proposed landlord is not the same as the expired lease site landlord.

There being no further questions or comments. On motion by the Chairman of the Committee, the Committee approved the resolution for the full Board's consideration.

Christine Flaherty, Senior Vice President, Capital Design and Construction, read the resolution into the record.

- **Amending the resolution adopted in September 2019 by the Board of Directors of New York City Health and Hospitals Corporation (the "System") authorizing the execution of a 30 year lease with Camelot of Staten Island, Inc. ("Camelot") with Camelot holding a 19 year renewal option for the operation of a residential Substance Use Disorder ("SUD") program on the campus of NYC Health + Hospitals/Sea View (the "Facility") on land including the Administration Building with such amendment increasing the initial term to 50 years with Camelot holding a ten year renewal option thereby yielding rental income to the System over the initial term of \$24,371,087 at \$12.50 per sq. ft. escalated by 2.5% per year.**

Ms. Flaherty advised that the amended resolution being presented was to adjust the term of the lease, previously approved by the Capital Committee and full Board of Directors. Mr. Berman said that there appeared to be some miscommunication within the New York State Office of Alcohol and Substance Abuse (OASAS) on the term of the lease originally approved, 30 years with a 19 year renewal option, and what the New York State Comptroller preferred for a term. The Comptroller requested a longer-term lease, which would be in line with other large developments on H+H campuses, and so the resolution was being presented as amended for an increased base term of 50 years, with a 10-year renewal option.

Ms. Wang asked how the original lease terms were determined. Ms. Flaherty responded that it was originally drafted to align with terms of the other Camelot lease on site. Mrs. Wang asked if all parties were aligned on these amended terms. Mrs. Flaherty and Mr. Berman said they believed so.

Ms. Hernandez-Piñero noted that resolution referenced that the Office of the Attorney General objected to the term, and asked if that was correct or if it was the Comptroller's Office. Mr. Berman said that he was not sure where the objections originated but said every State agreement went through both offices for review.

Ms. Hernandez-Piñero noted that between renovation and construction the project was very expensive. Mrs. Flaherty explained that the building that

Camelot would occupy was in terrible shape and required extensive work and proposed work was an investment in the life cycle of the building. Mr. Berman added that price for the site was based on a Fair Market Value Assessment.

Mr. Berman added that the number of patients listed in the resolution and presentation was a minimum number and as he understood Camelot would be able to, in favor of, accommodating more patients at the site.

Mr. Peña-Mora recommended that a slide be created to present at the full Board of Directors meeting explaining the exact change being requested, and confirming where the objection that prompted the amendment came from.

Ms. Wang asked who came up with the amended term of 50 years and a ten-year renewal option. Mr. Berman said all parties agreed on the 60-year total term, including the option to renew.

There being no further questions or comments. On motion by the Chairman of the Committee, the Committee approved the resolution for the full Board's consideration.

Christine Flaherty, Senior Vice President, Capital Design and Construction, read the resolution into the record.

- **Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a contract with Johnson Controls Inc. (the "Contractor") to provide Building Management System maintenance services at various facilities throughout the System over a three year term with option exercisable solely by the System, for two one-year extensions, for an amount not to exceed \$15,510,315.**

Ms. Flaherty explained that Building Management Systems were installed throughout the organization serving as monitors for various operations including; Heating, Ventilation, Air Conditioning (HVAC), lighting, power systems, fire systems, and possibly security systems. They were also used at certain sites to optimize energy usage. BMS provide real-time notification and status of critical systems such as fire dampers, pressure relationships, and humidity controls, all critical aspects of operations and regulatory compliance.

Mrs. Flaherty noted that JCI has been providing maintenance for BMS systems at 13 of the 15 facilities and those systems had JCI's proprietary hardware and software. The existing contract was extended from the JCI Plant Maintenance Management agreement. Current contract spend was approximately \$2.3M annually, and would expire on December 31, 2019.

Mrs. Flaherty provided an overview of the solicitation, the desired outcome was for a single vendor solution and the RFP minimum criteria. The evaluation committee, comprised of OFD and facility representation was weighted as follows: 40% ability to meet scope of work deliverables, 30% cost proposal, 20% appropriateness and quality of firm's experience 10% status as and MWBE or MWBE utilization plan.

Mr. Peña-Mora noted that two areas in which JCI did not receive positive reviews were cost and MWBE utilization. He noted that negotiations had resulted in a promise to increase MWBE utilization and asked how that would be

monitored. Ms. Flaherty indicated that negotiations had shown JCI how serious the System was at increasing M/WBE and it had been determined that each requisition was to reflect utilization and those would be monitored against their commitment to meet 12.5% utilization. JCI promise to use MWBE under the repair and expansion numbers as regular ongoing maintenance would be self-performed.

Ms. Wang asked if the commitment was against the \$2.6 million number. Mrs. Flaherty said the 12.5% is based on the full contract value but will likely be found under repairs and expansion since the majority of ongoing maintenance work was self-performed.

Mr. Peña-Mora said that after negotiations were complete the burden rests on H+H to monitor and hold JCI accountable.

Ms. Hernandez-Piñero asked if this was a sole source contract since they had proprietary systems in place. Ms. Flaherty said no it was solicited publicly but in a way the System were beholden to them and in an effort to be cost effective, being that JCI systems were implemented in nearly all H+H facilities it was more cost effective to continue with JCI as well.

Mr. Pagán said that with the term of the contract there would be room to negotiate in a few years. Ms. Flaherty added that facilities were priced individually so that if a facility became self-reliant it could be removed from the contract list for service and eventually that would have increased leverage.

Mr. Peña-Mora acknowledged that negotiating costs was a success but in viewing the performance reviews H+H would need to keep a close eye on charges and man hours for maintenance. Mrs. Flaherty said that H+H was working closely with DCAS to assess the cost of becoming self-reliant, including any required upgrades to support self-sufficiency and that was a high priority.

Mr. Peña-Mora asked if DCAS was prepared to support the effort with funding. Ms. Flaherty said she believed so, and they were working closely on a remedy, although all parties understood it would take some time.

Ms. Hernandez-Piñero asked about the total number of facilities listed. Ms. Flaherty explained that included some long-term care sites and excluded H+H / Woodhull, which had their own system in place.

There being no further questions or comments. On motion by the Chairman of the Committee, the Committee approved the resolution for the full Board's consideration.

There being no further business, the meeting was adjourned at 11:53 P.M.

## SUBSIDIARY REPORTS

HHC ACO INC. BOARD OF DIRECTORS - November 25, 2019  
As reported by Dr. Katz

The Board of Directors of HHC ACO Inc. (the "Board"), NYC Health + Hospitals' subsidiary not-for-profit Accountable Care Organization (the "ACO"), convened on November 25, 2019 to discuss performance results and shared savings distribution for the Performance Year 2018 ("PY18"). Chairperson of the ACO Board Mitchell Katz, MD designated ACO Chief Executive Officer Dave Chokshi, MD to call the meeting to convene the meeting until his arrival.

### ATTENDEES

#### BOARD MEMBERS

Dave Chokshi, M.D.  
Andrea Cohen  
Gary Kalkut, M.D.  
Mitchell Katz, M.D.  
Luis Marcos, M.D.  
Jasmine Moshipur, M.D.  
Hyacinth Peart  
Israel Rocha, M.D.  
Warren Seigel, M.D. (joined via video conference)  
John Ulberg (joined via telephone)

#### HHC STAFF

Adam Aponte, M.D.  
Nancy Barnicle  
Shunsuke Ito  
Michael Levitin  
Stanislav Seleznyov  
Joanna Weiner

#### OTHER ATTENDEES

Lori Donnell

The meeting of the Board was called to order by ACO Chief Executive Officer Dave Chokshi, MD at 2:06 PM.

On a motion duly made and seconded, the Board unanimously voted to approve the minutes of the September 5, 2019 Board meeting without correction or modification.

Among other matters, the Board discussed the following:

- Dr. Chokshi introduced Ms. Hyacinth Peart as the new Medicare Beneficiary Director and Adam Aponte, MD as the permanent Chief Medical Officer of the ACO. In addition, Dr. Chokshi introduced Ms. Lori Donnell, who will be the Advisory Committee Representative Voting Member for 2020.

- ACO Chief Medical Officer Adam Aponte, MD informed the Board of the ACO's Medicare Shared Savings Program (MSSP) results for PY18. The ACO saved the Medicare Program \$7,262,050, of which the ACO received \$2,967,275 in shared savings. The ACO also achieved a quality score of 83.39%. HHC ACO Inc. is the only MSSP ACO based in New York State to earn shared savings for six consecutive years and one of the only 18 ACOs around the country to do so.
- Dr. Chokshi presented a proposed amendment to the ACO's shared savings distribution methodology in the ACO's Participation Agreements and Collaborator Agreements based on the ACO's earned shared savings for PY18.

The Board approved the following resolution:

**Authorizing the Chief Executive Officer of the ACO to negotiate and execute an amendment to the ACO Participation Agreements and Collaborator Agreements consistent with the savings distribution methodology set forth in the Proposed 2018 Shared Savings Allocation (Exhibit B), and distribute the 2018 Performance Payment in accordance with such Agreements as amended.**

There being no further business, Mitchel Katz, MD adjourned the meeting at approximately 3:02 PM.

<p><b>MetroPlus Health Plan, Inc.</b> Board of Directors Meeting - December 3, 2019  <b>As reported by Ms. Sally Hernandez-Piñero</b></p>
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**ADOPTION OF THE MINUTES**

The minutes of the meeting of the Board of Directors held October 29, 2019 were presented to the Board. On a motion made by Ms. Hernandez-Piñero and duly seconded, the Board adopted the minutes.

**CHAIRPERSON'S REPORT**

Ms. Hernandez-Piñero welcomed everyone to the MetroPlus Board meeting of December 3<sup>rd</sup>. Ms. Hernandez-Piñero introduced Mr. Ganesh Ramratan, MetroPlus' new Chief Information Officer. Mr. Ramratan stated that he has 25 years of experience in Information Technology and most recently worked at the New York City Department of Investigations. Ms. Hernandez-Piñero stated that the meeting would start with the Chief Executive Officer's report presented by Dr. Schwartz, followed by two resolutions for approval including one for MetroPlus' annual operating budget.

Ms. Hernandez-Piñero asked Dr. Schwartz to present the CEO report.

**CHIEF EXECUTIVE OFFICER'S REPORT**

Dr. Schwartz's remarks were in the Board of Directors packet and a copy is attached hereto and incorporated by reference.

Dr. Schwartz stated that, at the Chairperson's request, each member of

Executive Staff will present their piece of the report and the first portion will be regulatory updates presented by Raven Solon, MetroPlus' Chief Legal and Compliance Officer. Ms. Solon stated that she would be updating the Board on the implementation of new services in 2020. The first new service is the Children and Family Treatment Support Services (CFTSS) which is going live January 1, 2020 and it includes crisis intervention and youth support and training. The National Diabetes Prevention Program (NDPP) will roll out on February 1, 2020 and is an educational and support program designed to assist people at risk from developing diabetes. The Community First Choice Option is an optional set of services that are being added to the Medicaid benefit package for long-term services support also available to Managed Long-Term Care (MLTC) members. As of this moment it is set to go live January 1, 2020 however, the State has provided no guidance, no information and so it is the expectation of all the managed care plans, as well as the Coalitions, that January 1<sup>st</sup> is not actually going to happen because none of the plans have any of the mechanisms to actually do this. Infertility treatments for large group products went into effect as a mandated benefit and it is very limited in coverage. Coverage is for standard fertility preservation services when medical treatment may directly or indirectly cause infertility.

Ms. Solon reported that there was a delay in another rollout of service which was the ability of voluntary foster care agencies to be able to bill Medicaid, it has been pushed back to July 2020.

Dr. Schwartz presented a dashboard with measures that the Plan feels are critical for Plan operations. Some of the metrics were not ready to be presented to the Board but they will be for the next meeting. There were six categories in the dashboard: membership, financial sustainability, quality and medical management, utilization management, customer experience and information technology. On the membership side the Plan is looking at applications, actual membership and the Plan's recertification rate. Given that MetroPlus is mostly a government sponsored plan the recertification rate is important to MetroPlus. On the financial sustainability side, the Medicare medical loss ratio (MLR) was isolated due to it being an area of concern.

Dr. Schwartz reported on the Plan's membership detailing which lines of business had growth and which ones decreased in membership. The largest increase in membership was in the MetroPlus Gold line of business, followed by Child Health Plus. The lines of business that saw the most decreases in membership were the Marketplace plans and MetroPlus GoldCare Level 2. There was a brief discussion regarding Marketplace SHOP. Dr. Schwartz stated that total membership from third quarter 2017 to third quarter 2019 there has been significant growth. A chart was provided to detail the growth.

Mr. John Cuda, MetroPlus' Chief Financial Officer, stated that the MLR has hovered between 92.6% and 92.5% for the past three years. The Administrative Loss Ratio (ALR) is pretty consistent in 2017 and 2018 but went up slightly in quarter three of 2019, mainly due to an allocation of prior year health benefits of \$3 million. Revenue is up 0.6% as compared to medical expense increase of 2.8% creating a negative net variance of 2.2% affecting net surplus. Medical costs are up \$27.11 per member per month. The major drivers included home health, urgent care utilization increase, behavioral health

inpatient utilization increase and a 3% trend. Dr. Schwartz stated that some of the increases detailed in the report are being experienced industry-wide. Mr. Cuda presented a slide detailing the revenue and expense for the Plan's Medicare line of business. There a brief discussion regarding this years' loss to last year's loss in Medicare. Ms. Hernandez-Piñero asked if this years' loss is due to an increasingly sick population, Mr. Cuda responded that yes, that is what the Plan is seeing.

Dr. Schwartz gave the Board a detailed overview of the 2020 strategy for the Medicare line of business. There are several different conversion initiatives that the Plan is undertaking next year. The Plan is looking to see who is in the MetroPlus' Medicaid line of business who require long-term services, defined as 180 days requiring assistance, who can now be eligible to the MLTC line of business. The other initiatives involve the HIV SNP and HARP lines of business. There was a brief discussion about growing the Plan's membership responsibly. The Plan will have to have a pretty good sense as to where it is by the time it submits its next Medicare bid in June 2020.

Mr. Cuda stated that, for 2020, the Plan expects a 2.9 increase in revenue, correlating with membership growth. Medical expenses expect to increase by 1.7% and administrative expense are expected to go up by 10.4%. Mr. Cuda stated that on page 12 of the report it should read ALR not MLR of 8.7 percent. The goal for 2020 is to grow Plan membership by 2.3 percent. The head count was kept basically flat, but the Plan did eliminate 33 positions.

Dr. Schwartz stated that MetroPlus is assisting to sign up network providers into NYC Health + Hospitals EpicCare link, to date over 1,000 participating providers and groups have signed up.

#### **ACTION ITEMS**

The first resolution was introduced by Mr. Christopher Roker, Chair of the MetroPlus Finance Committee.

#### ***Adopting the Annual Operating Budget and Expense Authority of the MetroPlus Health Plan, Inc. (the "Plan"), for Calendar Year 2020***

Ms. Hernandez-Piñero stated that the budget was fully reviewed at last week's Finance Committee and earlier in the meeting during the CEO report.

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

The second resolution was introduced by Dr. Sanjiv Shah, MetroPlus' Chief Medical Officer.

#### ***Authorizing the amendment of a resolution previously adopted by the Board of Directors on October 29, 2019 to authorize the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus"), to negotiate and execute administrative run-out costs with Beacon Health Options for an amount not to exceed \$1,680,000. The previously approved extension with a not to exceed amount of \$10,250,000 shall be amended to reflect a new***



*not to exceed amount to \$11,930,000.*

Dr. Shah gave the Board a detailed overview of the need to amend the resolution that was approved by the Board on October 29, 2019. Dr. Shah stated that in the resolution the fifth whereas should read June 30, 2020 not June 30, 2019.

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 3:58 P.M.

**Mitchell H. Katz, MD**  
**NYC HEALTH + HOSPITALS**  
**PRESIDENT AND CHIEF EXECUTIVE OFFICER**  
**REPORT TO THE BOARD OF DIRECTORS**  
**December 19, 2019**

#### **CITY/STATE/FEDERAL UPDATE**

##### **City**

Dr. Nichola Davis, Senior Assistant VP for Chronic Diseases and Prevention and Eunice Casey, Senior Director for HIV Services participated in a New York City Council oversight hearing this month on *New York City's Efforts to Prevent and Address HIV and Hepatitis*. Dr. Davis and Ms. Casey were available to answer questions pertaining to the gaps and barriers to care for HIV and Hepatitis (HCV) - namely pregnant women's access to care for HCV; the treatment protocol for someone newly diagnosed with HIV and Hepatitis; getting the number of individuals infected with HIV down to zero; increasing access to PrEP and PEP; and our partnership with the NYC Department of Health to end both the HIV and HCV epidemics.

##### **State**

- Last month, the New York State Department of Health submitted an 1115 Waiver amendment application to the Centers for Medicare & Medicaid Services (CMS). Under the current 1115 Waiver, the Delivery System Reform Incentive Payment Program (DSRIP), which funds OneCity Health, ends on March 31, 2020. The State requested \$8 billion over a four-year period consisting of two parts: a one-year DSRIP Waiver Extension to March 31, 2021, and a waiver renewal for three more years. Prior to the submission of the State application, NYC Health + Hospitals and OneCity Health both submitted comments in support of the State's request.
- The Governor released the State's updated financial plan which indicates the 2020-21 State fiscal year will start with a \$6.1 billion deficit, due largely in part to the \$4 billion Medicaid budget shortfall in its current fiscal year, which ends on March 31<sup>st</sup>, 2020. The Governor is developing a 2020 savings plan which may include a range of cuts, payment reductions and adjustments, and other cost containment and administrative measures. NYC Health + Hospitals continues to have discussions with the State on how best to address the deficit while protecting safety net providers in advance of the announcement of his January 2020 executive budget. Our advocacy will continue through the budget process.
- We are awaiting the outcome of Design Build Legislation. The State Legislature passed the NYC Design Build Act which would give City agencies and Health + Hospitals the authority to utilize design-build delivery for new construction projects. This method would save our system precious dollars and accelerate our projects. We received letters in support from elected officials who would benefit from one of our new primary care centers as well as from the Primary Care Development Corporations, and we participated in a press conference to highlight the need for Design Build authority. We are urging the Governor to sign this bill before the end of the year.

##### **Federal**

On Monday, Congressional leadership announced the framework of a deal to fund the Federal government in advance of the December 20<sup>th</sup> expiration of the current Continuing Resolution. This complex package includes a 5-month delay of pending Medicaid DSH cuts. That means our advocacy to further delay or eliminate the cuts will continue into 2020.

#### **NYC CARE UPDATE**

NYC Care has enrolled more than 10,000 New Yorkers in the Bronx since its launch in August, two months ahead of projected schedule. To date, all new members were offered a primary care appointment within the first two weeks of enrolling. Through the program's extended pharmacy hours, members have filled over 14,000 prescriptions, most commonly for prescriptions to treat diabetes and hypertension, conditions that require timely medication management and adherence. To maintain the enrollment momentum, NYC Health + Hospitals and MOIA will extend funding for six more months to the five Bronx community based organizations that have conducted culturally appropriate outreach to prospective NYC Care members: Bronx Works, Emerald Isle Immigration Center, Mekong NYC, Northwest Bronx Community and Clergy Coalition, and Sauti Yetu Center for African Women. And we are doing a second round of placements for our multilingual public awareness campaign including advertisements in public transportation, social media, neighborhood stores, ethnic and community media and LinkNYC terminals as well as street marketing outreach and special ethnic media partnerships. NYC Care will launch in Brooklyn and Staten Island in January 2020, and will be available citywide by the end of next year.

#### **HEALTH SYSTEM NEWS**

##### **Successful Go Live of New Electronic Medical Record**

This month we mark an important milestone in our health system's transformation. We completed the successful launch of the H<sub>2</sub>O/Epic electronic medical record system at NYC Health + Hospitals/Kings County and at nine associated Gotham Health community-based health centers. For the first time in the history of our health system, we can deliver care using a single unified medical record system (EMR) across our acute care hospitals, ambulatory care clinics and home health care. The new, advanced EMR will help our clinicians provide safe, efficient, quality care. The technology equips providers with alerts to prevent medical errors, avoid duplicative and unnecessary tests and keep patients' preventive health screenings on schedule. It will also empower our patients with the adoption of MyChart, a secure online patient portal that puts their medical history at their fingertips. With MyChart, patients can request prescription refills, send messages to their care team and access appointment information. This represents the largest public health Epic implementation in the country that will unify over 50,000 users in more than 70 patient care sites.

##### **Mayor and NYSNA Announce Contract Agreement**

Mayor Bill de Blasio last week announced that the City of New York reached a contract agreement with the New York State Nurses Association (NYSNA), which represents nearly 8,500 nurses across the NYC Health + Hospitals system. Nurses are at the heart of our mission to care for all without exception and I am pleased that the agreement includes standard wage increases, along with

significant targeted compensation incentives to help us recruit and retain the best nurse professionals. The agreement also ensures our nurses have the support they need to continue to provide excellent care to all New Yorkers in the form of standard nurse-to-patient staffing ratios. These ratios were established by us, based on industry standards, but we committed to NYSNA to meet them in this contract. The new agreement improves compensation for hard to recruit and retain nursing positions, such as Nurse Practitioners, and nurses in certain targeted specialty areas like ICUs and Emergency Departments.

### **NYC Health + Hospitals Launches System's First Home-Based Primary Care Program**

Too many people with debilitating chronic conditions that limit their mobility find it very challenging to leave the home and travel to visit their primary care physician. They are more likely to be disconnected to care, skip regular preventive care, and end up with additional health complications. Our first home-based primary care pilot program will break down barriers and help improve health outcomes for some of the City's most vulnerable population. The pilot program will support a new team of visiting doctors and nurse practitioners who will make house calls to home-limited patients served by NYC Health + Hospitals/Kings County in Brooklyn. The program will offer primary care services in the home and use telehealth video visits to connect patients to specialty care, mental health services and help from social workers. The new home-based primary care pilot program is expected to serve 200 patients, and is funded in part by grants from the Altman Foundation, the New York Community Trust, and the Fan Fox and Leslie R. Samuels Foundation, Inc., as well as investments by NYC Health + Hospitals, totaling \$900,000 over the next two years to cover the cost of new staff, transportation, equipment and supplies. Based on the results of the pilot, we expect to expand the at-home primary care service model to other communities served by NYC Health + Hospitals.

### **Transition to New Substance Use Disorder Detox Model**

At NYC Health + Hospitals, we are committed to providing New Yorkers effective treatment for substance use disorder in a safe and compassionate environment that supports recovery. For this reason we are transitioning from 72 hour detox units to a more comprehensive model of care at seven of our hospitals. This new model replaces an outdated and ineffective inpatient Substance Use Disorder detox practice that has failed patients for many years. San Francisco, Los Angeles, and other municipalities across the nation have not used this type of care in decades because of the high rates of recidivism. The current model requires that patients have substances on board to be admitted, so it cannot help people who want to stay sober but have not recently used. Because the focus is on abstinence during the 72 hours, our patients are at high risk for a lethal overdose following release.

The new detox model both destigmatizes the process and ensures patients with complex medical needs are treated for all of their needs at once. Patients who need hospitalization because they are withdrawing will still be admitted to the hospital, but they will be admitted to the medicine service. This is much safer for them if there is a medical complication of withdrawal. There

is no decrease in service or staffing. This new model is an important part of our health system transformation and will offer better, more clinically effective services that are in-line with best practices, improved patient outcomes, and reduce relapse.

This is a phased transition to ensure patient continuity of care and that new services are responsive to patient and community needs. We are making investments to ensure our hospitals also have new teams of addiction counselors, peers, physicians or nurse practitioners to engage patients with co-occurring substance use disorder, start them in treatment, including medications, and coordinate follow-up outpatient care at the hospital or in the community based on their needs. With more than half of our 131 detox beds empty every day, it was clear that we had to create a detox service that made sense for our patients - where recovery is possible. I am confident that they will truly benefit from this transition as they will receive the treatment they need in an environment that is most appropriate for them.

**Mayor Announces Outposted Therapeutic Housing Units  
to Serve Patients in Custody with Serious Health Needs**

This month we announced a unique and innovative model of care for patients in City jails whose clinical conditions do not require hospitalization but need frequent monitoring and access to specialty and subspecialty care. The new Outposted Therapeutic Housing Units will be managed by the NYC Health + Hospitals Correctional Health Services (CHS) and offer a more normalized environment to help healing and recovery, and better position patients for discharge. Our plan is to open the therapeutic units at two sites, at NYC Health + Hospitals/Bellevue in Manhattan and the other at NYC Health + Hospitals/Woodhull in Brooklyn with a total of 250 beds for incarcerated individuals with complex medical, mental health, or substance use needs. This is an innovative solution to address a gap in the patient care continuum.

Currently, when incarcerated individuals have complex medical problems, they must be transported to hospitals for specialty care like chemotherapy or surgery. That process can be disruptive and lengthy, and it contributes to patients refusing the care they need and deserve. Unlike the traditional "forensic" hospital units where incarcerated individuals are admitted when they are in a medical or mental health crisis and get stabilized enough to be discharged, this new clinical model will offer longer-term services. The new therapeutic beds will allow for safer and better access to hospital-based specialists and more interactive and supportive treatment to stabilize patients for successful reentry to the community.

CHS health care professionals will determine which incarcerated individuals should be admitted based on their clinical needs, and our partners in the NYC Department of Correction will provide the security necessary for individuals under custody. With the new therapeutic beds, individuals in custody who need daily radiation treatment, weekly follow up after surgery, or must regularly see several specialists because of their multiple chronic conditions will no longer face obstacles to the lifesaving care they need. I am extremely proud that NYC Health + Hospitals, as both innovator and advocate, will be pioneering this approach for more dignified and humane care.

## **Mayor Announces Plan to End Long-Term Street Homelessness and Increase Mental Health and Medical Services for Unsheltered Individuals**

This past Tuesday the Mayor announced a 6- Point Action Plan to end long-term street homelessness over the next five years. The plan will increase housing, mental health and medical services for unsheltered individuals, and enhance outreach resources to deliver more urgent and rapid responses to unsheltered individuals in need.

NYC Health + Hospitals, in coordination with multiple City agencies, are bringing all relevant experience and expertise to the table, to ensure unsheltered New Yorkers with the most serious mental health challenges are closely connected to care, referred to care coordination, and/or engaged by mobile treatment teams, which provide psychosocial and psychiatric assessment, medication management, care coordination, peer support, and housing placement assistance to people where they are. Additionally, teams offer specialized treatment interventions for trauma and substance use, taking a harm reduction approach.

We participate in interagency coordination meetings to ensure a patient's smooth transition between homeless outreach, removal to the hospital for emergency services, and discharge back to the community. Further, there will be hospital coordination with the Department of Homeless Services to improve discharge planning for patients returning to shelter. The NYC Health + Hospital Central Office will coordinate with city agency partners, outreach teams, and hospitals to ensure ongoing communication.

### **Population Health Improvements**

NYC Health + Hospitals reached several end-of-year milestones in our efforts to promote more proactive, preventive care. Blood pressure control among our patients reached 77.0% and 66.5% of our patients with diabetes had their blood sugar (hemoglobin A1c levels) under control. Both measures are the highest they have been since the health system started tracking these several years ago. This translates into hundreds of averted strokes, heart attacks, and amputations. We were also able to sustain quality outcomes for two other measures: depression improvement for patients in collaborative care was 58.0% and HIV viral load suppression for actively engaged patients was 85%. Community Care, our health system's care coordination and home-based care division, embarked upon a transformation focused on high-risk patients. About 47% of such patients were connected with at least one Community Care service over the course of one-year. Our focus on social determinants of health is also yielding tangible results. More than 30,000 patients were screened for social needs. Almost 4,000 patients received legal services through LegalHealth. We helped 3,000 patients enroll in the Supplemental Nutrition Assistance Program (SNAP, also known as food stamps). And more than 1,000 patients received tax assistance such as enrollment in the Earned Income Tax Credit. Finally, over 200,000 referrals have now flowed through our eConsult system since its inception, improving access to specialty care.

### **Role of Clinical Pharmacists Expanded to Include Management of Hypertension**

Clinical pharmacists at NYC Health + Hospitals work closely with primary care teams with a focus on diabetes care management. Starting next Spring, we are expanding their role to also help patients manage hypertension. There are more than 98,000 New Yorkers diagnosed with hypertension who receive care in our hospitals and community-based health centers. Clinical pharmacists will assist patients with uncontrolled hypertension or complicated hypertension medication regimens to manage their medications between primary care visits with their doctor. They are certified to adjust, stop or start any medications related to the disease they are treating. The expansion of our clinical pharmacists' role demonstrates how NYC Health + Hospitals is making efficient care more accessible to patients. Managing chronic diseases can be challenging for some, creating reoccurring doctor visits and creating some backlog in scheduling. Utilizing all appropriate health providers is crucial in streamlining care and ensuring patients are seen appropriately.

### **MetroPlus Members with Diabetes Now Have Access to Peer-to-Peer Telehealth Mentoring**

MetroPlus Health Plan announced a new partnership with InquisitHealth to provide peer-to-peer mentoring to members with poorly-controlled diabetes. The new pilot program pairs MetroPlus members who have diabetes with trained peer mentors who are successfully managing their diabetes. The program utilizes a technology-enabled workforce of "peer mentors" to address the social and behavioral factors that may impact a patient's health. The mentor/mentee relationship enables members to work closely with others who serve as trusted advisors and coaches to guide members towards better health. Reflecting the health plan's ongoing commitment to using proven interventions to work, this initiative is designed to efficiently and cost-effectively improve participating members' overall health and wellness. The peer-to-peer initiative is part of a larger effort by MetroPlus to promote self-management of diabetic symptoms before serious complications occur. This mentoring program utilizes a key component of the comprehensive, primary care-centered diabetes management program recently launched by NYC Health + Hospitals in July to improve care for tens of thousands of New Yorkers.

### **NYC Health + Hospitals Announces Initial Outcomes of New Teleretinal Screenings**

Our new teleretinal screening approach changes the way patients with diabetes are evaluated for retinopathy. Time is of the essence when identifying retinal changes - before irreversible damage is done to someone's vision. We plan to install teleretinal screening machines in primary care clinics at all 11 acute care facilities, select Gotham Health sites, and Correctional Health by the end of 2020. Since August, the adult primary care clinics where we have already installed this equipment -- NYC Health + Hospitals/Coney Island, Elmhurst, Lincoln, Queens, and Woodhull -- have already screened more than 1,880 patients with diabetes for signs of diabetic retinopathy -- a disease of the retina, that if left untreated, can result in loss of vision. It is the leading cause of blindness in United States among adults ages 20 to 74. It may not cause symptoms immediately, that's why early detection is so important. Approximately 30 percent of

patients screened at our facilities were referred to ophthalmology for further testing to confirm diagnosis of diabetic retinopathy. Before we equipped our primary care clinics with the teleretinal screening equipment, patients would have to schedule a separate appointment with their ophthalmologist to get tested. All patients with diabetes, regardless of duration or control, are at risk for significant retinopathy and vision loss. By providing easy access to teleretinal screening services at our primary care sites, we can provide patients important preventive care in a more convenient way.

**NYC Health + Hospitals/Elmhurst Announces Plans for Emergency Department  
Expansion**

NYC Health + Hospitals/Elmhurst hosted a kickoff ceremony for the future construction of its Emergency Department (ED) expansion. The \$43 million capital expansion project will include the renovation and redesign of the existing 28,900 square feet of space, along with the addition of a second story with an additional 19,400 square feet. The expansion will feature 33 new patient rooms in the adult ED space, which includes rooms dedicated to bariatric, special pathogens, and critical care isolation. The new ED will feature 25 patient bays, 19 surge bed capable locations and an expanded 10 bed critical care/trauma space, up from seven. The new second floor will accommodate the hospital's Adult and Child Emergency Psychiatry and Partial Hospitalization programs. The space will incorporate a state-of-the-art Stroke Center, featuring an advanced medical imaging unit that will allow the hospital to expedite life-saving care for stroke patients. Funding for the project was provided by the New York City Council, the Queens Borough President, NYC Health + Hospitals, and New York State's DSRIP program. The expansion is scheduled to begin in late Spring of 2020 and be completed in the Spring of 2023. As one of the busiest EDs in the City, the renovations, expansion, and new state-of-the-art technology that's coming to NYC Health + Hospitals/Elmhurst is critical in continuing to care for New Yorkers, especially in the event of a life-threatening event.

# # #



## **RESOLUTION - 2**

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with **RightSourcing Inc.** (the “Contractor”) to provide supplemental staffing to the System by managing the services of temporary staffing companies over a three year term with two one-year options exercisable solely by the System, for an amount not to exceed \$700,000,000.

**WHEREAS**, the System has a long history of using temporary agency personnel to supplement its staffing; and

**WHEREAS**, ten years ago the System awarded a contract to the company now known as Vizient to manage the many temporary staffing agencies the System was using to provide the System with a single bill to pay and a single vendor responsible for coordinating all temporary staffing solutions; and

**WHEREAS**, the Vizient contract will expire June 30, 2020; and

**WHEREAS**, over the life of the Vizient contract the Corporation reduced its reliance on temporary staffing such that its annual expenditure for such staffing has come down from about \$210M in FY15 to about \$140M in FY19 with the anticipated annual cost going forward to be about \$140M; and

**WHEREAS**, the System selected the Contractor through a request for proposals (an “RFP”) process for temporary staffing management that was approved by the Contract Review Committee; and

**WHEREAS**, under the proposed contract, the Contractor will make agreements with many staffing agencies and will draw upon those agencies to meet the System’s needs pursuant to orders placed by the System with the Contractor; and

**WHEREAS**, the proposed contract will be administered by the Vice President for Supply Chain Services and the Chief Nursing Officer.

**NOW, THEREFORE**, be it

**RESOLVED**, the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with a contract with RightSourcing Inc. to provide supplemental staffing to the System by managing the services of temporary staffing companies over a three year term with two one-year options exercisable solely by the System, for an amount not to exceed \$700,000,000.

## EXECUTIVE SUMMARY

### TEMPORARY STAFF MANAGEMENT SERVICES

#### RIGHTSOURCING INC.

- OVERVIEW:** The New York City Health and Hospitals Corporation (the “System”) seeks to execute a contract with RightSourcing Inc. (the “Contractor”) for a term of three years, with System options for two one-year renewals for amount not-to-exceed \$700 Million to provide the management of the System’s use of temporary staffing agencies. The Contractor is not a temporary staffing agency but it will secure the services of many staffing agencies, take all of the System’s requests for temporary staffing, route those requests to its contracted agencies, manage the onboarding of temporary staff, track all of the System’s orders and their fulfillment, provide the System with a single monthly bill and then ensure the payment of the agencies whom it manages.
- NEED:** The System has long made extensive use of temporary staffing. Previously, the System used many staffing agencies and had no centralized way to manage, pay for or track such use. Over the ten year term of the Vizient agreement, the System made huge strides in centralizing and managing its use of temporary staff. Although the System has greatly reduced its need for temporary staffing as evidenced by its reducing its expenditure for such services from about \$210M in FY15 to about \$140M in FY19, it continues to forecast the need for such services at a projected cost of about \$140M per year.
- TERMS:** The Contractor will provide the System with a qualified staffing where and when necessary, efficient and auditable timekeeping and invoicing with adaptable workflow processes, effective executive management tools and dash-boarding for stakeholder business units such as human resources, nursing, medical and professional affairs, finance and supply chain. The System will have a single platform from which to order temporary staff, manage interviews and credentialing, track utilization and spend and pay for such services.
- COSTS:** Not-to-exceed \$700 Million over three years and two one year options solely exercisable by the System.
- FINANCING:** Operating budget of the System.
- MWBE:** Contractor submitted a plan for not less than 30% MWBE utilization.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe   
Senior Counsel  
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board review of contract

Vendor: Rightsourcing, Inc.

Date: December 12, 2019

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The below chart indicates the vendor's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30% MWBE Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

# **Supplemental Staffing Services RightSourcing, Inc.**

## **Board of Directors Meeting January 30, 2020**

**Yvette Villanueva, VP Human Resources  
Natalia Cineas, System Chief Nurse Executive  
Fred Covino, VP Finance**



- NYC Health + Hospitals has issued an RFP to identify a Master Services Provider (“MSP”) to provide and manage its contingent labor force through a vendor management system that provides
  - Qualified staffing where and when necessary
  - Efficient and auditable timekeeping and invoicing with adaptable workflow processes
  - Effective executive management tools and dash-boarding for stakeholder business units (human resources, nursing, medical and professional affairs, finance, supply chain)
  
- The MSP will provide the following staff types
  - Nursing (RN, LPN, patient care associates)
  - Allied health personnel such as social workers and pharmacists
  - Finance/revenue management
  - Non-clinical support staff
  - Information technology staff



## Background

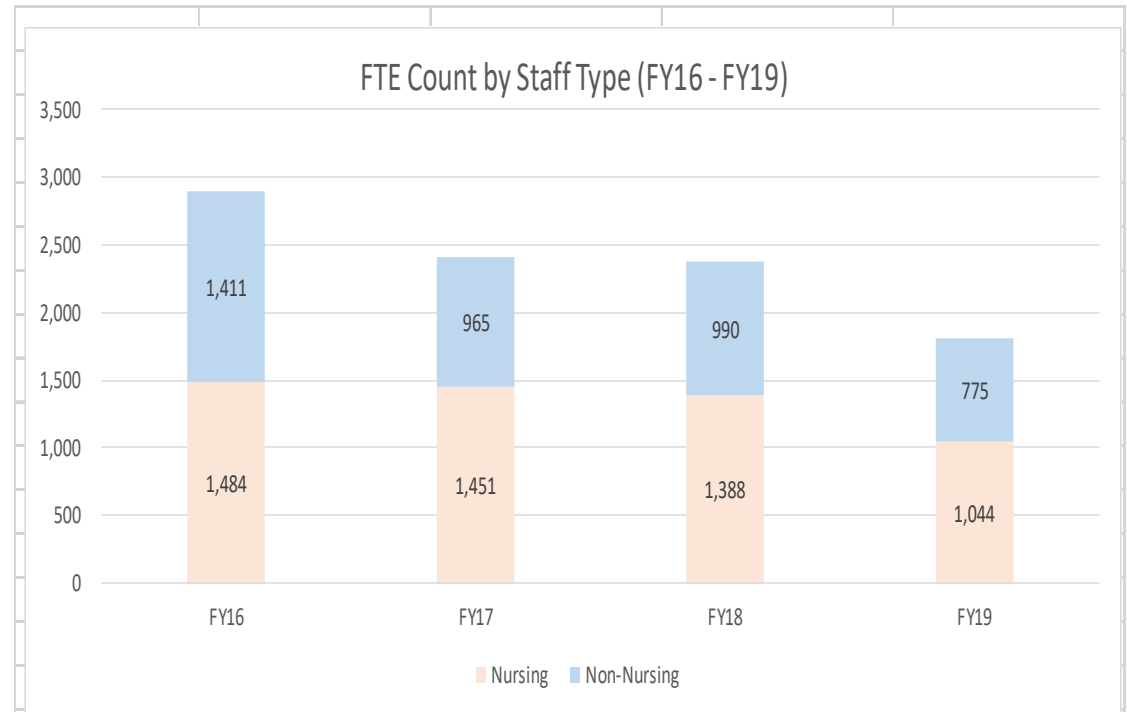
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- NYC Health + Hospitals has a long history of utilizing temporary agency personnel to supplement its staffing
- Approximately 10 years ago, NYC Health + Hospitals developed a Request For Proposal (RFP) to solicit for a Master Services Provider to act as an umbrella agency for the 30-40 staffing agency services each Network had previously contracted with individually, to meet best practices
- The agreement was awarded to Broadlane, which was subsequently purchased by MedAssets, and in turn was purchased by Vizient, with whom the contract currently sits
- In 2017 the System consolidated all invoicing and payments for each of the staffing agencies through Vizient to streamline invoice tracking and payments
- The current Vizient contract expires 06/30/20
- As more permanent staff are hired and as a result of system efficiencies and process improvements, the annual spend has reduced from about \$210M in FY15 to about \$140M in FY19



# Annual Trends

- FTE utilization has decreased 37% between FY16 and FY19.
- Thru October of FY20, Temporary FTEs are down 8.9% compared to FY19
- Monthly spending has been below the proposed NTE threshold (\$11.7M/month) for the last 7 months (April – October).
- We continue to work with union partners to reduce reliance on temporary staff wherever possible
- Proposed rates from RightSourcing are effectively the same as the current state
- Proposed contract NTE maintains the FY19 annual spend of \$140M



	FY16	FY17	FY18	FY19
Nursing	1,484	1,451	1,388	1,044
Non-Nursing	1,411	965	990	775
<b>Total</b>	<b>2,895</b>	<b>2,416</b>	<b>2,378</b>	<b>1,819</b>



# Procurement

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➤ **Minimum criteria:**

- Work with 10 multi-site hospital systems
- MWBE Utilization Plan, Waiver, or MWBE Certification

➤ **Evaluation criteria:**

- 60% Substance of proposal, fulfillment approach, and project team structure
- 20% Cost
- 10% Experience
- 10% MWBE Utilization Plan or MWBE Status

➤ **Evaluation Committee:**

Core business owners and key leaders representing the System: Nursing, Human Resources, Enterprise IT Services, Finance, and a CEO





## Overview of Procurement

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- 06/25/19: CRC approved an application to issue solicitation.
- 07/19/19: RFP sent directly to 9 vendors (including 5 MWBEs) and posted to City Record.
- 08/06/19: mandatory pre-proposal conference, 8 vendors attended
- 08/27/19: proposal deadline, 7 responsive proposals received
- 08/30/19: evaluation committee reviewed proposals and conducted proposal-only scoring. Based on the natural break of the scoring, 3 vendors were invited in.
- 09/03/19: Vendor presentations and evaluation committee scoring occurred
- 11/13/19 and 11/15/19: Vendor presentations and evaluation committee scoring occurred



## MWBE Utilization Plan

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- RightSourcing has provided a list of 60 vendors who will be leveraged for contingent staffing who are certified in NYS or NYC.
- RightSourcing has provided a utilization plan that commits to 30%. The allocation is 15% to WBE, and 15% to MBE.
- RightSourcing has provided the following statement: “Our intention is to exceed NYCHHC MWBE thirty percent goal...We have successfully achieved this percentage (30%) for multiple clients.”



# SAMPLE MWBE Spend Report

Rank	Supplier Name	NYS Certified	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Year-to-Date Spend	% of MWBE Spend
1	Integrated Resources Inc.	MBE	521,323	469,191	443,124	547,389	573,455	625,587	500,470	458,243	594,308	536,963	542,176	443,124	6,255,353	11.1%
2	Link Tech LLC	WBE	328,762	295,886	279,448	345,200	361,638	394,515	315,612	288,982	374,789	338,625	341,913	279,448	3,944,817	7.0%
3	MMC Group, L.P.	WBE	291,189	262,070	247,511	305,749	320,308	349,427	279,542	255,955	331,956	299,925	302,837	247,511	3,493,981	6.2%
4	Selective Staffing Solutions LLC	WBE	239,527	215,574	203,598	251,503	263,479	287,432	229,946	210,544	273,060	246,713	249,108	203,598	2,874,081	5.1%
5	Babylon Consulting LLC	MBE, WBE	239,527	215,574	203,598	251,503	263,479	287,432	229,946	210,544	273,060	246,713	249,108	203,598	2,874,081	5.1%
6	C.R. Fletcher Temps	WBE	201,954	181,759	171,661	212,052	222,149	242,345	193,876	177,517	230,227	208,013	210,032	171,661	2,423,245	4.3%
7	Staff Icons Associates	MBE, WBE	197,257	177,532	167,669	207,120	216,983	236,709	189,367	173,389	224,873	203,175	205,148	167,669	2,366,890	4.2%
8	Techlink Systems Inc.	MBE, WBE	173,774	156,397	147,708	182,463	191,152	208,529	166,823	152,748	198,103	178,988	180,725	147,708	2,085,118	3.7%
9	Intertrauma Consulting, Inc.	MBE	169,078	152,170	143,716	177,532	185,985	202,893	162,315	148,619	192,749	174,150	175,841	143,716	2,028,763	3.6%
10	Ardent Technologies, Inc.	MBE	164,381	147,943	139,724	172,600	180,819	197,257	157,806	144,491	187,394	169,313	170,956	139,724	1,972,409	3.5%

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Year-to-Date Spend	% of MWBE Spend
Top 10 MWBE Suppliers	2,526,772	2,274,095	2,147,756	2,653,111	2,779,449	3,032,126	2,425,701	2,221,033	2,880,520	2,602,575	2,627,843	2,147,756	30,318,738	53.9%
All Others (46)	2,158,089	1,942,280	1,834,375	2,265,993	2,373,898	2,589,707	2,071,765	1,896,960	2,460,221	2,222,831	2,244,412	1,834,375	25,894,907	46.1%
<b>Total MWBE Spend</b>	<b>4,684,861</b>	<b>4,216,375</b>	<b>3,982,132</b>	<b>4,919,104</b>	<b>5,153,347</b>	<b>5,621,833</b>	<b>4,497,466</b>	<b>4,117,993</b>	<b>5,340,741</b>	<b>4,825,407</b>	<b>4,872,255</b>	<b>3,982,132</b>	<b>56,213,645</b>	

**Total Staffing Spend (All Suppliers)**      11,875,990    10,463,372    11,688,474    12,338,528    14,576,215    13,351,113    12,481,040    11,427,952    14,764,230    12,361,030    12,026,002    12,646,054    150,000,000

**MWBE % of Staffing Spend**      39.4%    40.3%    34.1%    39.9%    35.4%    42.1%    36.0%    36.0%    36.2%    39.0%    40.5%    31.5%    37.5%



# Vendor Highlights

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- RightSourcing is an international firm with both a healthcare and non-healthcare footprint (\$7.2B in contingent spend; half in healthcare).
  
- RightSourcing is vendor neutral
  - RightSourcing is not a staffing company, does not own a staffing company, nor is it owned by a staffing company
  - The evaluation committee determined this model is likely to reduce conflicts of interest and promote the placement of the best candidates at the best rates in the most timely manner
  
- Existing clients include
  - Sutter Health
  - Mayo Clinic
  - Universal Health Services
  - Mt. Sinai Health System (NYC)
  
- Gartner ranked RightSourcing’s software platform (Wand) as the #1 VMS in the industry for “Contingent Workforce Management” and “Reporting & Analytics, Mobile and Innovation” (Source: Gartner 2017 VMS Critical Capabilities Report).



## References

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### ➤ Sutter Health

- 25 acute care hospitals, 200+ clinics, 8,500 contingent workers per year
- Chief Nurse Officer, Office of Patient Experience, very favorable reference, described ability to meet system needs and adapt to dynamic environment with reporting and rate adjustments. Also credentialing experience has been a big asset.

### ➤ Mayo Clinic

- Annual program volume of \$200+ million
- Chief Nurse Officer, RightSourcing has been a great partner, in particular has done a great job with timely agency staff and IT placement.

### ➤ Universal Health Services

- Annual program volume of \$150+ million
- System Director, Human Resources, RightSourcing has brought impressive experience in processes 'know-how', reporting development, and credentialing.

### ➤ Mt. Sinai Health System

- Chief Nurse Officer, very favorable experience with RightSourcing, fantastic job with provider credentialing process.



# Implementation

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- NYC H+H leaders have clarified the front-end process they desired for a standardized selection/on-boarding
  - through the System's CNO's office for nursing personnel
  - through the facility Human Resources offices for non-nursing personnel, utilizing a standardized process
  - PeopleSoft entry for staff control and EPIC and other software access, as appropriate, including the provision of key unique staff identifiers
  - invoicing/payment processes, and future electronic scheduling/timekeeping processes
  
- The vendor has agreed with meeting our process needs.
  
- Planning a phased-in transition with nursing personnel first; then rest of staffing.



## Board of Directors Request

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- We are seeking approval to enter into contract with RightSourcing for temporary staffing services:
  - 3 years with two 1-year extensions
  - Not-to-exceed cost of \$140,000,000 per year
  - Targeting effective date of April 1, 2020
  - 30% MWBE plan has been submitted



### RESOLUTION - 3

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute an agreement with **Draeger, Inc.** (“Draeger”) to supply the System’s needs for medical anesthesia equipment and associated programmatic support (clinical, operational, biomedical, IT) over a ten year period commencing March 1, 2020 and ending February 28, 2030 at a total cost not to exceed \$18.6 Million subject to funding availability.

**WHEREAS**, much of the System’s anesthesia equipment is near or past its end of life with over 60% of the 160 pieces of equipment across the facilities requiring replacement in the next few years; and

**WHEREAS**, the high cost to maintain these aging pieces of equipment, and using older technology poses a challenge to the System’s ability to provide quality patient care; and

**WHEREAS**, capital funding requests historically have been initiated by the individual facilities as needs were identified, thus limiting the ability to standardize equipment and protocols for the System; and

**WHEREAS**, by establishing a master agreement with a single manufacturer for most of the System’s anesthesia needs, even beyond what is currently funded, it will be possible to obtain superior pricing, standardize equipment and obtain substantial vendor clinical, operational, biomedical programmatic support; and

**WHEREAS**, a request for proposals was issued in June 2019 to which three suppliers responded who met the minimum RFP requirements: Draeger, GE Healthcare, and Mindray; and

**WHEREAS**, after considering the proposals received and presentations made, a Selection Committee with representation across clinical, IT, operations and finance units within the System selected Draeger based on cost, equipment suitability, IT functionality and commitments to vendor support; and

**WHEREAS**, the Contract Review Committee approved the issuance of the RFP and the selection of Draeger; and

**WHEREAS**, the Vice President of Supply Chain Services together with the System’s Anesthesia Council will be responsible for the administration of the proposed agreement.

#### **NOW THEREFORE, BE IT:**


**RESOLVED**, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute an agreement with Draeger, Inc. to supply the System’s needs for anesthesia equipment and associated programmatic support (clinical, operational, biomedical, IT) over a ten year period commencing March 1, 2020 and ending February 28, 2030 at a total cost not to exceed \$18.6 Million subject to funding availability.



**EXECUTIVE SUMMARY**  
**Master Agreement with Draeger, Inc.**  
**To Supply the System's Anesthesia Needs**

- BACKGROUND:** Historically, the System's purchases of anesthesia equipment have been initiated by the individual facilities as needs are identified and funding secured. This approach has made it impossible to establish a System-wide program that drives standardization and uses the System's size to leverage better pricing and support. Although the System spends approximately \$375,000 annually to purchase or upgrade anesthesia equipment, that substantial expenditure has not been made coherently or strategically.
- PROCUREMENT:** The System issued a Request for Proposal in June 2019 for a single anesthesia vendor. Three firms that met the minimum criteria responded: Draeger, GE Healthcare, and Mindray. A 12-person Selection Committee with representation across clinical, IT, operations and finance units within the System selected Draeger based on cost, equipment suitability, IT functionality and commitments to vendor support. The Contract Review Committee reviewed and approved the RFP that was issued and the selection of Draeger.
- FINANCING:** Previously, anesthesia equipment has been purchased only when funding – piece of equipment by piece of equipment – was secured. This inhibited implementation of a comprehensive, System-wide approach. Here, it is proposed to authorize the execution of a master contract with Draeger that will be large enough to handle the System's anticipated, estimated imaging needs over the next ten years at a cost up to \$18.6 Million. Of this projected amount, \$1M is currently funded for the purchase of anesthesia equipment for the new Coney Island Hospital building using FEMA funds. Another \$17.6M, which will be subject to funding availability, represents the replacement cost estimated for the end of life equipment. Of this \$17.6M, \$9M will be needed over the next three years to replace equipment that is beyond its useful life and \$7.6M is anticipated to be needed in years 7 to 10 of the contract. Finally, it is proposed that the contract with Draeger include an additional \$1M, also subject to funding availability, to accommodate needs for new purchases over the 10 year life of the contract. By adding the extra \$1M in capacity to the proposed contract, it can serve as the contractual vehicle for the purchase of necessary equipment for new initiatives that will be launched. All purchases made under the proposed agreement will be approved by Corporate Finance to ensure the availability of funding at the time of purchase.
- TERMS:** The System will commit to purchase 90% of all anesthesia equipment it requires over the next ten years. In exchange, Draeger will commit to charge the System 6% below the top eligible tier of its Group Purchasing Organization price. Additionally, Draeger will provide dedicated account support, training for physicians and technicians, equipment service level enhancement, and added performance uptime support to Crothall, the Systems equipment maintenance vendor. The 16.8% MWBE spend represents 100% of all non-manufactured equipment spend.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe   
Senior Counsel  
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board review of contract

Vendor: Draeger, Inc.

Date: December 24, 2019

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The below chart indicates the vendor's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

16.8% Utilization Plan

Draeger was the only proposer who submitted an MWBE plan. The other two proposers did not submit an MWBE plan after several requests. The Office of Legal Affairs has reviewed and approved the partial MWBE waiver and identified that all of the spend that is not proprietary has been afforded to MWBE subcontractors.

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

# **Anesthesia Equipment Standardization Draeger, Inc.**

## **Request to Enter into Contract**

**Board Of Directors  
January 30, 2020**

**Gregory Girshin, MD - Chair of Anesthesia Sub-Committee  
Mei Kong – COO & CNO Coney Island Hospital  
Joe Wilson - Senior AVP Strategic Sourcing**



# Overview

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- 64% of Health + Hospitals' Anesthesia equipment is at or past end of life – 107 of the 167 units, and will require replacement in the next few years. Aging equipment has a higher cost to maintain, and use of older technology poses challenges.
- Capital funding requests historically have been initiated by the individual facilities as needs were identified which limits the ability to standardize equipment and protocols from a system perspective.
- This procurement affects all acute care hospitals and is only for Anesthesia equipment; the intent is to standardize vendor of choice going forward to:
  - Optimize patient safety
  - Utilize one Epic integration
  - Enhance training and education for staff
  - Obtain “best in class” pricing and service



# Overview of Procurement

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- May 14, 2019: CRC approved an application to issue solicitation.
- June 7, 2019: Request For Proposals (RFP) was posted publically to City Record and sent directly to four vendors.
- July 19, 2019: Three vendors attended the mandatory pre-proposers conference.
- July 30, 2019 - August 1, 2019: Vendor technology review and demonstrations at Jacobi Medical Center's Simulation Center.
- August 28, 2019: Proposal deadline, three proposals received.
- September 27, 2019: Three vendors presented to Evaluation Committee who scored the presentations.



## Current State

- There are a total of 167 Anesthesia machines in use across the corporation.
  - 83 Draeger
  - 76 GE
  - 8 Penlon

Age of Anesthesia Equipment	Number of Machines
Less than 8 years old	60
Greater than 8 years old	107

Age of Anesthesia Equipment	Number of Machines
0-4 Years	42
5-8 Years	18
9-13 Years	71
14+ years	36

Manufacturer Name	Average Age of Equipment (Years)
Penlon, Inc.	7
Draeger Medical	9.4
General Electric	9.9

- Average age of equipment is 8.5 years. The American Hospital Association determined seven years is the useful life for Anesthesia equipment.
- NYC Health and Hospitals currently has five facilities where the average age of equipment is greater than 10 years old.



# Evaluation Committee and Criteria

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## ➤ Evaluation Criteria

- Technology 39%
- Cost 28%
- Approach & Support 18%
- MWBE 10%
- References 5%

## ➤ Evaluation Committee:

- Facility-based Anesthesia Chief and Chair of the Anesthesia Clinical Subcommittee – Evaluation Chair
- System Facility COO/CNO – Co Chair
- Several Facility-based Anesthesia Chiefs
- Finance representative
- EITS representative

Draeger was the vendor of choice of the Evaluation Committee

References:

- NYU Health System
- Northwell Health
- Kaleida Health System



## Draeger Vendor Performance

<b>DESCRIPTION</b>	<b>ANSWER</b>
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	N/A
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	N/A
Did the vendor pay its suppliers and subcontractors, if any, promptly?	N/A
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	N/A
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
<b>Performance and Overall Quality Rating</b>	<b>Satisfactory</b>



# MWBE Plan

Description	Value	% of Total	MWBE Identified Supplier	MWBE Categorization
Direct Spend				
Apollo Equipment	\$14,412,378.05	83.2%		
<b>Subtotal</b>	<b>\$14,412,378.05</b>	<b>83.2%</b>		
Indirect Spend				
Extended Warranty	\$937,535.74	5.4%	Mediquip, Inc.	Minority Owned Business Enterprise
Clinical Apps Support	\$1,752,141.25	10.1%	Metropolitan Medical Staffing, Medical Staffing Innovations Inc.	Women Owned Business Enterprise
Freight Charges	\$93,213.91	0.5%	A1 Transport	Minority Owned Business Enterprise
Installation (1% of Apollo Price)	\$119,204.64	0.7%	Mediquip, Inc.	Minority Owned Business Enterprise
<b>Subtotal</b>	<b>\$2,902,095.55</b>	<b>16.8%</b>		
<b>Total Value</b>	<b>\$17,314,473.60</b>	<b>100.0%</b>		

\*Draeger was the only proposer who submitted an MWBE plan. The other two proposers did not submit an MWBE plan after several requests.

\*Supply Chain Services has reviewed and approved the MWBE % and identified that all of the spend that is not proprietary has been afforded to MWBE subcontractors.



## Board Of Directors Approval Request

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- The system is seeking approval to enter into contract with Draeger for Anesthesia Equipment:
  - Ten year agreement effective March 2020-February 2030
  - NYC Health + Hospitals will commit 90% Anesthesia Equipment market share to Draeger, NYCH+H will maintain the right to terminate for convenience.
  - Three year manufacturers' warranty on all Anesthesia Equipment.
  - Enhanced programmatic support consisting of continuing education for the Physician, Technician, and Biomedical engineer. Strategic partnership with Health + Hospitals third-party biomedical service provider.
  - Draeger proposed discount is 6% greater than the highest tier of the Premier GPO contract.
  - Total contract value is not to exceed \$18.6 Million for the contract term.
  - Draeger has submitted a 16.8% MWBE utilization plan.
  - The 16.8% Draeger MWBE spend commitment represents 100% of all non manufactured equipment spend.



# Anesthesia Equipment Replacement Timeline

	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Phase 1 Replacement	\$ 3,841,926.39									
Phase 2 Replacement		\$ 3,563,089.10								
*Coney New Hospital		\$ 1,000,000.00								
Phase 3 Replacement			\$ 1,723,370.00							
Phase 4 Replacement								\$ 3,841,926.39		
Phase 5 Replacement										\$ 3,563,089.10
Contingency /New Need	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
	\$ 3,941,926.39	\$ 4,663,089.10	\$ 1,823,370.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 3,941,926.39	\$ 3,663,089.10

\$ 18,533,400.98

Phase 1 (Bellevue, Kings, Met, NCB)

Phase 3 (Jacobi, Woodhull)

Phase 2 (Elmhurst, Harlem, Lincoln, Queens)

Phase 4 (Bellevue, Kings, Met, NCB)

\*Coney New Hospital (FEMA funded)

Phase 5 (Elmhurst, Harlem, Lincoln, Queens)



## Resolution - 4

Authorizing New York City Health and Hospitals Corporation (the “System”) to **establish an Independent Practice Association (an “IPA”)** through the formation of a subsidiary New York not-for-profit corporation, currently anticipated to be named NYC Health + Hospitals IPA, Inc. (hereinafter referred to as “NYC H+H IPA”), consistent with applicable regulations, which will be controlled by the System in its capacity as the sole member of NYC H+H IPA. NYC H+H IPA shall enter into agreements with various providers (“Participating Providers”) pursuant to which NYC H+H IPA will (a) seek to negotiate favorable reimbursement rates from third party payors for services to be performed by such Participating Providers, (b) facilitate and promote the coordination of care where appropriate, (c) engage in shared savings programs and (d) structure value-based payment and/or risk sharing arrangements approved by the Boards of Directors of NYC H+H IPA and the System according to the general rules established by each of such boards of directors for the review and approval of contracts. Should there be any conflict, restriction or other issue that prevents the formation of NYC H+H IPA under such name, the System may select another name at the discretion of the System’s management.

**WHEREAS**, pursuant to a waiver issued by the Centers for Medicaid and Medicare Services to the State of New York, the New York State Department of Health designed its Delivery System Reform Incentive Payment Program (the “DSRIP Program”) to reduce preventable hospital admissions by implementing various health care reform projects; and

**WHEREAS**, under the DSRIP Program, the System and its subsidiary, HHC Assistance Corporation d/b/a OneCity Health Services (“OneCity Health”) developed a Participating Provider System or “PPS” operating under the name, “OneCity,” consisting of an integrated network of various clinical and social service providers to improve health outcomes for 750,000 lives; and

**WHEREAS**, the DSRIP Program is scheduled to end on March 31, 2020; and

**WHEREAS**, in furtherance of continuing the efforts of OneCity Health to sustain and enhance the ability of the System and its PPS network of providers to continue to achieve the goals and build upon the successes of OneCity Health after the expiration of the DSRIP Program, the System and OneCity desire to establish an IPA to (a) contract with third party payors on behalf of Participating Providers to negotiate favorable reimbursement rates, (b) facilitate and promote the coordination of care where appropriate, (c) engage in a shared savings program, (d) develop value-based payment structures with third party payors and/or risk sharing arrangements, and (e) engage with community partners including primary care, behavioral health, specialty, post-acute care providers and other IPAs; and

**WHEREAS**, OneCity, as the largest PPS in New York State, is required to provide the New York State Department of Health with a sustainability plan that demonstrates how it will maintain and expand the network integration generated through its participation in DSRIP; and

**WHEREAS**, the OneCity Health Board of Directors resolved on November 8, 2019 to encourage the System to form NYC H+H IPA.

**NOW THEREFORE IT IS RESOLVED**, that New York City Health and Hospitals Corporation (the “System”) is hereby authorized and directed to form an Independent Practice Association (an “IPA”) through the formation of a subsidiary New York not-for-profit corporation to be named NYC Health + Hospitals IPA, Inc. (“NYC H+H IPA”) consistent with applicable regulations, which will be controlled by the System in its capacity as the sole member of NYC H+H IPA. NYC H+H IPA shall enter into agreements with various providers (“Participating Providers”) pursuant to which NYC H+H IPA will (a) seek to negotiate favorable reimbursement rates from third party payors for services to be performed by such Participating Providers, (b) facilitate and promote the coordination of care where appropriate, (c) engage in shared savings programs, and (d) structure value-based payment and/or risk sharing arrangements subject to the approval of the Boards of Directors of NYC H+H IPA and the System according to the general rules established by each of such Board of Directors for the review and approval of contracts. Should there be any conflict, restriction or other issue that prevents the formation of NYC H+H IPA under such name, the System may select another name at the discretion of the System’s management.

**EXECUTIVE SUMMARY**  
**AUTHORIZATION TO FORM AN IPA SUBSIDIARY**

**BACKGROUND:** To capitalize on the successes of the System's DSRIP PPS, it is necessary to plan for the next iteration of the PPS. Most PPSs are addressing this need through the creation of an IPA. An IPA creates the possibility to build on the relationships and infrastructure created through the PPS to capture the benefits of enhanced scale in negotiating Value Based Payments with payors, shared savings programs and coordination of care.

**PROPOSAL:** The proposal is to form a new System not-for-profit subsidiary to secure authorization from the State to function as an IPA.

The System has the power under its enabling act to create subsidiaries. This has been done in the past by creating not-for-profit corporations subject to both the NY Not-for-Profit Law and the System's enabling act. Each of these have been membership not-for-profits with the System as the sole member. That model will be followed with the new IPA. The System will control the composition of the Board of Directors of the new IPA entity through its authority as sole member, but may elect to have some minority portion of Board of Directors be individuals who are independent of the System – likely representatives of other Participating Providers that join in the IPA. The new IPA will negotiate contracts among providers and payors. If any such contracts are of such size and nature that they would require the approval of the System's Board of Directors, then such contracts will be presented to the System's Board of Directors for approval.

The proposed name of the IPA is NYC H+H IPA, Inc. Such name has, however, not yet been cleared with the New York State Department of State to confirm its availability. If such name is found not to be available due to a conflict with another entity in the State or any other reason, the System's management shall select another name at its discretion.

# Independent Practice Association (IPA) Formation

NYC Health + Hospitals Board  
January 30<sup>th</sup>, 2020

Israel Rocha, Jr.  
Vice President, NYC Health + Hospitals  
CEO, NYC Health + Hospitals/Elmhurst  
CEO, OneCity Health

NYC  
HEALTH+  
HOSPITALS

ONECITY  
HEALTH

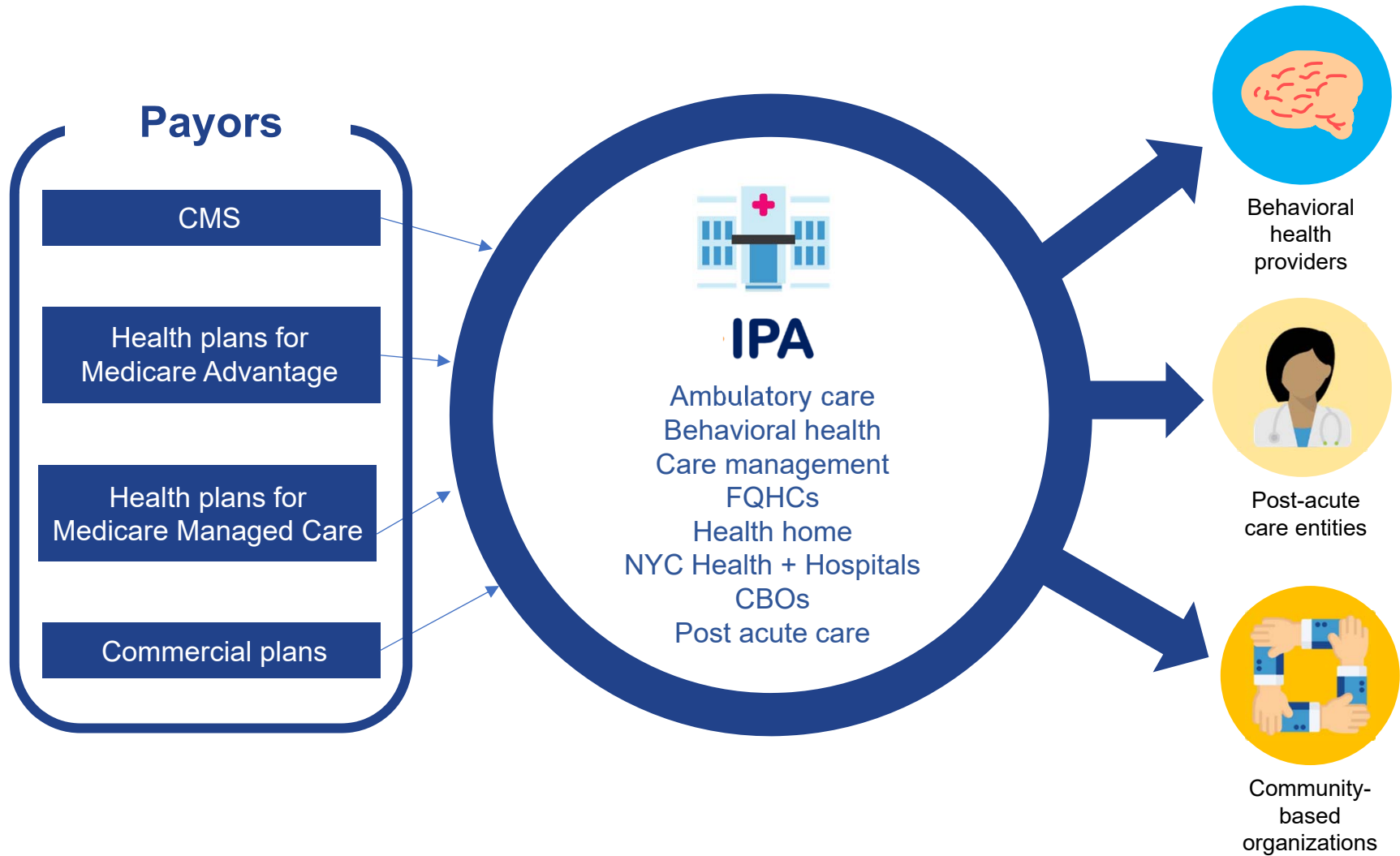
# What is an Independent Practice Association (IPA)?



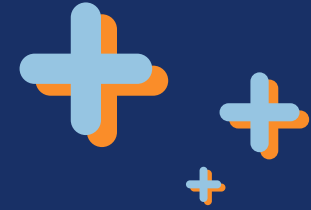
- + The NYC Health + Hospitals Independent Practice Association (the IPA) will be a network of independent physicians, medical groups and other organizations.
- + In partnership with health plan partners and affiliated organizations, the IPA will offer members preferred rates and a premiere quality incentive program that will foster the triple aim of enhanced quality, greater patient satisfaction and reduced health care costs.



# NYC Health + Hospitals IPA

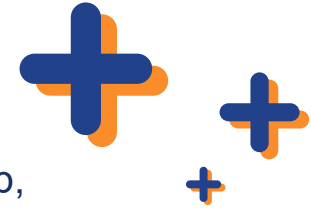


# What advantages will be achieved through an IPA?



- + The development of an IPA, a wholly owned subsidiary of NYC Health + Hospitals, will enable the system to nurture relationships with community providers and partners to improve care coordination and quality, grow the patient base and support long-term financial stability.
- + Through the formation of an IPA, these individual entities will have the potential to be stronger together and to achieve the following:
  - Align physician incentives to improve outcomes at a lower cost;
  - Realize efficiencies in physician practice administration and management;
  - Gain buy-in with the medical and broader provider community;
  - Secure peer support;
  - Negotiate more favorable contracts with entities such as Managed Care Organizations (MCOs), Accountable Care Organizations (ACOs), radiology services, laboratories and hospital systems;
  - Permit providers to remain independent and locally manage financials and care management, while benefiting from the IPA
  - Improve services including, extended hours, urgent care, outreach services for prevention, telephone triage and follow-up expertise; and
  - Coordinate programs with community-based organizations (CBOs) (for those that both do and do not provide billable health services)

# Current state: New York City service market

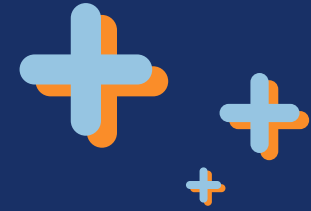


- + As envisioned in the New York State Value-Based Payment (VBP) Roadmap, Medicaid MCOs and providers will move away from fee-for-service payments and into an environment where MCOs and providers negotiate with each other to develop VBP arrangements
- + In the downstate region, all DSRIP PPSs\* have formed IPAs to establish their eligibility as a VBP contractor and sustain the DSRIP infrastructure and successes beyond March 2020 when the program is set to sunset, absent an extension



\*Staten Island PPS is an exception which is building an MSO

# How can patients and communities benefit from an IPA?



## Patients and communities benefit when the IPA:

- + Facilitates the alignment of provider incentives to improve patient care and reduce costs
- + Equips NYC Health + Hospitals to clinically integrate with strategic community providers and better coordinate the care of their patients
- + Enables NYC Health + Hospitals to expand its provider network, particularly in specialty care, thereby providing increased access and expanded services in communities served
- + Creates an infrastructure that is clinically and financially integrated and more inclusive in membership than an ACO, to enable multiple provider/stakeholders to coordinate care on behalf of communities in ways that the currently disjointed system cannot

# Which services will be offered to IPA members?



- + Access to one of the most diverse and robust networks in the country through membership in NYC Health + Hospitals' network
- + Opportunity to enhance the quality of care for all New Yorkers through integrated services and shared management of patients
- + Technical assistance and support for:
  - Data analytics
  - Managed care contracting negotiations, with special attention to VBP arrangements
  - Clinical integration
  - Understanding and calculating risk
  - Performance improvement
- + Regional learning collaboratives and conferences
- + A full suite of Electronic health record connectivity options including OneConnect (a full instance of Epic); Epic Care Link (referral platform) and the Regional Health Information Organization (RHIO)

# Resolution



**NOW THEREFORE IT IS RESOLVED**, that New York City Health and Hospitals Corporation (the “System”) is hereby authorized and directed to form an Independent Practice Association (an “IPA”) through the formation of a New York not-for-profit corporation to be named NYC Health + Hospitals IPA, Inc. (“NYC H+H IPA”) consistent with applicable regulations, which will be controlled by the System in its capacity as the sole member of NYC H+H IPA. NYC H+H IPA shall enter into agreements with various providers (“Participating Providers”) pursuant to which NYC H+H IPA will (a) seek to negotiate favorable reimbursement rates from third party payors for services to be performed by such Participating Providers, (b) facilitate and promote the coordination of care where appropriate, (c) engage in shared savings programs, and (d) structure value-based payment and/or risk sharing arrangements subject to the approval of the Boards of Directors of NYC H+H IPA and the System according to the general rules established by each of such Board of Directors for the review and approval of contracts. Should there be any conflict, restriction or other issue that prevents the formation of NYC H+H IPA under such name, the System may select another name at the discretion of the System’s management.

**NYC  
HEALTH+  
HOSPITALS**

**ONECITY  
HEALTH**