

CALL TO ORDER - 2:00 PM

Mr. Pagán

Executive Session | Facility Governing Body Report

- NYC Health + Hospitals | Kings County
- NYC Health + Hospitals | Coler Nursing Facility

Semi-Annual Governing Body Report (Written Submission Only)

- NYC Health + Hospitals | Woodhull

OPEN PUBLIC SESSION - 3:00 PM

Mr. Pagán

1. Adoption of Minutes: February 25, 2021

Chair’s Report

President’s Report

Dr. Katz

2. Authorizing New York City Health and Hospitals Corporation (the “System”) to **execute amended and restated affiliation agreements (the “Affiliation Agreements”) with each of (i) NYU Grossman School of Medicine (“NYU”); and (ii) Icahn School of Medicine at Mount Sinai (“Sinai”);** each made for the provision of general health care and behavioral health services for a period to end on June 30, 2025, with the System facilities served by each such medical affiliate and with the cost of each such Affiliation Agreement not to exceed the amounts as set forth below:
NYU: Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J, Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, Cumberland Diagnostic & Treatment Center - for an amount not to exceed \$2,008,589,842, including a 10% contingency of \$182,599,076;
Mt. Sinai: Elmhurst Hospital Center, Queens Hospital Center, and certain neighborhood and school-based health center sites affiliated with Cumberland D&TC and Morrisania D&TC - for an amount not to exceed \$1,416,148,570 including a 10% contingency of \$128,740,780;
 For an overall total not to exceed amount of \$3,424,738,412.(Being Presented Directly to the Board)
VENDEX: Approved / EEO: Approved

Dr. Calamia

3. Authorizing funding for New York City Health and Hospitals Corporation (the “System”) to **continue to operate under the terms of its affiliation agreement with Physician Affiliate Group of New York, P.C. (“PAGNY”)** made for the provision of general care and behavioral health services for a period of up to six months with the System facilities served by PAGNY to be as indicated below:
 Lincoln Medical & Mental Health Center, Morrisania Diagnostic & Treatment Center, Segundo Ruiz Belvis Diagnostic & Treatment Center, Jacobi Medical Center, North Central Bronx Hospital, Harlem Hospital Center, Renaissance Health Care Diagnostic & Treatment Center, Metropolitan Hospital Center, Coney Island Hospital Center and Kings County Hospital Center
 With an overall cost of the extension not to exceed \$364,938,066, which includes a 10% contingency of \$33,176,188 (Being Presented Directly to the Board)
VENDEX: Pending / EEO: Approved

Dr. Calamia

Committee and Subsidiary Reports

- Community Relations Committee
- Audit
- Finance
- HHC Accountable Care Organization

Mr. Nolan
 Ms. Piñero
 Ms. Wang
 Dr. Katz

>>Old Business<<

>>New Business<<

>>Adjournment<<

Mr. Pagán

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Board of Directors of New York City Health + Hospitals Corporation was held via teleconference/videoconference on the 25th day of February, 2021, at 2:00 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 participated via teleconference/videoconference:

Mr. José Pagán
Dr. Mitchell Katz
Dr. Vincent Calamia
Dr. Myla Harrison - joined at 3:00
Mr. Phillip Wadle - left at 3:57
Mr. Scott French
Ms. Barbara Lowe
Mr. Robert Nolan
Ms. Sally Hernandez-Piñero
Ms. Freda Wang
Mr. Feniosky Peña-Mora
Ms. Anita Kawatra

Mr. Pagán, Chair of the Board, called the meeting to order at 2:10 p.m. Mr. Pagán chaired the meeting and Colicia Hercules, Corporate Secretary, kept the minutes thereof.

Mr. Pagán notified the Board that Scott French would be representing Steven Banks and Phillip Wadle would be representing Deputy Mayor Melanie Hartzog - both in a voting capacity during the executive session.

Upon motion made and duly seconded, the members voted to convene in executive session because the matters to be discussed involved confidential and privileged information involving personnel, patient medical information and collective bargaining matters.

The Board reconvened in public session at 3:08.

Mr. Pagán gave notice that Scott French would be representing Steven Banks and Phillip Wadle would be representing Deputy Mayor Melanie Hartzog for this portion of the meeting, both in a voting capacity.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on January 28, 2021 were presented to the Board. Then on motion made and duly seconded, the Board adopted the minutes, with one abstention.

RESOLVED, that the minutes of the meeting of the Board of Directors held on January 28, 2021, copies of which have been presented to the Board be, and hereby are, adopted.

CHAIR'S REPORT

Mr. Pagán gave notice that during the Executive Session, the Board received and approved governing body oral and written reports from NYC Health + Hospitals/Lincoln and NYC Health + Hospitals/Gouverneur Nursing Facility.

The Board also received and approved semi-annual written governing body reports from NYC Health + Hospitals/Queens.

Mr. Pagán advised that the 2021 Annual Public meetings for each Borough had been scheduled with a determination to be posted on the public web site in the future on whether they will be convened virtually or in-person as follows:

Staten Island	-	Tuesday, March 16
Manhattan	-	Tuesday, April 20
Queens	-	Tuesday, May 25
Bronx	-	Tuesday, June 8
Brooklyn	-	Tuesday, June 15

Mr. Pagán requested a motion in accordance with Article VI Section C of the By-Laws - Appointment. "The Chair of the Board shall annually appoint, with the approval of a majority of the Board, members of the Board to the standing committees" to appoint:

1. Sally Hernandez-Piñero as Chair of the Audit Committee and a member of the Community Relations, Equity Diversity and Inclusion and Governance Committees
2. Feniosky Peña-Mora as Chair of the Equity Diversity and Inclusion Committee
3. Freda Wang as a member of the Equity Diversity and Inclusion Committee
4. Myla Harrison as member of the Medical and Professional Affairs Committee

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

VENDEX APPROVALS

Mr. Pagán noted that NYC Health + Hospitals approves contracts prior to Vendex approvals. There is one new item on the agenda requiring Vendex approval that does not have such approval. There are eight items from previous Board meetings pending Vendex approval. Since the last Board meeting, one Vendex approval was received. The Board will be notified as outstanding Vendex approvals are received.

PRESIDENT'S REPORT

Mitchell Katz commenced his remarks by noting that his written report was included in the materials, however he highlighted the following important points:

- COVID-19 UPDATE - While viruses do replicate with different variants, the vaccines in use have been very effective in preventing hospitalization and death despite the variants. While the virus is not going to disappear, the vaccinations will prevent hospitalization and death and as more people are vaccinated, we will approach herd immunity. It is important to have widespread vaccination before the variants become dominant. We may need a booster in the future which is unknown at this point, however the current vaccines all have a high level of efficacy.
- Government Affairs - Senator Schumer and Gillibrand have been very supportive in our advocacy for a technical legislative change to address an inadvertent problem previously caused by a Federal Medical Assistance Percentage enhancement that did not factor in the impact of the increase on Disproportional Share Hospital payments.
- Emergency Contracts Declaration - I approved a Declaration of Emergency dated March 1, 2020, which was subsequently updated and has been reissued through February 28, 2021. For the time period January 1, 2021 through January 31, 2021, the Office of Facilities Development issued two work orders to continue facility infrastructure updates supporting care for COVID-19 patients, and the System entered into eight new emergency agreements: two hotel agreements for COVID-19 related quarantine services as part of the NYC Test + Trace program, and six agreements with vendors to conduct extensive community outreach in New York City neighborhoods with high incidence of COVID-19. Two of these six vendors are MWBE firms and the other four all provided MWBE utilization plans. These agreements and work orders have a maximum authorized spend of \$38,212,832.

Dr. Katz responded to questions regarding NYC Health + Hospitals role in tracking and tracing the new variants. The Board thanked Dr. Katz for the dental update included in his report and requested a full update at a later

date as to the role NYC Health + Hospitals plays in the mega vaccination sites, the availability of the vaccines, data on the number of vaccinations by neighborhood and who is eligible for the vaccines.

FOLLOW-UP: Dr. Katz asked Ms. Hercules to forward to the Board Members the NYC Department of Health and Mental Hygiene COVID-19 vaccination data.

Mr. Pagán thanked Dr. Katz for his report and moved the agenda.

ACTION ITEM 2:

Vincent Calamia, MD read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System" to sign a five-year contract with **Surgical Solutions, LLC (the "Vendor") for technician support for laparoscopic and endoscopic procedures, scope management, reprocessing and consultative support** with two one-year options to renew the contract exercisable only by the System and with the total cost of the contract over its full potential seven-year term in the amount of \$50,551,595.55 with a 5% contingency of \$2,527,579.78 for a not-to-exceed total \$53,079,175.33.

(Approved by the Medical and Professional Affairs Committee:
02/08/2021)

Christopher Roker, Chief Growth Officer and Chief Executive Officer of NYC Health + Hospital/Metropolitan, Joe Wilson, Senior Assistant Vice President Supply Chain and Dr. Parikh presented the background and current state, an overview of the procurement, new cost structure, the evaluation committee and scoring, the MWBE subcontracting and waiver plan, workforce diversity, and the vendor evaluation.

FOLLOW-UP: The Board requested follow-up data on how MWBE would be considered in the future state of contracted supplier (NYC H+H) spend on scope and disposables of \$4,031,741.64.

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

ACTION ITEM 3:

Mr. Peña-Mora read the resolution:

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a **Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS")**

and the New York Power Authority ("NYPA") for an amount not-to-exceed \$8,212,020, including a 10% contingency of \$597,318, for the planning, design, procurement, construction, construction management and project management services necessary for energy efficiency upgrades (the "Project") at NYC Health + Hospitals/Queens (the "Facility")
(Approved by the Capital Committee: 02/08/2021)

Christine Flaherty, Senior Vice President and Oscar Gonzalez, Assistant Vice President - Office of Facilities Development presented background information on the proposed project, visuals of Queens Hospital "N Building" and existing conditions. They also provided information on financing and annual savings, an explanation of NYC Health + Hospitals' relationship with (NYPA) New York Power Authority, NYPA procurement path, a summary of the MWBE plan, and project budget.

Follow Up: The Board requested information on the current use of the N Building; whether there is a waiver/backup plan if Whitestone Construction's MWBE certification is not approved and information on the carbon footprint reduction plan.

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

Committee and Subsidiary Reports

Mr. Pagán noted that the Committee and Subsidiary reports were e-mailed for review and were submitted into the record. He welcomed questions or comments regarding the reports.

OLD BUSINESS/NEW BUSINESS

ADJOURNMENT

Hearing no old business or new business to bring before the New York City Health + Hospitals Corporation Board of Directors, the meeting was adjourned at 4:18 P.M.



Colicia Hercules
Corporate Secretary

COMMITTEE REPORTS

VIRTUAL - INFORMATION TECHNOLOGY COMMITTEE - February 8, 2021

AS REPORTED BY: Feniosky Peña-Mora

COMMITTEE MEMBERS PRESENT: Feniosky Peña-Mora, José A. Pagán, Barbara Lowe, Dr. Mitchell Katz - joined at 11:30, Scott French

Mr. Feniosky Peña-Mora, called the February 8th meeting of the Information Technology (IT) to order at 11:00 A.M.

Mr. Feniosky-Peña-Mora proposed a motion to adopt the minutes of the Information Technology Committee meeting held on September 1⁰, 2020.

Upon motion made and duly seconded the minutes of the September 10, 2020 Information Technology Committee meeting was unanimously approved.

Mr. Feniosky Peña-Mora turned the meeting over to Dr. Kim Mendez, Senior Vice President and Chief Information Officer to carry on the agenda, she was joined by Mr. Jeff Lutz, Chief Technology Officer, Dr. Michael Bouton, Chief Medical Information Officer, and Mr. Sean Koenig, Chief Application Officer.

Dr. Bouton reported on the progress of the Epic MyChart activation rates. MyChart is the Epic patient portal where patients can view their health information, including doctor's notes, test results, etc. The current activation has exceeded the current system stretch goal. This success has been influenced by COVID19 testing, COVID19 vaccination, and facility level patient engagement. Dr. Bouton highlighted the varying range of activation rates (Cumberland being 75% and Harlem Hospital being 38%) is related to the outpatient only population at the primary care sites.

Ms. Lowe asked for Dr. Bouton to clarify if the numbers for Cumberland and Harlem represent the level of enrollment for those facilities. Dr. Bouton elaborated that the MyChart activation numbers represent the volume of patients that have been seen at our facilities over the past 12 months that have activated their MyChart account.

Dr. Bouton continued his presentation to address biomedical device integration and how this will support and save time for clinical staff. He highlighted that biomedical devices will provide updates through a central location, which will then integrate with our Epic electronic medical record where the nurse can acknowledge/approve. Previously the patient information from devices, such as vital sign machines were manually collected and now will be transited electronically to Epic. The goal is by the end of 2021 that 70% of the identified devices will be integrated. Dr. Bouton referred to the PowerPoint graph outlining the devices.

Ms. Lowe ask if the dialysis machines can integrate clinical value into Epic, Dr. Bouton confirmed.

The presentation transitioned to Mr. Lutz who highlighted updates and next steps on transitioning to two new data centers. Ms. Lowe asked about what

type of security measures are being taken. Mr. Lutz stated data centers will not come online unless they are connected to internal network. All data servers are physically locked and all NYC Health + Hospitals data is maintained on our secure network. Mr. Lutz provided a timeline for the data centers three-year migration plan. He also reminded everyone that our current Sungard agreement ends in October 2022; however, our goal is to complete the migration to the two new data centers by August 2022.

Mr. Pena-Mora asked if there is a delay in the move from Sungard by October 2022 can we renew month to month. Mr. Lutz assured that we can do a month to month and that there has been open communication with Sungard.

Mr. Lutz also presented on key infrastructure updates. He highlighted the migration to Cisco AnyConnect/DUO for VPN remote access, which is much secure and easier to access. He highlighted the MetroPlus IT server move to Jacobi Data Center, which provides a better environment, and helps to save money on our future move. The Contact Center improvements were outlined with a focus on the new features for reporting and improved Epic integration. Jeff also spoke about the Secure Print system-wide program which drives down the number of printers across the enterprise, saves time if one printer is currently busy, allows the user to tap their badge on another printer and print their documents. Mr. Lutz concluded with highlights of the completed migration to LightTower/Crown Castle Network which increases our bandwidth.

Dr. Mendez continued the IT updates with a review of key EITS COVID initiatives. She highlighted that recent work is focused on the Systems COVID-19 vaccination program with two of the T2 testing sites transitioning to become 24-hour vaccination hubs. Dr. Mendez also highlighted the increasing volume of telehealth visits. Additionally, from March - December 2020, ServiceNow received 826 COVID demands/requests, this IT request system was created to help manage and prioritize the various IT projects and alignment of resources.

Dr. Mendez continued her presentation by highlighting that the Enterprise Service Desk (ESD) has expanded their scope of services and seen an accompanying increase in phone calls and emails. The ESD also supports patient with activating and navigating MyChart. They also provide support services to of Test & Trace team "on the ground".

Dr. Mendez provided an update on the ESD satisfaction survey that was conducted in June 2018 with a 94% satisfaction rate, since then EITS transitioned to ServiceNow and a new satisfaction survey will be implemented in the future.

Dr. Mendez presented an overview of two new EITS continuous quality improvement projects including the quarterly updates of IT application ecosystems, both at the facility and enterprise level, and the use of ServiceNow for viewing and planning projects, business as usual (BAU) maintenance, application upgrades, etc. in a single tracking system. Dr. Mendez concluded her update with the news that the GoLive for the Web Time Entry was completed in Q4-2020 and the System has transitioned away from

paper timesheets. She additionally highlighted the successful NYC Health + Hospitals Nursing Informatics System Advisory (NISA) group's virtual conference on December 16, 2020.

There being no additional business the meeting was adjourned at 11:45.

**Virtual - Medical and Professional Affairs Committee - February 8, 2021
As Reported by Dr. Vincent Calamia**
Committee Members Present- José Pagán, Dr. Vincent Calamia, Sally Hernandez-Piñero, Dr. Mitchell Katz

Dr. Vincent Calamia, Chair of the Committee, called the meeting to order at 9:02 AM. On motion the Committee voted to adopt the minutes of the November 5th, 2020 Medical and Professional Affairs committee.

CHIEF MEDICAL OFFICER REPORT

Machelle Allen MD, SVP/System Chief Medical Officer was included in the materials as reference, she highlighted the following:

BEHAVIORAL HEALTH

The behavioral health services at the facilities are seeing an increased in psychological issues due to COVID, isolation, stress, loss among ourselves, as well as our patients. The System is providing therapy both in-person and virtually via video and telephone. There is an increase in services to children and adolescents in our public schools, who are experiencing psychological issues related to COVID. There is also a crisis health response team for 911 behavioral health calls, with a goal to utilize a health center approach and decrease emergency room utilization. Note people who may be potentially violence or poses a danger will have a traditional EMS response.

The Bellevue Hospital Extended Stay Program, for those homeless individuals who need a longer hospitalization to achieve the stability and recovery necessary to live and participate in the community has been a very good success. To date, 73 percent of those engaged were engaged in housing process at discharge. 67 percent were housed or still engaged in the housing process after six months, and 50 percent achieved housing 6 months from discharge

The Office of Behavioral Health continues to provide ongoing support of substance abuse identification and treatment in EDs with their CATCH teams, overdose treatment in the EDs as well as expanding the buprenorphine prescription in the EDs primary care behavioral health.

SIMULATION CENTER

The simulation center is currently offering multiple courses, to meet the needs of our providers including Ventilation Simulator Train-the Trainers at each of the 11 acute sites. Maternal Mortality Reduction post-partum hemorrhage in each of the labor and delivery suites. We have developed 6-simulation mini-labs specifically, for the obstetrical service in each of our level one and one level two facilities. The Simulation Fellowship program continues to grow. Last year we had 30 applicants for 12 slots. There are simulations for central

line insertion, cardiac arrest, pediatric courses, surgical sim and utilizing something call the cut suit. Unconscious bias training is embedded in all our simulation course. We are beginning a maternal substance use screening simulation, which also includes implicit bias training.

PALLIATIVE CARE

There has been an increased demand for palliative care services at Coney Island Hospital, secondary to the increase number of patients with COVID. A Russian speaking physician was identified who was able to provide palliative care needs at Coney Island Hospital. Another physician with palliative care experience is being credentialed to provide remote support. In addition, palliative care teams from the other acute care sites are also providing remote telehealth calls to the families of those Coney Island patients that need palliative care support.

NEPHROLOGY

We expanded our dialysis surge planning work group throughout the system. We had a multidisciplinary work group that was established, involving nursing facilities, intensivist, as well as nursing and IT. We hired two local nephrologists, who were deployed to Harlem and NCB.

CRITICAL CARE

Three facilities launched the CRRT program, which is another form of dialysis. The demand for these services quadrupled at Elmhurst, Kings County has replaced 45 hemodialysis machines, Jacobi have machines in reserve, Coney Island received five additional machines, as well as Lincoln. By February 15, 2021 all 11 acute sites will be capable of offering CRRT.

TESTING & TRACING

Currently, there are greater than 100,000 tests per day is being performed Citywide. There are greater than 4,000 contact races speaking greater than 40 languages, with a close to 90 percent successful contracts being traced and providing assistance to greater than 8,000 people with possible exposure to COVID.

Kenra Ford, Vice President Clinical Laboratory Department provided an update on the COVID-19 gene sequencing. Ms. Ford indicated that the goal is to ensure that the data is flowing to all of the parties. We did not uncover any variants of concerns from what was previously been identified in the city and the state.

The aim of the model is to test 10 percent of the positives, with a CT value of 31 or under. This represents New York City residents, and we believe that based on last week, the modeling is going to work well, and with the ramping up, they are ahead of schedule. With everything working well we should achieve the goal by the end of February.

SYSTEM CHIEF NURSE EXECUTIVE REPORT

Dr. Natalia Cineas, System Chief Nurse Executive reported to the committee, Office of Patient Centered Care Operational activities.

COVID-19 Surge—Contingency Staffing

Over 700 nurses were deployed during the second wave to acute, post-acute and correctional locations is actively on-going to address increase need. During this time the System have also trained and employed vaccination nurses by collaborating with CUNY to employ 984 students. Additionally, over 551 RNs, LPNs and CNAs were deployed to four hotels to assist with the clinical needs in those facilities.

Over 9,000 nurses have completed the COVID-19 training module, over 90 percent of staff at our acute sites have been trained to provide continuous renal replacement therapy.

OPCC is the recipient of a five-year State Department community grant. This month we will re-launch the clinical program to foster professional development among nurses, 260,000 nurses completed the program last year. The nurse residency program is also being expanded.

In response to questions regarding the training of nurses and CNAs to staff the hotels, Dr. Cineas responded that the whole line of staff needs to be trained to provide the care, from the screening nurses to have a better understanding of the case to the staff providing the care at the hotel site.

A question regarding the nursing fellowship program coaching was posed - Dr. Cineas responded that acceptance to the program includes free coaching services. This is a partnership with universities for new nurse practitioners to partner with physicians to learn different specialties beyond primary care such as neurosurgery.

Dr. Cineas also clarified for committee that we have 984 vaccination nurses and that the partnership with CUNY has been a success.

MetroPlus Health Plan, Inc.

Talya Schwartz, MD, Executive Director, MetroPlus Health Plan report on the following:

Regulatory Highlights

There continue to be disenrollment for Medicaid Child Health Plus Essential Plan. Enrollment has been extended to the end of June. People who have premiums and are still sponsored by various government entities, also will not be dis-enrolled until further notice.

There is an expansion of the removed of PT, OT and ST (speech therapy) coverage limits into the essential plan. However, there are no limits in the Medicaid line of business, which is now the case for the essential plan also

NY State Budget Proposals: Budget proposals that have direct Plan impacts include extending Medicaid Global cap through FY 2023, eliminating Medicaid and MLTC quality pool funding, and eliminating \$20 Premium for EP (no

payment required for up to 200% of Federal Poverty Level (FPL) effective June 1st, 2021). Additional direct impacts are the creation of the EP quality pool, requirement of registration and licensure for Pharmacy Benefit Managers (PBM), eliminating e-prescribing exceptions, increasing access to mental health and substance use disorder (SUD) treatment by allowing not-yet-licensed professionals to offer services (trainees and peers), and allowing pharmacists to order and administer lab tests and act as referring provider for diabetes management and training.

For telehealth, the budget proposes eliminating location requirements to the extent allowed by federal law, expansion of the types of covered providers, requiring coverage of virtual emergency room visits, establishing authority for interstate licensure, allowing designated unlicensed staff to deliver substance use disorder services via telehealth, creating reimbursement requirements, and requiring telehealth coverage in commercial insurance.

Other general healthcare budget proposals are to end "Prescriber Prevails", creating 340B reimbursement fund for providers impacted by pharmacy carve-out, reducing hospital Medicaid add-on and eliminate indigent care funding. The budget proposal also includes cuts to State funding for worker retention by 50%, creating medical respite program pilot, and innovations in Opioid treatment options.

COVID Impact

Testing: According to December claims data available, over 207,997 members were tested for COVID diagnostic and 120,334 members tested for COVID antibodies.

Vaccination & Monoclonal Antibodies: According to latest claims data available, MetroPlus received 179 claims billed with COVID vaccine administration and monoclonal antibodies.

Telehealth: In 2020, MetroPlus Health received over 330,000 (143K individual members) telemedicine medical claims and over 50,000 (7,000 individual members) telemedicine behavioral claims.

Membership

The data reflects a 20 percent growth in membership, with approximately 100,000 new members compared to early 2020.

Open Enrollment: QHP open enrollment was extended to the end of March while Gold Care and Medicare enrollment is closed with a 3.3 percent increase from end of year.

Clinical Update

2020 MCO Consumer Guide Performance: MetroPlus was awarded 5 Stars by the NYS DOH for measurement year (MY) 2019 Quality Performance. MetroPlus was one of two Plans rated 5 Stars in the NYC Region.

Behavioral Health Transition Update: The Plan continues to make progress to

assume Behavioral Health operations with a go-live date of October 1, 2021 for all members, including those enrolled in the MetroPlus Health and Recovery Plan (HARP). The program design will emphasize the integration of behavioral health and physical health and work closely with H+H's BH Center of Excellence. The program design is approximately 90% complete. Staff recruitment is about 9% complete. A key work effort is to build a robust Behavioral Health provider network that will be ready to submit for State review in April 2021. The Plan's Contracting and Provider Maintenance departments are engaged in a significant effort which requires outreach, contracting, negotiation, credentialing, and fee schedule linkage to a target of 900 contracts and approximately 4,000 providers. To date, 915 contracts have been sent out and 306 contracts have been returned. A contract with CBC IPA is in process. This contract will provide 56 additional facilities to our network.

Financial Performance

MetroPlusHealth financial performance was strong in 2020 with a \$55.4 million net income as of November 30, 2020. Revenue was just short of \$3.25 billion, medical expenses were at \$2.76 billion and administrative expenses were just over \$280 million. In 2020, over \$214 million was generated through the VBP arrangement between the Plan and H+H. The Plan has moved to a quarterly risk surplus distribution as of early 2021.

Dr. Schwartz responded to questions regarding members ability to disenroll if they so chooses, despite the State in the affirmation, which the plan is experiencing at a level of about 1,000 per month. The plan is focus on working through the technical aspects of renewals. She also address questions regarding tele-visits increase rates offsetting in-person visits the trend of patient's preference. Telemedicine continues to play a dominant role in all visit pre-COVID.

In regards to Quality Pools - Dr. Schwartz inform the Committee that due to the State budget deficit there were cuts in the quality pools prior to COVID.

ACTION ITEMS:

Dr. Machelles Allen read the resolution:

Authorizing New York City Health and Hospitals Corporation (the "System" to sign a five-year contract with Surgical Solutions, LLC (the "Vendor") for technician support for laparoscopic and endoscopic procedures, scope management, reprocessing and consultative support with two one-year options to renew the contract exercisable only by the System and with the total cost of the contract over its full potential seven-year term not to exceed \$53,079,175.33 that includes a 5% contingency of \$2,527,579.78.

Chris Roker, Chief Growth Office-CEO Metropolitan Hospital and Joe Wilson, Senior Vice President Supply Chain presented to the committee the background and current state of Surgical Solutions engagement to provide laparoscopic and endoscopic procedure technical support to the system, an

overview of the procurement process, the new cost structure, a breakdown of the evaluation committee and scoring, the MWBE engagement, vendor workforce diversity plan and evaluation.

The resolution was duly seconded, discussed and unanimously adopted by the Committee for consideration by the full board.

There being no further business, the meeting was adjourned 9:52 AM.

VIRTUAL - Capital Committee Meeting - February 8, 2021

As reported by Feniosky Peña-Mora/José Pagán

Committee Members Present: Feniosky Peña-Mora, Freda Wang, Sally Piñero-Hernandez, Mitchell Katz - left at 10:30.

Mr. Peña-Mora called the meeting to order at 10:05 a.m.

Upon motion made and duly seconded the minutes of the Capital Committee meeting held on December 3, 2020 were approved.

Senior Vice President's Report

Christine Flaherty, Senior Vice President, Office of Facilities Development presented her report.

Mrs. Flaherty stated that while there was only one capital energy related resolution on the agenda, her team had been finalizing contracts with Supply Chain, issuing task orders for the new bond work and the office continued to support the COVID emergency management efforts for the system.

She stated that she was looking forward to opening the COVID Center of Excellence in Queens later in the month, with Brooklyn anticipated in the coming months.

The emergency physical enhancements for surge spaces in the hospitals was 95% complete and had supported the hospitals' care environments to care for COVID positive patients.

She reported the receipt of over \$300M in city capital dollars to support aging facilities. She and her team were revamping the capital intake process and would be allocating the dollars towards carbon reduction energy investments, similar to the resolution for consideration today, as well as critical state of good repair infrastructure needs and improving our care environment in alignment with strategic pillars. Additionally, the system had received over \$60M in DCAS Energy funds for critical projects at Harlem, NCB and Bellevue.

The housing team had identified a pipeline of 700 units and were working closely with MetroPlus on the rent-up of the T-Building on the Queens Hospital campus.

Mrs. Flaherty ended her remarks.

Mr. Peña-Mora commended Mrs. Flaherty and her team for their amazing work

on creating an environment focus on patient care needs during COVID, with the Board receiving many letters of commendation from patients regarding their positive experiences during this time.

Mrs. Flaherty read the resolution:

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed \$8,212,020, including a 10% contingency of \$597,318, for the planning, design, procurement, construction, construction management and project management services necessary for energy efficiency upgrades (the "Project") at NYC Health + Hospitals/Queens (the "Facility").

Mrs. Flaherty narrated a power point presentation that overviewed the project background, financing, relationship with NYPA, procurement path for the construction management contract, commitment for Minority, Women and Business Enterprises (MWBE) subcontracting, and full project budget.

Clarifications were provided to the following question:

- Is this project to address a specific need in regards to useful life - Mrs. Flaherty responded that were a number of identified characteristics that needed enhancement and replacement driven by a System-wide energy assessment, with Queens Hospital being in highest need to realize efficiency and reduce our usage of carbon, save energy and provide enhancement in the System.
- Is the 12 percent NYPA fee fixed? Yes, that fee is a fixed for program management of the project.
- Are we keeping track of our energy and carbon footprint and the savings realized by these efforts? Yes - the energy team is diligently tracking our carbon reductions since the passage of the local law was passed. **Follow-up** - the committee requested a report in the future on the tracking of the System's carbon footprint.
- The presentation indicated a return on investment of 21 years, is that the expectation or is there things we can do to reduce that pay-back period. Mrs. Flaherty indicated that is what was expected.
- What is the life expectancy or useful life of the new controls and the equipment affiliated with those enhancements? **Follow-up:** that information is not available, Mrs. Flaherty will follow up in writing to the committee with the information.
- The Committee requested an elaboration on the point of the vendor being the most-cost effective project manager - NYPA currently has a group of 10-12 construction management providers where fees are based on the percentage per phase and the vendor is the most cost effective. Mrs. Flaherty will follow up with NYPA to ensure capacity moving forward for future projects.
- Regarding the budget are we borrowing money to conduct this project? NYPA initiates the work in advance of NYC H+H having all the funding in-place, they float some of the capital.

After discussion and upon motion duly passed and seconded the resolution was approved for consideration by the Board of Directors.

Sally Piñero-Hernandez asked for an update on the educational sessions that had been scheduled prior to the COVID emergency.

Mrs. Flaherty confirmed that educational sessions will be rescheduled when the calendar permits, being that the department was still highly involved in COVID surge and vaccine roll-out efforts.

Ms. Wang asked if there was any news on the infrastructure bill. Mrs. Flaherty said she and her team was excited about the FEMA match that was approved, and they had provided notes on infrastructure but she did not have any further details at the time.

There being no further business, the Committee Meeting as adjourned at 10:40 AM.

SUBSIDIARY REPORTS

HHC Capital Corporation Semi-Annual Meeting - January 28, 2021
As Reported by: Freda Wang

Ms. Freda Wang chaired the meeting of the HHC Capital Corporation Board of Directors (the "Board"). Andrea Cohen, Secretary of the HHC Capital Corporation, kept the minutes thereof.

Call to Order:

The semi-annual HHC Capital Corporation meeting was officially called to order at 1:04 p.m. by Ms. Wang.

Minutes:

Ms. Wang asked that the minutes be deferred until after the presentation. Ms. Wang then introduced Ms. Linda DeHart to provide an update to the Board.

Ms. DeHart referred to the HHC Capital Corporation Semi-Annual Meeting presentation to update the Board.

HHC 2020 Series A Bonds Issuance (page 1):

Page 1 of the presentation provides a summary of NYC Health + Hospitals' (the "System" or "H+H") 2020 Series A Bonds issuance ("2020 A"). Ms. DeHart reported that the System issued \$310.2 million of tax-exempt, fixed rate bonds on January 5th, 2021, with an all-in interest rate of 1.79%, and achieved net present value savings of 18.8% or \$60.5 million through fiscal year 2024. Ms. DeHart indicated that with this issuance, the System refunded all of the 2008 Series A and 2010 Series A bonds, and provided \$100 million dollars to finance new capital projects. Ms. DeHart reported that the 2020 A bonds pricing exceeded expectations despite that H+H's ratings were downgraded by two rating agencies in concert with downgrades to the City of New York's (the "City") rating. The 2020 A bonds received orders for almost five times available bonds or \$1.5 billion, of which \$387 million were from retail investors.

Ms. DeHart also reported that with the issuance of the 2020 A bonds, the Amended and Restated General Resolution adopted by H+H's Board of Directors, that modernized the authorizing and governing documents for H+H's bond financing program, were approved by a majority of H+H bond holders.

HHC 2020 Series A Bonds Issuance (page 2):

Page 2 of the presentation provides a snapshot of the 2020 A bonds financing statistics and the bond debt service requirements graph. Ms. DeHart pointed to the total bond debt service requirement graph and explained that the refunding provided H+H with over \$20 million savings in debt service per year for fiscal year 2022 to 2024.

HHC 2020 Series A Bonds Issuance (page 3):

Page 3 of the presentation provides a snapshot of the 2020 A bonds new

money planned uses. Ms. DeHart reported that approximately \$100 million was issued for new capital projects, of which roughly 75% is for infrastructure projects and 25% is for medical and lab equipment purchases. Ms. DeHart also pointed out the project allocation breakout by facility.

HHC 2020 Series A Bonds Issuance (page 4):

Page 4 of the presentation shows a picture of a marquee at Times Square. Ms. DeHart pointed out that H+H's lead underwriter, Morgan Stanley, graciously celebrated the successful pricing of 2020 A bond deal on the marquee of their building, and the recognition of H+H's service to all New Yorkers.

HHC Outstanding Bond Portfolio (page 5):

Page 5 of the presentation provides a snapshot of H+H's current outstanding bonds portfolio, including the 2020 A bonds, the distribution between variable and fixed rate bonds, and the details of the letters of credit supporting the variable rate bonds. Ms. DeHart indicated that approximately 76% are fixed rate bonds and about 24% are variable rate bonds. The variable rates bonds were supported by letters of credit from TD Bank and JPMorgan Chase Bank, which expire in 2023 and 2022, respectively. Ms. DeHart also noted that since inception, these variable rate bonds are estimated to have generated approximately \$65 million of savings compared to what the cost would have been if these bonds had been issued as fixed rate.

HHC Bonds - Issuance History (page 6):

Page 6 of the presentation provides a history of bond issuances by the System. Ms. DeHart noted that there are about \$553 million of bonds outstanding, and the newly issued 2020 A bonds comprise the largest of the existing bond portfolio.

Construction Fund Balance on the 2010 Bonds (page 7):

Ms. DeHart described page 7 which shows that snapshot of the HHC Series 2010 construction fund. Ms. DeHart reported that the 2010 bonds construction fund were completely depleted and closed out.

2010 Series A Bonds - Arbitrage Rebate (page 8):

Referring to page 8 Ms. DeHart explained that arbitrage rebate liability is required to rebate to the IRS when interest earnings on bond proceeds exceeded the tax-exempt bond yield (i.e. issuers are not allowed to make any profit when borrowing in tax-exempt debt). Ms. DeHart informed the Board that H+H's 2010 Series A bonds incurred no arbitrage rebate liability on its 10th bond year.

Short Term Financing Program (pages 9-10):

Ms. DeHart explained that in addition to the bond program, H+H also have two short-term bank loans that provided funding for short-term projects, to bridge the gap between bond issuances. Ms. DeHart indicated that the \$60 million JPM fixed rate loan matures in July 2022, and the outstanding loan balance is \$18.6 million. The JPM loan was fully encumbered and vouched. Ms. DeHart also indicated that the Citibank loan has two pieces, a \$30

million fixed rate loan that matures in November 2022 and a \$30 million variable rate loan matures in October 2023. The combined outstanding loan balance for the Citibank loan is \$34.4 million. There is approximately \$4 million remaining unencumbered for the Citibank loan, but certain projects were identified for this remaining balance.

Discussion:

Several Board Members commended the entire Finance team for work well done on the bond financing. Ms. DeHart acknowledged that the Finance team were heavily supported by many departments, especially Legal, Comptroller's Office, Office of Facility Development (OFD), and Mr. Siegler. There was a brief discussion on H+H preparedness in today's challenging environment due to COVID-19. A question was asked, and confirmation was provided, that the new money borrowed would be for new urgent capital projects identified by OFD working with all the facilities. There was a question about H+H bond rating, and Ms. DeHart confirmed that H+H's ratings is strongly linked to the City's rating due to the substantial support the City provided to H+H.

Minutes:

Ms. Wang asked for a motion to adopt the minutes of the previous meeting that was held on September 24, 2020. The Board unanimously adopted the minutes.

Adjournment:

There being no further business before the Board, Ms. Wang adjourned the meeting at 1:30 p.m.

MetroPlus Health Plan, Inc.

Board of Directors Meeting - February 2nd, 2021

As Reported By: Ms. Sally Hernandez-Piñero

Ms. Hernandez-Piñero called the meeting to order at 2:05 PM

ADOPTION OF THE MINUTES

The minutes of the meeting of the Board of Directors held **December 22nd, 2020** were presented to the Board. On a motion by Ms. Hernandez-Piñero and duly seconded, the Board adopted the minutes.

The minutes of the meeting of the Executive Committee held **January 8th, 2021** were discussed in detail to elaborate on the resolutions that were approved. On a motion by Ms. Hernandez-Piñero and duly seconded, the Board agreed unanimously with the approval of the resolutions.

There being no further questions or comments, Ms. Hernandez-Piñero turned the meeting over to Dr. Schwartz.

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 noted that she would be presenting in the absence of Ms. Leverich-Castaldo, Chief Administrative Officer and Acting Chief Financial Officer, and that the administrative needs of the Board has been transferred from Ms. Kathy Nolan to Ms. Jessica Bauer. This is not an official appointment that requires Board approval.

Dr. Schwartz introduced the three new members of the MetroPlus Executive staff: Ms. Michelle Reay is the new Chief Operating Officer, joining MetroPlus with many years of health plan experience. Ms. Lesleigh Irish-Underwood is the new Chief Brand and External Relations Officer, also joining with many years of health plan experience. Ms. Robin Fisk is the new Head of Legal, joining to provide support to anything legal related.

Dr. Schwartz explained that in the absence of a strategy committee and official structure around strategic initiatives and this is the first Board meeting in 2021, she wanted to go through where the focus would be for the upcoming year. Dr. Schwartz noted the main focus is to run the Plan efficiently and optimize revenue given all the changes coming from the State that includes COVID-19 adjustments, rates adjustments, and potential carve-out that create a significant financial impact, despite significant membership growth. Membership growth does not necessarily equate to a profit, so with all the State actions, membership growth may impact the Plan's net income in a negative way. Thus, the Plan needs to operate more diligently on expenses. The Plan has been doing a decent job in optimizing revenue as it relates to risk for Medicaid, Medicare, and Qualified Health Plan (QHP), where the Plan will continue to improve on appropriately capturing risk.

Dr. Schwartz explained that last year there was a new initiative to continue the significant progress the Plan made around customer experience. The Plan created an operational infrastructure around this initiative so that it was not just a concept. An example of the results that the new Customer Experience Operations department was able to achieve is that when open enrollment was approaching for QHP and for members to renew their coverage, the Plan had the highest ever renewal rate for QHP and the highest conversion rate from QHP into Essential Plan (EP) and Medicaid. This was a deliberate collaboration effort between Customer Experience Operations and the Sales team under Mr. Roger Milliner, Chief Growth Officer, to make sure that the Plan retains those members and proactively reaching out to the members to make sure they are moved into the appropriate line of business. The retention rate really shows what can be achieved when the Plan pays attention to Customer Experience Operations.

Dr. Schwartz stated that moving into the year 2021, the Plan intends to expand this initiative into the provider experience and the value proposition. The Plan started conversations with a few large independent physician associations (IPAs) in 2020 but had to pause due to the COVID-19 pandemic and has since resumed conversations with the intention to finalize the conversations and have a contractual agreement that aligns interests in the benefit of the Plan's members.

Dr. Schwartz described the next area of focus for the Plan in 2021 is

target organic expansion around geography and line of business (LOB). The Plan worked with a marketing consultant to identify zip codes where the Plan already operates next to those zip codes or where there is a very natural expansion, for example in Queens and Staten Island where the Plan already has a successful presence. Dr. Schwartz explained that the other approach to achieve organic expansion is through specific LOBs where there are opportunities that the Plan can leverage, for example the Gold product for City employees. While the Plan experienced growth during this open enrollment period, the opportunity to acquire additional members in this LOB is significant.

Ms. Hernandez-Piñero added that the Plan is also targeting specific ethnic communities where the Plan has not seen any substantial growth in membership.

Dr. Schwartz described the next area of focus for the Plan in 2021 is tightening operations. The Plan is implementing a customer relationship management (CRM) platform through Salesforce, which will help with customer experience, improve the Plan's retention efforts, and help with sales opportunities. Currently, the Plan operates on multiple platforms with multiple data sources, which is not ideal. Dr. Schwartz explained that the other part of tightening operations is based around the Plan's alignment with NYC Health + Hospitals (H+H) to construct the terms of the contract with H+H to incentivize appropriate behaviors on the provider side, along with day-to-day operation alignment, and special populations that would benefit from the joint effort.

Dr. Schwartz described the last listed area of focus for the Plan in 2021 is the Behavioral Health in-house transition and noted that Dr. Sanjiv Shah, Chief Medical Officer, would be giving a more in-depth update on that later in the meeting.

Ms. Raven Ryan-Solon, Chief Legal & Compliance Officer, presented the regulatory updates to the Board. As part of the federal bill to assist with the COVID-19 pandemic, there was an increase in the Medicare Physician Fee Schedule which will be reflected in the financial report later in the presentation. This has a significant financial impact to the Plan. This was passed as part of the emergency bill on December 27th, 2020 and went into effect in January 2021.

Ms. Ryan-Solon stated that the State Department of Health (SDoH) is looking into what actions can be taken to alleviate the burden for Plans and the cost relating to rates changes. All New York State related Executive Orders were extended to at least February 22nd, 2021. Cost sharing waivers extended to various dates in March 2021, depending on the service. Families First Coronavirus Response Act (FFCRA) benefits for the Plan's employees expired on December 31st, 2020. Disenrollment moratorium for Medicaid, Child Health Plus (CHP) and Essential Plan (EP) has been extended through June 2021. If the federal declaration of a State of Emergency is extended through to the end of 2021, that would impact these disenrollment moratoriums, recertification and grace period populations for the ACA associated Plans that are in effect. Effective February 28th, 2021, the State is resuming Medicaid disenrollment for members with Third Party

Health Insurance (TPHI). Open enrollment in New York State (NYS) was extended through March 31st, 2021. The federal exchange extended its open enrollment to May 31st, 2021, but NYS is not mandated to extend and may decide to extend to align with the federal open enrollment.

Ms. Ryan-Solon went through the NYS budget proposals released by Governor Cuomo for State Fiscal Year (FY) 2022, which starts on April 1st of each year. The budget is in the legislative hearing phase. Legislative hearings run through the end of February 2021. Some of the proposals that were mentioned by Governor Cuomo and released in his State of the State guidance but were not reflected in any of the budget bills being presented to the legislature include tying quality incentives to a reduction in health disparities, mandating coverage for virtual emergency rooms, and creating telehealth reimbursement requirements. Indirect health plan operation impacts include updating State privacy protections, extension of State procurement policies to July 2023, modification to no-fault insurance use by health care providers, and the legalization of cannabis use and the "millionaire tax". Which will help to close the budget gap that NYS is facing and impacts the Plan through its rates.

Ms. Ryan-Solon described the NYS budget proposals that have direct Plan impacts, as outlined in the included slides, some of which will be discussed again in the financial performance section of the presentation. Ms. Ryan-Solon added that the Medicaid and Managed Long Term Care (MLTC) quality pool funding had been reduced by 50% last year, with the proposal aiming to eliminate it entirely in FY 2022. Effective June 1st, 2021, elimination of the EP \$20 premium for up to 200% of the federal poverty level (FPL), would expand the population of individuals that EP is available to. This would also have potential Plan impacts on the QHP LOB as members who would have previously only qualified for QHP could also now qualify for EP. EP has a trust fund from the federal government, so while the NYS government does not have funds to support a Medicaid or MLTC quality pool, the NYS government may be able to use these federal funds to create an EP quality pool. The remaining budget proposal items listed on the slide have less of a financial impact on the Plan.

Ms. Hernandez-Piñero asked if these direct Plan impact proposals are currently going through the legislative process. Ms. Ryan-Solon replied that yes, they are going through the legislative process and the February 3rd, 2021 is the first hearing on the healthcare related bills. For the most part H+H and MetroPlus are represented by Mayor in presentations, and the NY Health Plan Association testifies at the legislative hearings.

Ms. Ryan-Solon presented the budget proposals that are related to telehealth, as they are outlined in the attached slides. Ms. Ryan-Solon added that the government is looking to extend the telehealth expansion that they made as part of the pandemic and the COVID-19 Executive Orders into permanent law and make them a standard for telehealth and telemedicine in NY State.

Ms. Ryan-Solon stated the budget proposals on general healthcare as they are outlined in the attached slides. Ms. Ryan-Solon added that a lot of these proposals would impact H+H. The Pharmacy carve-out is scheduled to

occur on April 1st, 2021, to date the State has not changed that deadline but there are conversations taking place at the State level to potentially push the deadline back. The Pharmacy carve-out is extremely impactful both for Plans and members. The concern is that potentially making it more confusing or complicated for members to access their prescriptions in the middle of a pandemic could be a large problem and the State is still determining where in the budget the savings from the Pharmacy carve-out would materialize.

There being no further questions or comments on the regulatory updates, Ms. Ryan-Solon turned the meeting over to Dr. Schwartz.

Dr. Schwartz presented the updates on membership and utilization as reflected in the included slides, in the absence of Ms. Leverich-Castaldo. On the MetroPlus dashboard, Dr. Schwartz added that the only driver to the slight decrease of medical spend at H+H was due to the recent retroactive State cuts for the COVID-19 adjustment in place as of April 2020. Dr. Schwartz briefly described the trends for the CRM implementation, Behavioral Health (BH) in-sourcing and primary care provider (PCP) assignment to H+H.

Dr. Schwartz reported on membership by line of business (LOB), noting that the numbers have already increased since the slide deck was submitted. From January 2020 to January 2021, MetroPlus membership has grown by almost 100,000 new members with the biggest gains taking place in the various Medicaid LOBs and in EP. Positive trends were also identified in Medicare. Negative trends in MLTC were due to the carve out and disproportionate impact of COVID-19, which aligns with trends seen by other Health Plans. Negative trends were also seen in Small business Health Options Program (SHOP) due to more affordable options outside of SHOP that employees and employers are choosing to enroll in.

Dr. Schwartz reported on the status of MetroPlus' market share for membership. MetroPlus is growing and slightly outpacing the competition as shown in the included slides, with a lot of the growth due to the efforts by the Sales and Retention departments. MetroPlus' main competitor for the Special Needs Plan (SNP) market is Amida Care. Amida Care specializes in the SNP LOB and has very rich offerings for the membership. MetroPlus is not trying to match what Amida Care offers, because MetroPlus already offers great quality services and caters to a larger membership. MetroPlus introduced a new reward for SNP members as of January 1st, 2021, to help qualified members understand that being in SNP is more beneficial with more comprehensive support from the Plan.

Dr. Schwartz reported on the claims-based activity for COVID-19 diagnostic and antibody testing, noting that the numbers are an underestimate of testing because a lot of the tests that the Plan's members are receiving is not coming through in claims.

Dr. Schwartz reported on the inpatient claim activity for COVID-19 related admissions. Due to claims lag, the current increase in COVID-19 admissions is not yet reflected in the data but is expected to catch up. Average length of stay (ALOS) for inpatient admissions increased during the peak of

the pandemic and is now trending down to a more typical ALOS.

Dr. Schwartz presented the financial performance updates as reflected in the included slides, in the absence of Ms. Leverich-Castaldo, Chief Administrative Officer and Acting Chief Financial Officer. NY State implemented a COVID-19 rate adjustment, retroactive to April 1st, 2020 which decreased the premiums for the Medicaid LOBs due to lower utilization during the pandemic. There was a decrease in the use of medical services in the 2nd quarter of 2020. Utilization of services started to pick up in the 3rd quarter and almost returned to baseline utilization in the 4th quarter. NY State conducted an independent assessment, where despite the return to almost normal utilization of medical services in the 4th quarter and the additional cost of medical expenses around testing, the premiums that were paid were determined to be higher than what the Plans needed to cover medical expenses. Thus, the adjustment was put into place and the impact to MetroPlus for State FY 2020 is \$78 million, which will be reflected in the 1st quarter of 2021.

Dr. Schwartz reported that in addition to the COVID-19 rate adjustment, NY State implemented negative rate cuts that are compounded by the potential outsourcing of pharmacy. This gives MetroPlus a net impact of -\$92 million, plus an estimated negative rate change for HIV SNP with a net impact of -\$11 million.

Dr. Schwartz reported on the NY State budget initiatives for FY 2021. There is a new 1% across-the-board (ATB) reduction coming, after 1.5% ATB reductions in 2020, that comes with a potential -\$14.4 million impact on the Plan. The elimination of the \$20 subscriber premiums in the EP LOB is expected to have a \$0.4 million impact on the Plan. The Plan welcomes this change, because with the \$20 premium in place, the Plan loses members and thus members lose coverage and access due to the inability to pay the \$20.

Ms. Hernandez-Piñero added that the elimination of the Medicaid and MLTC quality pool incentives hurts the Plan because the Plan has always done well, and the State should want to incent quality. For re-enrollment, there were a couple years where the Plan's net new membership growth was very low, so the automatic re-enrollment gives the Plan a longer period of time to show new members all of the positive changes it has made in the customer experience.

Ms. Lloyd asked for clarification in the slides on the difference between the 2020 utilization due to COVID-19 was low, so the State made a negative adjustment to the premium, and in the 2021 budget there is a +\$7 million increase due to COVID-19.

Dr. Schwartz clarified that the "+\$7 million" is an addition negative rate adjustment, not a positive rate adjustment.

Ms. Lloyd confirmed that she understood.

Dr. Schwartz responded to Ms. Hernandez-Piñero comment that she agreed with the remarks about the quality pool and this was a very difficult decision for the State. Quality is not a standalone item, because it feeds into

value-based payment (VBP) arrangements that the Plan is eager to promote. The Plan is hoping that once the financial circumstances stabilize, that this will be the first thing that gets restored. In anticipation of the quality pool being restored, the Plan continues to keep the structures in place because quality is important, and the Plan needs the funding to continue running it. The Plan has a lot of investment in making sure that quality is maintained and since the Plan believes the quality pool elimination is only for a short-term period, the Plan will avoid making any drastic changes to the infrastructure where possible.

Dr. Schwartz added to Ms. Hernandez-Piñero comment that maintaining a relationship with the Plan's members is exactly what the Customer Experience department is focusing on. This is not just contacting the members when it is time for them to re-certify but working on what the Plan can do for the members throughout the year and increasing the value the member gets by being covered by MetroPlus.

There being no further questions or comments, Dr. Schwartz turned the meeting over to Mr. Roger Milliner, Chief Growth Officer.

Mr. Milliner discussed the engagement that the Plan had with Marwood Group, consulting firm. Marwood conducted market analysis to be able to provide feedback to the Plan on how it can grow. Mr. Milliner described the Sales department related recommendations as outlined in the included slides. The three main recommendations were key neighborhood tabulations areas (NTAs), targeted media plan, and additional staffing resources.

Mr. Milliner reported that the Plan has expanded its business partnerships to over 15 organizations that can connect the Plan to its target audience. These partnerships will focus on generating referrals, conducting educational enrollment sales seminars, onsite marketing, joint media advertising, increased engagement through collaborative digital and social website integration, and many other strategies to help identify new opportunities.

There being no further questions or comments, Mr. Milliner turned the meeting over to Dr. Sanjiv Shah, Chief Medical Officer.

Dr. Shah reported on the Plan's 2020 Managed Care Consumer Guide performance. The consumer guide is an outward facing reflection of the Plan's quality and is measured on a star rating scale where the highest rating is five stars and the lowest is one star. The latest information is from measurement year (MY) 2019 and covers three major domains. One domain covers preventative care for adults, adolescents, pediatrics, maternal care, and women's care, where the rating is based on Quality Assurance Reporting Requirements (QARR) measures. The second domain focuses on chronic illnesses like diabetes, cardiovascular, respiratory, and behavioral, where the rating is based on QARR measures. The third domain focuses on consumer experience, which is based on a Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey that alternates between the adult and child side, year over year. In 2019, the CAHPS survey that was in this measurement was conducted on the adult consumer experience. MetroPlus was awarded the highest rating of five stars. Healthfirst was also awarded

five stars. No Health Plans in NYC that were awarded four stars. The rest of the NYC Health Plans were awarded three stars and lower.

Dr. Shah noted that the consumer/member experience metric continues to be the Plan's weakest link. A lot of work is being done in conjunction with community providers and H+H to improve the Plan's score especially as it pertains to getting needed care. The Plan scored lower than the State's average and efforts are being worked on to improve this aspect.

Ms. Hernandez-Piñero added that post COVID-19 pandemic it would be beneficial to do something to highlight the Plan's five star rating, especially given that only Healthfirst as a competitor is something to be celebrated.

Dr. Shah responded in agreement and added that it really reflects the hard work done across the Plan, a lot of it driven by the Quality Management department headed by Eleanor Sorrentino. Customer Experience now being its own department, focusing on the CAHPS piece and collaborating with H+H and providers to improve those ratings where the Plan previously had a weak performance. MetroPlus performs similarly with the Medicare LOB, where the Plan performs very well on the Healthcare Effectiveness Data and Information Set (HEDIS) measures and performs poorly in the CAHPS measures.

Dr. Shah reported on the Behavioral Health (BH) in-house transition updates. Network development remains the most critical piece, aiming to submit the majority of the network to NY State Department of Health (NYSDOH) by April 2021. One outstanding issue is with Utilization Management (UM), as the Board has already been made aware, the State is pushing the use of Level of Care Utilization System (LOCUS) and Child & Adolescent Level of Care Utilization System (CALOCUS) where the majority of Plans do not currently use these systems. Majority of Plans use InterQual or Milliman Care Guidelines (MCG) and MetroPlus has submitted as response to the State to request continuing to use InterQual. This is under review with the State and the Plan will make any necessary updates if the State decides that LOCUS & CALOCUS must be used. The Plan is working with its claims vendor to ensure the Plan does not encounter the same issues that the Plan experienced when Beacon was processing the claims, and testing will be a big part to ensure accuracy with an April 2021 completion date. The Plan is required to develop a standalone customer service area that supports a 24/7 crisis line for the mainstream and Health and Recovery Plan (HARP) membership.

Dr. Shah reported that the Plan brought in a consultant that was the CEO of a BH Plan, to review the BH clinical program design and provide guidance on this implementation. Recruitment of BH staff is at approximately 9%, because the Plan is being financially cautious not to hire staff in new positions too soon. The majority of the staff will be hired in time for the onsite readiness review in July 2021. A lot of the Beacon staff will be available for the Plan to hire due to this transition and the Plan has scheduled multiple recruitment events with Beacon clinical staff to help with the hiring effort.

Dr. Shah explained that the State expects the Plan to mirror Beacon's BH

network because if there is a sufficient number of members that use the Beacon providers for BH services, then the Plan is expected to contract with those providers unless an issue is identified, such as the provider's location is outside of the Plan's service area. There are 915 contracts that were distributed to providers and to update the number on the slide, a total of 376 contracts have been returned and are being processed, including a few major independent physician associations (IPAs) that will add major capacity to the Plan's network.

Ms. Hernandez-Piñero asked if there are only three steps to the provider contracting process that includes contracts distributed, contracts returned and credentialing.

Dr. Shah replied that when the contracts are distributed, the provider has to agree to the rates in the contract and return it to the Plan, then the Plan has to credential all of the providers. If a provider is in a non-delegated arrangement, then the provider will be individually credentialed. Providers that are contracted and credentialed are captured in the Provider Network Data System (PNDS) report that is submitted to the State in April 2021 to show the Plan's network development. The next step is to load the providers and the fee schedules into the claims system so that testing can be completed. To summarize, the three steps are contracting, credentialing, and provider loading.

Ms. Hernandez-Piñero asked what percent of contracts returned become credentialed providers.

Dr. Shah responded that the Plan is gathering that number using the current PNDS, looking at the contracts to see how many providers are in each of those groups, so that once they are fully credentialed then the number of providers will increase in the PNDS report. The contracting step has to happen first, so after the contract is returned to the Plan from the provider, the Plan is working with Mazars USA LLP to collect the required contracting and credentialing documentation from providers to avoid delays. Since Mazars is assisting with bringing in the contracts, the Plan has shifted some of the staffing resources from contracting to aid in the credentialing work to prevent any delays.

Ms. Lloyd noted that the Plan is contracting with Article 31 providers and asked if the Plan is also making an effort to contract with Article 32 providers.

Dr. Shah replied in the affirmative.

Ms. Lloyd asked if the State is no longer accepting the Article 31 and Article 32 licensure as credentialing of those facilities, thus requiring the Plan to do credentialing.

Dr. Shah stated that it is his understanding that as soon as the Plan contracts with Article 31 and Article 32 providers, that those providers are automatically credentialed because of their State licensure.

Ms. Ryan-Solon responded in agreement with Dr. Shah's statement.

Ms. Lloyd asked if the same would also apply to Office of Addiction Services and Supports (OASAS) providers.

Dr. Shah and Ms. Ryan-Solon replied in the affirmative.

Ms. Lloyd asked what the BH UM denial rate.

Dr. Shah replied that he would get that information to Ms. Lloyd, along with the trends. The State has a threshold that had been exceeded by Beacon at the beginning, which lead to targeted surveys. One targeted survey took place in summer 2020 that showed improvement in the number of denials. The Plan is no longer at the threshold that led to the first targeted survey and re-survey.

Dr. Schwartz added that the Plan's intention is to do UM to preclude from outlier behavior, otherwise the Plan does not believe that UM is the right approach to align with providers. One of the reasons the BH consultant was brought onboard was to help the Plan develop a better VBP arrangement around BH and use VBPs instead of UM to align on goals.

There being no further business, Ms. Hernandez-Piñero adjourned the meeting at 3:17 PM.

EXECUTIVE SESSION

The Board reconvened in Executive Session at 3:17 P.M.

The Board reconvened in open session - there being no further business Ms. Hernandez-Piñero adjourned the Executive Session at 3:42 PM.

Mitchell H. Katz, MD - NYC HEALTH + HOSPITALS
PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
February 25, 2021

CORONAVIRUS UPDATE

COVID-19 Vaccine – Earlier this month, NY State expanded eligibility to individuals with a variety of health conditions, including cancer, diabetes, heart disease and hypertension. That means that many more New Yorkers, and many more patients in our system, are now eligible to get vaccinated. But as eligibility expanded, so did the challenges of securing a steady supply of vaccine. The State and City had been running out of supply as a result of distribution delays caused by weather conditions across the country. Many vaccination sites across the City had to reschedule appointments, including some of our own sites. I'm pleased to report that we have since received additional supply and are hopeful that we will soon have a steady and reliable flow of supply so we can continue to vaccinate as many eligible people as possible, particularly the most vulnerable New Yorkers under our care.

Despite the challenges the State of New York is facing with securing a steady supply of vaccines, our health system reached an exciting milestone in our vaccination program. Last week we celebrated the 100,000 NYC Vax Champ – the 100,000 New Yorker who received a first dose of the vaccine at an NYC Health + Hospitals facility. The dose was administered at NYC Health + Hospitals/North Central Bronx to a health information management employee, Robert Fields. Fields has been with the health system for 21 years, having spent some years working at NYC Health + Hospitals/Jacobi before arriving at North Central Bronx. Every milestone we've reached during the COVID-19 pandemic – from testing to hospital discharges, and now vaccinations – reassures us a little bit more that there is an eventual end to this pandemic. I can't thank our workforce enough for facilitating the complicated logistics of vaccine distribution, and for their commitment to keeping New Yorkers safe and reaching an end to this pandemic.

We also teamed up with our labor partners from 1199SEIU, the New York State Nurses Association, and the Building & Construction Trades Council of Greater New York to further encourage staff to get their COVID-19 vaccine. Labor partners encouraged their members to get their COVID-19 vaccine through a series of short videos, like [this](#) and [this](#), explaining the benefits, safety, and efficacy of the vaccine. These three unions together represent more than 11,500 NYC Health + Hospitals employees. Our diverse, unionized workforce is represented by committed labor leaders who care deeply about their members, our employees and our City. We are proud to partner with them and share their influential voices to support our efforts to encourage our heroic staff, to get their COVID-19 vaccine. We will continue doing everything we can to educate and encourage our staff to get their COVID-19 vaccine, as a commitment to their safety and wellbeing during this horrible pandemic. We will also continue to meet our staff members where they feel most comfortable, recognize that hesitancy is real even among health care workers, and continue this important dialogue as we vaccinate more and more of our colleagues.

NYC Test & Trace Corps - With the help of our NYC Test & Trace Corps, New York City has now performed more than 120,000 tests in a single day. Our health system has done more than 1.2 million COVID-19 tests across our hospitals, Gotham Health sites and all the Test & Trace site we manage. Our team of 4,000 contact tracers has reached a higher proportion of all new cases than any other jurisdiction we are familiar with in the county. Our hotel program to help New Yorkers safely separate if they feel sick or have been exposed to the virus has reached the milestone of 10,000 guests who have received a free and safe hotel room, with free meals, round trip transportation, and onsite clinical monitoring.

COVID-19 Centers of Excellence - Mayor Bill de Blasio joined NYC Health + Hospitals/Gotham Health leadership yesterday to mark the opening of the second of three COVID-19 Centers of Excellence we plan to open to serve communities hardest hit by the pandemic. The new center is located in Jackson Heights, Queens, and will support recovering COVID-19 patients beginning March 1, 2021. The center will offer specialized services like pulmonary and cardiology care, radiology and diagnostic services, and mental health services. The 26,000 square-foot community health clinic will house 20 exam rooms, in addition to a digital imaging suite. The center will also offer comprehensive primary care health services for Queens residents, including cancer screenings, dental and vision care, diabetes management, podiatry, adult medicine, pediatrics, and much more. We are so excited to open our second COVID-19 Center of Excellence in a community that has suffered so much during this pandemic. As we continue to learn more about the long-lasting health impacts of this pandemic, we're being proactive to create medical homes for New Yorkers. This site will not only provide critical health support to those still recovering from COVID-19, but also provide new opportunities for this community to access high-quality, ongoing primary care.

GOVERNMENT AFFAIRS UPDATE

As a preface, I want to note that in this unprecedented time, we are especially mindful of the important role our elected officials and local leaders play to support and defend NYC Health + Hospitals. We are honored to collaborate with so many of our community-based colleagues and partners in government. In particular, I want to note how grateful we are to be working with United States Senate Majority Leader Charles Schumer. Senator Schumer has long been a champion of New York's hospitals and a stalwart defender of NYC Health + Hospitals. He has supported our work for years, including his recent efforts to secure critically needed FEMA funding for our facilities. We are thrilled to have a home-town hero serving as our Senate Leader and look forward to our ongoing collaboration with Senator Schumer and so many of our champions in government. **City** - NYC Health + Hospitals will participate in a hearing the City Council Hospital Committee is holding on March 1, regarding Access to Language Services and Equitable Care in NYC Hospitals during COVID-19. In addition, we will testify at our preliminary City budget hearing in March, though the final date is not yet fixed. NYC Health + Hospitals leaders work closely with our Council Members, particularly Hospital Committee Chair Carlina Rivera. We are

always grateful for these collaborations.

State - It is State budget season, and NYC Health + Hospitals is advocating fiercely against budget cuts that would weaken our stability, and that of other essential safety net providers. The proposed Executive budget closes a combined budget gap of \$15 billion over State fiscal years 2020-21 and 2021-22. Unfortunately, some of the proposals to eliminate the deficit would significantly impact NYC Health + Hospitals and MetroPlus. We are specifically advocating against the elimination of the Indigent Care Pool and proposed across-the-board Medicaid cuts. We are also supporting improvements to the State telehealth system, including parity provisions for audio-only telehealth encounters. We are partnering with legislative leaders, labor partners, our Community Advisory Boards, health care advocates, and other stakeholders to stave off cuts and protect our safety net. We are leveraging technology to maintain and even expand our annual advocacy, and we are grateful to all who are working with us. The State budget process must be concluded by March 31.

Federal - Legislation guided by President Biden's \$1.9T COVID-19 relief plan is making its way through the House. A vote is expected before the end of this week. The package will then move into the Senate, which will use the budget reconciliation process. This requires only a simple majority (all 50 Democrats + Vice President Harris as the tiebreaking vote) to likely pass the bill. The guiding deadline for passing this legislation is March 14, the expiration date for various unemployment benefits enacted via previous COVID relief bills. NYC Health + Hospitals is seeking support to make a technical legislative change to address an inadvertent problem previously caused by an Federal Medical Assistance Percentage enhancement that did not factor in the impact of the increase on Disproportional Share Hospital payments. We are working with our champions in Congress, particularly Leader Schumer and Senator Gillibrand, as well as hospital colleagues around the country and our associations to advance our priorities.

NYC CARE REACHES MILESTONE OF 50,000 MEMBERS

NYC Care, the NYC Health + Hospitals health care access program that guarantees health care for all New Yorkers regardless of income or immigration status, surpassed 50,000 members across the five boroughs. The program continues to fulfill its mission to dramatically change the way our public health care system connects the most vulnerable New Yorkers to primary and specialty care. This milestone builds on our efforts to reach more New Yorkers in the communities hardest-hit by COVID-19 to ensure they receive comprehensive access to health care. The impact of the virus has been more significant on New Yorkers in these communities who are not eligible or cannot afford health insurance. Since the beginning of the pandemic, NYC Care has added over 34,000 members, and approximately 61 percent of current members live in the 33 neighborhoods identified by the NYC Taskforce on Racial Inclusion and Equity as hardest hit by COVID-19. This milestone is important as we understand the critical

role we play in supporting recovery and care and continue to navigate the ongoing impact of COVID-19 on our most vulnerable communities and populations. We are deeply committed to supporting the health and well-being of all those we serve now more than ever as New York City moves forward.

DENTAL SERVICES UPDATE

NYC Health + Hospitals provides affordable, comprehensive dental services to children and adults across all our hospitals and our Gotham Health centers. Some of our dental clinics offer evening and weekend hours. Last year, we provided some 300,000 dental visits to approximately 100,000 New Yorkers. We have approximately 300 trained dental professionals serving in various roles, including dentists, pediatric dental specialists, oral maxillofacial surgeons and dental assistants. Our health system also sponsors a number of dental residency training programs to build a pipeline of dental services providers who understand the special needs of the communities we serve. This year, we plan to extend dental services with the opening of our new Gotham Health COVID-19 Centers of Excellence in the Bronx, Brooklyn and Queens, where we will provide comprehensive primary care, as well as dental care, and specialized services to survivors of the virus. We expect to offer more than 15,000 dental visits across the three new locations, with a focus on preventive care, which includes oral exams, prophylaxis, sealants and fluoride treatment for children and adults.

NYC HEALTH + HOSPITALS APPOINTS NEW HOSPITAL CEOs

NYC Health + Hospitals announced the appointment of Helen Arteaga Landaverde, MPH as the CEO of NYC Health + Hospitals/Elmhurst and Neil J. Moore, MBA, MPA, FACHE as CEO of NYC Health + Hospitals/Queens. Arteaga and Moore will help lead the hospitals' response to the COVID-19 pandemic, continue to grow innovative programs, and re-engineer processes to increase access to affordable and comprehensive health care for all patients.

In addition to their professional accomplishments, Arteaga and Moore bring with them a deep personal connection to the public health system and the communities in Queens they will serve. Ms. Arteaga is a long-standing resident of Corona, Queens who has worked closely with communities across the borough for more than 20 years helping to bridge challenges to high-quality health care and social services that further improve overall wellness. As a native from Ecuador, she also speaks fluent Spanish, a prominent language of patients serviced by the hospital. She has also served on the Board of Directors for NYC Health + Hospitals since 2016. Mr. Moore is returning to the City's public health system after dedicating a decade to various financial and operating roles at NYC Health + Hospitals/Harlem, Kings County, and Woodhull. We're all excited to welcome two New Yorkers, who have history with our health system, to lead our two Queens hospitals.

POST-ACUTE CARE NURSING FACILITIES MEET HIGH STANDARDS OF INFECTION CONTROL

From May 2020 through February 2021, our post-acute care facilities have successfully completed 27 Infection Control Surveys conducted by the State. During these unannounced surveys, DOH surveyors review COVID-19 facility policies and procedures, COVID-19 surveillance data tracking and employee files. In addition, surveyors conduct medical record reviews, clinical rounds, resident and family interviews and staff interviews and observations of infection prevention practices. I'm pleased to report that our five nursing facilities are in full compliance with these State standards and I congratulate our nursing facility teams for their commitment to providing safe, quality, compassionate care to our residents and their families, particularly during these challenging times of the pandemic.

CONTRACTS, PURCHASE ORDERS AND WORK ORDERS

I approved a Declaration of Emergency dated March 1, 2020, which was subsequently updated and has been reissued through February 28, 2021. For the time period January 1, 2021 through January 31, 2021, the Office of Facilities Development issued two work orders to continue facility infrastructure updates supporting care for COVID-19 patients, and the System entered into eight new emergency agreements: two hotel agreements for COVID-19 related quarantine services as part of the NYC Test + Trace program, and six agreements with vendors to conduct extensive community outreach in New York City neighborhoods with high incidence of COVID-19. Two of these six vendors are MWBE firms and the other four all provided MWBE utilization plans. These agreements and work orders have a maximum authorized spend of \$38,212,832.

HEALTH SYSTEM NEWS

- [COVID Center of Excellence Opens in Jackson Heights, Queens](#)
- [NYC Care Reaches Milestone of 50,000 Enrolled Members](#)
- [NYC Test & Trace Corps Take Care Program Helps More Than 10,000 Guests Safely Separate in Free Hotel Rooms.](#)
- [NYC Health + Hospitals Administers 100,000th COVID-19 Vaccine Dose to Employee](#)
- [NYC Health + Hospitals Partners with Labor Leaders to Promote Vaccination Among Employees](#)
- [Vaccine for All: Citi Field Site Operated by NYC Health + Hospitals NYC Test & Trace Corps Opens](#)
- [City & State Names Dr. Mitchell Katz to "2021 NYC Power 100" List](#)
- [NYC Health + Hospitals Raises \\$5.8 Million To Provide Meals For Frontline Workers](#)

- [NYC Test & Trace Corps Launches Digital Video Series With Practical Guidance On Safe Living in the Time of Covid-19](#)
- [New CEOs Appointed to NYC Health + Hospitals/ Elmhurst and NYC Health + Hospitals/Queens](#)
- [NYC Test & Trace Corps Allocates Nearly Half Of All Testing Resources To Neighborhoods Hardest Hit By Covid-19](#)
- [City & State Names NYC Health + Hospitals and MetroPlus CEOs To "2021 Health Power 100" List](#)

RESOLUTION - 02

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute amended and restated **affiliation agreements (the “Affiliation Agreements”)** with each of (i) **NYU Grossman School of Medicine (“NYU”)**; and (ii) **Icahn School of Medicine at Mount Sinai (“Sinai”)**; each made for the provision of general health care and behavioral health services for a period to end on June 30, 2025, with the System facilities served by each such medical affiliate and with the cost of each such Affiliation Agreement not to exceed the amounts as set forth below:

NYU: Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J. Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, Cumberland Diagnostic & Treatment Center - for an amount not to exceed \$2,008,589,842, including a 10% contingency of \$182,599,076;

Mt. Sinai: Elmhurst Hospital Center, Queens Hospital Center, and certain neighborhood and school-based health center sites affiliated with Cumberland D&TC and Morrisania D&TC - for an amount not to exceed \$1,416,148,570 including a 10% contingency of \$128,740,780;

For an overall total not to exceed amount of \$3,424,738,412.

WHEREAS, the System has for some years entered into agreements by which various medical schools, voluntary hospitals and professional corporations provided general care and behavioral health services at System facilities; and

WHEREAS, the current affiliation agreements with NYU and Sinai (together, the “Affiliates” and individually, each an “Affiliate”) were approved by the System’s Board of Directors at its meeting held on June 18, 2015 for terms to each expire on June 20, 2020; and

WHEREAS, the System’s Board of Directors at its meeting held in June 2020 approved an extension of the current affiliation agreements through December 31, 2020; and

WHEREAS, the System’s Board of Directors at its meeting held in December 2020 authorized funding for the further continuation of the affiliation agreements for an additional three months, to approximately March 31, 2021; and,

WHEREAS, the System wishes to continue its affiliation with the Affiliates and seeks to enter into the proposed Affiliation Agreements to accomplish several targeted changes including shifting to multi-year program-based budgets, engaging the Affiliates in implementing a universal Professional Code of Conduct, emphasizing regular evaluations of clinical leaders, and requiring active collaboration in an effort to attract more diverse physicians to the Affiliate workforce; and

WHEREAS, the System hopes that the reforms in the Affiliation Agreements will result in the Affiliates working closely with the facilities to take more responsibility for managing to multi-year budgets with more cost stability and better recruitment, retention and workforce planning.

NOW, THEREFORE, BE IT

RESOLVED, that New York City Health and Hospitals Corporation (“the System”) be and hereby

is authorized to execute amended and restated agreements (the “Affiliation Agreements”) with each of (i) NYU Grossman School of Medicine (“NYU”); and (ii) Icahn School of Medicine at Mount Sinai (“Sinai”); each made for the provision of general care and behavioral health services for a period to end on June 30, 2025 with the System facilities served by each such affiliate and with the cost of each such Affiliation Agreement not to exceed the amounts as set forth below:

NYU: Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J. Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, Cumberland Diagnostic & Treatment Center - for an amount not to exceed \$2,008,589,842, including a 10% contingency of \$182,599,076;

Mt. Sinai: Elmhurst Hospital Center, Queens Hospital Center, and certain neighborhood and school-based health center sites affiliated with Cumberland D&TC and Morrisania D&TC - for an amount not to exceed \$1,416,148,570 including a 10% contingency of \$128,740,780;

For an overall total not to exceed amount of \$3,424,738,412.

**EXECUTIVE SUMMARY
 MEDICAL AFFILIATION AGREEMENTS
 WITH GROSSMAN SCHOOL OF MEDICINE AND
 ICAHN SCHOOL OF MEDICINE AT MOUNT SINAI**

BACKGROUND: The System has long obtained medical services through medical affiliation agreements with certain medical schools, voluntary hospitals and professional corporations. Two of the current medical affiliates are NYU and Sinai. The contracts for each of these Affiliates were approved by the System’s Board of Directors at its meeting held June 18, 2015 and their terms were extended by action of the System’s Board at its June 2020 meeting and its December 2020 meeting to allow time for new terms to be negotiated.

TERMS: The System facilities serviced by each of the Affiliates is as follows:

Sinai	NYU
Elmhurst Hospital Center	Bellevue Hospital Center
Queens Hospital Center	Gouverneur Healthcare Services
Certain neighborhood and school-based health center sites affiliated with: Cumberland D&TC; and Morrisania D&TC	Coler Rehabilitation and Nursing Care Center
	Henry J. Carter Specialty Hospital and Nursing Facility
	Woodhull Medical and Mental Health Center
	Cumberland D & TC

FUNDING NOT-TO-EXCEED AMOUNTS: The costs of the Affiliation Agreements come from the System’s general operating funds and the costs of each Affiliation Agreement will not exceed the following amounts each of which include a 10% contingency.

	NYU	Mt. Sinai	Total
Total Contract Value	\$1,825,990,766	\$1,287,407,790	\$3,113,398,556
10% Contingency Value	\$182,599,076	\$128,740,780	\$311,339,856
Total Not-to-Exceed Value	\$2,008,589,842	\$1,416,148,570	\$3,424,738,412

STRUCTURAL REFORMS: The proposed new Affiliation Agreements will accomplish several targeted changes from their current state including shifting to multi-year program-based budgets, engaging the Affiliates in implementing a universal Professional Code of Conduct, emphasizing regular evaluations of clinical leaders and requiring active collaboration in an effort to attract more diverse physicians to the Affiliate workforce. The System hopes that the reforms in the Affiliation Agreements will result in the Affiliates working closely with the facilities to take more responsibility for managing to multi-year budgets with more cost stability and better recruitment, retention and workforce planning.



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

Vendor: New York University

Date: March 22, 2021

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

Vendor Responsibility
Approved

EEO
Approved

MWBE
Not applicable

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.



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

Vendor: ICAHN School of Medicine at Mount Sinai

Date: March 22, 2021

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

Vendor Responsibility
Approved

EEO
Approved

MWBE
Not applicable

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.

Authorizing Affiliation Agreements with Mt. Sinai and NYU

Dr. Mabelle Allen, Senior Vice President and Chief Medical Officer

Deborah Brown, Senior Vice President, External and Regulatory Affairs

Andrea Cohen, Senior Vice President and General Counsel

John Ulberg, Senior Vice President and Chief Financial Officer

Board of Directors Meeting

March 25, 2021

Overview of H+H Affiliate Arrangements with NYU and Mt. Sinai



Effective through
June 30, 2025



Effective through
June 30, 2025

- Covers professional services (physicians, advanced practice practitioners, and technical staff)
- Primarily cost-based arrangements include compensation, fringe, and overhead

Since its Formation in 1970, H+H has Maintained Medical Staffing at its Facilities Through Affiliation Agreements

Currently, Health + Hospitals has clinical Affiliate agreements with Mt. Sinai, NYU, SUNY, and the Physician Affiliate Group of New York (PAGNY) to staff H+H facilities

<i>Affiliate by Facility</i>	
Inpatient Facility	Affiliate
Bellevue	NYU
Woodhull	NYU
Queens	Mt. Sinai
Elmhurst	Mt. Sinai
Kings County	SUNY / PAGNY
North Central Bronx	PAGNY
Jacobi	PAGNY
Coney Island	PAGNY
Harlem	PAGNY
Lincoln	PAGNY
Metropolitan	PAGNY
Other Sites	Affiliate
Coler and Carter	NYU
Gotham	NYU, PAGNY, Mt. Sinai
Correctional Health	PAGNY

<i>Key Facts</i>
<ul style="list-style-type: none"> ▪ Affiliate Agreements are based on sites not specialties ▪ Approximately 5,200 FTEs overall (~2,800 physician FTEs) are employed through the Affiliate agreements ▪ Some facilities have services provided by more than one Affiliate

Approach Driven by Guiding Principles

Established principles served as a guide for negotiations with the Affiliates

Governance & Management	1	<p>Develop overarching governance and management structure.</p> <ul style="list-style-type: none"> Establish an overarching governance and management structure to ensure decisions are made efficiently, consistent with the Shared Principles.
	2	<p>Develop clear and enforceable contract terms, flexible to innovation and changing care needs.</p> <ul style="list-style-type: none"> Contract terms need to be clear and enforceable to ensure accountability and fairness, yet flexible to allow for innovation and adaptation to changing care needs.
	3	<p>Achieve financial and operational reporting transparency.</p> <ul style="list-style-type: none"> Greater reporting transparency among Affiliates and H+H is needed to ensure performance metrics and other shared objectives are achieved.
Financial	4	<p>Align financial incentives with Affiliates and physicians.</p> <ul style="list-style-type: none"> Align financial incentives and values between physicians and H+H as insurers move to at-risk/value-based payment for quality outcomes (versus volume) and H+H requires improvements in H+H network utilization and member attrition, as foundation to financial alignment.
	5	<p>Maintain sustainable compensation and benefit packages in consideration of H+H service expectations and resource constraints.</p> <ul style="list-style-type: none"> Physician compensation packages need to be fair and affordable considering both monetary and in-kind services, employment benefits, and malpractice insurance value.

Medical & Professional Affairs	6	<p>Enhance patient care model.</p> <ul style="list-style-type: none"> Coordinate care needs among facilities and specialty and primary care physicians to ensure patients receive the right care at the right time.
	7	<p>Establish attractive career opportunities for a diverse group of new and existing providers, especially for primary care and advanced practice practitioners.</p> <ul style="list-style-type: none"> Approximately 25% of H+H physicians are over the age of 60. This means approximately 750 physicians could retire within the next few years. There exists a significant disparity between the ethnic/racial demographics of H+H patients and affiliate providers. Expanding diverse physician supply, especially primary care, is critically important as care needs shift and the workforce ages. Each affiliate will develop a five year physician workforce diversity and succession plan for H+H approval.
	8	<p>Develop contract provisions to allow for H+H and Affiliates to effectively engage in research and medical education.</p> <ul style="list-style-type: none"> Contract terms should include provisions allowing for H+H and Affiliates to participate and advance research and medical education programs with appropriate reimbursement received to cover in-facility program costs incurred by H+H.

Key Governance and Management Terms

<i>Governance and Management</i>	
H+H Guiding Principles	Key Elements
<ul style="list-style-type: none">▪ Develop overarching governance and management structure▪ Develop clear and enforceable contract terms, flexible to innovation and changing care needs▪ Achieve financial and operational reporting transparency	<ul style="list-style-type: none">▪ Provide Affiliate and CEOs with more management control over their facility budgets▪ Establish multi-year budgets to provide more certainty to Facilities and Affiliates▪ Contemporize Affiliate agreement language▪ Update governance structure at System level

Key Financial Terms

<i>Financial</i>	
H+H Guiding Principles	Key Elements
<ul style="list-style-type: none"> ▪ Align financial incentives with Affiliates and physicians ▪ Maintain sustainable compensation and benefit packages in consideration of H+H service expectations and resource constraints 	<ul style="list-style-type: none"> ▪ Work with Affiliates to transition to workforce plan-based budget approach for FY-23 and after: <ul style="list-style-type: none"> • <u>Workforce plan</u> provides for staffing based on clinical needs, provides visibility into future clinical workforce needs, supports timely recruitment and retention efforts, and empowers clinical leadership to better manage their departments • <u>Multi-year budgets</u> reflect agreed to and anticipated Cost of Living Adjustments (COLAs) ▪ Work with Affiliates and Facility Leadership to implement Faculty Practice Plan (FPP) changes in FY-23 and after: <ul style="list-style-type: none"> • <u>Develop or expand FPPs at Queens, Woodhull, and Bellevue</u> ▪ Secure additional cost recoveries for research and medical school education

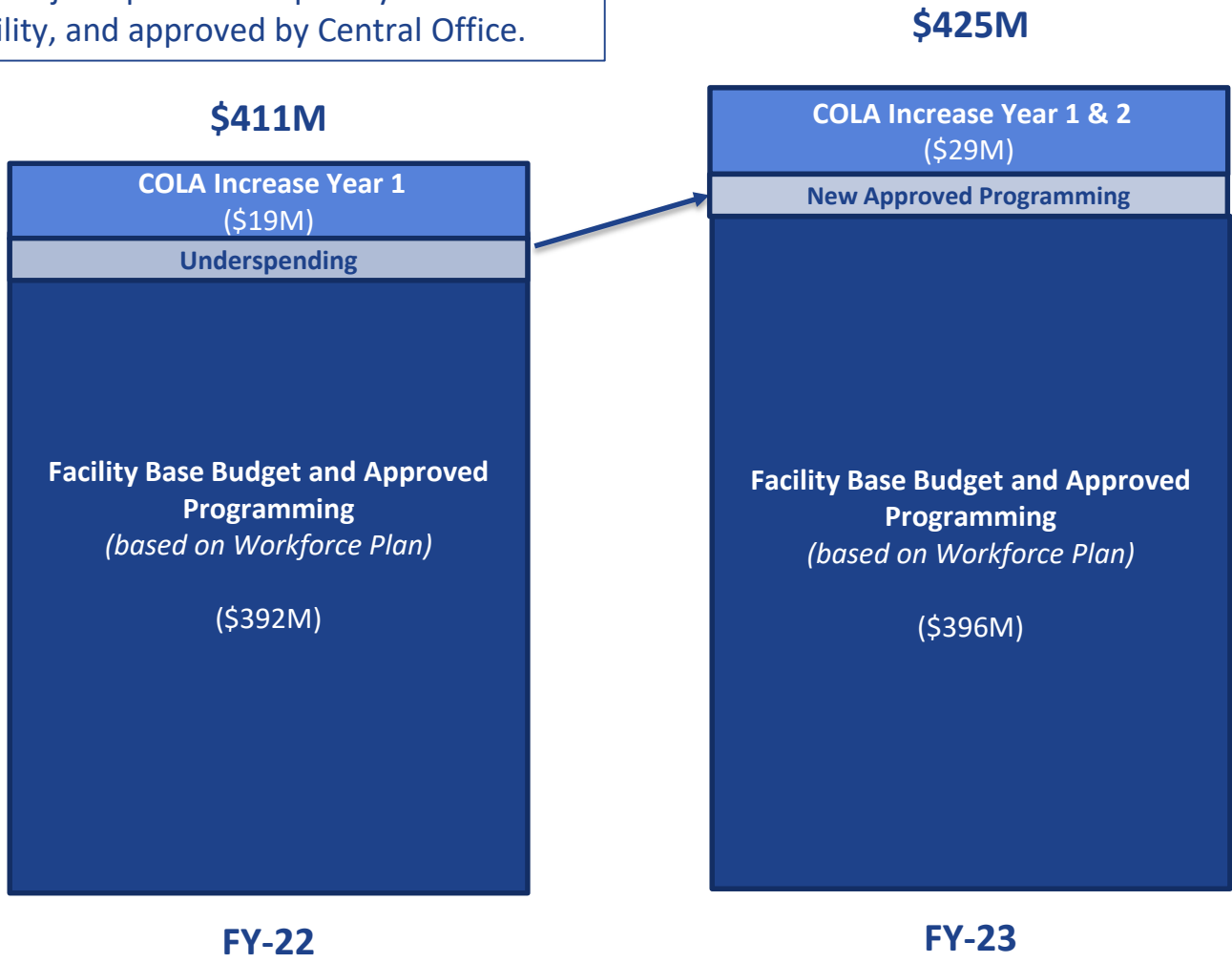
Moving Toward Workforce Planning

Key Objectives

- Transition to flexible, multi-year budgets based on patient care needs and strengthened facility management
- Match facility patient care needs with physician and advanced practice provider (APP) effort
- Quantify professional care gaps or excess capacity in local delivery system
- Establish common base of service expectations for Provider positions across the System
- Reduce reliance on sessions, locum tenens, subcontracts/outside services, and other fragmented Provider effort through workforce recruiting and retention plans
- Maximize provider clinical effort while meeting teaching, administrative, and grant-funded research obligations

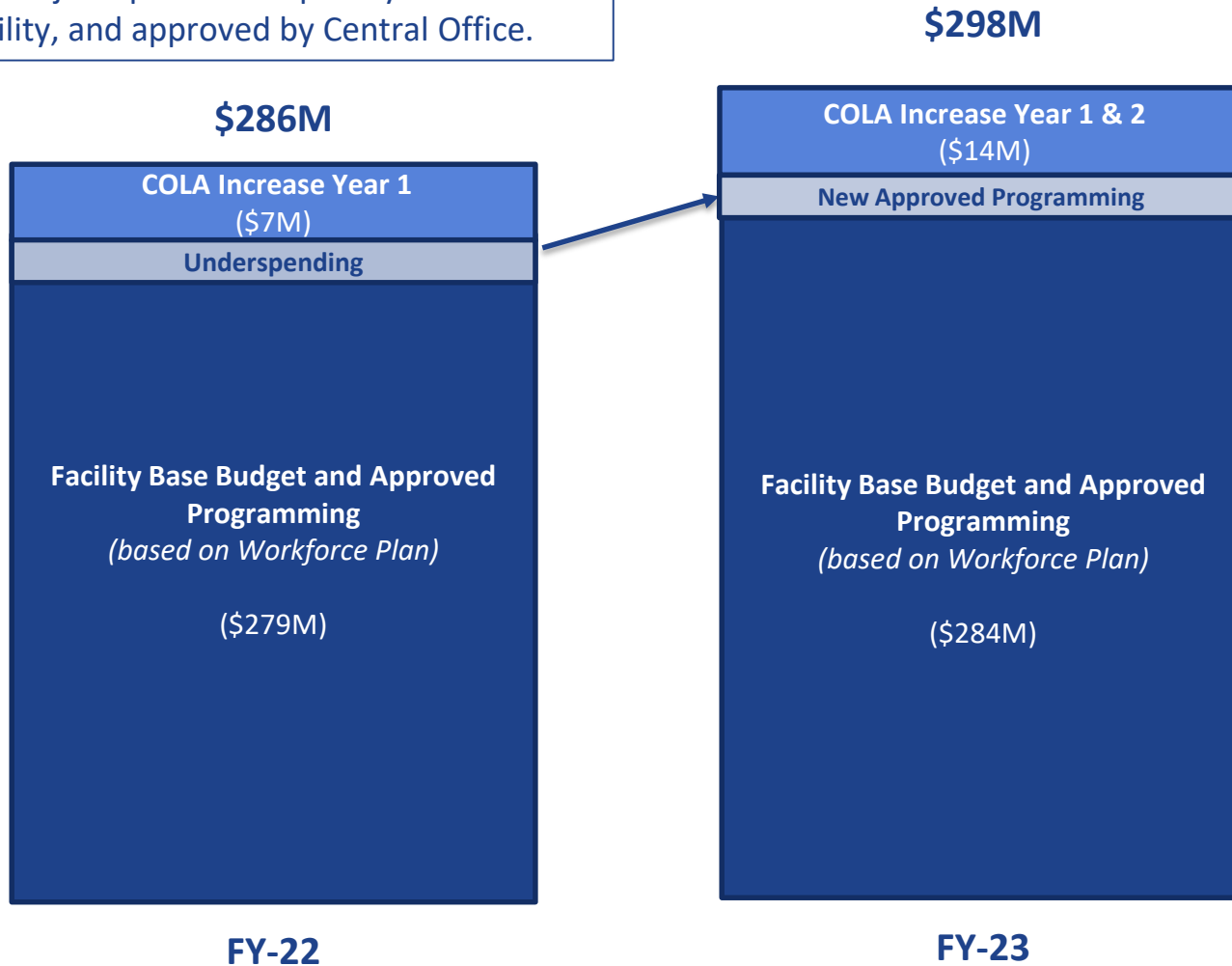
NYU 2-Year Affiliate Rolling Budget Illustration

Underspending: 2% underspending can be spent, pursuant to a joint plan developed by the affiliate and facility, and approved by Central Office.



Mt. Sinai 2-Year Affiliate Rolling Budget Illustration

Underspending: 2% underspending can be spent, pursuant to a joint plan developed by the affiliate and facility, and approved by Central Office.



Key Medical and Professional Affairs Terms

<i>Medical and Professional Affairs</i>	
H+H Guiding Principles	Key Elements
<ul style="list-style-type: none"> ▪ Enhance patient care model ▪ Establish attractive career opportunities for a diverse group of new and existing providers ▪ Effectively engage in research and medical education 	<ul style="list-style-type: none"> ▪ Require Strategic Plans to enhance diversity of providers, and commit to ongoing program efforts supporting diversity ▪ Implement a Professional Code of Conduct for all providers ▪ Use workforce planning process to improve patient access ▪ Implement more robust annual performance evaluation process for CMOs and Department Chiefs ▪ Emphasize full-time provider commitment in recruiting and retention efforts ▪ Specialize Gotham provider recruiting and workforce management ▪ Establish new research agreement with NYU to assure or improve patient access to innovative treatments and protocols

Proposed Approach to Increase Diversity of Providers

H+H is committed to working to ensure that the Clinical Services Providers become representative and reflective of the diverse populations they serve.

H+H Patient and Provider Diversity, 2020

Race/Ethnicity	Patients	Providers	
		NYU	Mt. Sinai
Black / African American	34%	17%	8%
Latinx	30%	8%	8%
White	8%	34%	40%
Asian	7%	29%	42%
American Indian / Alaska Native	7%	0%	0%
Other	17%	N/A	N/A
2 or more races	N/A	1%	1%
Missing / Unspecified / Declined	4%	12%	1%

Notes:

- Patient data provided by NYC Health + Hospitals
- Provider data provided by Affiliates (NYU and Mt. Sinai)
- NYU data includes all employees under the job group "Physicians"
- Mt. Sinai data includes the following job titles: house physicians, residents, and podiatrists

Terms

- Affiliates and H+H agree to strive to ensure that the percentage of underrepresented minorities employed or engaged as providers are at least equal to the percentage of underrepresented minorities in the available pool of applicants
- Affiliates agree to develop a strategic plan for increasing recruitment of underrepresented minority providers and Directors of Service during FY-22

Next Steps

- Identify pathways to extend opportunities to medical students who are underrepresented minorities

Board of Directors Approval Request

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to execute amended and restated affiliation agreements (the “**Affiliation Agreements**”) with each of (i) NYU Grossman School of Medicine (“**NYU**”); and (ii) Icahn School of Medicine at Mount Sinai (“**Sinai**”); each made for the provision of general health care and behavioral health services for a period to end on June 30, 2025, with the System facilities served by each such medical affiliate and with the cost of each such agreement to be an amount not to exceed as indicated below:

- **Mt. Sinai:** Elmhurst Hospital Center; Queens Hospital Center; Certain neighborhood and school based health center sites affiliated with Cumberland D&TC and Morrisania D&TC
- **NYU:** Bellevue Hospital Center; Gouverneur Healthcare Services; Coler Rehabilitation and Nursing Care Center; Henry J. Carter Specialty Hospital and Nursing Facility; Woodhull Medical and Mental Health Center and Cumberland D&TC

<i>Proposed Funding</i>			
<i>April 1, 2021 – June 30, 2025</i>			
	NYU	Mt. Sinai	Total
Total Contract Value	\$1,825,990,766	\$1,287,407,790	\$3,113,398,556
10% Contingency Value	\$182,599,076	\$128,740,780	\$311,339,856
Total Not-to-Exceed Value	\$2,008,589,842	\$1,416,148,570	\$3,424,738,412

RESOLUTION - 03

Authorizing funding for New York City Health and Hospitals Corporation (the “System”) **to continue to operate under the terms of its affiliation agreement with Physician Affiliate Group of New York, P.C. (“PAGNY”)** made for the provision of general care and behavioral health services for a period of up to six months with the System facilities served by PAGNY to be as indicated below:

Lincoln Medical & Mental Health Center, Morrisania Diagnostic & Treatment Center, Segundo Ruiz Belvis Diagnostic & Treatment Center, Jacobi Medical Center, North Central Bronx Hospital, Harlem Hospital Center, Renaissance Health Care Diagnostic & Treatment Center, Metropolitan Hospital Center, Coney Island Hospital Center and Kings County Hospital Center

With an overall cost of the extension not to exceed \$364,938,066, which includes a 10% contingency of \$33,176,188.

WHEREAS, the System has for some years entered into affiliation agreements pursuant to which various medical schools, voluntary hospitals and professional corporations provided general care and behavioral health services at System facilities; and

WHEREAS, the current Affiliation Agreement with PAGNY (the “PAGNY Agreement”) was approved by the System’s Board of Directors at its meeting held on June 18, 2015 for a term to expire on June 30, 2020; and

WHEREAS, the System’s Board of Directors at its meeting held in June 2020 approved an extension of the PAGNY Agreement through December 31, 2020; and

WHEREAS, the System’s Board of Directors at its meeting held in December 2020 authorized funding for the further continuation of the PAGNY Agreement for an additional three months, to approximately March 31, 2021; and

WHEREAS, the PAGNY Agreement provides that its terms will continue on a month-to-month basis until the parties enter into a new affiliation agreement; and

WHEREAS, the System is continuing to negotiate a multi-year renewal of the PAGNY Agreement; and

WHEREAS, the proposed funding authorization will keep substantially the current terms of the PAGNY Agreement in place for approximately six (6) months to provide sufficient time to conclude negotiations of a new agreement for authorization and execution prior to the expiration of funding authority.

NOW, THEREFORE, BE IT:

RESOLVED, that New York City Health and Hospitals Corporation (the “System”) be

and hereby is authorized to continue to operate under of the terms of its affiliation agreement with Physician Affiliate Group of New York, P.C. (“PAGNY”), made for the provision of general care and behavioral health services at the System facilities served by PAGNY: Lincoln Medical & Mental Health Center, Morrisania Diagnostic & Treatment Center, Segundo Ruiz Belvis Diagnostic & Treatment Center, Jacobi Medical Center, North Central Bronx Hospital, Harlem Hospital Center, Renaissance Health Care Diagnostic & Treatment Center, Metropolitan Hospital Center, Coney Island Hospital Center and Kings County Hospital Center, for an amount not to exceed \$364,938,066, which includes a 10% contingency of \$33,176,188.

**EXECUTIVE SUMMARY
MEDICAL AFFILIATION AGREEMENT
WITH
PHYSICIAN AFFILIATE GROUP OF NEW YORK, P.C.**

BACKGROUND: The System has long obtained medical services through medical affiliation agreements with certain medical schools, voluntary hospitals and professional corporations, including Physician Affiliate Group of New York, P.C. (“PAGNY”). The System’s Board of Directors approved the agreement with PAGNY (the “PAGNY Agreement”) at its June 2015 meeting, approved an extension of the PAGNY Agreement through December 31, 2020 at its June 2020 meeting, and authorized funding to continue the PAGNY Agreement through March 31, 2021 at its December 2020 meeting. The System and PAGNY are continuing to negotiate the terms of an amended and restated affiliation agreement in good faith, but require additional time to finalize its terms. Accordingly, the System seeks authorization to extend funding to continue the PAGNY Agreement on a month-to-month basis for approximately six months to allow time for the conclusion of such negotiations.

TERMS: The PAGNY Agreement will remain in place during this negotiation period. The following System facilities are serviced by PAGNY:

- Lincoln Medical & Mental Health Center
- Morrisania D&TC
- Segundo Ruiz Belvis D&TC
- Jacobi Medical Center
- North Central Bronx Hospital
- Harlem Hospital Center
- Renaissance Health Care D&TC
- Metropolitan Hospital Center
- Coney Island Hospital
- Kings County Hospital Center

FUNDING NOT-TO-EXCEED AMOUNTS	Money to pay the costs of extending the PAGNY Agreement will come from the System’s general operating funds and the costs of the extension will not exceed \$364,938,066, which includes a 10% contingency of \$33,176,188.
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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

Vendor: Physician Affiliate Group of New York (PAGNY)

Date: March 22, 2021

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

Vendor Responsibility
Pending

EEO
Approved

MWBE
Not applicable

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.

Extending Funding for PAGNY Affiliation Agreement

Dr. Machelles Allen, Senior Vice President and Chief Medical Officer

Deborah Brown, Senior Vice President, External and Regulatory Affairs

Andrea Cohen, Senior Vice President and General Counsel

John Ulberg, Senior Vice President and Chief Financial Officer

Board of Directors Meeting

March 25, 2021

PAGNY Next Steps

Negotiations have progressed at difference paces across Affiliates. H+H discussions with PAGNY are ongoing.

Short Term

H+H will continue a month-to-month affiliation agreement with PAGNY

- Good faith negotiations, regular communication continue
- Expected resolution in the coming months

Long Term

H+H will assess next steps with PAGNY as needed

- If needed, H+H can continue month-to-month relationship with PAGNY as authorized
- Subsequent assessment to come as necessary

Board of Directors Approval Request

Authorizing funding for New York City Health and Hospitals Corporation (the “**System**”) to extend its affiliation agreement with Physician Affiliate Group of New York, P.C. (“**PAGNY**”) made for the provision of general care and behavioral health services for a period of six months to commence on April 1, 2021 and to end on September 30, 2021 [...] as indicated below:

Facilities To Be Serviced: Lincoln Medical & Mental Health Center, Morrisania Diagnostic & Treatment Center, Segundo Ruiz Belvis Diagnostic & Treatment Center, Jacobi Medical Center, North Central Bronx Hospital, Harlem Hospital Center, Renaissance Health Care Diagnostic & Treatment Center, Metropolitan Hospital Center, Coney Island Hospital Center, and Kings County Hospital Center

<i>Proposed Funding</i> April – September 2021	
	PAGNY
Total Contract Value	\$331,761,878
10% Contingency Value	\$33,176,188
Total Not-to-Exceed Value	\$364,938,066