

**CALL TO ORDER - 2:00 PM**

Mr. Pagán

**Executive Session | Facility Governing Body Report**

Mr. Pagán

- NYC Health + Hospitals | Queens

**2021 Performance Improvement Plan and Evaluation (Written Submission Only)**

- NYC Health + Hospitals | East New York Diagnostic & Treatment Center- Gotham

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

- NYC Health + Hospitals | Coney Island
- NYC Health + Hospitals | Elmhurst

**1. OPEN PUBLIC SESSION - 3:00 PM**

Mr. Pagán

Adoption of Minutes: March 31, 2022

**Chair's Report**

Dr. Katz

**President's Report**

**2. Executive Committee Report – April 05, 2022**

Mr. Pagán

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with **Jemco Electrical Contractor** (the “Contractor”) for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / **Woodhull Hospital Center** with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

(Presented to the Capital Committee: (03/14/2022)

VENDEX: Approved / EEO: Approved

Authorizing the New York City Health and Hospitals Corporation (the “System”) to increase the funding for seven Construction Management (“CM”) consulting firms namely **AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC** (together, the “Vendors”), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

(Presented to the Capital Committee: (03/14/2022)

VENDEX: All Approved / EEO: All Approved

- **Adoption of the Executive Committee Minutes: April 5, 2022**

**3. Informational Items: Maternal Health**

Dr. Allen & Dr.  
Wilcox

- 4. Authorizing New York City Health and Hospitals Corporation (the “System”) to execute an affiliation agreement with Physician Affiliate Group of New York, P.C. (“PAGNY”) for the provision of general care and behavioral health services for a period to commence on July 1, 2022 and to end on June 30, 2026 at NYC Health + Hospitals/Coney Island, NYC Health + Hospitals/Harlem, NYC Health + Hospitals/Jacobi (including North Central Bronx as a division of Jacobi), NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Metropolitan, NYC Health + Hospitals/Kings, and certain NYC Health + Hospitals/Gotham Health sites (the “PAGNY FY23–FY26 Affiliation Agreement”) for an overall total not to exceed amount of \$3,800,390,000 including a 10% contingency.**

Dr. Calamia

(Presented Directly to the Board: 04/28/2022

VENDEX: Pending / EEO: Approved

<p>5. Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year contract with <b>EAC Network</b> (“EAC”) for services to operate the Community Reentry Assistance Network (“CRAN”) program to assist persons detained by the New York City Department of Correction as they leave detention and reenter the community with the System holding two 1-year options to renew for an amount not to exceed \$25,000,000 over the entire potential five-year term. (Presented to the Medical and Professional Affairs Committee: 04/11/2022) <b>VENDEX: Approved / EEO: Approved</b></p>	Dr. Calamia
<p>6. Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year contract with <b>Derive Technologies LLC</b> (“Derive”) for services to maintain workstations on wheels and medical carts with the System holding two 1-year options to renew for an amount not to exceed \$6,500,000 over the entire potential five-year term. (Presented to the Information Technology Committee: 04/11/2022) <b>VENDEX: Approved / EEO: Approved</b></p>	Mr. Peña-Mora
<p>7. Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a five year revocable license agreement with <b>T-Mobile Northeast LLC</b> (the “Licensee”) to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the “Facility”), located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,457. (Presented to the Capital Committee: 04/11/2022) <b>VENDEX: NA / EEO: NA</b></p>	Mr. Peña-Mora
<p>8. Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with <b>Titan Industrial Services, Corp.</b> (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000. (Presented to the Capital Committee: 04/11/2022) <b>VENDEX: Approved / EEO: Approved</b></p>	Mr. Peña-Mora
<p>9. Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year agreement with <b>CBRE Group, Inc.</b> (“CBRE”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000. (Presented to the Capital Committee: 04/11/2022) <b>VENDEX: Approved / EEO: Approved</b></p>	Mr. Peña-Mora
<p style="text-align: center;"><b>Committee and Subsidiary Reports</b></p> <p>➤ Governance Committee</p> <p>➤ Executive Committee</p> <p>➤ Medical and Professional Affairs Committee</p> <p>➤ Capital Committee</p> <p>➤ Information Technology Committee</p> <p>➤ Strategic Planning Committee</p> <p>➤ MetroPlus Health</p> <p>&gt;&gt;Old Business&lt;&lt;</p> <p>&gt;&gt;New Business&lt;&lt;</p> <p>&gt;&gt;Adjournment&lt;&lt;</p>	

Mr. Nolan  
Mr. Peña-Mora  
Ms. Piñero  
Ms. Wang  
Mr. Siegler  
Ms. Piñero

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 31<sup>st</sup> day of March, 2022 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 in person or via teleconference/videoconference:

Mr. José Pagán - In Person  
Dr. Mitchell Katz - In Person  
Ms. Anne Williams-Isom - Virtual - left at 4:00  
Dr. Vincent Calamia -Virtual, Joined at 2:34pm  
Dr. Patricia Marthone - Virtual  
Dr. Ashwin Vasani - Virtual, left at 3pm  
Dr. Michael McRae - Virtual - left at 4:20  
Dr. Michelle Morse - Virtual - join at 3:00  
Mr. Robert Nolan - In Person  
Mr. Gary Jenkins - Virtual, Left at 3:59pm  
Ms. Freda Wang - Virtual  
Ms. Barbara Lowe- Virtual, Joined at 2pm; left at 2:47 and  
Rejoin at 3:22pm  
Ms. Anita Kawatra - Virtual - left at 4:09  
Mr. Feniosky Peña-Mora - Virtual

José Pagán, Chair of the Board, called the meeting to order at 2:02 p.m. Mr. Pagán chaired the meeting and Colicia Hercules, Corporate Secretary, kept the minutes thereof.

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 regarding personnel, patient medical information and collective bargaining matters.

The Board reconvened in public session at 3:06 p.m.

Mr. Pagán noted Dr. Michelle Morse would be representing Dr. Ashwin Vasani in a voting capacity.

### **ADOPTION OF MINUTES**

The minutes of the Board of Directors meeting held on February 24, 2022 were presented to the Board. Then on motion duly made and seconded, the Board adopted the minutes.

**RESOLVED**, that the minutes of the meeting of the Board of Directors held on February 24, 2022 copies of which have been presented to the

Board be, and hereby are, adopted.

#### **CHAIR'S REPORT**

Mr. Pagán advised that during the Executive Session, the Board received and approved governing body oral and written reports from NYC Health + Hospitals/Gouverneur Skilled Nursing Facility and NYC Health + Hospitals/Coler Long-Term Care and Rehabilitation Center.

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

#### **PRESIDENT AND CEO CONTINUED SERVICE**

Mr. Pagán shared that during the executive session the Board unanimously confirmed their support for Dr. Mitchell Katz's continued service as President and CEO of NYC Health + Hospitals, as recommended by Mayor Adams.

#### **STANDING COMMITTEE APPOINTMENT**

**According to Article VI Section c of the By-Laws - "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."**

Mr. Pagán proposed a motion to appoint Dr. Vasan to the Executive, Equity Diversity and Inclusion, Governance, Quality Assurance Performance Improvement and Strategic Planning Committees.

Upon motion duly made and seconded, the Board unanimously approved the appointment of Dr. Vasan to the Executive, Equity Diversity and Inclusion, Governance, Quality Assurance Performance Improvement and Strategic Planning Committees.

#### **VENDEX APPROVALS**

Mr. Pagán noted there are 18 items on the agenda requiring Vendex approval, of which 16 have approval. There are nine items from previous board meetings pending Vendex approval. No approvals were received since the Board last met.

The Board will continue to notify the Board as outstanding Vendex approvals are received.

#### **ACTION ITEM 3:**

Dr. Calamia read the resolution

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 three months with the System facilities served by PAGNY to include 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 \$187,805,542, which includes a 10% contingency.  
(Presented Directly to the Board)

Mr. John Ulberg, Senior Vice President and Chief Financial Officer, discussed the current status, highlighting that the final agreement will potentially be presented to the Board in April 2022 for approval with a July 1, 2022 start date. Mr. Ulberg presented the PAGNY funding authorization history including showing the current authorization, which is due to expire in March 2022.

The Board asked for clarification as to the total amount of the contingency and funding. Mr. Ulberg confirmed that the amount of the contingency is not an increase in expenditures, but is only a shift in budgetary items or offsetting revenues that is expected to cover those increased costs going into the contingency..

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

#### **ACTION ITEM 4:**

Mr. Pagán read the resolution

**AMENDED FROM THE AUDIT COMMITTEE PRESENTATION - to change the terms from two-years to two-years And two-months; to clarify contract amount of a contingency for a total NTE value rather than inclusive of contingency; clarify MWBE percentage to be consistent of 25% in resolution and presentation**

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a two-year plus two-month best interest contract extension with **Grant Thornton LLP** (the "Contractor") for auditing services in an amount of \$1,931,500 plus contingency not to exceed a total value of \$2,019,500.

(Presented to the Audit Committee: (03/22/2022)

James Linhart, Deputy Corporate Comptroller, shared background, current state information and future state. He gave the rationale of the extension highlighting the advantages of issuing a two-year contract extension to align to the City contract. He confirmed that the NYC Health and Hospitals processes are to remain in place and NYC Health + Hospitals is to have representation in the City RFP process. Mr. Linhart shared the cost breakdown from FY- 213-FY-2019. Vendor performance is satisfactory.

The vendor reported 16% MWBE utilization for the contract term 2018-2022 with a commitment of an overall 25% MWBE utilization for the upcoming contract period.

Jay Weinman, Corporate Comptroller, further clarified that while NYC Health + Hospitals has its own audit, the System is also part of the City audit process and so is align with the City on timelines and communication. While the System is hoping to be included in the City RFP process the System will continue to have a separate audit and conduct a health care specific audit per the System's requirements as an independent corporation.

The Board requested clarification about the firm selected by the City, inquiring whether the System would be able to select a different vendor if the selected vendor is not in the System's best interest. Mr. Weinman confirmed it would be possible and that alignment with the City is primarily for timeline and better communication.

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

#### **ACTION ITEM 5:**

Ms. Wang read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System") to execute three-year standby or requirements contracts with each of **Universal Protection Service LLC, d/b/a Allied Universal, Johnson Security Bureau, Inc. Maxxi Building Security and Management Corporation and Aron Security** (the "Contractors") for temporary security services with the System holding two, one-year options an amount for all the Contractors across the entire potential five-year term not to exceed \$11,600,000.

(Presented to the Finance Committee: (03/22/2022))

Dr. Eric Wei, Senior Vice President, Quality and Safety shared background information and an update on current state. Mr. Juan Checo, Senior Director of Hospital Police and Security explained the services provided, an overview of procurement, vendor references and RFP criteria. Mr. Checo shared

the awarded vendors' MWBE utilization plan. Two of the vendors have NYC WBE/MBE certifications and the other two have a 30% MWBE goal. Mr. Checo also shared hospital security updates.

Hearing no questions from Board Members - upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 6:**

Ms. Wang read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System") to execute a three-year contract with **PhyCARE Solutions, Inc.** (the "Contractor") for outpatient coding and billing services with the System holding two, 1-year options for an amount across all potential five years of the proposed agreement not to exceed \$12,491,383.  
(Presented to the Finance Committee: (03/22/2022))

Mr. Robert Melican, Assistant Vice President of Revenue Cycle, provided background information and an overview of the procurement process. Mr. Uwa Emumwen explained the RFP Criteria and the MWBE utilization plan with a total goal of 30%. PhyCARE is in the process of getting MWBE certification.

Hearing no questions from Board Members - upon motion made and duly seconded, the Board unanimously approved the resolution.

**ACTION ITEM 7:**

Ms. Wang read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System") to execute a five-year contract with **UKG, Inc.** ("UKG") for managed payroll services with an advanced scheduling application for an amount not to exceed \$33,421,438 including a contingency of ten percent or \$3,000,000.  
(Presented to the Finance Committee: (03/22/2022))

Mr. Weinman discussed the current and future state highlighting four components in the future state which include time and attendance, managed payroll, advanced scheduling and workload manager and data analytics. Mr. Weinman shared the overview of procurement process and its timeline.

Tatyana Seta, Deputy Comptroller, discussed the cost analysis, RFP criteria, vendor background and MWBE utilization plan. Ms. Seta explained the partial MWBE waiver justification. A plan to support impacted payroll staff was presented with a transition timeline of July 23 - December 23, 2022. The project timeline was also discussed.

In response to questions from the Board regarding the MWBE plan, Mr. Weinman shared that much of the work is managed by the vendor and a small percentage is sub-contracted due to the nature of the work. Dr. Katz further explained that there were/are limitations regarding the number of vendors who can provide these services but in the interest of equity, the plan for the future is to have discussions with the vendors regarding their commitment to improve MWBE utilization.

Mr. Peña-Mora noted for the record that his vote includes a note emphasizing the importance of communicating clear expectations to the vendor for the participation of disadvantaged groups within their business ecosystem.

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

Mr. Pagán also emphasized that it is important to share with the vendor the discussion regarding MWBE expectations so they are aware of the importance and value of MWBE engagement. Mr. John Ulberg concurred.

**ACTION ITEM 8:**

Ms. Wang read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System") to increase the funding cap on the contract executed with Hunter Ambulance, which contract was assigned to **American Medical Response of New York LLC** as part of a corporate acquisition (the "Contractor") for a single-vendor patient transportation system such that the original spending cap of \$12,070,896 be increased to an amount not to exceed \$21,837,906

(Presented to the Finance Committee: (03/22/2022))

Katelyn Prieskorn, Senior Director of Patient Growth, shared the background and current state which included the AMR contract spend by fiscal year including COVID unplanned transfers, the impact of the interfacility transfer volume and the quality improvement efforts. Ms. Prieskorn discussed the MWBE analysis and explained that there are no MWBE ambulance vendors however, there are four MWBE ambulette vendors servicing New York City. AMR is currently contracted with one of those MWBE vendors resulting in 11% of the Ambulette spend. She also discussed the ambulette capacity development plan and next steps with a goal of 20% MWBE Ambulette spend by the end of 2022.



The Board acknowledged and thanked Ms. Prieskorn for her and her team's work during the peak of the pandemic and her success in level-loading to meet the needs of the System and its patients.

Dr. Katz noted that the current challenge is the lack of diversity among the ambulance vendors, with the need to enhance MWBE Ambulette participation. Vendors must be asked their future plans to make the ecosystem more diverse for future RFPs.

The Board stressed the need for conversations with vendors regarding the expansion of their MWBE program.

In response to questions from the Board regarding qualitative information about patient experience, Mr. Siegler explained that patient experience varied during the peak of the pandemic. Suboptimal patient experience indicated that there was not enough discussion and consultation with patients and families. Within-borough transfers during the pandemic were a challenge and that also impacted patient experience.

Mr. Peña-Mora noted for the record that his vote includes a note with the importance of communicating clear expectations to the vendor for the participation of disadvantaged groups within their business ecosystem.

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

#### **ACTION ITEM 9:**

Mr. Peña-Mora read the resolution

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a renewal of a five-year revocable license agreement with **Consolidated Edison Company of New York Inc.** (the "Licensee") to operate a radio communications system in approximately 50 square feet of space on the roof of the Martin Luther King Pavilion Building at Harlem Hospital Center (the "Facility") at an annual occupancy fee of \$36,295.60 to be escalated by 3% per year for a five-year total of \$192,698.27.  
(Presented to the Capital Committee: (03/14/2022))

Christine Flaherty, Senior Vice President Office of Facilities Development, introduced background information, the historical relationship with Con Ed and explained the agreement terms.

Hearing no questions - upon motion duly made and seconded, the Board unanimously approved the resolution.

**ACTION ITEM 10:**

Mr. Peña-Mora read the resolution

Authorizing New York City Health and Hospitals Corporation (the "System") to sign a five-year revocable license agreement with **Panera, LLC ("Panera")** for the use and occupancy of approximately 3,167 square feet in three locations, including a basement production facility of approximately 2,341 square feet and two retail locations, within **NYC Health + Hospitals/Bellevue ("Bellevue")** for the operation of a restaurant at a monthly charge of \$20,833.33/month for the first year of operation with annual increases of 2.5%, provided there shall be a three month abatement of the occupancy fee at the start of the agreement, for a total revenue to the System of \$1,251,581.93 over the five-year term

(Presented to the Capital Committee: (03/14/2022))

Ms. Flaherty introduced Marcia Peters, Deputy Executive Director at NYC Health and Hospitals/Bellevue, who provided background information on food services at Bellevue and a description of the existing and future physical space. Ms. Flaherty presented an overview of the food vendors at NYC Health and Hospitals facilities and closed with the license agreement terms.

Hearing no questions - upon motion made and duly seconded, the Board unanimously approved the resolution.

**RECUSAL**

Mr. Peña-Mora recused from the meeting before the discussion of Action Item 11.

**ACTION ITEM 11:**

Mr. Pagán read the resolution

Authorizing New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with **Interstate Mechanical Services** (the "Contractor") for an amount not to exceed \$17,686,300 for construction services necessary for the replacement of the cooling tower and the upgrade of the chilled water system at NYC Health + Hospitals / Bellevue Hospital Center ("Bellevue") with a 7% project contingency of \$1,768,630.00, for unexpected changes in scope yielding a total authorized expenditure not to exceed \$19,454,930.

(Presented to the Capital Committee: (03/14/2022))

Ms. Peters shared the project background highlighting the need for this project as well as the plans to gain reliability and resilience in chilled water system operations. Oscar Gonzalez, Assistant Vice President of Office

of Facilities Development, discussed the construction contract including the MWBE spend and the project budget.

**Colicia Hercules, Corporate Secretary noted for the record that Mr. Peña-Mora returned to the meeting as this item is not a recusal for him.**

Hearing no questions - upon motion duly made and seconded, the Board unanimously approved the resolution.

### **ACTION ITEMS 12 and 13**

The review, discussion, and vote of actions items 12 and 13 were tabled by Mr. Pagán due to the lack of a quorum.

Due to the tabling of Action Items 12 and 13 - there is no need for Mr. Peña-Mora to recuse.

### **INFORMATIONAL ITEM - Test and Trace Update**

Dr. Theodore Long, Senior Vice President for Ambulatory Care and Executive Director for Test and Trace Corp shared the Test and Trace vendor diversity data on the contract performance through January 2022. The total invoiced amount was \$146,737,599 and \$41,390,723 is the total MWBE spend which equals 34% of the total contracts of all vendors.

Dr. Long clarified that the turn-around time of the pandemic response labs was slower during the captured time period but has since improved.

Following questions from the Board, Dr. Long responded that Federal payments for uninsured patients have discontinued resulting in vendors re-evaluating their business models.

Mr. Peña-Mora thanked Dr. Long, his team and Fulgent for their improvement in the MWBE performance.

Dr. Long commended Mr. Peña-Mora for his leadership and direction in impressing on vendors the importance of realizing their MWBE commitment. He also clarified that there are some vendors that are outliers in their participation goals and the team has increased the frequency of their engagement with these vendors to provide support that can improve their MWBE goals by the end of the contracting period. The team has also adjusted work assignments in relation to MWBE goal achievements.

### **PRESIDENT'S REPORT**

Dr. Katz informed the Board that his full report is included in the materials, however he would like to provide some brief highlights.

## COVID-19 UPDATE

As of March 31<sup>st</sup>, Dr. Katz noted, there were only 17 patients hospitalized with COVID-19 across the acute care hospitals.

NYC Health + Hospitals, in collaboration with NYC Test & Trace Corps (T2), provided care, treatment, testing, tracing, vaccination, shelter, food and so much more to New Yorkers who needed it most. To date, more than 10.5 million COVID-19 tests and 1.7 million vaccine doses have been administered across the five boroughs.

NYC Health and Hospitals has successfully opened three COVID-19 Centers of Excellence in Bushwick, Brooklyn; Tremont, Bronx; and Elmhurst, Queens. Contact tracing regularly reached 90% of all cases and identified 1.7M contacts. Although the quarantine hotels are closing due to lack of demand for the services, the program helped 33,000 people isolate and delivered more than 2.2M free meals to those in isolation or quarantine.

## SYSTEM UPDATE

Dr. Katz shared the importance of returning to providing health care for other than COVID needs with a focus on other illnesses affecting New Yorkers, such as colon cancer, and encouraged New Yorkers to begin life-saving colorectal cancer screenings.

NYC Health + Hospitals/Metropolitan was recognized for innovation and commitment to prevent heart attacks and strokes.

## LEADERSHIP APPOINTMENTS

Sewit Teckie, MD is the new System Chief of Radiation Oncology. In this newly created role, Dr. Teckie will share best practices and expertise with her oncology peers across the System to expand cancer care.

## EXTERNAL AND COMMUNITY AFFAIRS UPDATE

**State** - Negotiations continue on the New York State budget for state fiscal year 22-23, which starts on April 1. The System is pleased to see that the Executive's proposed budget includes investments in health care after several years of austerity budgets.

**City** - On Monday, March 21, Dr. Katz presented testimony before the City Council for the Preliminary Budget Hearing. The System will be participating in a hearing on April 18 regarding "The Impact of the COVID-19 Pandemic on the Health of Immigrant New Yorkers."

**Federal** - Four NYC Health + Hospitals facilities were earmarked funding in the FY-2022 Consolidated Appropriations Act signed into law last week: Queens, Jacobi, Elmhurst, and Coney Island hospitals. The FY-23 earmark process has begun, and facilities are in the process of drafting earmark requests for consideration.

#### FINANCE UPDATE

NYC Health + Hospitals is in good financial health going into the next fiscal year – The System has 42 days of cash on hand – historically, that is the most the System has had, due to institutional strategic changes. The February closing cash balance was \$650M. The second quarter closed with a negative Net Budget Variance of \$142M due to COVID disbursements (\$389M) not yet fully covered with Federal relief dollars.

Through the second quarter, direct patient care receipts were \$243M, higher than the same period in FY-21, continuing the pace of positive performance experienced during FY-21. Patient care volume continued to return to pre-COVID levels, but discharges remain 4% below the second quarter in FY-20. Revenue base remains strong and resilient primarily driven by higher average collectability rate and returning volume.

Overall, the strategic financial initiatives remain on track with post-COVID strategies, generating \$396M through the second quarter with an annual FY-22 line of sight of \$679M. The areas of strongest net performance include Revenue Cycle improvement, Growth and Service Line improvements, and Value-Based Payment initiatives and Managed Care initiatives.

The Board commended and thanked Dr. Katz for his leadership and commitment to the System and to New Yorkers.

In response to questions regarding the System's policy on the second COVID booster in regards to our long-term care facilities Dr. Katz informed the Board that the LTC facilities have the highest percentage rate of boosted individuals, the second booster is currently a recommendation from Federal government and the System will follow that guidance.

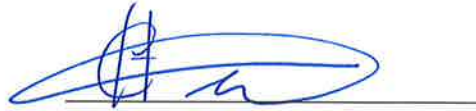
#### COMMITTEE AND SUBSIDIARY REPORTS

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 4:49P.M.



Colicia Hercules  
Corporate Secretary

## COMMITTEE REPORTS

### Community Relations Committee - March 1, 2022- VIRTUAL MEETING

As Reported by: Robert Nolan

Committee Members Present: Robert Nolan join at 5:26, Mitchell Katz, M.D., José Pagán., Dr, Patricia Marthone - join at 5:32, Anita Kawatra

Mr. Pagán call the meeting to order at 5:14 p.m.

Upon motion made and duly seconded the minutes of the January 11, 2022 Community Relations Committee meeting was unanimously approved.

#### CEO/ PRESIDENT' s REMARKS:

Dr. Katz started by recognizing the 100,000<sup>th</sup> member milestone of NYC Cares, he proceeded to recognize the addition of Senior VP of Post-Acute Care Khoi Luong to the System, and announced Test & Traces partnership with 14 cultural sites and the NY Public Library to distribute at home COVID tests as of February 14<sup>th</sup>. Dr. Katz also discussed Test & Traces new Opioid Use Disorder protocol to connect New Yorkers struggling with addiction to virtual clinics, the \$75,000 Foundation Grant H+H received from the George Link Jr. Foundation, and the impressive text message efforts of Test & Trace - that sent 700,000 text messages during the Omicron wave.

#### NYC Health + Hospitals/Sea View - report was postponed until next meeting

#### NYC Health + Hospitals/Coney Island

Theresa Scavo of the Coney Island CAB reported that they peaked with COVID-19 cases in January 2022 with 220 patients on average. During this peak they saw positivity rates hit 40% but by mid-February they were 6%. The variant significantly affected the staff but thankful service was not affected. Construction will begin on the Ruth Bader Ginsburg Hospital, 80% of the complex is complete with occupancy projected for October 2022. Limited parking around the facility is a significant issue but increased parking enforcement hopes to address the problem.

Ms. Lipyanskaya, CEO of NYC Health + Hospitals/Coney Island recognized that there are limited parking at the facility and noted that there are plans to mitigate this issue with parking spaces under the new campus building currently being constructed. A study is being conducted on how to effectively implement the flow of traffic into the space and other parking spaces that will become available in the outside lots around the campus. She is also advocating on keeping the current off-site.

In response to questions from the Committee, Dr. Katz acknowledge that language barriers does play a role when communication care plans to a patient, especially around the translation of jargons and native languages. He also acknowledge that there is room for improvement.

#### NYC Health + Hospitals/Belvis

Iliana Almanzar of Belvis CAB reported on several infrastructure projects underway at Belvis including the lobby redesign, renovations to the pediatric asthma suite, diabetic center, and radiology suite. The clinic is also seeing a wellness room and roof installed. Patients are hoping that the facility will see renovations to the pharmacy and bathrooms to make it ADA compliant, as well as a replacement of the elevators.

In response to questions on whether these infrastructure plan are funding or not, Mr. Reginald Fernandez, Associate Director of Nursing informed the Committee that the request has been submitted to the Capital Budget process in February.

Clarification was made that the facility is in fact requesting addition security patrol around the site. Dr. Katz updated the Committee that this issue is being addressed by Central Office Security under the leadership of Dr. Eric Wei and that there is a close partnership with Hospital Police for security within the facility and NYPD to address safety concerns around the facility.

#### **NYC Health + Hospitals/Morrisania**

Beverly Johnson of Morrisania CAB reported that the clinic tested over 44,800 patients and vaccinated 23,700 people since the beginning of the pandemic. The clinic has been working to create a mural in the pediatric unit, a Garden Committee hopes to upgrade the courtyard garden, and install sneeze guards throughout the building. Patients have expressed issues with the waiting room and the call center in receiving service. The community also asked for more Spanish speaking providers and OB/GYN services.

Mr. Nolan discussed the need to reach out to the new Borough President's offices to support our Community Advisory Boards; Deborah Brown confirmed that letters were submitted and conversations were underway.

With all reports concluded, Sally Pinero used the opportunity to discuss her satisfactory patient experience using the virtual emergency room. Mr. Nolan noted the upcoming Annual Public Meeting - March 22<sup>nd</sup> in Staten Island, April 5<sup>th</sup> in Manhattan, May 10<sup>th</sup> in Queens, May 17<sup>th</sup> in the Bronx, and June 14<sup>th</sup> in Brooklyn.

#### **ADJOURNMENT:**

Meeting adjourned at 5:52 p.m.

#### **Capital Committee VIRTUAL Meeting - March 14, 2022**

**As reported by** Feniosky Peña-Mora

**Committee Members Present:** Feniosky Peña-Mora, José Pagán, Sally Hernandez-Piñero, Freda Wang - joined at 10:22 and Eric Wei representing Dr. Mitchell Katz in a voting capacity.

Mr. Peña-Mora called the meeting to order at 10:03 a.m.



Upon motion made and duly seconded the minutes of the Capital Committee meeting held on December 7, 2021 were unanimously approved.

### **Senior Vice President's Report**

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

Mrs. Flaherty advised that the Office of Facilities Development was continuing to work on establishing the systems and initiating the pipeline of capital projects across facilities as they concurrently plan for future advocacy of capital funding in addition to \$1.3B Mayoral, bond, State, Borough President and City Council dollars secured over the course of the past year.

Over the past months, the System met a major milestone with the H+H bond Portfolio, with design completion of all projects. With designs complete, construction procurement and budget teams have been very busy, and one of the days' resolutions is the largest capital bond project within the portfolio. The latest update being that 19 (7 equipment) projects are in the construction procurement phase, 10 projects have started construction and 3 infrastructure and 24 equipment projects have been completed. The System is carefully monitoring bid results on the outstanding infrastructure projects and when needed look towards Mayoral capital reserves if required to ensure all urgent work is complete. The System is working on the anticipated cashflow expenditures, as requested, for the July meeting of the Capital Corporation with Finance.

Mrs. Flaherty said the System had started campus master-planning for Elmhurst Hospital and were working through an anticipated timeline and annual budget for system-wide assessments and master-planning efforts. The system-wide assessment and master-planning request for proposals (RFP) was expected to be issued to the market shortly.

In the past months the operational team has been enhancing sites; preparing for Joint Commission at Metropolitan, Jacobi/NCB, Harlem, Elmhurst and Woodhull and the cooling season.

In conclusion, Mrs. Flaherty acknowledged that significant work was underway, and she was happy to take any questions the Committee may have in advance of the five resolutions on the days' agenda.

Mrs. Hernandez-Piñero asked for detail on the RFP. Mrs. Flaherty said an RFP for system-wide assessments and master planning was in the works. It would provide a deep dive into both additional outstanding infrastructure modernization needs as well as long term, 5 to 10 year, plans per campus. Studies would provide needed detail for capital planning requests and will allow local campuses to look at community needs with a level of stakeholder engagement.

Mrs. Hernandez-Piñero said that sounded terrific.

That concluded Mrs. Flaherty's remarks.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a renewal of a five-year revocable license agreement with Consolidated Edison Company of New York Inc. (the "Licensee") to operate a radio communications system in approximately 50 square feet of space on the roof of the Martin Luther King Pavilion Building at Harlem Hospital Center (the "Facility") at an annual occupancy fee of \$36,295.60 to be escalated by 3% per year for a five-year total of \$192,698.27.**

Mrs. Flaherty was joined by Leora Jontef, Assistant Vice President, Office of Facilities Development, to present the license agreement. Together they narrated a presentation providing background information on the proposed vendor, and licenses terms.

Mrs. Hernandez-Piñero asked if energy charges had increased recently. Mrs. Flaherty said she could not speak to that but the Energy team did monitor system-wide usage.

Dr. Wei asked what due diligence was performed to ensure there were no adverse interactions with hospital equipment and/or services. Mrs. Flaherty said with this relatively old system that had been functional for a long period of time there were no indicators of concern. For any new equipment there is coordination with Enterprise Information Technology Services (EITS).

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

Mrs. Flaherty read the resolution:

**Authorizing New York City Health and Hospitals Corporation (the "System") to sign a five-year revocable license agreement with Panera, LLC ("Panera") for the use and occupancy of approximately 3,167 square feet in three locations, including a basement production facility of approximately 2,341 square feet and two retail locations, within NYC Health + Hospitals/Bellevue ("Bellevue") for the operation of a restaurant at a monthly charge of \$20,833.33/month for the first year of operation with annual increases of 2.5%, provided there shall be a three month abatement of the occupancy fee at the start of the agreement, for a total revenue to the System of \$1,251,581.93 over the five-year term.**

Mrs. Flaherty was joined by Marcia Peters, Deputy Executive Director, NYC Health + Hospitals / Bellevue to present the license agreement. Together they narrated a presentation providing background information on the proposed vendor, and licenses terms.

Dr. Wei asked if all arrangements for food at the facilities were license agreements structures like this one or were there any where the System received a share of revenue or profits.

Mrs. Flaherty said there was a combination of license agreements and concession agreements but there is an effort to transition to license agreements for all.

Dr. Wei asked if there was a ballpark estimate on profit for these sites.

Mrs. Flaherty said no but she did know that they were keeping pricing reasonable and any increases had to be approved by Bellevue.

Mrs. Hernandez-Piñero asked whether there was a subsidy included that provided for better pricing. Mrs. Flaherty said no subsidizing but H+H is providing a tremendous volume of utilization, which may be allowing the cost reasonable rates.

Mr. Peña-Mora asked how these sites complimented the other food offered at Bellevue. Ms. Peters said the alternate site provides sit down services, with ethnically diverse options, whereas the Panera sites are basic soup, salad, sandwich options in a grab-and-go style.

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

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Interstate Mechanical Services (the "Contractor") for an amount not to exceed \$17,686,300 for construction services necessary for the replacement of the cooling tower and the upgrade the chilled water system at NYC Health + Hospitals / Bellevue Hospital Center ("Bellevue") with a 7% project contingency of \$1,768,630.00, for unexpected changes in scope yielding a total authorized expenditure not to exceed \$19,454,930.**

Mrs. Flaherty was joined by Marcia Peters, Deputy Executive Director, NYC Health + Hospitals / Bellevue, and Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Together they narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked if the contingency was budgeted as 10% construction cost. Mr. Gonzalez said yes, it is typically around 10%. This reflects the contingency against the full project budget so that brings the percentage down a bit.

Mrs. Hernandez-Piñero asked if the contractors select the MWBE firms and begin the project with them or do we provide them with MWBEs and do we monitor the performance of the MWBEs.

Mrs. Flaherty said these are hard money construction bids so the contractor selects the subcontracts and includes that with their bids. However, the System engages in outreach to MWBEs and that allows for awareness in upcoming bids. With regards to compliance, the Office of Facilities Development (OFD) works with Supply Chain to monitor participation throughout project execution.

Mr. Peña-Mora asked for an outline of how heating would be handled during the heating season(s) while this project was being completed.

Mrs. Flaherty said that urgent/emergency work was underway on the cooling tower to help the facility make it through the season and there was some

capital work underway as well. The facility and OFD were working closely to ensure there are no problems.

Mr. Peña-Mora asked if the emergency contracts mentioned above would come before the Board. Mrs. Flaherty said no, they are smaller value awards, that do not require Board approval but all Operating Procedure criteria was being met.

Mr. Peña-Mora asked when, in 2023, the project was expected to be complete. Mr. Gonzalez said the project was anticipated for completion by Spring of 2023.

Mr. Peña-Mora asked for that to be added to the presentation.

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

**MEMBER RECUSAL:** Mr. Peña-Mora recused himself at this point in the meeting and turned it over to Mr. Pagán.

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with Jemco Electrical Contractor (the "Contractor") for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / Woodhull Hospital Center with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.**

Mrs. Flaherty was joined by George Calliste, Executive Director, NYC Health + Hospitals / Woodhull, and Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Ms. Peters and Mr. Gonzalez narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked for clarification that the request was specifically for the Jemco contract and not the full project. Mr. Gonzalez said yes.

Ms. Wang asked if the other expenditures/contracts were already procured. Mr. Gonzalez said the Construction Manager (CM), designer, and Project Manager (PM) had been awarded but there were place holders for abatement and Furniture Fixtures and Equipment (FFE).

Ms. Wang asked whether the amounts in the budget were final amounts or estimates. Mrs. Flaherty said that specific contracts had come before the Board but a few had gone to the Contract Review Committee (CRC), dependent on the amount of the contract.

Ms. Wang asked if the award of this contract would impact Jemco's ability to perform under their on-call construction contract. Mr. Gonzalez said that was not expected.

Mrs. Hernandez-Piñero asked for elaboration on the statement that the lowest bidder was not able to self-perform. Mr. Gonzalez explained that there is a requirement that every prime contractor must perform, with their own labor, 25% of the contract work and in this case the vendor was unable to do so.

Mrs. Hernandez-Piñero asked if there has been a disruption of patient service delivery to date or whether any were anticipated. Mr. Calliste said there had been no disruption to date and there was none anticipated. Work was being performed in vacant spaces, so work would be complete and then the unit moved in. Staging was very well coordinated so that disruptions would not occur.

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

Mrs. Flaherty read the resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to increase the funding for seven Construction Management ("CM") consulting firms namely AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC (together, the "Vendors"), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.**

Mrs. Flaherty was joined by Oscar Gonzalez, Assistant Vice President, Office of Facilities Development, to present the agreement. Mr. Gonzalez narrated a presentation providing overview of the solicitation and project details.

Ms. Wang asked if the influx of funding was the only driver behind the needed increase. Mrs. Flaherty said it was a combination of that and a modified approach to put dedicated resources on projects to ensure all deliverables were being met, utilizing professional project management firms to support execution of capital work.

Mrs. Flaherty noted that there were individual solicitations for CM services being performed for specific projects as well.

Mrs. Hernandez-Piñero said this could appear to be a sole source contract and asked if time was the largest driver. Mrs. Flaherty said yes. She noted that the System would be continuing to perform individual solicitations as needed, and would likely perform an RFP for a new pool prior to the full term of the existing pool but it was a lengthy process and therefore this increase was being requested with an amount that allowed for some breathing room.

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

There being no further business, the Committee Meeting was adjourned at 11:10 a.m.

**AUDIT COMMITTEE VIRTUAL MEETING – March 22, 2022**

**As Reported by: Sally Hernandez-Piñero**

**Committee Members Present:** Sally Hernandez-Piñero, José Pagán, Freda Wang, Anita Kawatra, who joined at 9:07, and Matthew Siegler representing Dr. Mitchell Katz

The meeting was called to order by Ms. Sally Hernandez-Piñero, Committee Chair at 9:03 am and noted for the record Matthew Siegler will be representing Dr. Mitchell Katz in a voting capacity.

Ms. Piñero requested a motion to adopt the minutes of the Audit Committee meeting held on December 7, 2021. A motion was made and seconded with all in favor to adopt the minutes.

Action Item for consideration, James Linhart read the resolution into the record.

**Resolution:**

**Authorizing the New York City Health and Hospitals Corporation to execute a two-year and two-month best interest contract extension with Grant Thornton, LLP, for audit services for an amount not to exceed \$2,019,500 inclusive of a 5% contingency bond insurance. With the base amount of \$1,931,500. At the moment we have an \$88,000 dollars contingency included in that amount that brings the total not to exceed \$2,019,500.**

Mr. James Linhart, Deputy Corporate Comptroller, explained that the two-year two-month extension contract is due to the fact that the current contract will expire on April 30, 2022, and is requesting a best-interest contract extension until April 30, 2024, to align with the City contract RFP. Every year we issue financial statements, which must be audited by an independent accounting firm, as mandated by our corporate Bylaws and our bond issuance policy and procedure. Our current contract was procured through an RFP that was issued in 2018.

The current annual spend is \$924,100 with Grant Thornton for the external auditing services. This two-year two-month extension is for the sole purpose of joining the City's RFP so there will be one city contract and one audit firm. The City currently uses Grant Thornton.

The process and benefits were explained. The process will remain the same. H+H will retain autonomy and have a separate audit team. The Audit Committee will still review and approve the financial statements. Grant Thornton will continue to pay for Continuing Professional Education (CPE) for our staff.

Grant Thornton has received an excellent performance evaluation.

The MWBE percentage in the original RFP was 30%, and Grant Thornton received a total of 16% MWBE the first year. They expected that the MWBE would be 12% in year two because they could not find a firm to provide services. Year three was the COVID year, and due to COVID they could not meet with the MWBE. In year four, the MWBE was 26%. Their current MWBE goal is 25%.

In response to questions, Mr. Weinman clarified that H+H will have a subcontract under a master City contract with its own scope, and can also decide to select another vendor to meet its needs. If the selected vendor is the same as the City's vendor, H+H will have its own partner separate from the City that specialize in health care. Mr. Linhart clarified that the decrease in rates compared to the historical contract, and clarified that, per the City Comptroller, no Auditor should serve more than eight years.

After discussion, on motion made and duly seconded, the Committee voted in favor of the resolution for consideration by the Board.

Catherine Patsos, Chief Corporate Compliance Officer presented the Internal Audits and Office of Corporate Compliance reports.

#### **Internal Audits Report:**

Ms. Patsos: The New York City Comptroller's office has been conducting an audit of controls over the System's Nursing Homes. The Comptroller's Office provided preliminary findings related to the inventory of personal protective equipment (PPE) in use at our nursing homes. Ms. Patsos, Internal Audits, and Supply Chain met with the Comptroller's Office on March 8, 2022 to discuss the preliminary findings. We were not able to get through all the findings on that day, so a subsequent meeting was held on March 18, 2022.

Ms. Patsos: Many of the findings related to inventory processes and procedures, especially during the pandemic when the inventory was influx due to receiving a lot of donations. They asked about what supplies were purchased and donated, and how we used them. They found discrepancies in the inventory counts that they were concerned about. We have addressed those issues and they will issue a preliminary Draft Audit Report before the final Draft Audit Report, to which we will have an opportunity to respond.

Ms. Patsos: Their main concerns are having policies and procedure in place if and when a pandemic happens again so that we can account for our inventory. We did ask them if they felt the supplies were being misappropriated, and they said no.

Ms. Patsos: Internal Audits is conducting a System-wide review of nurse hiring. The objectives are to evaluate the on-boarding of direct hire, agency, and travel nurses, making sure that they all have their appropriate background checks in place, that their Annual Performance evaluations are conducted, and that all documents are being maintained and reviewed as appropriate.

Ms. Piñero: How did this become a subject for an audit?

Ms. Patsos: This issue was previously audited by the Comptroller's Office with our prior nurse staffing agency. We have a new agency now, RightSourcing, and we want to make sure that the previous gaps are not continuing.

Ms. Patsos: For the hospital Auxiliaries, eighteen of the twenty-two final reports for calendar year 2020 have been completed by our CPA firm. There were fifteen compilations, two were reviews, and one was an audit, all of which were based on the total amount of annual revenues. There are four that remain for 2020. For Queens Center Hospital Auxiliary, we have outstanding reports for 2018 and 2019. As of October 1, 2021, Queens Hospital Center Auxiliary's 501(c)(3) status was reinstated, and we are waiting to see if that will be retroactive.

#### **Office of Corporate Compliance Report:**

Ms. Patsos provided an update on the monitoring of excluded providers, privacy incidents and related reports, the Office for Civil Rights reports regarding HIPAA incidents, compliance reports, Billing and Coding Auditing Services RFP, Patient Privacy Monitoring, FY2023 Risk Assessment and HIPAA Risk Analysis and Security Assessment.

For the monthly exclusion monitoring during the reporting period of November 17, 2022 through February 22, 2022, there were two workforce members who appeared on the exclusion lists. The first was excluded by the Office of the Medicaid and Inspector General and the Office of Inspector General (OIG), as well as appearing on the General Services Administration of Award Management (SAM) exclusion list. That person did not pass the background check as was never hired. The second individual was an agency person who worked at Elmhurst from December 13, 2021 to January 12, 2022. This person was only training as a discharge planner when we learned of the exclusion. We are currently investigating if this will result in an overpayment.

#### **HIPAA Violations and Office for Civil Rights Reports:**

Ms. Patsos: During the past reporting period sixty-seven HIPAA incidents were entered into our Case Management System. Twenty-three were found to be violations of our HIPAA Privacy and Security Operating Procedures; eleven were not violations, and thirty-three are still being investigated. Of the twenty-three that were violations, nine were found to be breaches. Of the nine breaches, three resulted from registration errors, one involved a workforce member posting PHI to social media, one involved a provider disclosing a patient's HIV status to their family member, one involved a provider leaving PHI in a NYU Langone facility, one resulted from a photo of a patient's PHI being added to another patient's MyChart account, one involved using patients' PHI for training, and one was the result of a workforce member disclosing PHI to their personal attorney.

Ms. Piñero: What happens to the staff who are found guilty of the breaches?



Ms. Patsos: We report them to Human Resources or Labor Relations as appropriate depending on the type of employee they are. We ask that documentation of the breach be placed in their personnel file. Some violations require more severe disciplinary action. The Office of Corporate Compliance does not impose disciplinary action; we refer the cases to Human Resources or Labor Relations for disciplinary action.

Ms. Patsos: We received five letters from the Office for Civil Rights. Four of them are related to reports from 2015 and 2017 regarding breaches during those periods. These are breaches that the OCR has been investigating for several years. Based on the corrective action and our submission to the OCR of our enterprise-wide HIPAA Risk Analysis, these investigations were closed by the OCR.

Ms. Wang: Is it typical for the OCR's investigations to take so long?

Ms. Patsos: Yes, they can take this long. In part, the OCR was waiting for us to provide evidence that we are conducting an enterprise-wide HIPAA Risk Analysis.

#### **Compliance report updates:**

Ms. Patsos: Since the last Committee meeting there were eighty-seven compliance reports, two of which were categorized as red, thirty-six were yellow, and forty-nine were green.

#### **Billing and Auditing services.**

Ms. Patsos: The Office of Corporate Compliance, in collaboration with Revenue Cycle, drafted a RFP, which was approved by the Contract Review Committee. The qualified vendor(s) would be conducting pre-billing and auditing services for all service areas. They will be doing an analysis to identify areas of risk. They will then conduct training where deficiencies are noted. The RFP seeks a three-year contract with a total cost of \$3.5 million.

#### **Patient Privacy Monitoring System:**

Ms. Patsos: The OCC has also implemented a Patient Privacy Monitoring (PPM) system through a vendor Maize. HIPAA regulations require us to implement software and/or procedural mechanisms that record and examine activity and information systems that contain or use ePHI and regularly review logs and reports and security tracking reports. The PPM will enhance our ability to detect unauthorized access to and disclosures of ePHI by workforce members. This will be used for Epic and other applications that handle ePHI. This is also a three-year contract.

#### **System Risk Assessment:**

Ms. Patsos: As we do every year, we are in the process of developing a Risk Assessment, which includes risks to the organization from a reputational, financial or legal perspective. Risk Assessment will be presented to the Enterprise Compliance Committee on March 24, 2022.

**HIPAA Risk Analysis and Security Assessment:**

Ms. Patsos: We are also starting our 2022 HIPAA Risk Analysis and Security Assessment. We have engaged Coalfire through the RFP process to conduct this analysis, and they have begun their 2022 process. Coalfire conducts remote and onsite interviews with key personnel. They also review applications that create, receive, maintain or transmit ePHI, and conduct penetration tests of our systems and applications. Coalfire conducted interviews with the skilled nursing facilities during February. In March they will conduct reviews of the acute care facilities. Report Concluded.

There being no other business, the meeting was adjourned at Th meeting was adjourned at 9:50 am.

**Finance Committee VIRTUAL MEETING – March 22, 2022**

**As Reported By: Freda Wang**

**Committee Members Present:** Freda Wang, Mitchell Katz, MD left at 12:05, Sally Hernandez-Piñero, José Pagán, Patricia Marthone, MD

**Health + Hospitals Employees in Attendance:**

John Ulberg, Linda DeHart, Michline Farag, James Cassidy, Marji Karlin, Uwa Emumwen, Colicia Hercules, Inger Dobson, Jay Weinman, Robert Melican, Matthew Siegler, Katelyn Prieskorn, Tatyana Seta, Alison Smith, Rafelina Hernandez

(Online) Theodore Long, MD, Sonya Rubin, Tasha Philogene, Matthew Fay, Salema Tyler, Eric Wei, MD, Shaw Natsui, MD, Juan Checo, Jessica DiLallo-Steno, David Leung

**CALL TO ORDER**

Ms. Wang called the meeting of the New York City Health + Hospitals Board of Directors Finance Committee Meeting to order at 11:02 a.m.

Ms. Wang called for a motion to approve the January 10, 2022 minutes of the Finance Committee meeting.

Upon motion passed and duly seconded the minutes of the Finance Committee meeting held on January 10, 2022 were adopted.

**ACTION ITEM: TEMPORARY SECURITY STAFFING, VENDORS**

Dr. Wei, SVP Quality and Safety, presented a resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to execute three-year standby or requirements contracts with each of Universal Protection Service LLC, d/b/a Allied Universal, Johnson Security Bureau, Inc. Maxxi Building Security and Management Corporation and Aron Security (the "Contractors") for temporary security services with the System holding two, one-year options an amount for all the Contractors across the entire potential five-year term not to exceed \$11,600,000.**

Dr. Wei began by providing an overview of the major challenges faced today at our hospitals with the demand for security and police staffing.

Dr. Natsui provided an overview of the background and current state of supplemental security staffing needs, in addition to our core hospital police staffing. NYC Health and Hospitals has used supplemental security staffing firms to augment staffing needs at acute, post-acute, Gotham, and Test and Trace facilities. The services have been provided by Universal Protection Service LLC, and Johnson Security Bureau, Inc., and include unarmed security guards, security guard supervisors, fire watch personnel, and fire safety director services.

Dr. Natsui continued by providing an overview of the procurement process, vendor references and RFP criteria. All vendors considered were closely evaluated, provided appropriate references, and have a strong experience with similarly large health care systems. In terms of M/WBE, two of the vendors selected are already listed and the other two have a 30% utilization plan or diversity status.

Dr. Natsui requested the Finance Committee's approval to award contracts to Universal Protection Service LLC, Johnson Security Bureau, Inc., Maxxi Building Security and Management Corporation and Aaron security Inc., for consideration by the Board of Directors.

Ms. Wang polled the committee for questions.

Mr. Pagán asked on the hospital security protocols that are used to deploy, when looking at a number of vendors that provide the same services? Are they armed for example? What are the criteria used?

Dr. Natsui responded, generally most of the supplemental staffing beyond hospital police has been placed at facilities other than acutes and these are unarmed security presence. In the acutes, their role is as a watch person or front entrance additional security presence in situations where we are short staff and used temporarily in these facilities. For Testing and Trace facilities, a larger presence of this supplemental security is needed due to the nature of that expansion.

Mr. Pagán asked, have there been any issues connected to language? For example, do they have the ability to connect in different languages?

Dr. Natsui responded, as security are the front-end presence in the acutes/facilities, just as with any other patient that would normally come in that may need assistance with patient navigation; they are able to use the facilities language services and/or a translator in person or a translation

device to assist patients just as any other staff trying to help patients out at the facilities.

Ms. Hernandez-Piñero asked for the reasoning behind increasing the number of vendors as we had two vendors in the last contract and we have four vendors with this contract.

Dr. Natsui answered, the reason we landed on four vendors was based on scoring. There was a clear delineation between the top four and the rest. Having four instead of two vendors, is to allow for flexibility to meet the demand for supplemental security with the ability to find the people that we need.

Ms. Hernandez-Piñero asked, how many security personnel did H+H have under the last contract. And if it projects having the same as the last one. If not, then how many are projected under this new contract?

Dr. Wei responded that the data presented is broken out by cost rather than number of staff. Pre-COVID, the cost was under \$2M per year and due to T2 sites, Health and Hospitals expects the number to be \$1.9M baseline and over the year as we close the gap, the number is expected to come down even further.

Ms. Hernandez-Piñero asked if these include measures recommended by central working group, metal detector, additional NYPD detail, etc.

Dr. Wei responded, that is separate and distinct from this. Due to the feedback received from the briefing, wanted to give an overview on the hospital security but that is not included in this.

Ms. Hernandez-Piñero asked whether there will be another contract coming forward with some of this or if it is too early to tell.

Dr. Wei responded it is too early to tell. He added, we have a pilot going on at Jacobi in the ED waiting room right now in collaboration with City Hall and the Mayor, this may be part of a citywide initiative. If it becomes more of an H+H initiative, then yes, we will need to bring another RFP to the Board.

Ms. Hernandez-Piñero asked for the number of hospital police we have.

Dr. Natsui responded, we have 543.

Dr. Katz added that in any 24-hour service to divide by five, as it takes 5 to cover 24 hours, seven days a week.

Following the discussion and upon motion made and duly seconded, the Committee unanimously approved the resolution for consideration by the Board.

**ACTION ITEM: UKG, INC.**

Ms. Seta presented a resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to execute a five-year contract with UKG, Inc. ("UKG") for managed payroll services with an advanced scheduling application for an amount not to exceed \$33,421,438 including a contingency of ten percent or \$3,000,000.**

Mr. Weinman provided the background and current state of our legacy system. The payroll service has been performed in-house historically except garnishments and tax compliance, which was procured through RFP and awarded to ADP, while advanced scheduling is currently handled by Clairvia. Mr. Weinman provided the history of the services in place and mentioned this is a significant investment to help assist with current problems and challenges with the forty-year old legacy system. Payroll currently relies on IBM Mainframe (a legacy system that is no longer supported) and PeopleSoft which requires manual processes.

Mr. Weinman continued by providing the future state of the system with the new proposal in place. Payroll services will be managed by UKG and advanced scheduling will be managed by H+H internally using the UKG product. The upgraded solutions include Time and Attendance, Managed Payroll, Advance Scheduling and Workload Manager, and Data and Analytics. Mr. Weinman provided an overview of the procurement.

Ms. Seta presented a detailed Cost Analysis, RFP Criteria, UKG background and MWBE.

UKG's MWBE utilization plan includes subcontracting a portion of the implementation cost to UCI, Inc. UKG's proposed deliverables can be divided into three general categories for the purpose of MWBE analysis

Ms. Seta discussed H+H's commitment to supporting impacted payroll staff and ensuring they are redeployed to alternate positions within H+H after system implementation is completed. All impacted payroll staff and their respective unions have been notified of the transition.

Ms. Wang polled for questions.

Dr. Katz commented to the Committee that we have received a huge amount of concerns in recent times regarding payroll from employees. Our current system is not adequate in dealing with the complexity of a modern payroll and any mistakes have to be tracked by hand, which is extremely time consuming and causes employees' frustration regarding being paid correctly and timely.

Ms. Hernandez asked to elaborate on the current contract, what will happen after the five-year contract period, do we have to decide if to continue using their program or consider something else.

Mr. Weinman responded, it is a SAS program, it's a cloud-based service therefore, H+H has the option to renew the contract if the service is satisfactory.

Ms. Hernandez commented on H+H having one of the oldest systems and asked on the number of affected payroll employees to be redeployed with this change.

Ms. Seta responded that there are a little more than 60 payroll employees.

Ms. Hernandez asked for MWBE clarification on the implementation and consultancy being 30%.

Mr. Weinman answered on the implementation having two parts. One is the client side, the data conversion and change management process of

reengineering. This piece UKG contracted out and accounts for 30% of total implementation. The second part is provided by UKG's staff to operate and manage H+H's payroll as part of their system. This portion is proprietary and therefore, UKG does not subcontract it.

Ms. Wang thanked the team for the presentation and approach taken. Ms. Wang commented on the integrated solution with a single vendor who can provide efficiency. She asked if the goal is to have more functionality beyond scheduling as well within this timeframe and, are these the next steps.

Mr. Weinman answered the next step is planning for the implementation for scheduling. However, this has not been decided, as we need to go through the requirements and see what is involved before a decision is made.

Ms. Wang asked if the contract only cover nursing.

Ms. Seta responded the contract covers everything. It is up to H+H ~~us~~ how many deployments ~~we~~ it needs to have and the order of these deployments will be decided by the respective departments.

Ms. Wang commented on the subscription costs and asked what needs to occur for the contingency to require the additional \$3 million dollars.

Mr. Weinman responded on the contingency covering any types of configuration that were unplanned but could occur throughout the period of the contract, such as union bargaining units that have different rules or needing more staff with a special title such as the period of COVID that we needed to set up new codes.

Ms. Wang commented on the cost reduction being dramatic and this initiative being terrific. Our efforts to finding a good solution to meet the MWBE goals and staying focused with our partners.

Following the discussion and upon motion made and duly seconded, the Committee unanimously approved the resolution for consideration by the Board.

**ACTION ITEM: PHYCARE SOLUTIONS, INC.**

Mr. Melican presented a resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to execute three-year contract with PhyCARE Solutions, Inc. (the "Contractor") for outpatient coding and billing services with the System holding two, 1-year options for an amount across all potential five years of the proposed agreement not to exceed \$12,491,383.**

Mr. Melican commenced by providing a background of Revenue Cycle Coding and Billing Services. NYC H+H generates separate claims for Hospital (Facility) and Professional components.

Mr. Melican provided an overview of the procurement process and Mr. Emumwen presented the RFP criteria and MWBE requirements. PhyCARE will adhere to the 30% MWBE contract allocation. PhyCARE's MWBE is also applying for diversity certification with the NYC Department of Small Business Services (SBS).

Request to expedite certification confirmed by SBS in March 2022. Additionally, if the application is unsuccessful, PhyCARE identified subcontracting partners with two MWBE firms that meet our requirements. Due diligence was done by the team to verify subcontracted vendors were both NYS official MWBE vendors. PhyCARE obtained a waiver for the previous contract signed in 2016, which was granted.

Ms. Wang polled for questions.

Dr. Katz complimented Marji Karlin and her Revenue Cycle team for their hard work and commitment. The team were primarily involved in eliminating a huge deficit that was threatening the future of NYC Health and Hospitals, and the potential closing of facilities. The Revenue Cycle team has been very successful and deserve a huge amount of credit.

Ms. Wang agreed with Dr. Katz and added their hard work and commitment is very well noticed.

Ms. Karlin thanked everyone and added that the work could not have not been done without the facilities' partnership, Central Office and facilities' executive teams' support, and the Board.

Ms. Hernandez-Piñero asked if this is the first time we are using and doing an RFP for PhyCARE services.

Mr. Melican responded they are a current vendor right now. An RFP was done with PhyCare Solutions winning the bid.

Ms. Hernandez-Piñero asked if the audit committee will be auditing PhyCARE's work.

Ms. Karlin answered that PhyCARE does our professional billing work which is a very small function of the overall work that we do. They also help us with our outpatient coding, although high volume, it is relatively small in the scheme of things of the entire revenue cycle process. The RFP in front of the audit committee was really for perspective on the entire revenue cycle process and to ensure compliance. However, the Audit committee may choose to look at what PhyCARE is doing as well but it is relatively small.

Ms. Hernandez-Piñero commented on noticing that the weighted score for MWBE was 20% and it is usually 10%.

Ms. Karlin responded they chose to do that because they had the room in the other criteria.

Ms. Hernandez-Piñero asked if it was 10% would it have affected the outcome.

Mr. Melican responded no.

Following the discussion and upon motion made and duly seconded, the Committee unanimously approved the resolution for consideration by the Board.

**ACTION ITEM: AMERICAN MEDICAL RESPONSE OF NEW YORK, LLC NTE INCREASE**

Mr. Siegler presented the resolution:

**Authorizing the New York City Health and Hospitals Corporation (the "System") to increase the funding cap on the contract executed with Hunter Ambulance, which contract was assigned to American Medical Response of New York LLC as part of a corporate acquisition (the "Contractor") for a single-vendor patient transportation system such that the original spending cap of \$12,070,896 be increased to an amount not to exceed \$21,837,906.**

Ms. Prieskorn presented an overview of the background and current state of the agreement with Hunter Ambulance. In April 2019, NYC H+H entered into a five-year agreement with Hunter Ambulance (three years with two-year renewal options at the discretion of NYC H+H) for a new single-vendor patient transportation system for a not-to-exceed amount of \$12,070,896. In 2020, a request to increase the NTE amount was brought to the M&PA Committee for approval, but was tabled for review of further MWBE opportunities. In January 2021, NYC and State experienced a dramatic decrease in private ambulance staffing correlated with the opening of COVID-19 vaccine pods. This led to a period of decreased performance and intense focus on QA/PI activities and increasing core staffing. In September 2021, Hunter was purchased by American Medical Response of New York, LLC ("AMR") and the contract assigned. Currently in FY2022, payor mix, scope changes, and unanticipated expenditures have led to the exhaustion of the original NTE. A pattern shows substantial increase in inter-facility transfers year over year and as contract expenses exceed initial projections, original NTE will soon be depleted. Current projection of \$9.7M in expenses is above prior estimates to cover current spend and fund one additional year of operation and evaluate options under a new RFP.

Ms. Prieskorn elaborated on the interfacility transfer volume. Compared to the one-year period pre-contract; inter-facility transfers increased by thirty percent (1,400 more transfers) in 2021. This attributed to an estimated \$26M new revenue in 2021 alone. Revenue estimate is based on average revenue received per transfer, but subject to a number of uncertainties, including the impact of COVID-19 on reimbursement and changes in annual Medicare reimbursement rates.

Ms. Prieskorn provided an overview of the quality improvement efforts and MWBE analysis. The Office of Patient Growth partnered with the Office of Quality & Safety and AMR to improve the emergent inter-facility transfer process across the system, highlighting the significance of the single-vendor contract. In terms of the MWBE analysis, there are two main scopes of work under this agreement: ambulance and ambulette services. At the time of contracting, AMR was granted a waiver of all MWBE goals due to a lack of availability and capacity of MWBEs to perform the services under the contract. The remaining work is self-performed by AMR's W-2 employees. Ambulance work represent 98% of contract spend. There are no licensed MWBE ambulance service providers in the NYC metropolitan region able to perform under this agreement. Ambulette work represents two percent of contract spend (a maximum of \$436,750 over contract life). AMR is currently contracted with Cathay, one of the four certified MWBE ambulette vendors. Spend with Cathay represents 11% of ambulette spend. There is an opportunity to contract with



Leon's Ambulette (MWBE certified). The other two certified MWBE have not responded to our request for information and contracting.

Ms. Prieskorn reported that due to the limited availability and capacity of ambulette MWBEs, there will be collaboration between the Vendor Diversity Team and AMR to develop the capacity of Cathay and Leon ambulette companies through a structured program with measurable outcomes, which will include KPIs and financial growth metrics. H+H will also connect the MWBEs with resources offered by the City of New York, such as low-cost financing opportunities. With this capacity building program and strong commitments from AMR leadership, AMR has committed to increasing the MWBE percentage of ambulette contract spend to 20% by the end of 2022.

The next steps are to develop and release new transportation RFP in spring 2022 during contract extension period with an updated statement of work based on lessons learned.

Ms. Wang polled for questions.

Ms. Hernandez asked if this committee approved a contract last year to raise rates from Medicaid to Medicare. Mr. Siegler replied that this committee did not, but that the contract was finalized at Medicare rates which is part of the higher rates than initially projected, hence the reason for the not to exceed.

Ms. Hernandez asked if \$500,000 is the maximum amount that can be allocated at 30% and be set aside for minority ambulette services. Ms. Prieskorn responded that is correct. H+H is estimating that by the end of 2022, 20% of \$436,000, will go to the MWBE ambulette vendor - Cathay, the current contractor spending 11% of the ambulette spend as well as what is anticipated to grow with AMR within the next nine months.

Ms. Hernandez asked how much can the two MWBE vendors listed handle now.

Ms. Prieskorn answered currently Cathay is working with Elmhurst in handling all its volume reflecting, from Medicaid which is held separately than this and are handling well. Our goal is to increase that ability to another location in Queens and increase the number of drivers hired to manage the additional volume.

Ms. Hernandez requested further clarification as to whether or not the twenty percent designated for MWBE vendors from the \$436,000, is about \$90,000.

Mr. Siegler responded that is the goal by the end of 2022. Currently it is about 11% of ambulette spend, about \$40-\$50,000 right now.

Ms. Hernandez questioned if the transportation new program launch with livery, is MWBE as well.

Ms. Prieskorn responded that the goal is to look at MWBE vendors as part of that. Ms. Wang thanked the team as this contract has been very valuable in getting us through COVID. Ms. Wang questioned if the interfacility transfer volume in reference to \$26M dollars in new revenue due to our ability. Was that because we were able to keep the patients within the H+H system. Ms. Prieskorn replied yes, that is the case.

Following the discussion and upon motion made and duly seconded, the Committee unanimously approved the resolution for consideration by the Board.

## **FINANCIAL UPDATE**

Mr. Ulberg began by stating that Dr. Katz's presentation to the City Council Finance Committee went very well. Although there is still tremendous volatility within the reported numbers, it is driven by COVID and our attempt to re-stabilize the System post COVID.

He conveyed that preplanning has placed Health + Hospitals in a good position half way through the year. Health + Hospitals closed January with an all-time high of \$1B, driven by FEMA and DSH funds received.

However, we missed the budget by \$142 million, which is partially due to not receiving FEMA relief funding. Mr. Ulberg stating that direct patient care receipts came in \$242.5M higher than the same period in FY-21, continuing the pace of positive performance that we experienced during FY-21.

Patient care volume is returning to pre-COVID levels in Q2 of FY-22, but is still 4% below Q2 FY-20 in discharges. Overall, our strategic financial initiatives remain on track with our post-COVID strategies, generating over \$395.9M in Q2 with a line of sight of \$679.3M. Several areas of strong net performance were noted.

Mr. Ulberg presented the cash projections for Second Quarter FY-22. The System expects to close February with approximately \$650 million. It continues to work closely with the City on its remaining liabilities and continues to closely monitor its cash position in relation to uncertainty around COVID-19.

Mr. Ulberg provided an overview of the external risks. H+H hopes to receive an additional FEMA payment of \$161M by the end of FY22. Current inflationary costs and wage pressures present a challenge to recruitment and staffing. Health and Hospitals is diligently working to address this—and continues to develop its staffing models to meet industry standard.

Ms. Farag presented the financial performance highlights with a walk-through of the quarter two performance. She noted that the second quarter ended with a net budget variance of -\$141.6M. However, the plan shows the System with a negative operating margin of -\$80M in FY-22 and a positive operating margin of \$22M in FY-23, coupled with strong cash balances of \$658M and \$680M, respectively. However, the plan shows the System with a positive operating margin. Patient revenue improvements year-over-year can be attributed to a combination of solid performance and continued improvement in revenue cycle and service line initiatives as well as returning patient volume.

Ms. Farag provided mid-year performance drivers updates. Mid-year cash receipts are 10% ahead of budget as patient volume returns at a higher percentage than anticipated, and as H+H meets and exceeds planned strategic service line improvement, managed care contract performance, and revenue cycle initiatives. Risk performance is better than planned. Mid-year cash disbursement is over budget by 14% primarily resulting from unbudgeted COVID and vaccine mandate related expenses. Spend on staffing and temporary costs

for addressing COVID coverage needs and the vaccine mandate will be materialized and reported in the next quarter of the fiscal year.

An update on system-wide initiatives was presented by Ms. Farag. Positive gains were made in growth and other service line improvements, Revenue Cycle and Value Based Payment/Managed Care initiatives, which are on track to meet targets for the year. For system efficiencies, these are smaller initiatives and although no positive gains, there are no concerns there as it is a timing matter.

Mr. Cassidy presented the highlights of our COVID-19 Federal relief efforts, including expenses, funds received and expected. Health and Hospitals received \$620M in FEMA advances to-date and hopes to receive additional reimbursement associated with our PPE submission. In addition, H+H is working on submitting the required reporting for our PRF expenses through 12/31/21.

Mr. Melican provided an update on Denials performance as previously requested by the Board. The H+H denial rate was historically higher than industry average. In FY-22, Revenue Cycle Services' goal to achieve denial rates better than the Epic benchmarked median was achieved in December 2021. The biggest reduction in claims denial is the claims configuration to ensure we are sending the payer the proper format and obtaining that communication and response from the vendor.

Ms. Smith reported on the timely filing denials of claims. They were reduced by 68% due to process improvements. The Revenue Cycle Service team implemented solutions in efforts to reduce late filings and claim denials. Teams were created to investigate each area to identify and prioritize solutions such as system modifications, training, payer collaboration and process. Test solutions were put in place to ensure the intended results were achieved. H+H is doing well in accounts receivable and across all areas of denials. Dr. Katz commended Revenue Cycle Services for its outstanding work.

The presentation continued with Ms. Lum presenting the status on the Test and Trace Corp and the expenses related to the Omicron surge. H+H projects \$1.7 billion of expenses in FY-22 for the Test and Trace Corps. She added, these projected expenses have been updated to include spending for T2's Omicron response. T2 has committed to \$386M in expenses for the second quarter in FY-22. She concluded in noting that OMB has provided H+H with sufficient revenue through the T2 MOU to cover expenses to date.

Dr. Long provided highlighted Test and Trace programmatic changes and next steps after the end of contact tracing in April per CDC guidelines. Contact tracers have helped over 1 million cases, reaching nearly 90% of cases prior to Omicron and identified 1.7 million close contacts throughout the pandemic. Moving forward, cases will be contacted via SMS and provided links to access resources necessary to break chains of transmission and support isolation. This will go into effect before April 30<sup>th</sup>. He noted, H+H's 212-COVID19 hotline will continue to serve as the one-stop shop for all COVID-19 resources. Other online tools will be built as well. He concluded emphasizing that case investigations and contact tracing for high risk setting will continue through DOHMH.

Ms. Wang polled the committee for questions.

Mr. Pagán thanked Dr. Long for all the hard work.

Ms. Hernandez also congratulated Dr. Long and team for all the hard work they continue to do. She commented on the relationships built with the non-profits through T2 and if there is a way to memorialize them as available resources to avoid searching de novo since we know we can count on them as they have delivered under the most stringent circumstances. The same question was asked regarding the educational System in NYC.

Dr. Long responded that H+H will continue funding over 30 community-based organizations for the rest of the fiscal year thanks to OMB. Those relationships were also transitioning to the Department of Health for more longitudinal, addressing COVID and the disparity brought out across the City. In addition to that, home tests will be very important moving forward as it will help the population to learn to live with COVID and immediately know their status.

#### **INFORMATIONAL ITEM: OVERVIEW OF JANUARY 23 FINANCIAL PLAN**

Mr. Cassidy provided an overview of the five-year financial plan, which is done in conjunction with the City of New York and counts as the basis of H+H's submission to the Public Authority Accountability Board. The plan projects the System with a negative operating margin of \$80M in FY-22 due in large part to the expected timing of the receipt of additional FEMA funds. The System projects positive operating margins of \$22M and \$91M in FY-23 and FY-24, respectively, as it awaits receipt of FEMA funds. Over each of the three years, the System anticipates consistent and stable ending cash balances between \$658M and \$771M, respectively. The plan includes strategic initiatives totaling \$1.5B in FY-23, growing to \$2B by FY-26 due to the anticipated DSH cuts beginning as of October 1, 2023 (resulting in \$600M in cuts annually). H+H is optimistic that the DSH cuts will continue to be delayed, but as a manner of prudent financial management, the cuts are shown here. The plan continues to assume that H+H will be made whole for its expenses associated with COVID through a combination of patient care revenue, Provider Relief Funds (PRF), and FEMA.

Ms. Wang polled the committee for questions.

Ms. Hernandez questioned the OTPS expenses drop by almost 50% between projected FY-22 and projected FY-23.

Mr. Cassidy replied yes; the vast majority of that is due to COVID and T2 spend largely existing in FY-22. We have some rollover from FY-21 expenses into FY-22. H+H does expect some additional costs to be incurred in FY-23. Then in FY-24, H+H would establish its normal, non-COVID baseline.

Ms. Wang asked if the gap between the current FEMA commitments at \$3.2B and the \$2.6B spent to date will be filled either from FEMA or other federal dollars.

Mr. Cassidy responded, yes that is the expectation. H+H will continue to track its spending and what it submits to FEMA. It is hopeful that everything spent to date as well as additional costs will be covered, assuming there is no other source of revenue to do so.

# **ADJOURNMENT**

There being no further business before this committee, the meeting adjourned at 12:34 PM.

## SUBSIDIARY REPORT

**HHC ACO INC. BOARD OF DIRECTORS - Subsidiary (Virtual) - February 28, 2022**  
**As Reported by:** Matthew Siegler

The Board of Directors of HHC ACO Inc. (the "Board"), NYC Health + Hospitals' subsidiary not-for-profit Accountable Care Organization (the "ACO"), convened on February 28, 2022 to elect officers into the Board and to approve the Amended and Restated 2020 Performance Payment Allocation.

The meeting of the Board was called to order by Matthew Siegler at 12:31 PM.

On a motion duly made and seconded, the Board unanimously voted to approve the minutes of the December 14, 2021 meeting without correction or modification.

Among other matters, the Board discussed the following:

- Introduction of Daniel Napolitano, M.D.;
- The ACO's Performance Year 2021 Performance Projection;
- The ACO's Performance Year 2020 Performance Payment Distribution and Timeline; and
- The proposed CY 2022 Board Meetings.

The Board approved the following resolutions:

- Authorizing that each of the following persons be elected to serve in the offices of the Corporation set forth opposite their respective names below, subject to such person's resignation or removal, in accordance with the laws of the State of New York and the By-Laws of the Corporation until such person's successor is duly elected and qualified:

<u>Name</u>	<u>Office</u>
Mitchell Katz, MD	Chairman
Matthew Siegler	Chief Executive Officer
Gary Kalkut, MD	Vice President
Andrea Cohen, Esq.	Secretary
John Ulberg	Treasurer

- Authorizing the Chief Executive Officer of the ACO to negotiate and execute an amendment to the ACO Participation Agreements and Collaborator Agreements consistent with the distribution methodology set forth in the Amended and Restated 2020 Performance Payment Allocation (Exhibit B), and distribute the 2020 Performance Payment in accordance with such Agreements as amended.

There being no further business, Matthew Siegler adjourned the meeting at 12:42 PM.

**Mitchell H. Katz, MD**

**NYC HEALTH + HOSPITALS - PRESIDENT AND CHIEF EXECUTIVE OFFICER**

**REPORT TO THE BOARD OF DIRECTORS**

**March 31, 2022**

## **CORONAVIRUS UPDATE**

COVID-19 community positivity remains low in New York City but slowly rising as expected with the increase in Omicron BA.2 prevalence, following trends seen in Europe. Given the higher rates of boosters and natural immunity in New York City now compared to winter, we do not expect positivity to rise to the same levels as late December/early January. Our COVID-19 hospitalizations remain at their lowest levels since summer 2021. We continue to focus on promoting vaccinations and boosters as the best defense. And I remain hopeful that the worse is behind us.

I also want to acknowledge that this month marks two years since NYC Health + Hospitals admitted our first patient with COVID-19. We reflect on this moment and remember the lives lost and the sacrifices made by our amazing health care heroes. Throughout the entire pandemic, NYC Health + Hospitals, in collaboration with our NYC Test & Trace Corps (T2), provided care, treatment, testing, tracing, vaccination, shelter, food and so much more to New Yorkers who needed it most. The Trace part of T2 is winding down at the end of April, but much of the work to support New Yorkers continues. Some of our achievements of the last two years include:

- more than 10.5 million COVID-19 tests
- administered more than 1.7 million vaccine doses across the five boroughs
- opened COVID-19 Center of Excellence in Bushwick, Brooklyn; Tremont, Bronx; and Elmhurst, Queens
- through contact tracing, regularly reached 90% of all cases and identified 1.7M contacts
- helped 33,000 people isolate at a quarantine hotel and delivered more than 2.2M free meals to those in isolation or quarantine
- launched the Street Health Outreach & Wellness (SHOW) mobile units that have offered services to over 119,000 New Yorkers, with a focus on people experiencing homelessness
- launched COVID-19 Treatment Outreach or CATCH to ensure life-saving oral antiviral treatments, monoclonal antibody treatment, and other healthcare resources are promptly delivered to those in need
- launched AfterCare to support New Yorkers living with the long-term effects of COVID-19 and connect them to a full range of resources
- launched the [COVID-19 Quarantine and Isolation Guidance Tool](#) to offer personalized guidance to New Yorkers who were exposed to or test positive for COVID-19.

And because the work of the healers is not over, we continue to offer our heroic workforce all the resources and support they need to recharge, de-

stress and heal through our Helping Healers Heal program. The COVID-19 pandemic has shown how necessary New York City's public health system and its employees truly are.

#### **PROMOTING COLON CANCER SCREENING**

In recognition of Colorectal Cancer Awareness Month, we are urging all New Yorkers to begin life-saving colorectal cancer screening starting at age 45. Colorectal cancer is the second-leading cause of cancer death in New York City, but can be preventable and treatable with early screening. Yet too many New Yorkers have postponed colon cancer screenings because of the COVID pandemic. There is no reason to put it off any longer. We are making the easy, convenient, non-invasive fecal immunochemical (FIT) test widely available as an option in addition to traditional colonoscopy. While colonoscopy continues to be the preferred screening test for patients at higher risk for the disease, FIT is ideal for those at lower risk and significantly more convenient than a colonoscopy, which requires a special diet, sedation, and recovery. FIT requires only a stool sample that can be collected at home. Patients can request a fecal immunochemical test from their NYC Health + Hospitals primary care provider or by calling 1-844-NYC-4NYC to set up an appointment.

#### **NYC HEALTH + HOSPITALS/METROPOLITAN RECOGNIZED FOR INNOVATION AND COMMITMENT TO PREVENT HEART ATTACKS AND STROKES**

Million Hearts, a national initiative to prevent 1 million heart attacks and strokes in 5 years, this month recognized NYC Health + Hospitals/Metropolitan for excellence in preventing heart attacks and strokes. The hospital team was celebrated for the use of innovative care strategies and their prevention and treatment achievements – which includes their focus on cholesterol management, aspirin use, nutrition and addressing food insecurity for patients. They were also recognized for supporting the mental health needs of its employees through various programs to reduce stress and support staff, especially during the COVID-19 pandemic. I am thrilled that NYC Health + Hospitals/Metropolitan received this national recognition for providing the highest level of cardiovascular care to our patients. Heart disease is the leading cause of death for adults in New York City and our team at Metropolitan is a great example of our System wide efforts to improving New Yorkers' heart health by lowering readmissions and mortality rates.

#### **LEADERSHIP APPOINTMENT**

Sewit Teckie, MD is the new System Chief of Radiation Oncology. In this newly created role, Dr. Teckie will share best practices and expertise with her oncology peers across the health System to expand cancer care. Her goal is to build cancer programs that are equitable, giving patients access to high quality, comprehensive cancer care right in their neighborhood. She will also be focusing on head-and-neck cancers as Director of Head-and-Neck Radiation Oncology at NYC Health + Hospitals/Kings County. She is widely published in the fields of head-and-neck cancer and digital health technology. Dr. Teckie attended Harvard College and Harvard Medical School. She completed residency at Memorial Sloan-Kettering Cancer Center, and practiced at Northwell Health. She will receive her MBA from Columbia University this spring. We are thrilled to welcome Dr. Teckie to the NYC Health + Hospitals community. Her



clinical and research expertise in head-and-neck radiation oncology will help us advance our mission to give patients the best chance at a long, healthy life no matter their degree of malignancy. She is dedicated to innovation in care, has an outstanding record of accomplishment as a mentor, and I am confident radiation oncology will thrive under her leadership.

#### **EXTERNAL AND COMMUNITY AFFAIRS UPDATE**

**State** - Negotiations continue on the New York State budget for state fiscal year 22-23, which starts on April 1. We were pleased to see that the Executive's proposed budget includes investments in health care after several years of austerity budgets. Both the Senate and Assembly one-house budgets accepted the Governor's proposal to restore a 1.5% Medicaid reimbursement cut and increase Medicaid by 1%. These investments in Medicaid are certainly helpful to our health System, though we continue to support even greater and well-needed increases. In addition, both the Assembly and Senate explicitly proposed additional operating and capital funding for public, private and safety net hospitals. We are in support of this new proposed funding by the Legislature, and we continue our advocate for NYC Health + Hospitals to have equitable access to any additional State funding for capital and operating needs.

**City** - On Monday, March 21, I presented testimony before the City Council for our Preliminary Budget Hearing. We are pleased to work with our new colleagues in the Council. To that end, we will be participating in a hearing on April 18 regarding "The Impact of the COVID-19 Pandemic on the Health of Immigrant New Yorkers."

**Federal** - I am pleased that four NYC Health + Hospitals facilities earmark funding -- more formally known as Congressionally-Directed Spending in the Senate, or Community Project Funding in the House -- in the FY-2022 Consolidated Appropriations Act signed into law last week: Queens, Jacobi, Elmhurst, and Coney Island hospitals. We are grateful to the Congressional Representatives in these districts, as well as to our Senators, for their support in this process. The FY-23 earmark process has begun, and facilities are in the process of drafting earmark requests for consideration.

#### **FINANCE UPDATE**

NYC Health + Hospitals is in good financial health going into the next fiscal year -- we have come a long way since the days when we were looking at a nearly \$2 billion budget deficit. As I testified before the City Council, we have 42 days of cash on hand -- historically, that is the most we have had, thanks to the receipt of FEMA and DSH funds. Our February closing cash balance was \$650M. We closed the second quarter with a negative Net Budget Variance of \$142M due to COVID disbursements (\$389M) not yet fully covered with Federal relief dollars. When adjusting for the unreimbursed COVID spend, our underlying budget performance is positive.

Through the second quarter, our direct patient care receipts were \$243M higher than the same period in FY-21, continuing the pace of positive performance that we experienced during FY-21. Our patient care volume continued to return towards our pre-COVID levels, but discharges remain 4%

below the second quarter in FY-20. Our revenue base remains strong and resilient primarily driven by higher average collectability rate and returning volume.

Overall, our strategic Financial Initiatives remain on track with our post-COVID strategies, generating \$396M through the second quarter with an annual FY-22 line of sight of \$679M. Our areas of strongest net performance include Revenue Cycle Improvement, Growth & Service Line Improvements, and Value-Based Payment Initiatives & Managed Care Initiatives.

#### **NEWS FROM AROUND THE HEALTH SYSTEM**

- [NYC Health + Hospitals Urges New Yorkers Aged 45 and Up to Get Screened for Colon Cancer](#)
- [2 Years Later: NYC Health + Hospitals Reflects on its Role During COVID-19 Pandemic](#)
- [NYC Health + Hospitals/Queens Receives \\$1M from Congress for New Outpatient Dialysis Center](#)
- [NYC Health + Hospitals SVP for Managed Care Named Top Emerging Leader by Modern Healthcare](#)
- [Congresswoman Malliotakis secures \\$2M for NYC Health + Hospitals/Coney Island](#)
- [Test & Trace Expands Online Tool for Quarantine and Isolation Guidance](#)
- [Test & Trace Aftercare Program Launches Inbound Calling for New Yorkers with Long COVID](#)
- [Sewit Teckie, MD Appointed NYC Health + Hospitals Systemwide Chief of Radiation Oncology](#)
- [Test & Trace Launches "CATCH" Outreach Initiative to Connect High-Risk Cases to Therapeutic Treatments](#)
- [Million Hearts® Recognizes NYC Health + Hospitals/Metropolitan for Innovation and Commitment to Preventing Heart Attacks and Strokes](#)

CALL TO ORDER - 4:00 PM

Mr. Pagán

1. Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with **Jemco Electrical Contractor** (the "Contractor") for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / **Woodhull Hospital Center** with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

(Presented to the Capital Committee: (03/14/2022)

**VENDEX: Approved / EEO: Approved**

Ms. Flaherty

2. Authorizing the New York City Health and Hospitals Corporation (the "System") to increase the funding for seven Construction Management ("CM") consulting firms namely **AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC** (together, the "Vendors"), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

(Presented to the Capital Committee: (03/14/2022)

**VENDEX: All Approved / EEO: All Approved**

Ms. Flaherty

>>Old Business<<

Mr. Pagán

>>New Business<<

>>Adjournment<<

Approved by the Executive Committee on April 5, 2022

## RESOLUTION - 01

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with **Jemco Electrical Contractor** (the “Contractor”) for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / **Woodhull Hospital Center** with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

**WHEREAS**, Out-Posted Therapeutic Housing Units (“**OTxHUs**”) within NYC Health + Hospitals’ acute care facilities will be secured, clinical units operated by NYC Health + Hospitals’ Correctional Health Services unit (“**CHS**”) with the New York City Department of Corrections (“**DOC**”) providing custody management; and

**WHEREAS**, The OTxHU beds bridge the gap between care provided in jail and acute hospitalization, with decisions regarding admission to and discharge from the OTxHUs to be made by CHS according to each patient’s clinical needs; and

**WHEREAS**, OTxHUs are being established at NYC Health + Hospitals/Bellevue and are planned for NYC Health + Hospitals/Woodhull (the “**Facility**”); and

**WHEREAS**, the OTxHU project requires extensive alterations to the host hospitals including relocating or decanting functions currently being performed in the parts of Woodhull intended for OTxHU; and

**WHEREAS**, the cost of relocating the existing functions at Woodhull in the area planned for OTxHU totals \$30,690,760 of which \$27,559,902 is allocated for the proposed contract; and

**WHEREAS**, the Contractor was selected for the proposed contract through a sealed bid process; and

**WHEREAS**, the Contractor will be responsible for demolition of existing facilities and construction of replacement facilities within the Facility; and

**WHEREAS**, additional smaller contracts will be let for approximately \$3 Million of work associated with this project including design, design contingency, construction management and other professional fees; and

**WHEREAS**, this project will be completed during 2023; and

**WHEREAS**, the Senior Vice President for OFD will be responsible for the management of the proposed contract.

**NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) be and hereby is authorized to execute a contract with Jemco Electrical Contractors, Inc. (the “Contractor”) for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / Woodhull Hospital Center with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

**EXECUTIVE SUMMARY  
DECANTING TO CLEAR  
NYC HEALTH + HOSPITALS / WOODHULL HOSPITAL**

<b>OVERVIEW:</b>	NYC Health + Hospitals seeks to decant sections of the 10 <sup>th</sup> , 6 <sup>th</sup> and 2nd floor of the Main Building at NYC Health + Hospitals / Woodhull. The decanting was designed, estimated and bid in accordance with the NYC Health + Hospitals' Operating Procedure 100-5. The contract is for an amount not-to-exceed \$27,559,902.
<b>NEED:</b>	The Outposted Therapeutic Housing Units (OTxHU) within Health & Hospital acute care facilities will be secured clinical units operated by CHS and DOC providing custody management. The OTxHU beds bridge the gap between care provided in jail and acute hospitalization, with decisions regarding admission to and discharge from the OTxHUs will be made by CHS according to a patient's clinical needs. This program will offer a therapeutic and more normalized environment for those patients with more complex clinical needs. Increases safer access to specialty and subspecialty services for patients who need them on a regular basis. To achieve this project various units throughout the hospital will need to be relocated and consolidated to make room for the OTxHUs project.
<b>PROCUREMENT:</b>	Public bid.
<b>SCOPE:</b>	Work shall consist of: relocation of administrative and departmental offices, Respiratory Therapy, Chemical Dependency, Clinical Support spaces from the 9 <sup>th</sup> and 10 <sup>th</sup> floors and relocation of the Pediatric Unit on the 6 <sup>th</sup> floor. Will include full gut renovation of blocks 5-300, 6-100, 6-200 & 6-300 and partial renovation in blocks 3-300, 6-100, and 10-000. The scope of work consists of demolition work, new interior partitions, ceiling, light fixtures, finishes items, MEP work, Security work, Fire alarm & protection work. Also, a construction hoist will be part of the scope for this project to transport materials and debris in/out of the project areas.
<b>COSTS:</b>	Total project budget is \$39,074,314. Base bid of \$27,559,902. \$3,181,304 in project contingency (8%).
<b>FINANCING:</b>	General Obligation Bonds.
<b>SCHEDULE:</b>	The project is scheduled for completion in 2023.
<b>MWBE:</b>	41.51% subcontractor utilization plan.

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

From: Keith Tallbe Talbe,  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Jemco Electrical Contractors, Inc.

Date: March 11, 2022

---

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

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
41.51%

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.

Approved by the Executive Committee on April 5, 2022

# Outposted Therapeutic Housing Units (OTxHU) Construction Contract for Woodhull Decanting Program JEMCO Electrical Contractor

Executive Committee Meeting  
April 5, 2022

Greg Calliste, CEO, H+H/Woodhull Hospital

Aaron Anderson, Assistant Vice President, Correctional Health Services

Oscar Gonzalez, AVP, Capital Development Group

# Program Background

## ➤ What is OTxHU?

- A pioneering approach that will increase access to high quality health care for patients in custody in a safe, more humane way.
- Secured, clinical units, operated by CHS within certain NYC H+H acute care facilities, for patients in custody who need higher levels of care than can be provided in the jails, but whose clinical conditions are not so acute as to warrant inpatient admission.
- Decisions regarding admission to and discharge from the OTxHUs will be made by CHS according to patient's clinical needs.

## ➤ Benefits of OTxHU

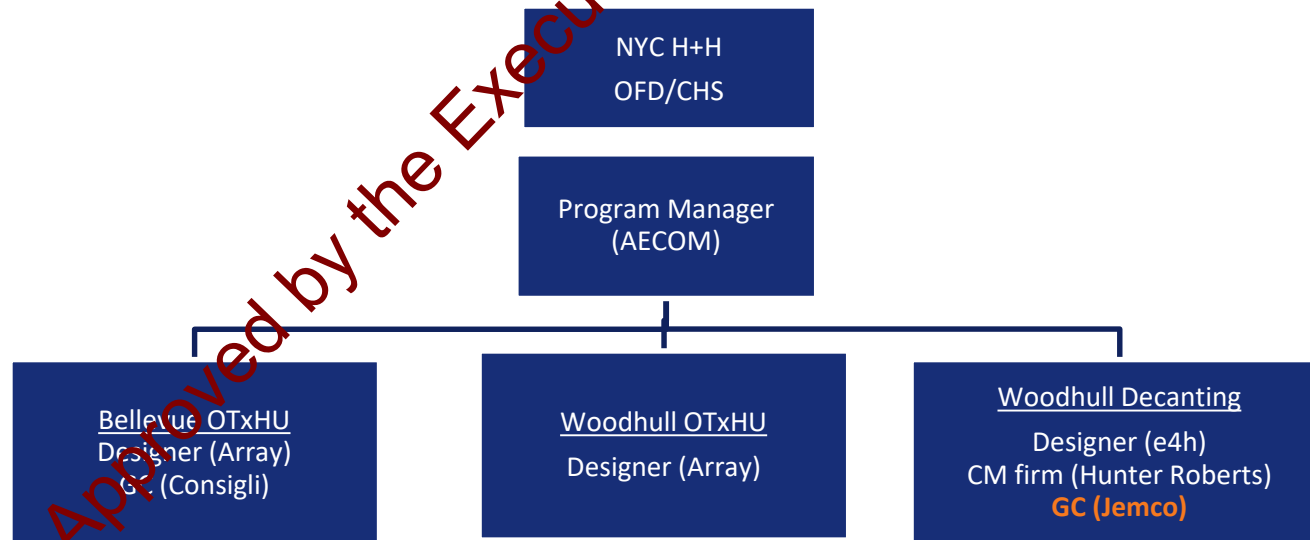
- Offers a therapeutic and more normalized environment for those patients with more complex clinical needs.
- Increases safer access to specialty and subspecialty services for patients who need them on a regular basis.
- Improves continuity of care between CHS and NYC H+H, and providers in inpatient, outpatient, and OTxHU services.
- Repurposes underutilized hospital space for patient care, at no additional cost to NYC H+H
- Capital infusion for prerequisite infrastructure improvements in the hospitals, with City dollars.



# Current State OTxHU

- OMB funded OTxHU Program and OFD proceeded to procure management, design and construction contracts.
- All three projects were competitively procured and vendors began work during the pandemic.
- All three projects have been executed:
  - Woodhull enabling relocation design is complete and construction being procured
  - Woodhull OTxHU design underway and expected completion 2022
  - Bellevue OTxHU design completed while construction procured and underway

## The OTxHU Team

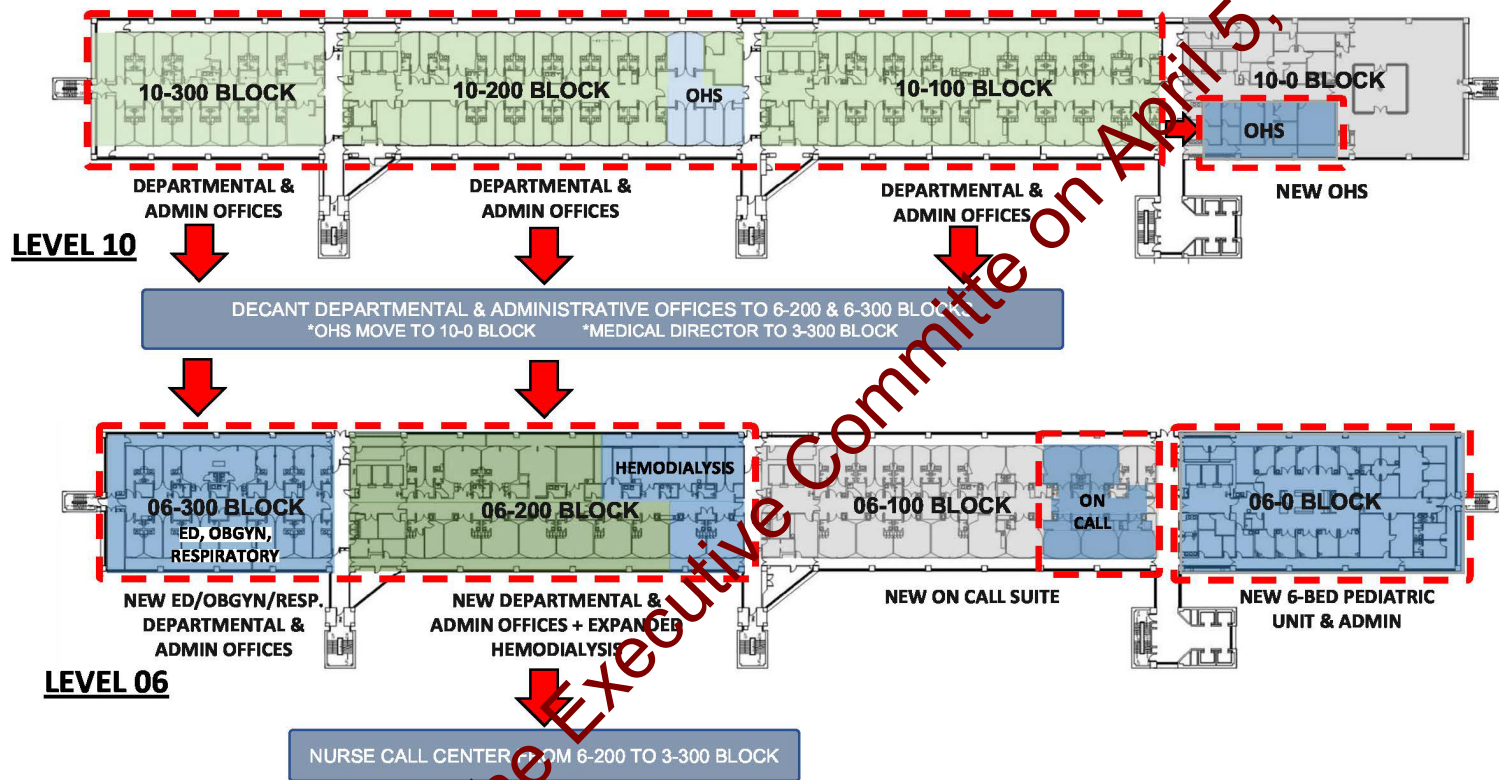


# Woodhull Enabling Project

- All new spaces to be constructed in advance of any relocations to ensure no interruption of clinical services.
- Woodhull Enabling Program (39,000 gsf = 28,000 admin + 11,000 clinical)
  - Relocation of administrative and departmental offices, Respiratory Therapy, Chemical Dependency, and Clinical Support spaces from 9<sup>th</sup> and 10<sup>th</sup> floors
  - Pediatrics Unit relocating from current space on the 6<sup>th</sup> floor, allowing the unit to collocate near the clinic team and create more efficient workflow
  - Meet aggressive schedule in order to allow the renovation of 9th and 10th floors for Correctional Health Services.
  - Creating efficient and collaborative office environments
  - Upgrade spaces to meet current building codes and FGI Guidelines for Design & Construction of Health Care facilities.
  - Consolidate department spaces where possible.
- Design Completion October 2021



# Decanting 10<sup>th</sup> & 6<sup>th</sup> floor

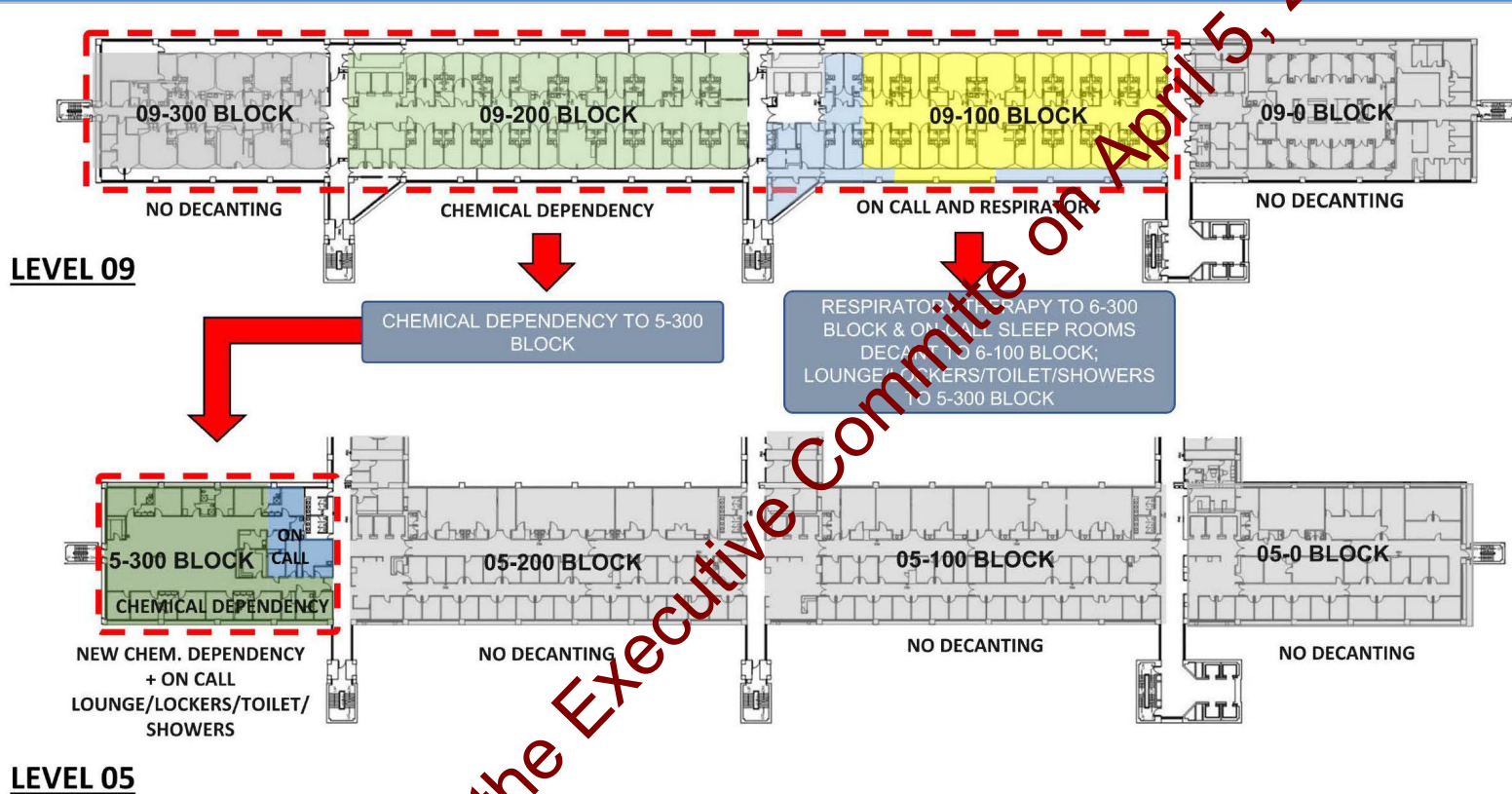


## DECANTING SUMMARY FOR LEVEL 10 AND RELATED AREAS

- ☐ ADMINISTRATIVE & DEPARTMENTAL OFFICES FROM 10-300, 200, AND 100 BLOCKS WILL BE DECANTED TO 6-300, AND 200 BLOCKS. EXCEPT...
- ☐ OCCUPATIONAL HEALTH SERVICES WILL BE RELOCATED TO THE 10-0 BLOCK, AND THE MEDICAL DIRECTOR TO BE DECANTED TO 3-300 BLOCK
- ☐ RESPIRATORY THERAPY WILL MOVE FROM THE 9-200 BLOCK TO THE 6-300 BLOCK.
- ☐ THE PEDIATRIC UNIT IN THE 6-100 BLOCK WILL BE RELOCATED TO THE 6-0 BLOCK
- ☐ THE EXISTING HEMODIALYSIS WILL REMAIN IN CURRENT LOCATION. SUPPORT SERVICES TO BE CONSOLIDATED ADJACENT TO UNIT AND THE UNIT ITSELF WILL RECEIVE SELECT IMPROVEMENTS
- ☐ NURSE CALL CENTER LOCATED IN THE 6-200 BLOCK WILL BE RELOCATED TO THE 3-300 BLOCK
- ☐ PROGRAMS, OFFICES CURRENTLY ON LEVEL 6 ARE NOT CONSIDERED IN THIS DECANTING STRATEGY

- Decanting to occur once new space is completed and ready for occupancy.

# Decanting 9<sup>th</sup> & 5<sup>th</sup> Floor



Decanting to occur once new space is completed and ready for occupancy.

# Overview of Procurement

- 11/16/21: RFP posted on City Record
- 11/22/21 & 11/23/21: Site tour for bidders; 8 vendors attended
- 1/05/22: Proposal deadline, 5 proposals received
- 1/19/22: Lowest Bidder after vetting, was deemed Non-Responsible due to the vendor unable to meet the set - performance of 25%
- 1/19/22: Pre-qualification meeting with lowest responsible bidder - JEMCO

Approved by the Executive Committee on April 5, 2022



# Construction Contract

- Sourced via public bid
- Jemco Electrical Contractors, Inc. was the second lowest of five (5) bidders
- MWBE 41.51% subcontractor utilization plan presented

Subcontractor	Certification	Supplies/Services	Utilization Plan %
AMG DEMO	WBE	Service	4.72
AMERICAN BUILDERS	MBE	Service	1.97
DEUTSCHER & DAUGHTER	WBE	Service	1.30
EASTERN PLUMBING	WBE	Service	5.44
PARK AVE BUILDING & ROOF	MBE	Supplies	4.35
TEDCO GROUP	MBE	Service	16.33
TURTLE & HUGHES	WBE	Supplies	7.26

- Contract amount is \$27,559,902
- MWBE amount is \$ 11,402,359
- Jemco is currently one of our JOCs Electrical Contractor (2020-2022) and also a previous JOCs Electrical Contractor (2018-2020). Evaluations for both contracts were rated 93% and 93% respectively. Additionally, the ratings listed in MOCs included 2 Excellent and 4 Good.
- Projected completion in 2023 if contract registered by June 2022.

# Project Budget

- Capital funding secured from OMB for CHS OTxHU

Woodhull Decanting	
<b>Construction (Jemco)</b>	<b>\$27,559,902</b>
CM (Hunter Roberts)	\$2,162,739
Early Abatement Contractor	\$500,000
PM (AECOM)	\$1,771,840
Design (E4H)	\$1,948,975
FF&E Allowance	\$2,000,000
<b>Project Contingency (8%)</b>	<b>\$3,130,858</b>
<b>Total</b>	<b>\$39,074,314</b>

- Board Approved Construction (Jemco), PM (AECOM)
- CRC Approved CM (Hunter Roberts), Design (E4H)

# Executive Committee Request

Authorizing the New York City Health and Hospitals Corporation (“NYC Health + Hospitals”) to execute a contract with Jemco Electrical Contractor (the “Contractor”) for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / Woodhull Hospital Center with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

Approved by the Executive Committee on April 5, 2022



## RESOLUTION - 02

Authorizing the New York City Health and Hospitals Corporation (the “System”) to increase the funding for seven Construction Management (“CM”) consulting firms namely **AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC** (together, the “Vendors”), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

**WHEREAS**, in November 2020, following an RFP, the System’s Board of Directors approved contracts with the 7 Vendors to perform to provide professional construction management services on an as-needed basis at a cost not-to-exceed \$10 Million over a five-year period including two one-year options exercisable only by the System; and

**WHEREAS**, of the \$10 Million approved, currently less than \$2 Million remains uncommitted although the allowed term of the Vendor contracts has almost three years remaining; and

**WHEREAS**, the System has been fortunate in securing substantial additional funding from the System’s recent bond refinancing yielding \$98 Million, \$1.2 Billion in Mayoral funds for FY 22-26 and \$30 Million in Borough President and NYC Council funds for FY 22; and

**WHEREAS**, the System has attracted additional capital because of the substantial capital projects it is undertaking to address deferred maintenance across the System, because of substantial improvements being made in clinical facilities, major mechanical systems and parking facilities; and

**WHEREAS**, the performance of the Vendors has been satisfactory which is demonstrated by the volume of projects successfully progressing; and

**WHEREAS**, the Vendors have committed to MWBE participation of at least 30% detailed in the November 2020 Resolution and have adhered to their plans and three of the seven firms are MWBE; and

**WHEREAS**, the Senior Vice President – Office of Facilities Development will be responsible for the administration of the agreements.

**NOW, THEREFORE, be it**

**RESOLVED**, that New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to, increase the funding for seven Construction Management (“CM”) consulting firms namely **AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC** (together, the “Vendors”), from the \$10 Million cap set in November, 2020 when the Board of Directors authorized contracts for the Vendors to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

**EXECUTIVE SUMMARY  
INCREASE IN FUNDING FOR  
SEVEN CONSTRUCTION MANAGEMENT COMPANIES**

- BACK-GROUND:** In fall of 2020 the System conducted an RFP for professional construction management firms. The System supplements its own forces with requirements contractors in various fields to provide the manpower and expertise that the System cannot economically sustain at the level needed for large projects. In November 2020, the System's Board of Directors approved contracts for seven Construction Management consulting firms: AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, THX Construction Corporation, The McCloud Group LLC (the "**Vendors**"). The not-to-exceed cost of the contracts was set at \$10 Million over the 3-year term plus 2 one-year System options. Due to various developments, the \$10 Million in approved funding is proving to be grossly inadequate such that to date, after less than two years of the potential five-year term, only approximately \$1.7M remains entirely uncommitted. Fortunately, the System has been able to attract substantial additional capital funding from the System's recent bond refinancing yielding \$98 Million, \$1.2 Billion in Mayoral funds for FY 22-26 and \$30 Million in Borough President and NYC Council funds for FY 22
- NEEDS/PROGRAM:** The System needs these additional capital funds to finance the significant capital projects required. The System has substantial accumulated needs due to inadequate funding in the past to stay current with the cycle of replacing major mechanical systems and repairing or replacing structural elements of the System's hospitals and other buildings. Additionally, the System wishes to push forward programs to improve clinical facilities, reduce energy inefficiencies, improve parking facilities and construct new facilities where appropriate. Because of the increased volume of capital projects, the System will call upon its contracted construction managers more often and it needs the increased funding to be authorized by the Resolution to pay the additional cost.
- TERMS:** The terms of the previously authorized contracts will not change.
- MWBE:** All the Vendors are meeting the M/WBE goals set forth in their utilization plans.

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

From: Keith Tallbe Tallbe, Keith  
Senior Counsel Keith  
Office of Legal Affairs

Digitally signed by  
Tallbe, Keith  
Date: 2022.03.11  
08:52:01 -05'00'

Re: Vendor responsibility, EEO, and MWBE status

Vendor: CM Pool Vendors

Date: March 11, 2022

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

Vendor	Vendex	EEO	M/WBE UP
AECOM USA, Inc.	Approved	Approved	30%
Armand Corporation	Approved	Approved	NYC & NYS M/WBE
Gilbane Building Company	Approved	Approved	30%
Jacobs Project Management Co.	Approved	Approved	30%
McKissack Group, Inc.	Approved	Approved	NYC & NYS M/WBE
TDX Construction Corp.	Approved	Approved	30%
The McCloud Group	Approved	Approved	NYC & NYS MBE

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.

Approved by the Executive Committee on April 5, 2022

# Increase in NTE for Construction Management (CM) Pool for Professional Services

AECOM USA Inc, Armand Corporation, Gilbane Building  
Company, Jacobs Project Management Co., McKissack  
& McKissack, TDX Construction Corporation, The  
McCloud Group LLC

Executive Committee Meeting  
April 5, 2022

Oscar Gonzalez, Assistant Vice President, OFD

## Higher Volume of Capital Work

- Since the time of selection, H+H secured additional capital to invest in the System
  - H+H Bond refinance \$98M
  - Secured \$1.2B in Mayoral funds for FY22-FY26
  - Secured \$30M in Borough President and City Council funds for FY22
- The system has secured additional funding to move forward on a number of critical clinical & high priority projects
- Additional DCAS & carbon/energy reduction grant funded projects & mechanical, electrical & plumbing (“MEP”) life safety upgrades
- H+H requires professional construction management services on an as needed basis, for projects throughout the system. Services include, but are not limited to:
  - Perform construction management functions, i.e., report writing, scheduling, reviewing material, inspecting work, making timely recommendations, performing progress analysis, record keeping, investigating and preparing contractor evaluations in keeping with the Corporation’s policies and procedures.
  - Provide and manage various types of testing, including laboratory analysis and reports.
  - Provide CM services during the construction period by qualified field superintendents.

# Overview

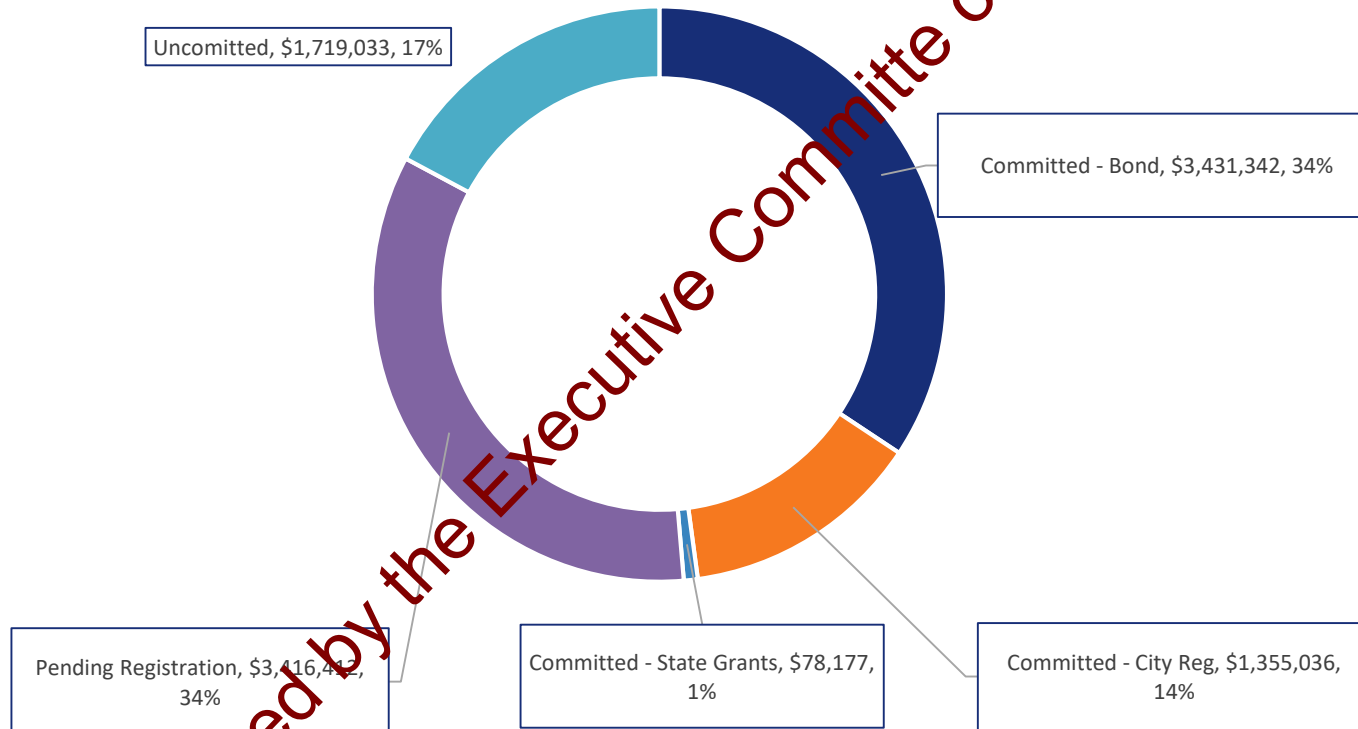
- In November 2020 the Board approved contract for Construction Management (CM) pool of contract to support this work.

POOL	# OF FIRMS SELECTED	# OF FIRMS CONTRACTED	TERM	OPTION YEARS	ORIGINAL NTE	INCREASE REQUESTED	NEW NTE
CM	7	7	3	2	\$10M	\$40M	\$50M

- Total pooled contract value of \$10,000,000
- CM Pool - 30% MWBE utilization plan has been submitted by all vendors (representing 39 MWBE specialty subconsultants and 3 prime MWBE CM's)
- Contracts awarded to firms that have deep resources to assist us as capital project management professionals at any capacity:
  - AECOM
  - ARMAND CORP
  - GILBANE BUILDING CO.
  - JACOBS PROJECT MGMT
  - THE McKISSACK GROUP
  - THE McCLLOUD GROUP
  - TDX

# Current AE Pool Commitment

CM Pool Current NTE Commitment



- Commitment Value as of January 26, 2022

# MWBE Utilization CM Pool

CM Consultant	MWBE Plan	No. WO's	\$ Awarded	MWBE Plan \$	MWBE %
AECOM USA Inc.	30%	5	\$ 553,096.20	\$178,505.78	32%
Armand Corporation (MWBE) <sup>1</sup>	30%	3	\$ 850,598.03	\$850,598.03	100%
Gilbane Building Company <sup>2</sup>	30%	4	\$ 545,680.00	\$0	0%
Jacobs Project Management Company	30%	9	\$ 1,719,071.39	\$512,723.04	30%
McKissack & McKissack (MBE) <sup>3</sup>	30%	-	-	-	-
TDX Construction Company	30%	6	\$ 2,011,353.83	\$432,679.90	21.5%
The McCloud Group LLC (MBE) <sup>1</sup>	30%	3	\$ 601,167.84	\$ 601,167.84	100%
<b>CM POOL SubTOTAL</b>	<b>30%</b>	<b>30</b>	<b>\$ 6,280,967.29</b>	<b>\$2,575,674.59</b>	<b>41%</b>
Jacobs Selected not yet awarded	30%	1	\$2,000,000	\$650,629.32	32%
<b>CM POOL TOTAL</b>	<b>30%</b>	<b>31</b>	<b>\$ 8,280,967.29</b>	<b>\$3,226,303.91</b>	<b>39%</b>

1 MWBE Firm

2 Firm has been issued minimal work that provided opportunity to plan MWBE participation.

3 MWBE Firm currently declined work and has participated minimally in Mini-RFP's

## Associated Procurements

- 6 Mini-RFPs
- Round of assignments for bond projects to total 19 projects across 6 facilities



# Mayor's Office of Contracts (MOCs) Evaluations

Vendor	Rating	Evaluation Period	Agency
AECOM USA Inc.	Excellent Excellent Excellent	5/12/20-4/22/21 1/19-12/31/19 3/10/18-3/3/19	DDC Dept. City Planning DEP
Armand Corporation (MWBE)	Excellent Excellent	5/1/20-4/30/21 8/20/20-4/30/21	DDC DDC
Gilbane Building Company	Good	11/20/12-3/31/13	DEP
Jacobs Project Management Company	Excellent Excellent Excellent	5/22/20-5/21/21 5/12/20-4/12/21 5/12/20-4/12/21	DDC DDC DDC
McKissack & McKissack (MBE)	Excellent Excellent	3/5/19 -3/4/20 3/26/19-3/25/20	DDC DDC
TDX Construction Company	Excellent Good	7/12/19-7/11/20 7/1/12-11/5/12	DDC DDC
The McCloud Group LLC (MBE)	Good	4/27/19-4/26/20	DDC

- Current Contract assigned January 2021 and project assignments didn't occur until later, Annual evaluations are still being processed.

# Executive Committee Request

Authorizing the New York City Health and Hospitals Corporation (the “System”) to increase the funding for seven Construction Management (“CM”) consulting firms, namely AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC (together, the “Vendors”), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

Approved by the Executive Committee on April 5, 2022

## NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Executive Committee of Board of Directors of New York City Health + Hospitals Corporation was held via teleconference/videoconference on the 5<sup>th</sup> day of April, 2022, at 4:00 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.

In accordance with the By-Laws section 3(B) - *"at each meeting of the Board the Executive Committee shall make a report of all action taken by it since the last report to the Board."*

The following Directors participated via teleconference/videoconference or in person

**Present in a voting capacity** were José Pagán, Dr. Mitchell Katz **(in-person)**, Dr. Vincent Calamia, Freda Wang, Dr. Michelle Morse representing Commission Ashwin Vasan and Erin Kelly representing Deputy Mayor Anne Williams-Isom.

**Other members of the Board present** were Dr. Patricia Marthone; Sally Hernandez-Piñero and Karen St. Hilaire representing Commissioner Gary Jenkins

José Pagán, Chair of the Board, called the meeting to order at 4:06 p.m. Mr. Pagán chaired the meeting and Colicia Hercules, Corporate Secretary, kept the minutes thereof.

### Action Item 1:

Ms. Flaherty read the resolution:

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to execute a contract with **Jemco Electrical Contractor** (the "Contractor") for an amount not to exceed \$27,559,902 for construction services necessary for the decanting of NYC Health + Hospitals / **Woodhull Hospital Center** with an 8% project contingency of \$3,130,858 for unexpected changes in scope yielding a total authorized expenditure of \$30,690,760.

(Presented to the Capital Committee: (03/14/2022))

Patsy Yang, Senior Vice President - Correctional Health Services provided background information on the Out-Posted Therapeutic House Unit Program (OTxHU) and Oscar Gonzalez, Assistant Vice President Facility Development presenting the current state of funding for

OTxHUS construction, with Gregory Calliste, Chief Executive Officer of Woodhull, presenting the enabling and decanting process. Ms. Gonzalez presented an overview of the procurement, the construction contract, and project budget.

After discussion and upon motion made and duly seconded the motion was unanimously approved by the Committee.

**Action Item 2:**

Ms. Flaherty read the resolution:

Authorizing the New York City Health and Hospitals Corporation (the "System") to increase the funding for seven Construction Management ("CM") consulting firms namely **AECOM USA Inc, Armand Corporation, Gilbane Building Company, Jacobs Project Management Co., McKissack & McKissack, TDX Construction Corporation, The McCloud Group LLC** (together, the "Vendors"), to provide professional construction management services on an as-needed basis by \$40 Million to bring the limit for all Vendors to a new amount not to exceed of \$50 Million.

(Presented to the Capital Committee: (03/14/2022)

Oscar Gonzalez, Assistant Vice President Office of Facility Development explained the high volume of funded capital work System-wide since the approval of this contract in November 2020, he also provided an overview of the \$10,000,000 approval. He further, explain the current construction management pool commitment, MWBE utilization, and the Mayor's Office of Contracts evaluation of the proposed vendors

After discussion and upon motion made and duly seconded the motion was unanimously approved by the Committee.

**OLD BUSINESS/NEW BUSINESS**

**ADJOURNMENT**

Hearing no old business or new business to bring before the New York City Health + Hospitals Corporation Executive Committee, the meeting was adjourned at 4:35 P.M.



Colicia Hercules  
Corporate Secretary

Board of Directors Meeting  
April 28, 2022

# Maternal Mortality and Morbidity Reduction Program Update

## 3-2-1 IMPACT Program Update

Wendy Wilcox, MD  
Jennifer Havens, MD  
Mary McCord, MD

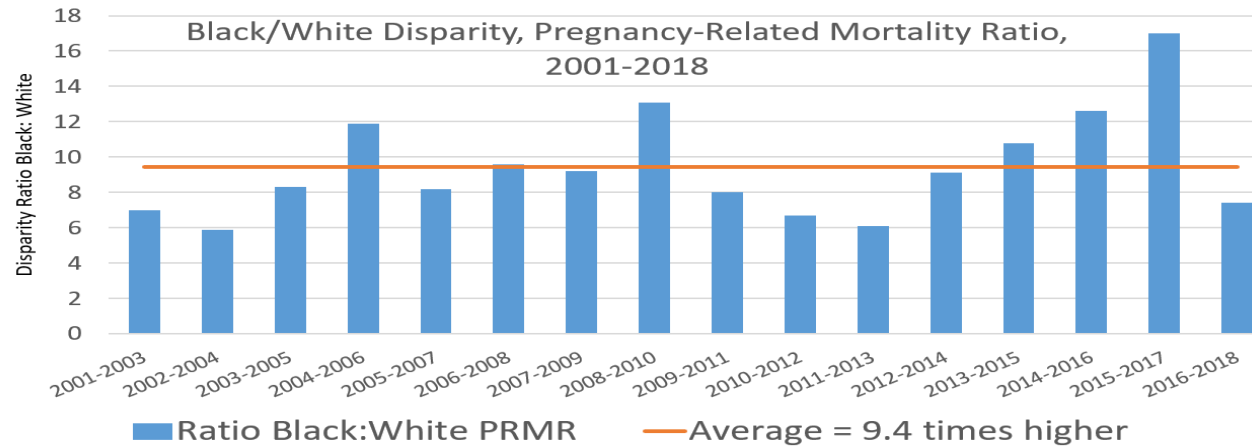
Since 2001, there has been a 34% drop in pregnancy-related maternal mortality.

Pregnancy-Associated and Pregnancy-Related Mortality Ratios, NYC 2001-2018



Although the average PRMR ratio is 9.4 for Black mothers, the most recent data from 2016-2018 indicates a PRMR of 7.

Black/White Disparity, Pregnancy-Related Mortality Ratio, 2001-2018



# SIMULATION MILESTONES



- Six mini-labs COMPLETED in BE, ELM, HA, JA, LI, KI
- Simulation courses developed and completed in Hemorrhage and OB Life Support. Severe HTN has started
- Virtual Reality in OB simulation is a cutting edge technology in Simulation and H+H co-developed with HealthScholars.
- Work is being presented at American College of Obstetricians and Gynecologists and Association of Women's Health, Obstetric and Neonatal Nurses

# Maternal Home

- The purpose of the Maternal Home is to provide support and comprehensive wrap-around services for pregnant persons who have need for this support due to **clinical, behavioral health or factors related to social determinants of health**.
- Started in 2018, the Maternal Home has employed social workers and maternal care coordinators for the program.
- Operational through the COVID-19 pandemic
  - Checked-in on COVID+ patients who were discharged
  - Assisted postpartum patients in finding supplies which were in short supply such as diapers, formula and wipes
  - Helped direct patients to food banks
- The Maternal Home has been implemented in 11 H+H maternity hospitals.



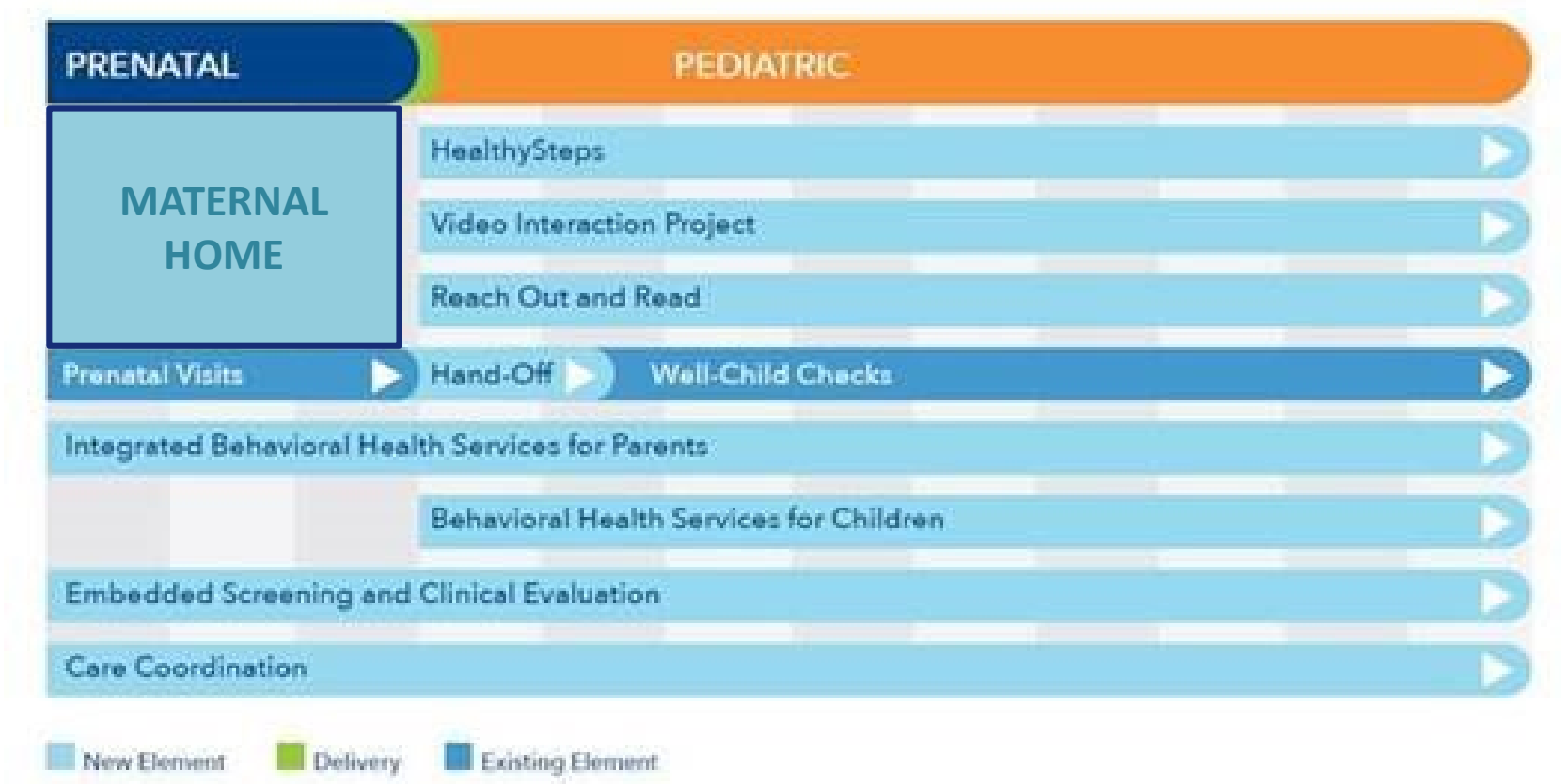
# Highlights...

- To date, the Maternal Home has served over 3,000 patients in 2 years-- exceeding the original estimate of 2,000 patients over 5 years!
- In 2021, the MH reached 2195 patients, representing 16% of births within H+H
- The largest cohort of patients served were in Brooklyn, where 25% of birthing patients were in the MH
- The MH has served patients in 19 different languages
- 75% of patients in the MH identify as Black or Hispanic
- In 2021, 25% of referrals were made to community-based organizations including:
  - Medical Support and Management—59% Dental; 28% 3-2-1 IMPACT
  - Pregnancy and Parenting Support—32% Lactation Support; 22% Doulas; 13% Nurse-Family Partnership
  - Social Determinants of Health— 62% Food Support (WIC, SNAP, Food Pantries); 11% Mental Health; 11% Housing



# 3-2-1 IMPACT

## Integrated Model for Parents and Children Together





# Sustainability – Alternative Payment Models

- 50-60% of service are non-billable - sustained currently through NYC H+H capital funds and public-private partnership grants
  - Non-billable providers
  - Non-billable services
- We estimate an additional \$25-35 PMPM needed for all children 0-3yrs and pregnant people seeking care in 3-2-1 IMPACT model
- MCO Partnerships – Drafting an Early Childhood VBP Pilot to inform State planning
  - Currently attributed members
- Current State Policy and Advocacy opportunities
  - 1115 Waiver Proposal (public comment period ends Monday May 2nd)–
    - Minimal child focused support in current draft or in prior version (DSRIP)
    - Investment in young children should be proportional to the percentage of Medicaid enrollees who are children
    - Prospective enhanced premium designed to cover evidence-based, Early Childhood/dyadic services tied to longer-term, cross-sector, 2-generation quality and cost-effectiveness outcomes
    - Link to Social Determinants of Health Networks (SDHNs) and Health Equity Regional Organizations (HEROs) for infrastructure investment to serve young children and families
  - NYS VBP Roadmap– Advocate for one On-Menu VBP arrangement not dependent on shared savings in a 1-year period, focused on supporting dyadic health and prevention for children not yet labeled chronically or behaviorally ill
  - Expanding billing by SW and for prevention services by billable providers

# 3-2-1 IMPACT - Billing and Reimbursement

- **Revenue - Baseline vs. Year 1**



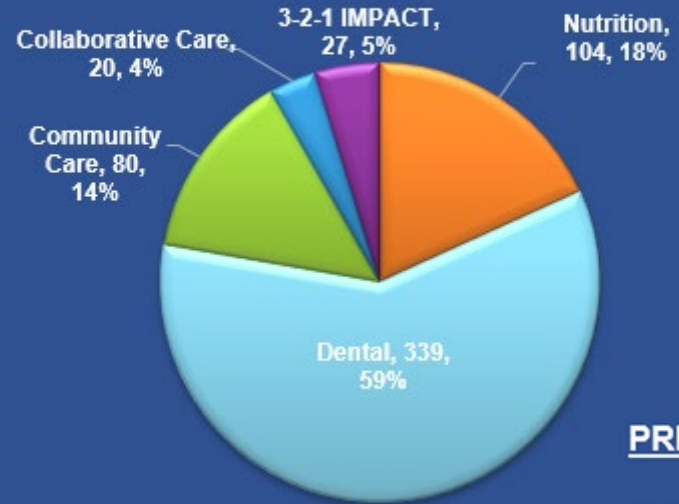
- **Sustainability Challenges**

- Social Work Services in Primary Care Settings
- Preventive Psychosocial and Behavioral Health Services
- Capitation Arrangements with Major Managed Care Medicaid Payers

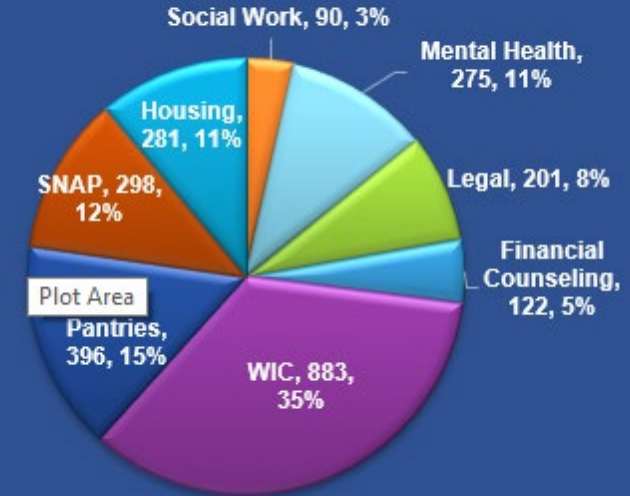
# APPENDIX

# Status Update—Maternal Home

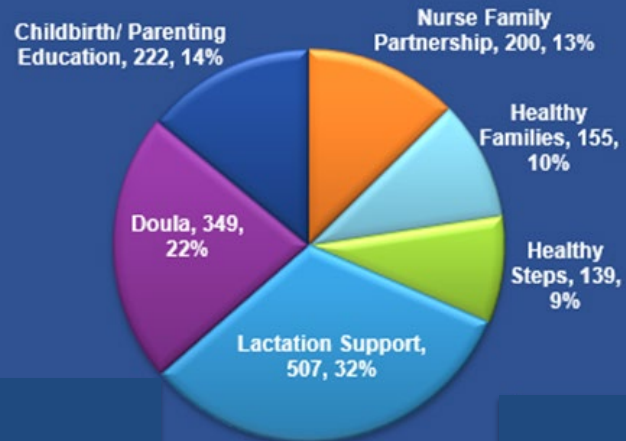
## MEDICAL SUPPORT/ MANAGEMENT



## SOCIAL DETERMINANTS OF HEALTH



## PREGNANCY & PARENTING SUPPORT



## **RESOLUTION - 04**

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to execute an affiliation agreement with Physician Affiliate Group of New York, P.C. (“**PAGNY**”) for the provision of general care and behavioral health services for a period to commence on July 1, 2022 and to end on June 30, 2026 at NYC Health + Hospitals/Coney Island, NYC Health + Hospitals/Harlem, NYC Health + Hospitals/Jacobi (including North Central Bronx as a division of Jacobi), NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Metropolitan, NYC Health + Hospitals/Kings, and certain NYC Health + Hospitals/Gotham Health sites (the “**PAGNY FY23–FY26 Affiliation Agreement**”) for an overall total not to exceed amount of \$3,800,390,000 (including a 10% contingency).

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

**WHEREAS**, the current affiliation agreement with PAGNY was approved by the System’s Board of Directors at its meeting held on June 18, 2015 for a term to 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 agreement through December 31, 2020; and

**WHEREAS**, to allow PAGNY and the System to continue to negotiate the terms of the PAGNY FY23–FY26 Affiliation Agreement, the System’s Board of Directors authorized funding for the continuation of the current affiliation agreement through March, 2021 at its December 2020 meeting; through September 2021 at its March 2021 meeting; through March 2022 at its September 2021 meeting; and through June 2022 at its March 2022 meeting; and

**WHEREAS**, the System wishes to continue its affiliation with PAGNY and enter into the FY23 – FY26 PAGNY Affiliation Agreement; and

**WHEREAS**, the Sr. Vice President and Chief Medical Officer shall have the responsibility for the administration of the FY23–FY26 PAGNY Affiliation Agreement.

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

**RESOLVED**, that New York City Health and Hospitals Corporation (“the System”) be and hereby is authorized to execute an affiliation agreement with Physician Affiliate Group of New York (“PAGNY”) for the provision of general care and behavioral health services for a period to end on June 30, 2026 at NYC Health + Hospitals/Coney Island, NYC Health + Hospitals/Harlem, NYC Health + Hospitals/Jacobi (including North Central Bronx as a division of Jacobi), NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Metropolitan, NYC Health + Hospitals/Kings, and certain NYC Health + Hospitals/Gotham Health sites (the “**FY23 – FY26 PAGNY Affiliation Agreement**”) for an overall amount not to exceed \$3,800,390,000 (including a 10% contingency).

Dated: April 28, 2022

**EXECUTIVE SUMMARY  
AFFILIATION AGREEMENT  
WITH  
PHYSICIAN AFFILIATE GROUP OF NEW YORK**

**BACKGROUND:** The System has long obtained medical services through clinical affiliation agreements with certain medical schools, voluntary hospitals and professional corporations including Physician Affiliate Group of New York (“PAGNY”). The current affiliation agreement with PAGNY was approved by the System’s Board of Directors at its meeting held June 18, 2015 and its terms were extended through December 31, 2020 by action of the System’s Board at its June 2020 meeting, and the Board authorized additional funding authorized at its December 2020, March 2021; September 2021, and March 2022 meetings to allow time for new terms to be negotiated.

**TERMS:** PAGNY will continue to provide clinical services at the following System facilities: NYC Health + Hospitals/Coney Island, NYC Health + Hospitals/Harlem, NYC Health + Hospitals/Jacobi (including North Central Bronx as a division of Jacobi), NYC Health + Hospitals/Lincoln, NYC Health + Hospitals/Metropolitan, NYC Health + Hospitals/Kings, and certain NYC Health + Hospitals/Gotham Health sites.

**FUNDING** The cost of the PAGNY FY23 – FY26 Affiliation Agreement comes from the  
**NOT-TO-EXCEED** System’s general operating funds and the cost of the agreement is as follows:  
**AMOUNTS:**

Total Contract Value	\$3,454,900,000
10% Contingency Value	\$345,490,000
Total Not-to-Exceed Value	\$3,800,390,000



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

From: Keith Tallbe    Tallbe,  
Senior Counsel    Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Physician Affiliate Group of New York (PAGNY)

Date: March 24, 2022

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Digitally signed by  
Tallbe, Keith  
Date: 2022.03.24  
07:52:50 -04'00'

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.

# Authorizing Affiliation Agreement Renewal with PAGNY

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

Matthew Siegler, Senior Vice President Managed Care and Patient Growth

**Board of Directors Meeting**

**April 28, 2022**

# Overview of Renewal of H+H Affiliate Arrangement with PAGNY

PAGNY

Effective through  
June 30, 2026

- Covers professional services (physicians, certain advanced practice practitioners, technical, and clerical staff)
- Primarily cost-based arrangement that include compensation, fringe, and overhead. New contract will include enhanced incentive-based revenue opportunities.
- PAGNY is unique among H+H affiliates – it is larger than other affiliates and it is not affiliated with another health system or single academic institution

## Since its Formation, 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
Jacobi/North Central Bronx	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"> <li>▪ Affiliate Agreements are <b>based on sites</b></li> <li>▪ Approximately <b>2,800 FTEs overall (~1,900 physician FTEs)</b> are employed through the Affiliate agreements</li> <li>▪ Some facilities/sites have services provided by <b>more than one Affiliate</b></li> </ul>

# Approach Driven by Guiding Principles

Established principles served as a guide for negotiations with all Affiliates

Governance & Management	1	<b>Develop overarching governance and management structure.</b> <ul style="list-style-type: none"> <li>Establish an overarching governance and management structure to ensure decisions are made efficiently, consistent with the Shared Principles.</li> </ul>
	2	<b>Develop clear and enforceable contract terms, flexible to innovation and changing care needs.</b> <ul style="list-style-type: none"> <li>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.</li> </ul>
	3	<b>Achieve financial and operational reporting transparency.</b> <ul style="list-style-type: none"> <li>Greater reporting transparency among Affiliates and H+H is needed to ensure performance metrics and other shared objectives are achieved.</li> </ul>
Financial	4	<b>Align financial incentives with Affiliates and physicians.</b> <ul style="list-style-type: none"> <li>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.</li> </ul>
	5	<b>Maintain sustainable compensation and benefit packages in consideration of H+H service expectations and resource constraints.</b> <ul style="list-style-type: none"> <li>Physician compensation packages need to be fair and affordable considering both monetary and in-kind services, employment benefits, and malpractice insurance value.</li> </ul>
Medical & Professional Affairs	6	<b>Enhance patient care model.</b> <ul style="list-style-type: none"> <li>Coordinate care needs among facilities and specialty and primary care physicians to ensure patients receive the right care at the right time.</li> </ul>
	7	<b>Establish attractive career opportunities for a diverse group of new and existing providers, especially for primary care and advanced practice practitioners.</b> <ul style="list-style-type: none"> <li>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.</li> <li>Expanding diverse physician supply, especially primary care, is critically important as care needs shift and the workforce ages.</li> <li>Each affiliate will develop a multi year physician workforce diversity and succession plan for H+H approval.</li> </ul>
	8	<b>Develop contract provisions to allow for H+H and Affiliates to effectively engage in research and medical education.</b> <ul style="list-style-type: none"> <li>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.</li> </ul>

# Key Governance and Management Terms

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

# Key Financial Terms

<i>Financial</i>	
H+H Guiding Principles	Key Elements
<ul style="list-style-type: none"> <li>Align financial incentives with Affiliates and physicians</li> <li>Maintain sustainable compensation and benefit packages in consideration of H+H service expectations and resource constraints</li> </ul>	<ul style="list-style-type: none"> <li>Work with PAGNY to transition to workforce plan-based budget approach for FY-23 and after:           <ul style="list-style-type: none"> <li><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</li> <li><u>Multi-year budgets</u> reflect agreed to and anticipated Cost of Living Adjustments (COLAs)</li> <li><u>Guarantee increase in provider compensation, improve PAGNY operational capabilities, better align incentives to increase shared revenue for PAGNY and H+H</u></li> </ul> </li> <li>Work with PAGNY and Facility Leadership to implement Faculty Practice Plan (FPP) changes in FY-23 and after:           <ul style="list-style-type: none"> <li><u>Develop unified PAGNY FPP in FY23</u></li> <li><u>Incentivize success in value based payment</u> <ul style="list-style-type: none"> <li><u>Share FPP earnings from first dollar vs current 'off the top' carve out</u></li> <li><u>Create new VBP earning opportunities tied to growing attributed membership, increasing risk surplus, increasing quality bonus payments</u></li> <li><u>Set maximum FPP earnings and PAGNY contract value</u></li> </ul> </li> </ul> </li> </ul>

# PAGNY 4-Year Affiliate Rolling Not-to-Exceed Illustration

FY-23 Maximum Not-to-Exceed Value: \$816M

**Additional PAGNY Earning Potential**  
(\$28M)

FY-23 Base Not-to-Exceed Value: \$788M

COLA/Other base Not-to-Exceed increases (\$82M)

**Facility Approved Programming Not-to-Exceed**  
*(based on Workforce Plan)*  
(\$706M)

**FY-23**

FY-26 Maximum Not-to-Exceed Value: \$909M

**Additional PAGNY Earning Potential**  
(\$51M)

FY-26 Base Not-to-Exceed Value: \$859M

COLA/Other base Not-to-Exceed increases  
(\$153M)

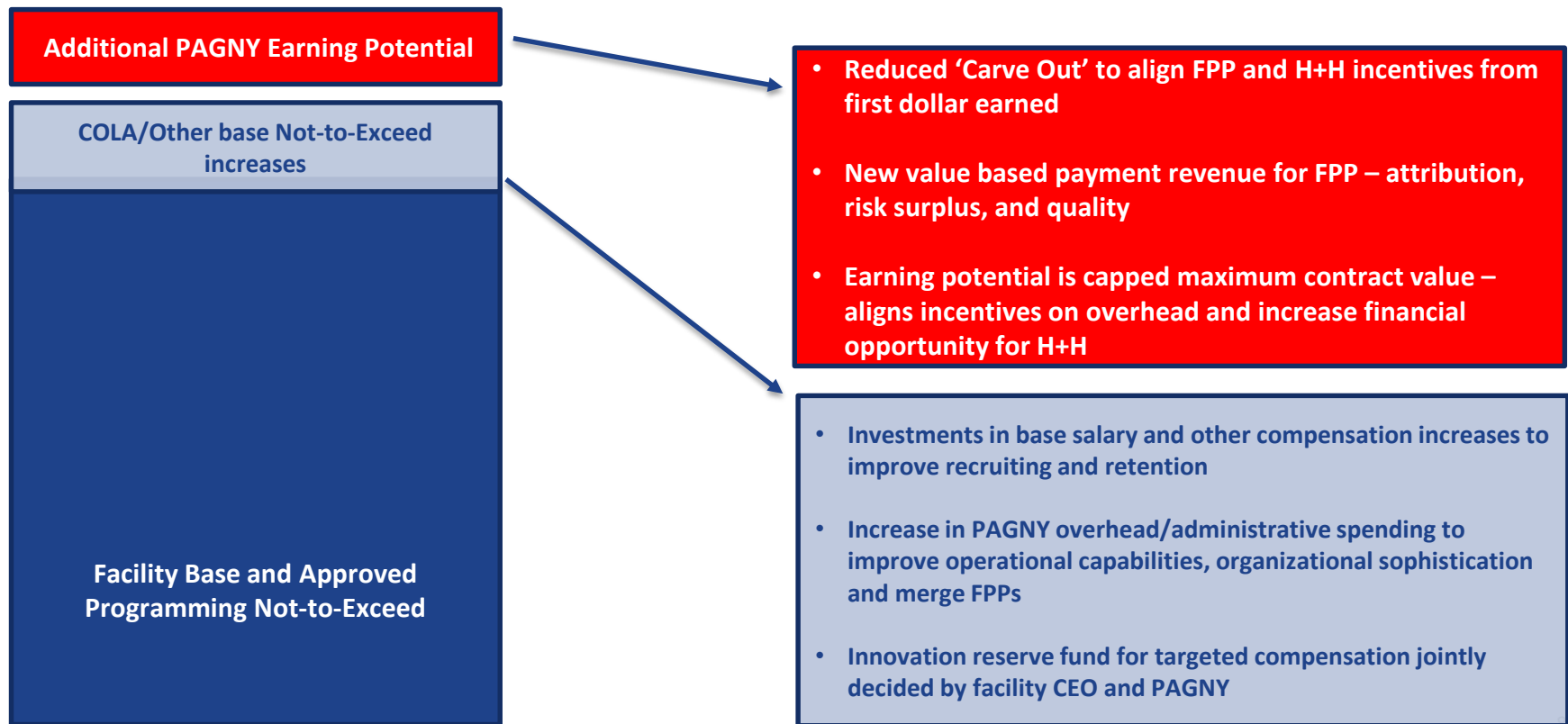
**Facility Approved Programming Not-to-Exceed**  
*(based on Workforce Plan)*  
(\$706M)

**FY-26**



# Key Elements of Negotiation and Future PAGNY Budget

- PAGNY recruiting challenges and limited infrastructure required new investment in both compensation and overhead (base budget increases)
- PAGNY commitment to partnering with H+H on success in value based payment sets stage for investments in new PAGNY incentive based compensation (additional PAGNY earning potential)
- Combined with new FPP maximum structure, new structure better aligns incentives to improve quality, efficiency, productivity and benefits H+H financial plan



# Proposed Approach to Increase Diversity of Providers

Health + Hospitals is committed to creating a workplace that is fair and inclusive, and promoting a workforce which better reflects that diversity of the populations we serve.

## *H+H Patient and Provider Diversity, 2020*

Race/Ethnicity	Patients	PAGNY
Black / African American	34%	14%
Latinx	30%	8%
White	8%	40%
Asian	7%	32%
American Indian / Alaska Native	7%	1%
Other	17%	N/A
2 or more races	N/A	N/A
Missing / Unspecified / Declined	4%	4%

### **Notes:**

- Patient data provided by NYC Health + Hospitals
- PAGNY data includes the following job titles: physicians, surgeons, residents, dentists and pharmacists

### Terms

- PAGNY agrees to develop a Workforce Diversity plan for increasing recruitment of underrepresented minority providers with the objective of making our providers reflective of our patient population.
- PAGNY will report annually on their progress in implementing the Workforce Diversity plan.

### Next Steps

- Identify pathways, including the new MOSAIC program, to extend opportunities to medical students who are underrepresented minorities

# Board of Directors Approval Request

Authorizing funding for New York City Health and Hospitals Corporation (the “**System**”) to enter into a four-year affiliation agreement with Physician Affiliate Group of New York, P.C. (“**PAGNY**”) for the provision of general care and behavioral health services at the System facilities served by PAGNY for a period of four years from July 1, 2022 to June 30, 2026 at the not-to-exceed amounts indicated below:

<i>Proposed Funding July 1, 2022 – June 30, 2026</i>	
	<b>PAGNY</b>
<b>Total Contract Value</b>	<b>\$3,454,900,000.00</b>
<b>10% Contingency Value</b>	<b>\$345,490,000.00</b>
<b>Total Not-to-Exceed Value</b>	<b>\$3,800,390,000.00</b>

# Appendix

# PAGNY Contract Funding History

Period Covered	Funding Period	Contract Value	Contingency	Total NTE
July 1, 2015 – June 30, 2020	5 years	\$2,562,175,665	\$640,543,916 (Up to 25%)	\$3,202,719,581
July 1, 2020 – December 31, 2020	6 months	\$325,093,974	\$32,509,397 (10%)	\$357,603,371
January 1, 2021 – March 31, 2021	3 months	\$171,333,018	\$25,699,953 (10% + 5% for COVID)	\$197,032,971
April 1, 2021 – September 30, 2021	6 months	\$331,761,878	\$33,176,188 (10%)	\$364,938,066
October 1, 2021 – March 31, 2022	6 months	\$341,464,622	\$51,219,893 (10% + 5% for COVID)	\$392,684,315
April 1, 2022 – June 30, 2022	3 months	\$170,732,311	\$17,073,231 (10%)	\$187,805,542

## **RESOLUTION - 05**

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year contract with **EAC Network** (“EAC”) for services to operate the Community Reentry Assistance Network (“CRAN”) program to assist persons detained by the New York City Department of Correction as they leave detention and reenter the community with the System holding two 1-year options to renew for an amount not to exceed \$25,000,000 over the entire potential five-year term.

**WHEREAS**, the City of New York (the “City”) is obligated under the terms of the agreement that settled the Brad H litigation brought in 2000 to provide reentry services to incarcerated individuals with a mental health diagnosis which the City has attempted to do through the CRAN program; and

**WHEREAS**, the City assigned responsibility for providing health care to incarcerated individuals to the System and, more specifically, the System’s Correctional Health Services unit (“CHS”) including much of the responsibility for the Brad H settlement; and

**WHEREAS**, since 2017 EAC has provided the CRAN services serving approximately 1,800 individuals annually; and

**WHEREAS**, EAC is a not-for-profit corporation with a substantial history of providing social services in the City’s metropolitan area; and

**WHEREAS**, in preparation for the expiration of the EAC agreement, the System conducted an open, competitive RFP process to engage a contractor to operate the CRAN program and, with the approval of the Contract Review Committee, once again selected EAC to operate the CRAN program but on a somewhat redesigned basis; and

**WHEREAS**, the System’s Senior Vice President for CHS will be responsible for the management of the proposed agreement.

**NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to execute a three-year contract with EAC Network (“EAC”) for services to operate the Community Reentry Assistance Network (“CRAN”) program to assist persons detained by the New York City Department of Correction as they leave detention and reenter the community with the System holding two 1-year options to renew for an amount not to exceed \$25,000,000 over the entire potential five-year term.

**EXECUTIVE SUMMARY  
SOCIAL AND CLINICAL SERVICES  
FOR DETAINEES RELEASED FROM INCARCERATION  
CONTRACT WITH EAC NETWORK**

- OVERVIEW:** In Brad H, a class action was brought against the City over its treatment of certain incarcerated individuals and its settlement in 2000, imposes various obligations on the City. After its assignment of responsibility for the provision of healthcare for incarcerated persons, much of the responsibility for complying with Brad H, including the operation of the Community Reentry Assistance Network (“CRAN”) has passed to the System’s CHS unit. Since 2017, the System has contracted with EAC to operate the CRAN program. CRAN offers two program tracks: transitional Case Management services, typically initiated while a client is incarcerated, and Post-Release Services. CRAN works closely with clients in both tracks to facilitate achievement of health and reentry goals.
- EAC NETWORK:** EAC Network is a not-for-profit that has operated in the New York metropolitan area for over 50 years. Its programs serve children, seniors, justice involved persons and those with behavioral health challenges.
- PROCUREMENT** A competitive RFP was conducted through Supply Chain and under the review of the Contract Review Committee. The RFP was issued to five firms and was published in the City Record. Two vendors attended a pre-proposal conference but only EAC submitted a proposal. Other potential candidates lacked the considerable capacity of EAC and were unable to make a proposal. Apart from being the sole candidate, EAC offers the ability to satisfy all contractual obligations through working closely with CHS to improve and expand provision of services, demonstrated experience providing case management services to justice-involved populations, demonstrated experience providing services and support to individuals with serious mental illness, familiarity with Brad H requirements and a diverse and bi-lingual staff. The Evaluation Committee selected EAC as the best proposer and the CRC approved such selection.
- PROGRAM:** CHS has restructured the CRAN program and the RFP was issued explicitly on that basis. As redesigned, EAC will be required to conduct outreach in jail facilities to inform the detainee population of the services available. EAC will be required to accept not less than 75% of the case referrals made by CHS. Explicit performance measures are established against which EAC’s performance will be regularly evaluated.
- COSTS:** Total not-to-exceed cost for the potential five-year contract will not exceed \$25,000,000.
- MWBE:** Because EAC is a not-for-profit corporation, the MWBE subcontracting rules do not apply.

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

From: Keith Tallbe Tallbe,  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: EAC, Inc.

Date: March 28, 2022

---

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

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
Exempt (non-profit)

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.



# **Community Reentry Assistance Network (CRAN)**

## **Application to Enter into Contract EAC Network**

**Board of Directors Meeting  
April 28, 2022**

**Ellie Epstein  
Sr. Director  
Reentry and Transition Services  
Correctional Health Services**

# Background

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- CRAN provides reentry services for individuals who are incarcerated in NYC, with specialization in serving CHS patients with mental health diagnoses.
- CRAN offers two program tracks: transitional Case Management services, typically initiated while client is incarcerated, and Post-Release Services. CRAN works closely with clients in both tracks to facilitate achievement of health and reentry goals.
- Earlier iteration of this program was known as LINK and SPAN, which were launched pursuant to the City's responsibilities under the settlement agreement in *Brad H. v. City of New York* (2000).
- The current contract was procured via Request for Proposals and awarded to EAC Network.
  - Contract went into effect on July 1, 2017 for a term of 3 years with the option for two 1-year renewals and will expire June 30, 2022.
- The CRC approved an application to issue an RFP in November 2021.



# Current Contract Summary

- Engagement in CRAN services is voluntary and directed by clients
- On average CRAN serves 1,790 clients each year
  - 2018: 2,742
  - 2019: 2,251
  - 2020: 1,129
  - 2021: 1,036
- 96% of all clients who engage with CRAN in the community receive at least one meaningful service (e.g., assistance with benefit applications, connection to care)
- In the past 3 years, CRAN has made over 3,000 unique service referrals to more than 200 different providers
- 2,500 patients attended a CRAN group information session while in custody
- CRAN program has and continues to meet all performance metrics required under the Brad H Settlement.
- Historical spending and budget:

Fiscal Year	Budget	Total Spend
FY21	\$5,727,975	\$4,516,533
FY20	\$5,727,975	\$4,572,052
FY19	\$5,727,975	\$4,845,419
FY18	\$5,727,975	\$4,045,142

All figures provided are based on data from calendar years 2019-2021 unless otherwise specified.

# Lessons Learned

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- Need for data collection and reporting systems to be in place at contract start
- Limitations under current contract:
  - Services limited to patients with mental health diagnoses (Brad H class members)
  - Difficulty engaging patients in post-release services
- Solutions to these issues were integrated into the new RFP by expanding:
  - Eligibility:
    - Case Management: all patients with SMI diagnosis and/or significant health care needs or functional impairment
    - Post-Release services: all individuals with recent incarceration in NYC jail system
  - Requirements for service awareness outreach
  - Support: cell phone provision/assistance; staff to meet clients in convenient community locations (in addition to CRAN offices or via telephone); services available on Friday nights and Saturdays

# Contract Requirements

- Vendor is required to:
  - Provide assistance with obtaining prescription medications, completing benefit applications, housing assistance, transportation, and connections to health and behavioral health care.
  - Maintain walk-in availability for services during normal business hours, and provide on-call support and crisis intervention services on Friday evenings and Saturdays.
  - Conduct at least 6 outreach events per month (in jail facilities and in the community) to inform NYC Jail population, their friends/family, and staff from community organizations (legal and social service-oriented) about Post-Release Services.
  - Meet with and admit at least 75% of all CRAN Case Management referrals made by CHS, and provide case management services for up to six months upon release from custody.
  - Provide at least one meaningful service (e.g. complete a benefit application, provide housing assistance, connect to treatment provider) to a minimum of 85% of clients who connect with CRAN upon return to the community.
- Vendor must also meet requirements under Brad H. Settlement Agreement:
  - Maintain public-facing office space within a half mile of the court house in each borough.
  - Conduct outreach to all SMI clients within 5 days of release from custody.
  - Contact treatment providers, as identified on CHS discharge plans, for SMI clients within 5 days of release to determine connection to care.
- Failure to meet Performance Metrics can result in financial penalties. Continuous failure may be cause for contract termination.

# Procurement Summary

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- Sourced via public solicitation and sent directly to 5 vendors
- Solicitation was limited to firms with a 501(c)(3) designation (not for profit)
- The evaluation criteria was comprised of experience, quality of program plan, staffing plan, and cost
- Evaluation committee was comprised of various members of Correctional Health Services and Behavioral Health
- EAC Network was the only proposer and received a score of 8.9 out of 10  
Contract amount is capped at \$5,000,000 a year
- Contract duration is three years with two one-year renewal options at the discretion of NYC Health + Hospitals at a not-to-exceed amount of \$25,000,000

# Vendor Selection

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- EAC Network was selected for the following reasons:
  - Ability to satisfy all contractual obligations through working closely with CHS to improve and expand provision of services.
  - Demonstrated experience providing case management services to justice-involved populations
  - Demonstrated experience providing services and support to individuals with serious mental illness
  - Familiar with Brad H requirements
  - Diverse and bi-lingual staff
  - Provided 18 letters of support from other social service providers and court parties
  
- Non-responding vendors:
  - CASES – Limited bandwidth to pursue multiple opportunities
  - CTCNY – Insufficient capacity to support a City wide initiative

# MWBE and Workforce Diversity

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- EAC Network is a 501(c)(3) Organization.
- EAC Network has a current workforce of 437 employees throughout New York State with 49% identifying as persons of color.
- Able to communicate with clients in their primary language, thanks to multilingual staff and telephonic translation services.
- Will employ peers as part of the case management team.



# Board of Directors Request

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- Correctional Health Services is seeking approval to enter into contract with EAC Network for CRAN:
  - **Contract Term:** 3 years with two 1-year options to renew
  - **Implementation / Roll out milestones:**
    - **June 2022:** Commence transition planning with EAC Network to begin hiring.
    - **July 2022:** New contract begins. EAC Network to adopt new eligibility criteria, begin offering services on Friday evenings and Saturdays, and amend outreach practices.
  - **Cost:** \$25,000,000
  - **M/WBE Status:** Exempt

## **RESOLUTION – 06**

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year contract with **Derive Technologies LLC** (“Derive”) for services to maintain workstations on wheels and medical carts with the System holding two 1-year options to renew for an amount not to exceed \$6,500,000 over the entire potential five-year term.

**WHEREAS**, the System makes extensive use of carts equipped as mobile workstations and medical carts that permit clinicians to document patient care even while away from a computer and to perform certain clinical functions using only the cart; and

**WHEREAS**, these high-tech carts require regular preventative maintenance, hardware support and replacement, battery reconditioning and replacement and device integration and support, which is complicated by the System’s using carts from multiple manufacturers; and

**WHEREAS**, the System performed a competitive RFP which was issued, however, to only a closed pool of eleven certified MWBE contractors resulting in a determination, made with the approval of Supply Chain and the Contract Review Committee, to award the contract to Derive; and

**WHEREAS**, the System’s Senior Vice President and Chief Technology Officer will be responsible for the management of the proposed agreement.

**NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the “**System**”) be and hereby is authorized to execute a three-year contract with Derive Technologies LLC (“**Derive**”) for services to maintain workstations on wheels and medical carts with the System holding two 1-year options to renew for an amount not to exceed \$6,500,000 over the entire potential five-year term.

**EXECUTIVE SUMMARY**  
**MEDICAL AND DOCUMENTATION CART MAINTENANCE CONTRACT**  
**WITH DERIVE TECHNOLOGIED LLC**

<b>OVERVIEW:</b>	In its healthcare facilities, the System makes extensive use carts as mobile work stations or as documentation carts. Currently in the System's inventory are approximately 3,000 documentation carts and approximately 1,000 medical carts. These carts require regular preventative maintenance, hardware support and replacement, battery reconditioning and replacement and device integration and support, which is complicated by the System's using carts from multiple manufacturers. The proposed contract will provide the necessary maintenance of such carts.
<b>PROCUREMENT</b>	A competitive RFP was conducted through Supply Chain and under the review of the Contract Review Committee. The RFP was issued to a limited pool consisting of only MWBE firms in accordance with OP 100-5 and OP 100-10. Eleven firms were invited to participate. Five firms attended a pre-proposal conference and three firms submitted proposals. The Evaluation Committee selected Derive as the best proposer and the CRC approved such selection.
<b>PROGRAM:</b>	Derive will have staff on site to conduct regular preventative maintenance, hardware support and replacement, battery reconditioning and replacement and device integration and support.
<b>COSTS:</b>	Total not-to-exceed cost for the potential five-year contract will not exceed \$6,500,000.
<b>MWBE:</b>	Because Derive is a certified MWBE, the System will regard this as achieving 100% MWBE participation.

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

From: Keith Tallbe      Tallbe,  
Senior Counsel      Keith  
Office of Legal Affairs  
Digitally signed by Tallbe, Keith  
Date: 2022.03.28 10:58:11 -04'00'

Re: Vendor responsibility, EEO and MWBE status

Vendor: Derive Technologies LLC

Date: March 28, 2022

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

**Vendor Responsibility**  
Approved

**EEO**  
Approved

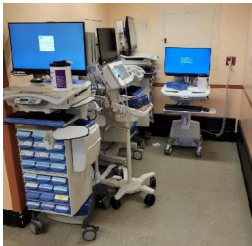
**MWBE Utilization Plan**  
NYC and NYS MBE

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.

# **Workstation on Wheels and Medication Cart Maintenance**

**Contract Application  
Derive Technologies LLC**

**Board of Directors Meeting  
April 28, 2022**



**Jeff Lutz, Senior Assistant Vice President  
Chief Technology Officer  
EITS**

# Background / Current State

- These devices allow for clinicians to document patient care in locations that do not have a computer. Currently the carts are from different manufacturers including Capsa and Ergotron. The maintenance will include, but not be limited to:
  - Regularly scheduled preventative maintenance
  - Hardware support and replacement
  - Battery reconditioning and maintenance
  - Device integration and support
- Existing maintenance:
  - Service was developed in conjunction with Derive Technologies to support the carts as they grew in use due to the increase of wireless and implementation of Epic.
  - Derive Technologies has provided service for the past five years referencing an Intalere Contract. The maintenance has been renewed annually.
  - The estimated cost is \$1.6M annually covering 3,000 Documentation Carts and 1,000 Med Carts across all facilities. This covers the technicians that come on site and any associated parts that are warrantied by the manufacturer.
  - Derive Technologies, a NYC Certified MWBE, has been a partner to NYC H+H for several years.
- Given the different manufacturers for the devices, partners are leveraged to perform this maintenance.



# Procurement Summary

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- Sourced via public solicitation (RFP) and sent directly to 11 vendors
- Solicitation was limited to a pool of Diverse (M/WBE) Vendors only, which is consistent with our Procurement and Contracting Policy 100-05 & Vendor Diversity Policy 100-10
- Derive Technologies was the highest rated proposer of three proposers with a score of 8.6 out of 10
- Derive Technologies is a certified MBE and was rated as satisfactory for its historical performance as an incumbent vendor
- Contract amount is \$6,500,000
- Contract duration is three years with two one-year renewal options at the discretion of NYC Health + Hospitals

# Overview of Procurement

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- 02/08/22: RFP posted on City Record, sent directly to 11 vendors
- 02/16/22: Pre-proposal conference held, 5 vendors attended
- 03/04/22: Proposal deadline, 3 proposals received
- 03/11/22 – 03/14/22: Vendors presented proposal solution to evaluation committee. Evaluation Committee debriefed and finalized scoring
- 03/15/22: Scoring results tabulated; Derive Technologies was the highest rate proposer



# RFP Criteria

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- **Minimum criteria:**
  - 5 years in business
  - Similar experience supporting other healthcare locations
  - Certifications and qualifications to provide support from cart manufacturers
  - M/WBE Certification
- **Evaluation Committee:**
  - Chief Technology Officer
  - Director End User Innovations
  - Sr. Director EITS Infrastructure Services
  - Director EITS Infrastructure Services
  - Associate Director Nursing
  - AVP EITS Finance
- **Substantive Criteria**
  - 35% Cost
  - 35% Service Proposal
  - 30% Experience

# M/WBE – Closed Pool Solicitation

## Closed Pool Solicitation RFP Summary

M/WBE Status	# Invited	# Responded	# Meeting Goal	# Requesting Waiver
M/WBE	11	3	N/A	N/A

- Taking into account the availability, capacity, and scalability of the M/WBE firms, the Cart Maintenance RFP was limited to a pool of Diverse (M/WBE) Vendors only, which is consistent with our Procurement and Contracting Policy 100-05 & Vendor Diversity Policy 100-10.

## Awarded M/WBE Vendor Information

M/WBE Name	Certifying Agency	Certified as
Derive Technologies	NYC & NYS	MBE

# Board of Directors Approval Request

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- EITS seeks to enter into a five year agreement with Derive Technologies to provide support on the current fleet of deployed Documentation carts and Medication carts at a not-to-exceed amount of \$6,500,000
- Termination for convenience at the discretion of NYC Health + Hospitals
- Three years with two one-year renewal options at the discretion of NYC Health + Hospitals

## **RESOLUTION - 07**

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a five year revocable license agreement with **T-Mobile Northeast LLC** (the “Licensee”) to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the “Facility”), located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,457.

**WHEREAS**, in 2019 and 2021 the Board of Directors authorized the System to enter into a three month license agreement with the Licensee; and

**WHEREAS**, during each year of the five year license agreement term, the Licensee will operate its cellular communications system for an approximately four month period, beginning approximately two weeks prior to Memorial Day and ending when the Licensee removes its equipment, approximately two weeks after Labor Day; and

**WHEREAS**, the Licensee will operate a cellular communications system mounted on a wheeled platform designed to provide enhanced cellular communications; and

**WHEREAS**, the Licensee’s cellular communications system complies with applicable federal statutes governing the emission of radio frequency signals, and therefore poses no health risk.

**NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to execute a five year revocable license agreement with T-Mobile Northeast LLC (the “Licensee”) to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land located on the campus of the former Neponsit Health Care Center (the “Facility”) located at 67 Rockaway Beach Boulevard, Queens, at an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,347.

## **EXECUTIVE SUMMARY**

### **LICENSE AGREEMENT T-MOBILE NORTHEAST LLC**

#### **THE FORMER NEPONSIT HEALTH CARE CENTER**

The NYC Health and Hospitals Corporation (the “System”) seeks Board of Director’s authorization to execute a five year revocable license agreement with T-Mobile Northeast LLC (“T-Mobile”) to operate a mobile cellular communications system on the campus of the former Neponsit Health Care Center (“Neponsit”). During each year the five year license term, T-Mobile will operate its system for an approximately four month period commencing approximately two weeks prior to Memorial Day and ending when T-Mobile removes its equipment, approximately two weeks after Labor Day.

T-Mobile will operate a cellular communications system mounted on a wheeled platform designed to provide enhanced cellular communications. T-Mobile’s equipment will be located on an approximately 1,600 square foot parcel of land located on the former Neponsit campus at 67 Rockaway Beach Boulevard, Queens. The equipment will be removed shortly after Labor Day. T-Mobile will pay an occupancy fee of \$50,000 to be escalated by 3% per year for a five year total of \$265,457. T-Mobile’s cellular communications system complies with applicable federal statutes governing the emission of radio frequency signals, and therefore poses no health risk.

T-Mobile will indemnify and hold harmless the NYC Health and Hospitals Corporation and the City of New York from any and all claims arising out of its use of the licensed space, and shall provide appropriate insurance naming the NYC Health and Hospitals Corporation and the City of New York as additional insureds.

The term of this agreement shall not exceed five years without further authorization by the Board of Directors and shall be revocable by either party upon thirty days written notice.

# **The Former Neponsit Health Care Center License Agreement – T-Mobile Northeast LLC**

**Board of Directors Meeting  
April 28 , 2022**

**Christine Flaherty, Senior Vice President, OFD**



# Background

- The vacant former Neponsit Health Care Center is located at 67 Rockaway Beach Blvd., Queens, NY
- In 2019 and 2021 the Board of Directors authorized a three month license agreement with T-Mobile for the installation and operation of a mobile cellular communications system designed to enhance cellular communications.
- Under the proposed agreement the same type of equipment will be installed and operated at the site.
- The location of the T-Mobile equipment in 2022 will not impact future anticipated work at the site.



# Terms

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- T-Mobile's equipment will be installed for a 4-month period beginning about 2 weeks prior to Memorial Day and ending about 2 weeks after Labor Day.
- T-Mobile will occupy a 1,600 square foot parcel of land and will pay an occupancy fee of \$50,000.
- The fee will be annually escalated by 3% for a 5-year total of \$265,457.
- There are no comparable market rents for this type of short-term, ground sited, mobile antenna system. Most cell licenses are for multiple years on rooftops where space is tight. The size of the area licensed for the instant use is not a focus of concern because there are no other proximate activities as is the case with a roof top installation and so a per square foot rate comparison would not be useful.
- The term of this agreement be five years and shall be revocable by either party upon 30 days' written notice.





# Board of Directors Request

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Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a four-month revocable license agreement with T-Mobile Northeast LLC to operate a mobile cellular communications system on an approximately 1,600 square foot parcel of land on the campus of the former Neponsit Health Care Center (the “Facility”) located at 67 Rockaway Beach Boulevard, Queens, N.Y. at an occupancy fee of \$50,000 escalated by 3% annually for a five year total of \$265,457.



## RESOLUTION - 08

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with **Titan Industrial Services, Corp.** (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

**WHEREAS**, within the System’s real estate portfolio is the former Neponsit Hospital which sites on approximately 4.5 acres of beachfront property adjacent to Jacob Riis Park in the Rockaway area of Queens which has been unused, vacant and deteriorating since its closure in 1998; and

**WHEREAS**, the property is subject to a state legislative restriction enacted in 1906 at the time the property was acquired for use by the City of New York (the “City”) which limits the possible uses of the property to parkland or a hospital; and

**WHEREAS**, for the last several years, the System has licensed a small portion of the property to the City’s Parks Department for a trailer to house a lifeguard station; and

**WHEREAS**, it is better not to keep the property in its as-is state, because doing so costs the System approximately \$250,000 annually for security and minimal maintenance, the old hospital buildings are in such a state of deterioration that they pose a risk to anybody that enters them or comes close to them and the buildings are an unsightly blight on an otherwise beautiful piece of property; and

**WHEREAS**, the System solicited bids as part of a competitive, public bidding process and Titan proposed the lowest responsive and responsible bid; and

**WHEREAS**, under the proposed agreement, Titan will demolish the existing structures, including all foundations and footings, bring in 6 inches of topsoil, fill in all voids left from the removal of the foundations, grade the property and seed the resulting lawn and construct a new lifeguard facility; and

**WHEREAS**, the entire project will involve fees for design and construction management such that the total amount budgeted for the project, including the amounts for which authorization is sought by the subject resolution, will be \$25,054,714; and

**WHEREAS**, the project described in this Resolution is not expected to conflict with the proposed license to T-Mobile Northeast LLC for a mobile cell site because the cellular equipment will be located closer to the beach and away from the demolition; and

**WHEREAS**, the System’s Senior Vice President for Facility Development will be responsible for the management of the proposed agreement.

**NOW THEREFORE, be it**

**RESOLVED**, that the New York City Health and Hospitals Corporation (the “System”) be and hereby is authorized to execute a contract with Titan Industrial Services, Corp. (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

**EXECUTIVE SUMMARY**  
**DEMOLITION CONTRACT WITH TITAN INDUSTRIAL SERVICES, CORP.**  
**FOR DEMOLITION OF THE FORMER NEPONSIT HOSPITAL,**  
**RESTORATION OF THE PROPERTY AND CONSTRUCTION**  
**OF A LIFEGUARD FACILITY**

**OVERVIEW:** In 1906 the Legislature authorized the City to acquire the Neponsit property but stipulated that it could be used only for parkland or a hospital. A hospital was erected for the treatment of children with TB. The hospital was closed in 1955 and was then used as a nursing home until the facility was closed in 1998 when its conditions were deemed to be unsafe. Since then, the property has sat idle and has continued to deteriorate. The City has provided the necessary capital funding to take down the old buildings, restore the property to parkland and to construct a new lifeguard facility.

**PROCUREMENT** Public bids were solicited and Titan submitted the lowest responsive and responsible bid.

**PROJECT:** Under the proposed agreement, Titan will demolish the existing structures, including all foundations and footings, bring in 6 inches of topsoil, fill in all voids left from the removal of the foundations, grade the property, seed the resulting lawn and construct a new lifeguard facility.

**COSTS:**

Construction	\$19,080,000.00*
Design	\$1,395,495.00
Construction Manager	\$763,318.00
Project Contingency	\$3,816,000.00*
<b>Total</b>	<b><u>\$25,054,714.00</u></b>

*\*Note that the amount of the Construction Contract plus the Project Contingency together total the amount requested to be approved in the resolution presented. The other two items are shown not for approval but to indicate for information purposes, the full cost of the project*

**SCHEDULE:** The project is estimated to be finished within a year.

**MWBE:** 30% MWBE plan

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

From: Keith Tallbe  
Senior Counsel Tallbe, Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Titan Industrial Services Corp.

Date: April 5, 2022

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Digitally signed by  
Tallbe, Keith  
Date: 2022.04.05  
14:19:47 -04'00'

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

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
30%

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.

# **Contract for Demolition of the Neponsit Hospital to Allow for Restoration of Site and Construction of a New Lifeguard Facility with Titan Industrial Services, Corp.**

**Board of Directors Meeting**

**April 28, 2022**

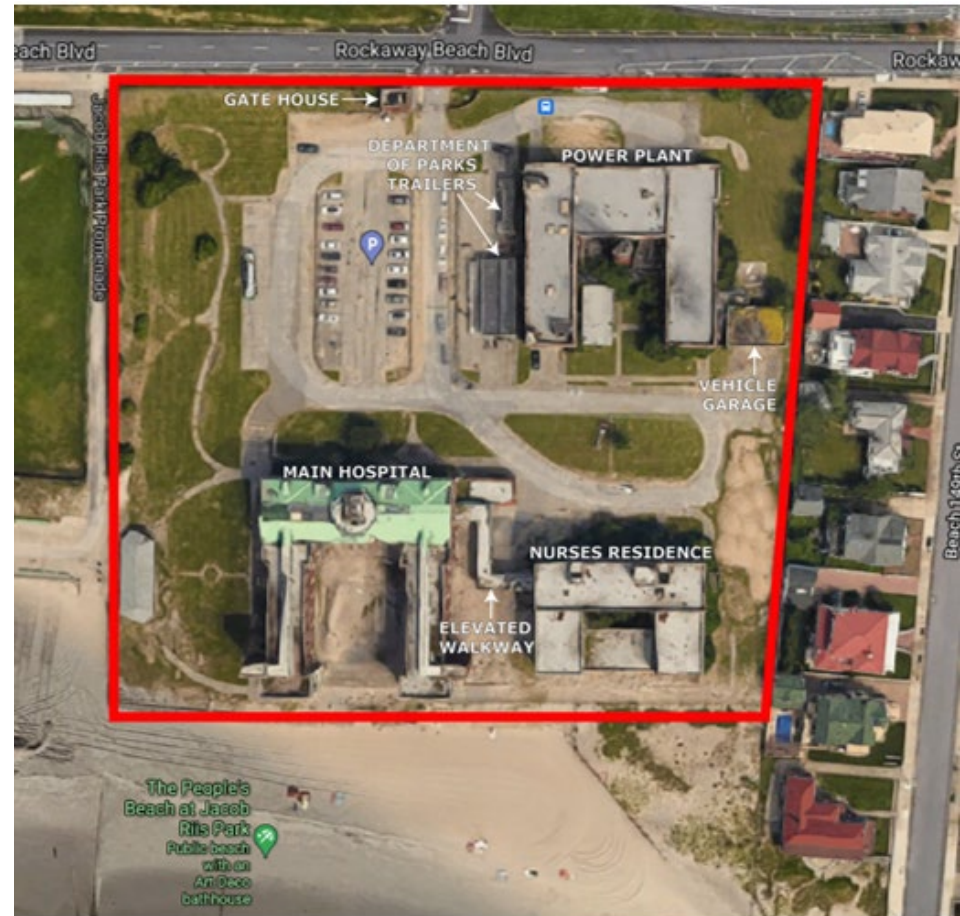
**Christine Flaherty, Senior Vice President, Office of Facilities Development**



# Background

- The vacant former Neponsit Health Care Center is located at 67 Rockaway Beach Blvd., Queens, NY
- Approved by the Board of Directors in June 2015, the NYC Parks Department and H+H entered into a license agreement for the Parks Department to utilize a portion of the site to house lifeguard operations supporting the beach season
- Aside from this discrete NYC Parks use, the site remains vacant, with annual operating costs of to maintain security and grounds maintenance.
- The condition of the site was flagged to H+H in 2020 . Planning for design of the demolition and site improvement commenced in 2021.

## Existing Conditions



- The nearest major H+H facility, Coney Island Hospital, is 7.6 miles away.

# Project Background

## ■ Exterior – Existing Conditions

- Extensive damage to the building envelope
- Loose masonry and terracotta
- Large areas of roofing lost
- Broken and missing windows
- Significant cracks and displacement at parapets

## ■ Interiors – Existing Conditions

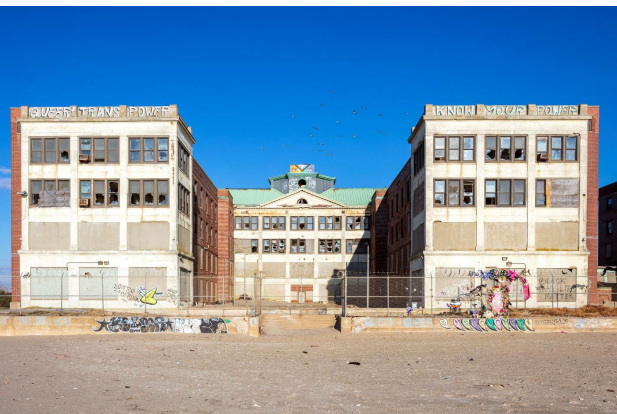
- Elevator shafts are missing doors
- Collapsed ceilings and inadequate lighting
- Delaminated hazardous material debris scattered throughout
- Avian and/or animal waste throughout
- Below grade sections flooded

**All Buildings are in an Unsafe Condition. Annual spend for ongoing security and minimal maintenance is approximately \$250,000.**

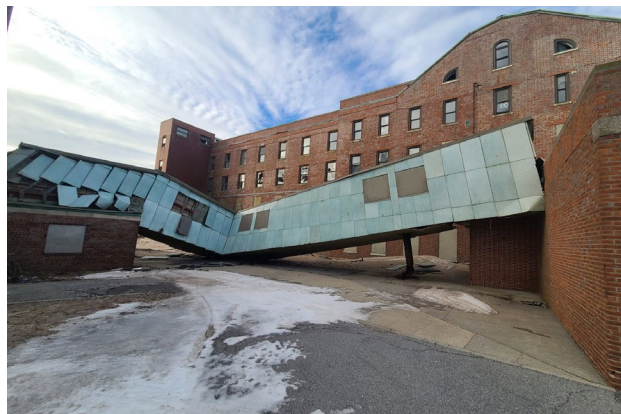




# Existing Conditions



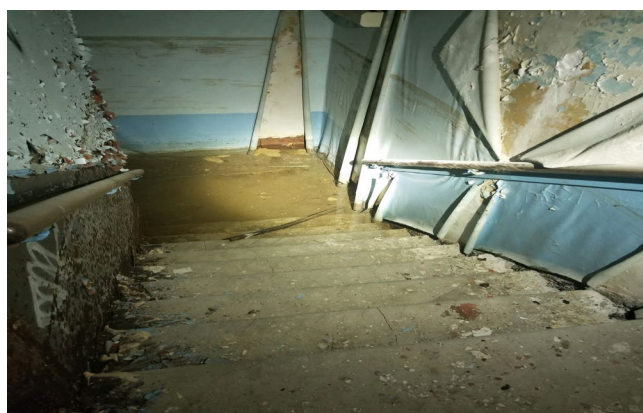
View of Main Hospital from Beach



View of collapsed overhead walkway bridge



View of Power Plant





# Scope of Work

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- Neponsit Project – Demolition will include the removals of all building structures, including various roof types, asbestos materials, exterior walls, building foundation walls and floor slabs above and below grade. Additional, removal of roadways, pathways, curbs, tunnels, manholes, utilities lines above and below grade to the point of connection at third party utilities.
  - Demolish All Buildings to Bottom of Cellar/Basement Foundations
  - Remove All Internal Roadways, Pathways, Curbs and Utilities Tunnels
  - Remove Hazardous Material from within all Buildings and Utility Tunnels



# Completed Project Site

- Construction of new lifeguard facility with required parking for NYC Parks and associated utilities infrastructure.
- Re-grading of site contours for new green infrastructure to comply with NYC DEP, NYS DEC Stormwater Pollution Prevention Plan (SWPPP) and water retention requirements
- The site will be left in a natural state with new 6 inches of topsoil and reseeding of new lawn throughout the site
- Project has complied with SEQRA and SHPO regulatory requirements

## Completed Site



# Project Budget\*

## Neponsit Project

Construction	\$19,080,000
Design	\$1,395,495
Construction Manager	\$763,218
Project Contingency (20%)**	\$3,816,000
<b>Total</b>	<b>\$25,054,714</b>

\*City Mayoral capital funding (CP approval is in process)

\*\* project contingency for unexpected scope changes due to unknown site and concealed building conditions

# Construction Contract

- Sourced via public bid
- Titan Industrial Services was the lowest of seven bidders
- MWBE subcontractor utilization plan presented 30%

Subcontractor	Certification	Supplies/Services	Utilization Plan %
ASAR International	WBE	Abatement Services	25%
Energy Fencing	MBE	Fencing	1%
Tri-State Solutions	MBE	De-Watering	4%

- Contract amount is \$19,080,000
- MWBE amount is \$5,724,000
- MOCs evaluation was not available so we contacted 4 references all of which said they would hire Titan again
- Projected completion in 2023

# Board of Directors Request

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Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a contract with Titan Industrial Services, Corp. (“Titan”) to raze the former Neponsit Hospital, restore the site to a grass field and erect a lifeguard facility for use by the Department of Parks at NYC Health + Hospitals / Neponsit Hospital Center with a 20% project contingency of \$3,816,000, for unexpected scope changes due to unknown site and concealed building conditions, yielding a total authorized expenditure not to exceed \$22,896,000.

## **RESOLUTION - 09**

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute a three-year agreement with **CBRE Group, Inc.** (“CBRE”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.

**WHEREAS**, the System contracted with Johnson Controls, Inc. (“JCI”) on March 16, 2012 for JCI to take responsibility for the management of the physical plant of all of the System’s facilities over a nine-year term including all repairs, maintenance staffing of on-site management positions and the procurement of all supplies and materials required (the “**JCI Contract**”); and

**WHEREAS**, in early 2015 JCI purported to assign the JCI Contract to CBRE; and

**WHEREAS**, the System protested the purported assignment and to resolve the dispute, the System, JCI and CBRE agreed that the assignment would be permitted but that the System and CBRE would enter into a much smaller and limited contract to replace the JCI Contract; and

**WHEREAS**, the successor contract with CBRE was made on July 1, 2016 pursuant to which CBRE furnished to the System the services of six Directors of Engineering assigned to six of the System’s hospitals and dedicated a small group of staff to purchase for the System a narrow class of urgently needed maintenance and repair supplies and services (the “**CBRE Agreement**”); and

**WHEREAS**, the System has reduced its reliance on CBRE for the six Directors of Engineering; and

**WHEREAS**, the System has performed a careful analysis of the relative costs and benefits of bringing all the CBRE services in-house rather than executing a new agreement with a contractor for such services; and

**WHEREAS**, with the approval of the Contract Review Committee, the System conducted an open competitive RFP process, considered multiple proposals and determined that CBRE’s was the proposal most in the System’s interest;

**WHEREAS**, the management of the proposed new agreement will be under the direction of the Sr. Vice President – Office of Facilities Development.

**NOW THEREFORE, be it**

**RESOLVED**, the New York City Health and Hospitals Corporation is hereby authorized to execute a three-year agreement with CBRE Group, Inc. (“CBRE”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.

**EXECUTIVE SUMMARY**  
**CRITICAL FACILITY MANAGEMENT PURCHASING SERVICES AGREEMENT**  
**CBRE GROUP, INC.**

**OVERVIEW:** The System seeks approval for new a three-year agreement with CBRE to provide facility management support services with the System holding two 1-year renewal options, for a potential total of five years. The CBRE Agreement is a vestige of a much larger predecessor agreement with JCI. To resolve a dispute, the System agreed to allow CBRE to take over the JCI Contract but at a fraction of the original size. Under the CBRE Agreement, CBRE furnished to H+H the services of 6 Directors of Engineering, all of whom were employees of the System prior to the implementation of the JCI Contract in 2012, and CBRE also handles urgent purchases of goods and services needed in the maintenance and repair of the System's facilities.

**NEED:** Over the last six years, CBRE has performed immediate procurement and on-call staffing services for the System. The System has performed a careful analysis of the relative costs and benefits of bringing all the CBRE services in-house rather than renewing the contract and determined that it was cost effective to continue to outsource such services. Currently, through attrition, the System has eliminated all full time CRBE-supplied Directors of Engineering. Second, CBRE is able to source goods and services needed urgently by the System because they tap into CBRE's extensive relationships and contracts and they are able to pay suppliers very quickly. For the System to take over this purchasing function, it will need to add staff to Supply Chain and develop a rapid pay capacity to motivate vendors and suppliers to act immediately.

**PROCURE** With the approval of the Contract Review Committee, the System conducted an open  
**MENT:** competitive RFP process, considered multiple proposals and determined that CBRE's was the proposal most in the System's interest.

**TERMS:** The System reimburses CBRE for its personnel costs for its employees dedicated to the System without markup and for its purchases of goods and services required by the System with a markup of 7% on goods and a markup of 7-15%\* for on-call services. Of the projected \$100,000,000 contract funding limit, approximately \$94.5M is expected to be reimbursement for CBRE's costs for the goods and services the System obtains through CBRE, including its agreed markup and \$5,500,000 is expected to be reimbursement for CBRE's personnel costs.

**MWBE:** CBRE has committed to a 37.2% MWBE subcontracting plan.

\*CBRE has proposed a 15% management fee on their on-call services and H+H is currently negotiating the reduce that fee to 7%-10%. We anticipate having this finalized prior to the April meeting of the Capital Committee.

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: CBRE Group, Inc.

Date: April 5, 2022

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Digitally signed by  
Tallbe, Keith  
Date: 2022.04.05  
14:16:34 -04'00'

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

**Vendor Responsibility**  
Approved

**EEO**  
Approved

**MWBE Utilization Plan**  
37.2%

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.



# **Immediate Procurement and Facility Management Professional Services**

## **CBRE Group, Inc.**

**Board of Directors**

**April 28, 2022**

Christine Flaherty, Senior Vice President, Office of Facilities Development  
Manuel Saez PhD., Assistant Vice President, Office of Facilities  
Development



# Background

- In 2012 NYC Health + Hospitals entered into a nine-year agreement with JCI to manage the system's plant maintenance operations at a total cost of \$498,255,144
  - Approximately 50 JCI staff supported the work of the Office of Facilities Development, consisting of management, finance and critical procurement
- CBRE purchased JCI's facilities management business
- NYC Health + Hospitals negotiated with CBRE a significantly reduced scope of the assigned contract and brought most of the services in house
  - Hiring of DOEs and ADOEs – 100 % in-house
  - Management of Trade Staff – 100 % in-house
  - Procurement and Management of Systemwide Maintenance Contracts 100% in-house
- CBRE currently only responsible for urgent purchasing with five staff



# Background Continued

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- The original contract expired on March 15, 2021
- H+H subsequently entered into a three month extension to allow time for CBRE to establish a MWBE plan for a proposed best interest renewal
- H+H subsequently entered into a one year best interest extension, with a MWBE subcontracting plan of 30% that was approved by the CRC. The Board approved the contract on May 10<sup>th</sup>, 2021
- Current agreement is set to expire June 30, 2022
- The current annual NTE of \$17.75M is for urgent supplies, repairs and facility support
  - \$16M for goods and urgent repairs
  - \$1.75M for staffing consisting of facility management operations, finance and procurement staff
- CBRE follows OP 100-5 in all procurements executed on behalf of H+H

# Background Continued

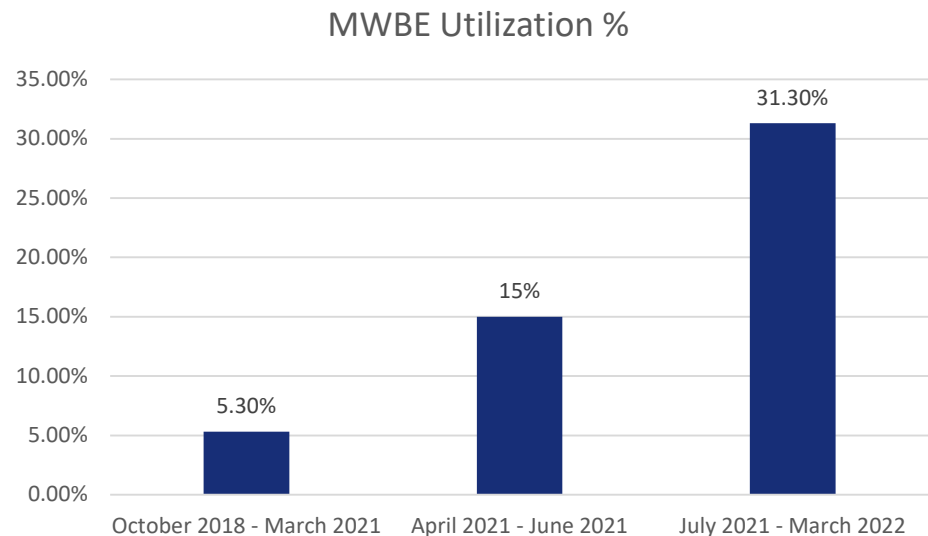
## Current Spend FY22 YTD

- Labor - \$759,510 (includes 7% mark-up)
- Supplies & Services (OTPSE) - \$11,792,065 (includes 7% mark-up)

## Purchase Order (PO) Information

FISCAL YEAR	# of POs Issued	Average PO Value
FY17	3498	\$4,319.45
FY18	2980	\$5,107.07
FY19	2508	\$5,203.64
FY 20	2714	\$5,077.00
FY 21	2544	\$5,535.97

## MWBE Utilization



# RFP Criteria

- Minimum criteria:
  - 5 years in business
  - Minimum 5 years experience in urgent purchasing for facility specific commodities and services, complex infrastructure troubleshooting, and regulatory compliance support
  - MWBE Plan, waiver, or certification
- Substantive Criteria
  - 25% Proposed Approach and Methodology
  - 25% Appropriateness and Quality of firm's experience
  - 25% Qualifications of proposed staff
  - 15% MWBE
  - 10% Cost
- Evaluation Committee:
  - Two OFD Representatives
  - AED Kings County
  - AED Metropolitan
  - AED Gouverneur
  - DOE Lincoln
  - DOE Jacobi
  - DOE Bellevue
  - Supply Chain Representative
  - Finance Representative
  - EITS Representative

# Scope of Services for RFP

- Urgent Purchasing & Timely Payment of Physical Plant Goods & Services
  - Entirely electronic standardized procurement system
    - Electronic vendor invoicing
    - Electronic facility receiving of goods and services
    - Electronic facility review and approval of vendor invoice
    - Real time reporting
  - 24-hour turn around of PO's to support urgent facility based requests for physical plant needs
  - Repairs of systems & infrastructure
  - Parts and supplies to repair and replace systems & infrastructure
  - Regulatory Urgent assessments of unanticipated concerns
  - Joint Commission related urgent supplies/repairs required during regulatory review of Environment of Care
  - Comply with OP 100-5 in all procurements executed on behalf of H+H
- On-call Technical Staff Expertise
  - Expert on call support for Physical Plant
  - Expert Troubleshooting of complex infrastructure issues
  - Support Joint Commission & regulatory compliance, as required
- Payment Terms
  - Net 60 days
- Future Contract
  - \$94.5 M of new contract will be towards urgent goods and services
  - \$5.5M towards staffing

# Overview of Procurement

- 02/08/22: RFP posted on City Record, sent directly to 9 vendors
- 02/15/22: Pre-proposal conference held, 7 vendors attended
- 03/01/22: Proposal deadline, 2 proposals received. One proposal rejected as it did not meet the scope of work requirements.

M/WBE Status	# Invited	# Responded	# Meeting Goal	# Requesting Waiver
M/WBE	3	1	N/A	N/A
Non-M/WBE	6	1	1	0

- 03/15/22: CBRE presented proposal solution to evaluation committee and was scored
- 03/16/22: CBRE was selected with a score of 9.3 out of 10.0

# Non-Participating Vendor Feedback

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Vendor due diligence was conducted on the major non-responding market competitors which yielded the following responses:

- Unable to meet M/WBE target of 35%
- Inability to employ facility experts for on call staffing
- Providing on-demand facility expertise in compliance, MEP, and healthcare is not consistent with their delivery model
- Did not agree to NYC Health + Hospitals terms and conditions
- Did not possess a procurement software tool which met the needs as outlined in the RFP
- Unable to accommodate the short term nature of the sourcing requests.
- Capability to provide staff augmentation within the required timetable is limited



# Vendor Performance Evaluation

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



# CBRE's MWBE Utilization Plan

- RFP M/WBE Goal: 35%
- CBRE's M/WBE Goal: 37.20%

Subcontractor Name	Certifying Agency	Certified as	Ethnicity	M/WBE Utilization	Subcontractor's SOW
DVM Industries LLC	NYC	MWBE	Hispanic	7.60%	HVAC Services, Chillers, Cooling Towers, & Plant Services
Proedge FM LLC	NYC	MWBE	Asian-Indian	5.50%	Fire/Smoke Door & Exit Signs, Damper & Fire Stopping
Mico Cooling Corp	NYC	WBE	Non-Minority	4.50%	Heating, Air Conditioning, and Refrigeration
Metal Solutions Inc	NYS	WBE	Non-Minority	3.50%	Infection Prevention & Control Equipment
Ashnu International	NYC & NYS	MBE	Asian-Indian	3.00%	General Contractor – All Union Workers
Woodall Mechanical	NYC	WBE	Non-Minority	2.60%	Mechanical Contractor
Pina Solutions	NYS	WBE	Non-Minority	1.10%	MRO items
Turtle & Hughes Inc.	NYC & NYS	WBE	Non-Minority	1.00%	Electrical & Industrial Distributor
Rosewood Fire Equipment	NYC & NYS	WBE	Non-Minority	0.66%	Fire Safety & Prevention
NRM Systems	NYC	MWBE	Asian-Indian	0.61%	Fire Services, Repairs & Installations
Lee Risk Management	NYS	MWBE	Asian	0.51%	Boiler Insurance
A Alport & Son Inc.	NYC & NYS	WBE	Non-Minority	0.51%	Plumbing Supplies
Automated Building Management	NYC	MBE	Asian-Indian	0.51%	BMS - Alerton Controllers Only
GRR Cooling Experts Inc.	NYC	WBE	Non-Minority	0.51%	HVAC Systems
Jersey Infrared Consultants	NYC	WBE	Non-Minority	0.51%	Infrared Inspections
American Commercial Equipment Repair	NYC	MBE	Hispanic	0.51%	HVAC Equipment Service Repair & Maintenance
Active Fire Control	NYC	WBE	Non-Minority	0.51%	Fire Protection Services
Power Cooling Inc.	NYC	WBE	Non-Minority	0.51%	Heating, Cooling & Ventilation Specialists
Star Fire Protection	NYC & NYS	MBE	Asian-Pacific	0.51%	Central Station Monitoring
Zaman Construction	NYC & NYS	MBE	Asian-Pacific	0.51%	Central Station Monitoring
C.R.P Plumbing & Heating Inc.	NYC & NYS	MBE	Asian-Indian	0.51%	General Contractor
Coastal Floor Solutions	NYC & NYS	MBE	Black	0.51%	Plumbing
NJX Enterprise Corp.	NYC & NYS	WBE	Non-Minority	0.51%	Flooring, counter tops, specialty building materials
Royal Electrical Contracting Corp.	NYC	MBE	Asian-Indian	0.50%	Electrical Installation. Repairs for Heating, Power & Lighting

# Board of Directors Request

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Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute a three-year agreement with CBRE Group, Inc. (“**CBRE**”) for various facility management support services with the System holding two 1-year options to renew for an amount, over the potential five-year term, not to exceed \$100,000,000.