NYC HEALTH+ HOSPITALS

AUDIT COMMITTEE
MEETING AGENDA

December 04,2023
10:00 A.M.
50 Water Street

CALL TO ORDER — Ms. Sally Hernandez-Piñero

- Adoption of Minutes October16, 2023 — Ms. Sally Hernandez-Piñero
- Executive Session

INFORMATION ITEMS

- Grant Thornton Management Letter — Mr. David Guzman and Tami Radinisky
- Internal Audits Update — Ms. Joseph O'Keefe
- Compliance Update — Ms. Catherine Patsos

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

AUDIT COMMITTEE TALKING POINTS – October 16, 2023
As Reported by: Sally Hernandez-Piñero
Committee Members Present: Ms. Sally Hernandez-Piñero, Jose Pagán, Dr. Machelle Allen representing Dr. Katz until he join - Dr. Mitchell Katz – join at 10:24; Freda Wang – join at 10:15; Ms. Barbara Lowe join at 10:35

The meeting was called to order by Ms. Sally Hernandez-Piñero at 10:00 A.M.

Ms. Hernandez-Piñero noted for the record that committee member Anita Kawatra is participating virtually in a listening capacity only and Dr. Michelle Allen will be representing Dr. Katz in a voting capacity until he join.

Ms. Hernandez-Piñero asked for a motion to adopt the minutes of the Audit Committee meeting held on June 5, 2023. A motion was made and duly seconded with all in favor to adopt the minutes.

Ms. Hernandez-Piñero proposed a motion to convene an executive session to discuss confidential and privileged matters that may be related to anticipated or actual litigation, as well as certain personnel matters. A motion was made and seconded with all in favor.

The Committee reconvened in open session at 10:30 A.M.

Ms. Hernandez-Piñero introduced the information item regarding the Fiscal Year 2023 Draft Financial Statements and Related Notes. Mr. David Guzman, Corporate Comptroller reported on the results of the Financial Statements with a review of the consolidated financial information of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cashflows.

In response to the Committee's request for clarification on the Eliminations column, Mr. Guzman explained that these are related transactions between the two entities, MetroPlus and H+H, and what might be revenue to one is an expense of the other and those transactions need to be eliminated from the consolidated statements.

The Committee also requested clarification on whether the DC 37 agreement included the nurse's increase, both Dr. Katz and Mr. Guzman stated that was not included since the agreement was entered into this FY 2024 not FY 2023.

The Committee also wanted to know when we recognize funding from the City for HERRC, at what point; Mr. Guzman explained that those expenses are currently being recognized when they are incurred, the same as we do for T2.

Mr. Guzman further noted for the Committee that the cash flow ended at $807 million, which is up by $58.3 million over prior year and there was also a gross up of the balance sheet to recognize a new GASB standard associated with leases for about $400 Million.

In response to questions Mr. Guzman explained the current financial ratios on page 7 of the financial statement, he indicated it is a measure of the current assets divided by the current liabilities and speaks to our liquidity and our abilities to pay bills, which has improved since the number is getting larger in conjunction with cash on hand. He further explained that in the past the applicable leases were recognized as expenses, however the new GASB requires they be recognized as assets and liabilities and that is reflected in the balance sheet.

Page 48 indicates an appropriations due to/from the City of New York in FY 2023 is related to HERRC and collective bargaining accruals Due From the City.

Hearing no further questions Ms. Hernandez-Piñero moved the agenda to the Grant Thornton presentation.

Grant Thornton LLC was represented by Tami Radinsky, Lead Engagement Partner and Steven Dioguardi Lead Audit Senior Manager.

Ms. Radinsky provided an overview of the responsibilities and process of Grant Thornton and Health and Hospitals for the Fiscal Year 2023 auditing process as a required communication to the Health + Hospitals Governing Body.

Ms. Radinsky presented the Audit Scope as follows: perform audits of financial statements as prepared by management, with your oversight, conducted under US Generally Accepted Auditing Standards (GAAS) and, where applicable, under Government Auditing Standards. Perform audits, as applicable, of cost reports for the year ended June 30, 2023 and issuance of certifications and attestation reports. They will also issue an unmodified opinion.

Clarification was made that MetroPlus was indeed audited twice in June 30 and December 31 year end - this is due to their statutory basis and GAAP basis.

Ms. Radinsky asked if any of the Committee members are aware of any fraud, waste or abuse that they should be aware of; Hearing none she continued with her presentation to discuss the responsibilities of management, and other open areas currently being worked on.

Mr. Dioguardi explained the audit approach, around risk of accounts receivables from patients, net patient services revenue and related contractual allowances and bad debts reserves process review; other focus areas are estimated settlement with third-party payers, cash and cash equivalents, investments assets restricted as to use and investment income; capital assets, including construction in progress, inventory, long-term debt, and compliance with debt covenants and debt transactions; he further highlights other post-employment benefits liabilities (OPEB) and grant revenues; account estimates; financial statements are reviewed for accuracy and required disclosures. Subsequent events is anything that occurred after June 30, 2023 that should have been included in the financial statements, he noted there was no such occurrence. The Committee requested an example of such an occurrence, Mr. Dioguardi explain that it could be a data entry of a significant debt arrangement or legal disclosure that was settled after the closure of the financial statement. An evaluation of the qualitative and quantitative value is access and then a determination is made with management. There is also and in-depth procedure of fraud routines.

Brian Sullivan Senior manager for the review the MetroPlus portion of the audit, there are no exceptions noted in the audit for period ending June 30th. He highlight the significant risk areas for MetroPlus as claims payable reserves, premium revenue recognition, and management override of internal controls, with no exceptions noted.

Ms. Radinsky also outlined the phases of the Technology Support as part of the audit process, which included: Assess IT Risks, Identify IT controls that support audit objectives and Test technology-related controls. She then reviewed the required communications and indication that there will be an unmodified opinion of the financial statement to management for signature. There was no alternative accounting treatment noted, GASB 87 and 96 was successfully implemented with no restatement necessary; materiality and use of the work of others were also presented.

The Committee requested clarification on how materiality is established. Ms. Radinsky explained that they use a certain percentages of revenues to determine the materiality and use a relevant benchmark.

The presentation moved to significant deficiency and material weakness in internal control over financials are required to be reported to the Committee, last year there was a material weakness noted in Grant Revenue as it related to expenditures, due to the improvements made in the department during the past year this year we are noting a significant deficiency in this area related to the T2 funding recording adjustments that needed to be done since this was done on estimated instead of actuals. The second item noted is the reconciliation of uniform audit Statement of Expenditure for Federal Awards for funding over $750,000, which is due nine months after year end, best practices dictates a reconciliation be performed before submission.

Ms. Radinsky explained that the significant deficiency can be categorized as a downgrade of the previous year’s findings, but still warrants the attention of the Committee.
Ms. Radinsky noted Grant Thornton commitment to diversity, equity and inclusion in-line with the same goals of NYC Health + Hospitals.

After discussion and upon motion made and duly seconded the Committee voted unanimously to accept the Fiscal Year 2023 Financial Statement.

Due to time constraints the Internal Audits Update, Compliance Update and Fiscal Year 2023 Assessment Process was noted as written submissions into the record.

Ms. Hernandez-Piñero asked if there were any old or new business to come before the committee. There being none, the meetings adjourned at 11:21 a.m.

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December __, 2023

Management and Board of Directors
New York City Health and Hospitals Corporation
New York, New York

Ladies and Gentlemen:

In connection with our audit of New York City Health and Hospitals Corporation's ("NYC Health + Hospitals" or the "System") financial statements, a discretely presented component unit of the City of New York, and the discretely presented component unit as of June 30, 2023, and for the year then ended, auditing standards generally accepted in the United States of America ("US GAAS") require that we advise management and the Board of Directors (hereinafter referred to as "those charged with governance") of the following internal control matters identified during our audit.

Our responsibilities

Our responsibility, as prescribed by US GAAS, is to plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to fraud or error. An audit includes consideration of internal control over financial reporting (hereinafter referred to as "internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we express no such opinion on internal control effectiveness.

Identified deficiencies in internal control

We identified the following internal control matters that are of sufficient importance to merit your attention. The matters discussed herein are those that we noted as of the date of our auditor's report on the financial statements, and we did not update our procedures regarding these matters since that date to the current date.

Significant Deficiencies

Our consideration of internal control was not designed to identify all deficiencies in internal control that, individually or in combination, might be material weaknesses or significant deficiencies; therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control ("control deficiency") exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the

Company's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We consider the following identified control deficiency to be a significant deficiency.

Internal Controls Over Financial Reporting-- Grant revenue and related reconciliation process regarding certain specific grants

Observation

During our fiscal 2023 audit, we noted that grant revenue and the related reconciliation to the financial statements relating to the T2 grant program, was not maintained or reconciled timely, which resulted in an immaterial overstatement of revenue in fiscal 2022 and the recording of a related reduction of revenue in fiscal 2023. In addition, we noted that grant revenue recorded included budgeted rather than only actual expenditures. We also noted that the organization does not perform a reconciliation of the Schedule of Expenditures of Federal Awards to the financial statements on a timely basis.

Recommendation

We recommend that a formal analysis of expenditures, by funding source, be performed, reviewed and approved on a monthly basis, inclusive of appropriate documentation for all grants received. In addition, grant revenue should be recorded based on actual expenditures incurred and not include budgeted expenditures. We also recommend that the Schedule of Expenditures of Federal Awards be reconciled to the amount of grant revenue reported on the financial statements prior to the issuance of financial statements. This improved oversight will help to ensure that the financial statements include an accurate reporting grant revenue.

Management's Response

Management agrees with the recommendation and to the extent possible, will develop and document new processes to conduct reconciliations of the T2 grants program at a minimum on a quarterly basis.

NYC Health + Hospitals will implement a process to reconcile the preliminary SEFA to the financial statements each year beginning with fiscal year 2024, taking into consideration the financial statement issuance timeline, SEFA timeline and requirements per the NYC Comptroller's established rules and processes for the SEFA.

Status of Prior Year Comments

Material weakness- Internal Controls Over Financial Reporting--Grant revenue income recognition

Observation

During our fiscal 2022 audit, we noted that NYC Health + Hospitals did not have appropriate controls and procedures in place during the fiscal year relating to the revenue recognition of Provider Relief Fund (“PRF”) and Federal Emergency Management Agency (“FEMA”) grant income, which resulted in a finding that we determined to be a material weakness in internal control over financial reporting.

Grant income and related transactions were recorded subsequent to year-end. In addition, related documentation was not timely maintained during the year in sufficient detail, causing delays in receipt of auditable documentation to support grant revenue. Also, the documentation supporting grant revenue contained errors and resulted in an audit adjustment relating to FEMA grant income.

Recommendation

We recommend that a formal analysis, by funding source, be performed, reviewed and approved on a regular basis, inclusive of appropriate documentation. The reviews should ensure that grant revenues and related expenses are accurately recorded and are recognized within the appropriate fiscal year.

Management’s Response 2022

Management agrees with the recommendation and will update its approach, support and analyses for review and approval on a regular basis. To help ensure the effectiveness and sustainment of this process, management will establish a written process for the completion of these formal analyses, with clear tasks, timelines, deliverables and accountability by functional area. Working sessions will be established across the functional areas to review these analyses for consistency with established NYC Health + Hospitals policies and relevant regulatory guidance, and to determine the appropriate financial statement presentation.

Grant Thornton Update 2023

During fiscal 2023, PRF and FEMA revenue reported was not material to the financial statements and as such, did not present a substantial risk of a misstatement to the financial statements.

Management’s Response 2023

Management established regular working sessions between the Accounting and Grants Departments to review and discuss various joint matters such as revenue recognition, grants accounting, and the tracking of grants-related expenses. The Grants and Accounting Departments created a comprehensive written process for the tracking of grant expenses and revenue recognition, and formal analyses of expenses by funding source, created by the Grants Department, were shared with the Accounting Department during the year.

In addition, in order to further improve communication between the Accounting and Grants Departments (among others), and to ensure accountability across the Departments for the timely completion of related tasks, management implemented a project management solution that is shared between the two Departments.

Patient Accounts Receivable and Net Patient Service Revenue - Credit balances in patient accounts receivable

Observation

During our audit of Patient Accounts Receivable as of June 30, 2018, we noted that credit balances in patient accounts receivable totaled approximately $80 million, similar to that reported in prior years' audits. Through audit procedures performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was immaterial. The credit balances primarily appear to be a result of billing adjustments. However, we noted that management does not have a formal policy in place to accumulate and analyze the credit balances at the patient level in order to determine the proper accounting treatment for the credit balances.

Recommendation

We recommend that management develop a process to analyze the nature of the credit balances within patient accounts receivable and on a monthly basis, record adjustments in the accounting records to reflect their proper disposition. In addition, management should investigate and determine the root cause for the credit balances in order to develop solutions to address systematic issues that result in credit balances within accounts receivable.

Management's Response 2018

Through the implementation of our new billing system, EPIC, credit balances are electronically queued and routed to employee workflows for follow up. This process will greatly increase our ability to track and correct incorrect postings and reduce overall credit balances. Additionally, NYC Health + Hospitals is enrolling more payors into electronic remittances so that payments are properly recorded to the correct patient account, thus reducing credit balances

Grant Thornton Update 2019

In 2019, we noted that the total credit balances continue to increase. Through the audit procedures we performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was again immaterial. The credit balances primarily appear to be a result of billing adjustments. However, management has not completely reviewed and determined proper accounting treatment for the credit balances. In addition, the root cause of the increase in the credit balances should be determined in order to ensure that the credit balances are reduced each year rather than increasing each year.

Management's Response 2019

Implementation of EPIC continued during FY 2019 and Revenue Cycle Services and hospital patient accounting focused on claims submission and resolution of denials to protect NYC Health +Hospital's cash flow. Credit balance resolution has been delayed due to the creation of a new contract module in EPIC. A significant amount of fine tuning is needed to get expected reimbursement amounts correct. This is the reason for the change in credit balances between fiscal years. EPIC has not solved the credit balance issue, though it will make its resolution easier as we address the problem in coming months.

A new Variance Unit was established to review both underpayments and credit creation, which will also assist in the credit balance review process. Once the unit is fully staffed during fiscal year 2020, a formalized policy will be created. Additionally, NYC Health + Hospitals is moving forward with a centralized cash posting unit which will help in the identification and processing of any refunds or adjustments and reduce the level of credit balances.

Although NYC Health + Hospitals has moved to more electronically posted remittances and reducing errors, the newly implemented contract module along with the assistance of the two units mentioned will help in evaluating credit balances.

Grant Thornton Update 2020

In 2020, we noted that the total credit balances continued to increase. Through the audit procedures performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was again immaterial. The credit balances primarily appear to be a result of billing adjustments. However, management has not completely reviewed and determined the proper accounting treatment for the credit balances. In addition, the root cause of the increase in the credit balances should be determined in order to ensure that the credit balances are reduced each year rather than increasing each year.

Management's Response 2020

We are continuing to develop processes to review and correct improper posting causing these credit balances.

Grant Thornton Update 2021

In 2021, we noted that the total credit balances decreased but still exist. Through the audit procedures performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was again immaterial. The credit balances primarily appear to be a result of billing adjustments. However, management has not completely reviewed and determined the proper accounting treatment for the credit balances. In addition, the root cause of the credit balances should be determined in order to ensure that the credit balances are reduced each year.

Management's Response 2021

The payment variance unit that was established in FY20 has implemented a standard internal audit process to review payments when implementing a new contract or updates to an existing contract's reimbursement terms. In collaboration with the Managed Care team, we've developed a contract implementation checklist which includes payment validation. Now, when we update contract rates we have a process to follow up to determine if the payer is paying accurately and if the system is calculating adjustments correctly.

Through this collaborative proactive process across our enterprise, we have seen some initial good results that we believe will continue to increase in the future and help to reduce our credit balances.

Grant Thornton Update 2022

In 2022, we noted that the total credit balances decreased but still exist. Through the audit procedures performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was again immaterial. The credit balances primarily appear to be a result of billing adjustments. However, management has not completely reviewed and determined the proper accounting treatment for the credit balances. In addition, the root cause of the credit balances should be determined in order to ensure that the credit balances are reduced each year.

Management's Response 2022

Revenue Cycle Services made targeted progress in reducing credit balances in 2022. A concentrated effort was conducted on reducing Medicaid and Medicare credit balances. Medicare balances are now almost all less than 30 days old and Medicaid credits were cut in half. We have also made a concentrated effort to tackle our Managed Care insurance credits and have employed a dedicated data analyst to identify the cause of these credits. As a result, we have now identified the root cause of nearly 75% of our insurance credits. There are ongoing efforts to remediate the historical credits as well as prevent the ongoing creation.

In addition, we are drafting a consolidated Credits Policy and Procedure document that will address both insurance and patient credit balances. This document will be finalized by end of the current calendar year.

Grant Thornton Update 2023

In 2023, we noted that the total credit balances decreased but still exist. Through the audit procedures performed, we determined that the portion of the credit balances that represented liabilities due to patients and payors was again immaterial. The credit balances primarily appear to be a result of billing adjustments. However, management has not completely reviewed and determined the proper accounting treatment for the credit balances. In addition, the root cause of the credit balances should be determined in order to ensure that the credit balances are reduced each year.

Management's Response 2023

The FY 2022 findings directed H+H to create a credit reduction policy and workflow for balances on insured buckets. An additional instruction was to address patient credit balances.

We have created a standard credit balance workflow process; an accompanying policy is being finalized. We have developed and implemented a work plan to address insurance credit balances. This detailed effort crosses multiple H+H departments and involves payers to address the root cause of unintended credit balance creation.

High-dollar patient balances were addressed in FY 2023. Balances were reduced from $7M in January to $3.2M in June of 2023. Further reductions are occurring. Additionally, H+H is identifying the causes of any incorrect patient balances. Low dollar balances are being addressed through an automated process. The volume of these balances and the manual processing of checks does slow the effort. Medicaid and Medicare credit balances remain low.

We continue to identify and track the root cause of credit balances. The largest issues are:

- Payer's systems not accepting voided claims,
- Coverage changes creating credit balances resulting in
    - Verifying the offsets and recoupments
    - Over adjustments by H+H's system
- Provider level balance processing – variances in how payers use these transactions creates handling issues by H+H's systems
- Timing of contractual updates to for rate changes does create credits.

System response

The System's written response to the internal control matters identified herein has not been subjected to our audit procedures and, accordingly, we express no opinion on it.

* * *

The purpose of this communication is solely to describe the scope of our testing of internal control and the result of that testing, and not to provide an opinion on the effectiveness of the System's internal control. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,

Office of Internal Audits Update

Audit Committee Meeting
December 4, 2023

Joseph O’Keefe, CPA CHC – Chief Internal Audit Officer

External Audits Update

- **EXTERNAL AUDITS - Audit of the Department of Corrections Efforts to Ensure Access to Mental Health Services for Inmates**

- Audit Notification Letter Received – January 31, 2023 Entrance Conference – February 13, 2023
- Status: In progress

- Coordination on audit taking place between Agencies under review and Mayor's Office of Community Mental Health

- On February 13, 2023, an entrance conference was held between NYC Health + Hospitals personnel and the New York City Comptroller's Office (CO).

- Audit is on-going

External Audits Update

- **EXTERNAL AUDITS - Audit of the Behavioral Health Emergency Assistance Response Division's and New York City Police Department's role in the response and treatment of mental health crisis**

- Audit Notification Letter Received – August 11, 2023

- On September 13, 2023, an entrance conference was held between NYC Health + Hospitals personnel and the New York City Comptroller's Office (CO).

- At the entrance conference, the CO made various requests for information, which were supplied.

- Audit is on-going

INTERNAL AUDIT ACTIVITIES

- Number of Audits on FY 2024 Plan. 14
- Completed Audits 4
- In Progress 7
- Not Started 3

Completed/On-Going Audit Update

- 1. System-Wide Review of Nurse Hiring

- Entrance Conference (Nursing and Human Resources) – November 29, 2021 Fieldwork Start Date and Document Request – November 30, 2021
- Status: Complete- Report Drafted

- Objective of the audit:
  - To evaluate the onboarding of nurses, including direct hire nurses, agency nurses and travel nurses;
  - To verify proper background checks, such as fingerprinting, employment eligibility, and verification of New York State licensure;
  - To ensure that annual performance evaluations of direct hire and agency nurses are completed; and
  - To ensure that proper documentation is maintained and reviewed by relevant parties

Patient Valuables Update

Jacobi Medical Center

Entrance Conference – May 31, 2023
Status: Completed

The objective of the audit was to obtain reasonable assurance regarding the efficiency and effectiveness of the overall process related to Patient's Property, Cash, and Valuables.

We will also assess internal controls over the process of collecting, recording, safeguarding, distributing and accounting for Patient's Property, Cash, and Valuables.

Based on our evaluation, the Patient Valuables Process could be improved by updating and automating their systems

Auxiliary Audits

The New York State Charities Bureau requires that a review, compilation or audit report accompany the CHAR500 New York State tax form submitted by the Auxiliaries. The type of report required is based on the total annual revenue of the Auxiliary.

The Bonadio Group has completed fourteen (14) draft reports for Calendar Year (CY) 2021. The Office of Internal Audits has reviewed and finalized those reports. Twelve (12) reports were Compilations as the Auxiliaries' revenues were below $250,000, one (1) was a Review as the Auxiliary's revenues were between $250,000 and $750,000; and another was an Audit. Two (2) reports remain outstanding for CY2020: Friends of North Central Bronx Hospital, and Queens Hospital Center. For Queens Hospital, the Office of Internal Audits reached out management on May 2, 2023 advising them that the Bonadio Group needs two individuals to sign the representation letter. This is required because it is a review report. Once this is completed, we will issue the reports to the appropriate individuals. For Calendar Year (CY) 2022, the Office of Internal Audits has reviewed 5 draft reports. These reports will be issued once they become final.

Auxiliary Audits List Status Update as of March 27, 2023

AUXILIARY	CALENDAR YEARS REVIEWED	2018 REVENUES	2019 REVENUES	2020 REVENUES	2021 REVENUES
East New York Diagnostic & Treatment Center	2019/2020/2021	NA	$5,522	$4,650	$4,950
Coney Island Hospital	2019/2020/2021	NA	$5,906	$5,003	$5,233
Jacobi Medical Center	2018/2019/2020/2021	$537,664	$457,149	$232,607	$70,021
Renaissance Health Care	2018/2019/2020/2021	$16,788	$20,666	$12,184	$11,828
Coler Hospital	2018/2019/2020/2021	$187,498	$229,285	$91,790	$97,923
Carter Hospital Center	2018/2019/2020/2021	$226,599	$29,893	$12,309	$8,329
Cumberland Diagnostic & Treatment Center	2018/2019/2020/2021	$104,367	$76,782	$31,683	$30,240
Gouverneur Hospital	2018/2019/2020/2021	-$146,562	$997,683	$751,055	$658,222
Metropolitan Hospital Center	2018/2019/2020/2021	$1,538,040	$744,114	$147,938	$203,738
Lincoln Hospital Center	2019/2020/2021	NA	$99,403	$17,339	$4,717
Woodhull Medical Center	2019/2020/2021	NA	$234,293	$19,925	$22,984
Elmhurst Hospital Center	2018/2019/2020/2021	$422,419	$335,651	$1,026,642	$240,491
Dr. Susan Smith McKinney Nursing & Rehabilitation Center	2018/2019/2020/2021	$80,714	$77,547	$12,102	$4,600
Children of Bellevue	2018/2019/2020/2021	$1,112,221	$1,154,967	$986,097	$532,834
Bellevue Association	2019/2020	NA	$243,272	$83,823	Pending
Friends of Harlem Hospital Center	2018/2019/2020	$133,487	$215,341	$276,382.00	Pending
Kings County Hospital Center	2018/2019/2020	$58,804	$21,142	$43,407	Pending
Sea View Hospital and Home	2018/2019/2020	$110,468	$42,748	$21,600	Pending
Harlem Hospital Center	2018/2019/2020	$9,946	$12,201	$5,334	Pending
Bellevue Hospital Center	2018/2019/2020	$151,939	$938,114	$543,122	Pending
Friends of North Central Bronx Hospital	2018/2019	$131,555	$74,525	Pending	Pending
Queens Hospital Center	2018/2019	Pending	Pending	Pending	Pending

Audit Committee of the NYC Health + Hospitals Board of Directors Meeting

Corporate Compliance Report

December 4, 2023

Compliance Activities

- FY2025 Risk Assessment Update
  - Interviews with System leadership have been conducted
  - Will be reviewing oversight agency guidance and work plans for insight on their priorities and objectives

Compliance Activities (cont’d)

- Coalfire 2023 Risk Analysis
  - Coalfire has nearly completed its 2023 Risk Analysis
  - Individual results of the Risk Analysis reports will be shared with the facility CEOs
  - Overall, the number of identified risks and the risk levels have decreased compared to last year.

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Compliance Activities (cont'd)

- Third Party Risk Management ("TPRM") Workshop
  - On October 10th and 11th, the OCC hosted a collaborative workshop with Coalfire.
  - Representatives from EITS Information Security and Risk Management, ("ISRM") Supply Chain Legal, and Supply Chain Procurement participated.
  - The goals of the workshop were to:
    - ✓ Streamline the Vendor Risk Management assessment for 2024
    - ✓ Identify gaps in the security and privacy of current TPRM processes compared to National Institute of Standards and Technology Supply Chain Risk Controls
    - ✓ Create an optimization road map for Supply Chain Risk Management
  - Key Takeaways from the workshop included:
    - ✓ Need for a better system for identifying expired contracts with BAAs
    - ✓ Better collaboration between the OCC, ISRM, and Supply Chain Procurement to identify vendors for Coalfire's annual Vendor Risk Management reviews

Compliance Activities (cont'd)

- Corporate Compliance and Ethics Week: November 6^{th} – 10^{th}
  - Corporate Compliance and Ethics Week was a success this year.
  - Tables at each facility promoting compliance and ethics and the activities of the Office of Corporate Compliance
  - Jeopardy game at the tables for prizes
  - Online puzzle
  - Compliance and HIPAA webinars
  - The OCC will do a drawing to win prizes – need to complete the puzzle or attend a webinar, and have completed the General Compliance/HIPAA Training this year

Compliance Activities (cont'd)

- Developing a Policy Management System
  - The procedure for drafting new Operating Procedures is targeted to be completed by the end of 2023.
  - Will automate the review and approval process
  - Will automate distribution of policies to intended audiences
  - Will expand tool to include Guidance, Administrative Materials, Tip Sheets, etc.

Compliance and HIPAA Training Status

Facility/Program	Percent Complete
Bellevue	73
Elmhurst	75
Harlem	82
Jacobi	72
Kings	83
Lincoln	93
Metropolitan	80
NCB	80
Queens	88
SBH	88
Woodhull	84
Central Office	75
Community Care	79
Gotham	83
PAC	82

- Completion rates as of 11/15/23
- On 11/22/23, the OCC sent emails to facility CEOs asking for their support in increasing the completion rates for their facilities, and will send another email later in the month.