

FINANCE COMMITTEE AGENDA

Date: March 11, 2024
Time: 11:00 A.M.
Location: 50 Water Street, 17th Floor,
Boardroom – In Person

I. Call to Order

Freda Wang

Adoption of the January 8, 2024 Minutes

II. Overview of HERRC Financial Update

Sonya Rubin & Mariel McLeod

III. Action Item: HERRC Site Administrative Staffing Services

Chris Keeley

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies for HERRC site administration staffing services at a not to exceed amount of \$192,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

VENDEX APPROVED:

Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, Essey Group LLC dba The TempPosition Group of Companies

VENDEX PENDING:

Rapid Reliable Testing NY LLC dba DocGo Inc.

EEO APPROVED:

Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC

EEO PENDING:

Rapid Reliable Testing NY LLC dba DocGo Inc., Essey Group LLC dba The TempPosition Group of Companies

IV. Action Item: HERRC Clinical Staffing Services

Chris Keeley

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services for HERRC clinical staffing services at a not to

exceed amount of \$211,300,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

VENDEX & EEO APPROVED:

Medrite LLC dba Medrite Urgent Care, RCM Technologies (USA) Inc. dba RCM Health Care Services

VENDEX & EEO PENDING:

Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC)

V. Action Item: Medical Malpractice Claims Management Services

David C. Y. Cheung

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute and agreement with Gallagher Bassett Services, Inc. for the provision of Medical Malpractice Claims Management Services on behalf of the System for an initial period of three-years with two one-year renewal options, exercisable at the discretion of the System. The not-to-exceed amount for the anticipated five-year term is \$35,850,000.

VENDEX APPROVED:

Gallagher Bassett Services, Inc.

EEO PENDING:

Gallagher Bassett Services, Inc.

VI. Financial Update

John Ulberg

VII. Old Business

Freda Wang

VIII. New Business

IX. Adjournment

Finance Committee MEETING - January 8,

2024 As Reported By: Freda Wang

Committee Members Present: Mitchell Katz, MD, Freda Wang, Erin Kelly representing José Pagán in a voting capacity, Sally Hernandez-Piñero (virtual)

CALL TO ORDER

Ms. Wang called the meeting of the New York City Health + Hospitals Board of Directors Finance Committee Meeting to order at 11:03 p.m.

Ms. Wang called for a motion to approve the October 16, 2023 minutes of the Finance Committee meeting.

Ms. Wang noted for the record that according to the **By-Laws - Section 14, Committee Attendance**, if any member of a standing or special committee of the Board will not be present at a scheduled committee meeting, the member may ask the Chair of the Board to request that another Board member, not a member of that committee, attend the scheduled meeting and be counted as a member for purposes of quorum and voting:

José Pagán has authorized that Erin Kelly representing Anne Williams-Isom be counted for the purposes of quorum and voting on his behalf.

Ms. Wang also noted for the record Sally Hernandez-Piñero is in a listening capacity virtually.

Ms. Wang called for a motion to approve the December 4, 2023 minutes of the Finance Committee meeting.

Upon motion made and duly seconded the minutes of the Finance Committee meeting held on December 4, 2023 were adopted.

ACTION ITEM: Bond Counsel Services Extension Request

Ms. Linda DeHart - Vice President - Finance, read the resolution into the record and proceeded with the presented:

Authorizing New York City Health and Hospitals Corporation (the "System") to execute an eight-month extension contract with Hawkins Delafield & Wood LLP ("Hawkins") to continue providing bond counsel services related to the structuring and continuing implementation of the System's tax-exempt financing program for the period beginning December 1, 2023 through July 31, 2024 under the same terms and conditions of the existing contract - at hourly rates set forth -

Partners, \$465 per hour; Senior Associates, \$415 per hour; Associates, \$390 per hour; Junior Associates, \$245 per hour; and paraprofessionals, \$160 per hour.

Ms. Linda DeHart began by providing an overview of bond counsel services, and the extension request for the continuation of these services in the interim while an RFP is being conducted. To avoid lapses in services, specialized services of experienced bond counsel are needed to prepare and review documents, issue formal independent legal opinions relating to security and tax law, and other areas, and to provide legal advice related to the System's capital financing program.

Hawkins Delafield & Wood LLP has served as bond counsel since 1995, and was most recently selected to continue serving in that role through a competitive Request for Proposal ("RFP") conducted in 2018 under OP 40-58 (Debt Finance & Treasury), which requires presentation to the Finance Committee and approval by the Board.

This eight-month extension contract will provide for the continuation of bond counsel services until the awarding of new contracts under an RFP for comprehensive legal services (including bond counsel service) being conducted by the Office of Legal Affairs. Lastly, bond counsel staff will be paid on a per hour basis based at existing rates.

Ms. Wang polled the committee for questions.

Ms. Hernandez-Piñero submitted written questions to the Chair of the Committee after reviewing the materials sent to Board members on January 5, 2024 - she inquired regarding Hawkins long-term bond counsel contract with H+H, since 1995, and if H+H has considered other vendors for this work.

Ms. DeHart responded that during that contract period H+H have had several other RFPs with competing bids that had been evaluated against other firms, and a decision had been made to continue with them. There has been a significant benefit with the experience that they have had with our program, and H+H is very happy with their service over time.

Ms. Wang inquired regarding the need to continue with their services, if we need to use their services periodically other than when we are doing a transaction.

Ms. DeHart agreed and continued, we use their services in some instances for arbitrage analysis, additional inquiries we may have, if we are considering different options we need to better understand, some questions on covenants, some renewals related to letters of credit or re-marketing or better terms of what is being offered.

Ms. Wang thanked the team.

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 opened the presentation with the cash projections for FY-24. The System is estimated to close December with approximately \$500 million (18 days cash-on-hand) and expects to close January with approximately \$600 million (22 days cash-on-hand). We continue to work closely with the City on our remaining liabilities due to them, as we continue to closely monitor our cash position.

Mr. Ulberg continued presenting the external risks. Several areas of focus are staff recruitment, retention, temp services and sessional costs which continue to present a financial challenge. The system is focused on the 18-month RN glidepath, which assumes hiring to start ramping up in FY-24 Q2. NYSNA negotiations closed on August and H+H implemented the "All Hands-on Deck" approach to recruit and retain RNs. Sites are tracking well towards achieving FY-24 glidepath targets. As of November 2023, H+H has a net increase of 652 FT/PT RNs since June 2023. 410 of the net new RNs are in the IP and ED Nursing models. The system is rolling off or converting non-clinical temps where appropriate. RN temp agency ramp down is expected to follow completion of orientation for new hires starting end of Q2 of FY-24. FY-23 Sessional spending surpassed FY-22 actuals and budget across all facilities. A sessional and locum expense reducing glide path has been implemented and is assumed to start in FY-24 Q3, reaching target by end of FY-25.

H+H is diligently working to address inflationary pressures and supply chain related costs continue to present a financial challenge as facilities submitted \$90M in gap closing plans to reduce spend including OTPS discretionary spending.

City and State budget challenges remain and H+H is currently working with OMB on the January Plan, which includes a 5% PEG target. H+H continues to closely monitor this as well as awaiting the Governor's Executive Budget to be released in January as well.

Ms. Wang inquired regarding the \$90M in gap closing, if it was previous to all PEGs.

Mr. Ulberg agreed and added that the \$90M was part of addressing either PEG 1 or PEG 2 and our overall development, knowing that we would have contributions there.

On behalf of Ms. Hernandez-Piñero, Ms. Wang inquired regarding the transition from agency nurses to full time nurses. Ms. Wang added, we are

transitioning to full time nurses as agency nurses are costlier to us. How much is that in dollars in terms of the temp staffing for nurses and how long do we expect to be overbudget?

Ms. Tyler responded that some of that overspent is offset by our vacancy and we estimate our overspending for FY-24 is around \$179M and we expect it to go down significantly next year with the vacancy offset and lower than it was in FY-23.

Ms. Farag added that there are a lot of improvements on the nursing side. Including a reduction in our rates and all these components, and transitioning to full-time nurses is definitely great for our System, less costly and allows for stability. The recruitment post-NYSNA signed agreement has certainly been very beneficial and important.

Ms. Wang added that we would never be at 100%, but do we have a targeted goal number.

Mr. Ulberg responded that the numbers were very significant at the high watermarks whereas at one point 20% of our nurses were contract nurses. The cost difference between our own nurses versus the contract nurses fluctuated significantly with the market, and once we establish the NYSNA contract, this would place us more competitive in the market. For staffing and budgeting purposes, the model that we utilize is reducing contracted nurses to about 5% and we are aiming for this target. One thing we are grateful to get out of this contract is more flexibility within our own workforce and to establish flow pools to meet the demands of a particular facility or borough, to deploy our own resources more effectively rather than relying on more expensive contracts for likely a longer period of time.

Dr. Katz added that conceptually what we want is to use registry for its intended purpose and what it was meant for, which is unexpected temporary absences. For instance, if someone is on family leave or disability, that is what you intend to use registry for, to hold that employees' job until they return from leave as you do not want to hire somebody for a couple months. However, what it became because of our salary structure and a combination of the surge, was that we had temporary nurses working for four years. Although it is not the nurses' fault, we do not want to hire a long-term temporary staff as we would like them to commit and hire them directly to H+H. This new model and it is very impressive and good for everyone's morale.

Mr. Ulberg continued presenting the Federal Budget and regulatory impacts that continue to present a financial challenge due to the Medicare DSH cuts rule currently delayed and IPPS rule being implemented. H+H is tracking potential impacts. Lastly, Medicaid Recertification is currently meeting our budgeted recertification targets and continue to optimize our overall strategies to ensure that we stay on track.

Ms. Hartmann provided an overview of several ways the Revenue Cycle Team continues to innovate. Continued efforts to innovate and address various work streams are optimized through the use of technology. Some of the works in progress include predictive denial analytics, one-stop benefits, documentation analytics for missing charges, and Experian implementation including enhanced claim status, denial prioritization and insurance capture workflow enhancements.

Several initiatives in the pipeline include autonomous coding, AI for scanning and indexing, generative AI to respond to billing inquiries, draft appeals and expansion of Robotics Process Automation.

The Revenue Cycle Institute continues to expand its reach with 184 courses offered and 10,731 class completions in FY-23. The roll-out of Revenue Cycle New Employee Onboarding Training led to improved retention of employees.

Ms. Wang inquired regarding the onboarding training and if all new employees are going through the training as it clearly seems to be keeping our employees productive.

Ms. Hartmann responded that at the moment the new employee onboarding training is strongly encouraged and all efforts are made to enroll new employees into it. It is not mandatory, but we are exploring mandatory enrollment.

Mr. Ulberg added that we have been discussing this for a while, exploring how we can leverage the institute particularly for new employees, not only trying to teach them and make sure they understand all the vast technical knowledge, it also gives us a chance to introduce them to our culture which we believe it is very important.

Ms. Wang asked if the institute is all in-house. Mr. Ulberg responded that it is in-house with some contract out.

Ms. Hartmann added that the courses themselves, the live instructor are all in-house and then we do have a vendor for e-modules that are also available.

Ms. Wang asked how extensive is the training, if it is over a month or weeks.

Ms. Hartmann responded that it is several months. It is a series of classes that are offered before the individual starts performing their functions and one additional staggered along the way which the team has found that allows for better absorption of the material. The training helps employees' sort of get their feet under them and can take better advantage of some of the classes after they have already been performing their function for a little while.

Ms. Wang added that although this is just one-year of data, looking at it monthly, it is fifty to sixty-percent turnover rate for people who are not enrolled in the class. It seems and it would be worthwhile to take the time to have mandatory training to help them become more effective and culture building is really important part of that too.

Mr. Ulberg added that we have not gotten there yet but we can also consider linking the completion of certain trainings and modules to advancement. Investing in us and going through the different steps, in turn, we invest in you, this is also esoteric knowledge, but also transferable and we would like to take that next step and build it into our progression and advancing staff.

Ms. Hartmann continued by providing an update on Medicaid Recertification results that remain in line with NYC Health + Hospitals Financial Plan. NYC H+H is currently averaging 80% for June through October 2023 cohorts recertified from the biggest health plan partners. Recertification rate for MetroPlusHealth members has trended down slightly during this period, which we believe is primarily attributable to a lower recertification rate for certain immigrant populations. Further, recertification rates for NYC residents is in line with the rest of NYS.

Ms. Wang inquired regarding the NYC H+H Recertification status chart, we are currently averaging 80% but with the projections in November and December being much lower do we believe we will drop below?

Ms. Hartmann responded that for November and December the lighter color in the chart indicate that those months have not fully matured yet. Individuals can recertify by the end of the month following the month they are due for recertification and there is still even a little bit of late renewal activity.

Ms. Wang added that we might be higher than the 80% hopefully.

Ms. Hartmann added that we expect November and December to be similar to the previous months. Ms. Wang added that the previous months may potentially be even closer to our stretch goal. Ms. Hartmann agreed.

Dr. Katz added that the chart does not get closer to the stretch goal as it is not cumulative. Every month a new group of cohorts is eligible and we are seeing the variety. There may be a trend for those who do at the beginning of the month and some who do it later in the month. If we do not get to the goal is that a substantial amount of money?

Mr. Ulberg responded that the target is 80% but we did not budget 80%, we are currently exceeding budget. Dr. Katz added that financial we will be okay then.

Mr. Ulberg added that the main concern on the December cohort is the SSI population.

Ms. Hartmann added that the December cohort in terms of numbers is the biggest so it will have the most significant impact on the rate. Currently, we are not seeing any significant impact on the December population in terms of their recertification rates at this point.

Mr. Ulberg continued that the concern that we do have is the SSI population that is done on paper and it is very important that we do not break care with them because they are SSI disabled and its imperative that we keep a connection with their health insurance and that we do not lose their clinical connection, so we have been talking with MetroPlus and Healthfirst on different strategies we can employ and even talking to the State as obviously they do not want us to lose that cohort in the whole process. These are done on paper because it is complicated.

Ms. Wang added they cannot do it online and they come up in December.

Mr. Ulberg continued stating that the State had the option to push that date out and our hope would be that if it does not look like we are capturing the numbers that we would go back to them and just push it out another month and continue to monitor.

Dr. Katz added that the SSI population is sort of bi-modal population. Those who have medical illness, you are likely to get them because they have a need and are going to be coming. The problem will be with the people who have SSI based on a behavioral health diagnosis who often avoid care unless brought in by PES and they are not in a position where you can get documentation either. The data on people going off SSI is very small.

Ms. Wang asked regarding MetroPlus decline over the months.

Ms. Hartmann responded that MetroPlus is slightly trending downwards and more information will be provided on this shortly. Overall MetroPlus decline is primarily due to MetroPlus having a significantly immigrant population and we are seeing some individuals who enrolled during the PHE when documentation requirements were eased and now when they come up for renewal have trouble producing documents to show a qualifying immigration status. Both NYC H+H and MetroPlus have done some work about educating our staff on what documents to look for so we can really try to work with that group and allow them to renew wherever possible.

Dr. Katz added that it could be that the best review will still not be able to make them eligible. However, if MetroPlus disproportionately has people who we were able to be enrolled at a time when documents were not looked at, being H+H we took care of that population whom seemed eligible at the time. Therefore, we will lag behind and it will not be our fault.

Ms. Hartmann added that we are trying to optimize but it is possible that the lower rates we are seeing for recent months will continue to be the baseline for MetroPlus.

Ms. Hartmann continued by presenting an overview of NYC H+H and Health Plans continued collaboration and workflows optimization. Over 243K+ Managed Care members attributed to H+H due for recertification from June to December 2023 and 153K members have renewed so far. For those months, members who have been able to recertify through the end of the following month shows about an 80% success rate.

The current focus continues to be having both a centralized telephonic financial counseling team in collaboration with our health plan partners to try to proactively outreach to members and/or patients due for recertification. Testing new tools to successfully complete more complex renewals over the phone. Facility-based Financial Counselors helping patients with care appointments or who need in-person assistance. Some of the headwinds H+H faces start with the largest cohort of members/patients due for recertification is December 2023 which is almost twice other months on average. Certain immigrant populations are not eligible upon renewal because they cannot produce documentation to support a qualifying immigration status. Education and scripting rolled out to Health Plans reps and Financial Counselors. Finally, the upcoming expansion of comprehensive Medicaid Managed Care coverage to undocumented seniors aged 65+.

Mr. Ulberg added in regards to the one-stop benefits. This is an exciting new area and as we go through the eligibility process and the exchange for healthcare insurance, our financial counselors gather plenty of information. We are reviewing to see if we are able to take this information and apply it to other benefits that the person might be eligible for such as qualifying them for housing. Some studies show that those eligible for one public benefit may be eligible for other public benefits. We have financial counselors that have been doing an exceptional job and continue to try to do more to leverage technology. Further, it has major VBP implications, where they are looking at the hospital, not only for the healthcare services, but for the full range to determine services that can be captured. We are excited about it. Trying to connect different silos of government and State data and if we can bridge those, which we believe we might.

Ms. Wang added if we are referring to expanding the training of the financial counselors to be able to think about all the different pathways.

Mr. Ulberg agreed and added that they are pretty excited about it as it gives them something new to engage with future enrollments and fits nicely with VBP and with MetroPlus and Healthfirst as it all fits together but it is challenging as we have all these different rules and different databases

with different projections on those databases. But, again we feel that Health + Hospitals is well positioned with the infrastructure we have in place with our financial counselors we just need to expand that a little more.

Ms. Wang asked if this activity leverages Epic.

Mr. Ulberg agreed that it leverages Epic, and added that financial information used to qualify a person for health insurance, some of that information carries directly over and is gathered with other pieces of data that fully determines whether the person is eligible or not. Artificial Intelligence is gathering all these data and at this point just making a prediction whether the person qualifies given all the other information and demographics that we have. Eventually we would like to build it to a point where we can grab the data and do the actual application at the first visit.

Ms. Wang added that AI speeds up everything in a short period of time, and asked if we are able to track some of this that you are taught to connect the links from getting people that re-enrolled and recertified to VBP outcomes.

Mr. Ulberg noted that would be our goal. The literature tells us that one of the things you can mostly do to improve someone's health outcome is to make sure that they have housing and food; but eventually we hope to be able to track all of this.

Ms. Wang added that this is great, thank you.

Dr. Katz added that getting people food is another type of income assistance. Even if they are not suffering from food in-security, if you help them pay for food, it would be the equivalent of giving them economic assistance which we know is a huge benefit.

Mr. Ulberg continued to the VBP section. He noted all the work that has been placed on these priorities by the VBP team. Mr. Ulberg stated he can try to explain these slides or we can hold for next meeting as the VBP team spent a lot of time and work into these, and would be better suited to explain in greater detail. Ms. Wang agreed and added, happy to hold for next meeting and it is worthwhile to hear in much more detail.

Mr. Ulberg continued stating that on a monthly basis they meet with the facilities and a significant part of the discussion with them is performance. We are trying to get more intentional about that and the work that they have done here.

Dr. Katz commented that VBP is clearly what we should be doing. He noted that there is the cultural problem that for many years people were pushing productivity. However, we want people to be seen and have the visits, it

is just that we do not want that to be the driver. We want population management to be the driver of the visits and it requires the change in culture which is always harder and longer. It is not as simple as sending out memos, especially if it is been drummed into people to see a number of patients. However, the ones we want you to see are the ones who have not been seen, who have a care gap. That requires, better data and a different mindset. Even very good doctors are used to the idea that if the person does not come, the person does not come. That is not unusual, and it is not totally wrong either because people are allowed to make choices and you cannot force people as sometimes what the doctor thinks is important is not in fact, the same thing as what the patient thinks is important. The classic example is colonoscopy, where if you have a positive fit test you really need a colonoscopy. However, a lot of people really do not want a colonoscopy. The debate whether you should push to ask them once or every time. Most of time, people who have a positive blood in the stool will not have a serious disease and may have something very minor maybe a hemorrhoid, etc. The point is the percentage who do have something serious enough is high enough that you would that the doctor says, just like those people admitted for a heart attack do not have a heart attack. We admit people because the likelihood is sufficiently high. Doctors are focused on the risk. Someone who has a 5% risk of dying, for a doctor that is huge, but for the patient it means 95% chance, then they are fine. It is a very different mentality.

Although we are taking care of a group of people who have other issues going on at the same time and who, therefore, may not be able to prioritize their own health in the same way than patients seeking care and other institutions might be able to do. So, trying to figure out the right balance when someone says I cannot do that procedure because I cannot take off from work, or I do not have anyone who can take me to that procedure. It is very different than when you are working with middle class populations and there is always somebody to take them or have sick leave. It is how do you help someone if they do not have sick leave or figure out who can take them when they do not have someone. It is just a very different population, our population requires a different level of thought, but clearly VBP is the right thing for us as we do not want to be about churning visits.

Ms. Wang inquired on our percentage mix now of VBP.

Mr. Ulberg responded that he does not have the exact figure, but a rough estimate maybe around 60%. Taking into consideration anything that is capped meaning certainly, risk pool performance is included. The dollars are capped. We operate differently than operating a fee for service organization trying to churn visits. For us, is about 60% is fixed, including DSH dollars as well as risk dollars. We are trying to turn that 60% into a higher number

by capturing more enrollment membership or even engaging in different relationships with our insurance partners.

Dr. Katz added that another complication which everybody is dealing with at VBP, is that since it is value-based payment the focus should be to take care of the patients better but it is not, as the rates set for VBP are based on utilization of services. It is sort of unavoidable, the bulk of our patients of Medicaid or Medicare. The cost includes things like visits but not things like email or phone call so it is a bit circular. You may wind back to having to show your productivity even though that may not be what the person most needs.

One general solution would be to try focusing on diagnosis. Documenting their severity and including the idea that I reach out. But even that, many of the VBP plans if you do not read documents, their disease periodically, then the diagnosis falls off on the theory again that if they had such a serious diagnosis, why are you not seeing them. And the answer is because many things we do, does not need an actual visit. We need them to do certain things instead. One way to think about it is, what went wrong with the first managed care, the thought that you are getting paid for seeing people less. Then we came to getting you the value driven care that you need but then not everyone agrees on what are the value driven things and what that means. For sick people, most medicine does not cure illness. We help people manage chronic conditions and we mostly do preventive care which is not cost saving, it is cost effective. For instance, mammograms do not save money, it is worth spending that money in order to save lives but it does not save money, it is a good expense.

Everyone agrees conceptually on that VBP is the way the country should go but the details around it, they do not. The details whether to include some measures on utilization as part of VBP or not. Should email be included but that is more administrative and does not seem like the right answer. Conceptually to imagine a world where everybody's health status generate certain payment and they get to choose the provider and based on their satisfaction with the provider they get the payment. One of the challenges about VBP is that the person who is the most challenging to take care of, may not be necessarily the one with the longest list of Chronic diseases. Maybe someone with difficult anxiety or a terrible social situation that may be difficult to enter a diagnosis or difficult for coding. A fundamental problem of VBP is that it has so much utilization to determine the underlying rate and it is a fundamental flaw in a truly value-based payment system, but we understand why that flaw exists and we do not have an easy solution that works for taxpayers. For Medicaid and Medicare system no one will like the idea that people are earning more than the cost. Not an easy financial problem.

Mr. Ulberg added that they are making a headway in terms of using social determinants as predictor of what the rates and cost should be. CMS is looking at that, and signaling that they will incorporate that into both Medicare and Medicaid side. We will participate in that thinking as it makes a lot of sense to us. In terms of providing health care in the city, when a patient is assigned to one provider and goes to another one for the care, the movement of the patient to another health system to get care is one that we are trying to contain or control and the best way to do that is making sure that our provider is doing their job and that the person recognizes that they should come to us for care in the first instance.

Dr. Katz noted the difference between systems in California and New York.

Mr. Ulberg continued stating there is a lot of money there in the salary system. That is another thing we are trying to figure out with different thoughts in mind for MetroPlus and Healthfirst; there is a belief to the extent that the patient can stay within the network they have chosen, there is a better opportunity to provide the care that they need.

Dr. Katz added that we have work to do to make that happen. To have the same waiting time. MRI costs, needs, scheduling and urgency samples were noted. We are focused on need, not to make an MRI for instance as costly as possible. Dr. Katz continued noting several models such as Urgent Care model whose focus is not building therapeutic relationships which many of us believe do have long lasting improvements than getting to know people, but that is not their model. They have lots of customers and there is definitely a demand for it. Fulfilling their demand, people appreciate having them.

Ms. Wang noted that we have discussed several policy and philosophical questions that places H+H well-positioned to be at the forefront of changing and influencing. Ms. Wang thanked Dr. Katz and the whole team for the helpful update. For next meeting we can dive deeper into what H+H is actually doing on VBP.

Ms. Wang polled the Committee for questions. There being no further questions, Ms. Wang thanked the team.

ADJOURNMENT

There being no further business before this committee, the meeting adjourned at 12:05 PM.

City Initiatives:

Humanitarian Emergency Response and Relief Centers (HERRC)



HERRC Program Overview

- ❑ H+H currently oversees 15 H+H HERRC sites serving ~24,000 daily guests
- ❑ Over 115,000 asylum seekers have been served at the 24/7 Arrival Center
- ❑ H+H committed \$465M of HERRC expenses on behalf of the City in Q2 of FY24
- ❑ In January, H+H participated in a Citywide asylum seeker PEG, which achieved \$1.7B Citywide across FY24 and FY25.
 - ❑ Savings were derived from operational efficiencies at HERRCs, reduced service costs, transfers of costlier shelters to non-profit operators, and revisions to the asylum seeker census forecast
- ❑ H+H's HERRC January Plan funding summary is:

Fiscal Year	FY24	FY25
Total	\$1.7B	\$1.8B

- ❑ OMB has provided H+H with revenue to cover committed expenses to date through the HERRC MOU with the Mayor's Office and remains committed to continue covering all HERRC expenses moving forward in FY24 and FY25

RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies for HERRC site administration staffing services at a not to exceed amount of \$192,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

WHEREAS, the System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (the “City”); and

WHEREAS, HERRCs provide a range of holistic services to asylum seekers including a place to stay, food, medical care, reconnection services, and connection to social services; and

WHEREAS, the System currently operates multiple HERRCs throughout the City, with dedicated facilities serving families with minor children, single adult women and adult families, or single adult men; and

WHEREAS, the System is currently utilizing Medrite LLC dba Medrite Urgent Care and Rapid Reliable Testing NY LLC dba DocGo Inc to provide HERRC site administration staffing services, which includes hiring and managing staff to perform 24/7 robust operational support services across all HERRC sites and the Arrival Center; and

WHEREAS, the System has identified a need for the continuation of HERRC site administration staffing services for the hiring and managing of staff to perform tasks, including badge in and badge out management, line management, mailroom operations, bed assignments, managing lost and found, and short-term initiative supports such as federal work authorization; and

WHEREAS, the System conducted an open and competitive RFP process under the supervision and assistance, of Supply Chain to identify additional vendors, in which 40 firms attended a pre-proposal conference and 18 subsequently submitted proposals; and

WHEREAS, of the 18 proposals submitted, the four vendors who received the highest ratings have been selected for award; and

WHEREAS, those awarded vendors will provide services on an as-needed basis without a minimum usage requirement; and

WHEREAS, the Office of Ambulatory Care will be responsible for the management of the proposed contracts.

NOW THEREFORE, be it

RESOLVED, that New York City Health and Hospitals Corporation be and hereby is authorized to execute contracts with Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies for HERRC site administration staffing services at a not to exceed amount of \$192,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

EXECUTIVE SUMMARY
HERRC SITE ADMINISTRATION STAFFING SERVICES
RAPID RELIABLE TESTING NY LLC DBA DOCGO INC., MEDRITE LLC DBA MEDRITE
URGENT CARE, CHEROKEE NATION MANAGEMENT AND CONSULTING, LLC, AND
ESSEY GROUP LLC DBA THE TEMPOSITION GROUP OF COMPANIES

- OVERVIEW:** The System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”). The System currently operates multiple HERRCs throughout the City for the provision of a range of holistic services to asylum seekers. Site administration staffing services are required to provide 24/7 robust operational support services across all HERRC sites and the Arrival Center. Such site administration staff would perform tasks, including badge in and badge out management, line management, mailroom operations, bed assignments, managing lost and found, and short-term initiative supports such as federal work authorization. The proposed contracts will support the asylum-seeker population at the HERRCs.
- PROCUREMENT:** The System conducted an open and competitive Request for Proposals (“RFP”) to establish a pool of vendors to provide HERRC site administration staffing services to the System on an as-needed basis. The RFP was sent directly to 16 prospective vendors, and 40 prospective vendors attended a pre-proposal conference. A total of 18 firms submitted proposals and, of the proposals submitted, the Evaluation Committee selected the top four rated proposers to provide site administration staffing services to the System.
- COSTS:** The total not-to-exceed cost for the proposed contract over its full, potential two-year term is not to exceed \$192,000,000.
- NYC Health + Hospitals site administrative staffing expenses will be covered by HERRC MOU with the Mayor’s Office
- MWBE:** An overall MWBE utilization goal of 35% has been established and accepted by Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies.

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

From: Georgia Tsismenakis
Associate Counsel
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board Review of Contract

Contract: RFP No. 2723 HERRC Site Administrative Staffing Services

Date: February 23, 2024

Tsismenakis, Georgia Digitally signed by
Tsismenakis, Georgia
Date: 2024.02.23
17:40:52 -05'00'

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

<u>Vendor</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
Rapid Reliable Testing NY LLC dba DocGo Inc.	Pending	Pending	35%
Medrite LLC dba Medrite Urgent Care	Approved	Approved	35%
Cherokee Nation Management and Consulting, LLC	Approved	Approved	35%
Essey Group LLC dba The TempPosition Group of Companies	Approved	Pending	35%

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.

Humanitarian Emergency Response and Relief Centers (HERRCs)

**Finance Committee
Application to Award Contracts for
Site Administration Staffing Services
March 11th, 2024**

**Chris Keeley
Senior Assistant Vice President
Office of Ambulatory Care**

- Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies for HERRC site administration staffing services at a not to exceed amount of \$192,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

Scope Breadth

- Site administrative staffing currently provides 24/7 robust operational support services across all HERRC sites and the Arrival Center
- Specific tasks include badge in and badge out management, line management, mailroom operations, bed assignments, managing lost and found, and short-term initiative supports such as federal work authorization clinics
- These vendors hire and manage those staff, ultimately reporting to the H+H manager on site, just as other vendors report to H+H, such as laundry, food, and security
- Two existing contracts
 - DocGo
 - MedRite
- Historical spend since October 2022
 - DocGo: NYC Health + Hospitals has committed \$113.9 million through February 2024 and has paid out \$47.9 million
 - MedRite: NYC Health + Hospitals has committed \$94.8 million through February 2024 and has paid out \$41.3 million
 - Pricing is hourly staff rates with reimbursement for certain supplies or equipment
- HERRC has split site administrative staffing and clinical staffing into two contracts to identify additional vendors and improve each vertical's future state scopes of service
- RFP was done to competitively bid for these services and identify additional vendors that may be well-suited to this work
- NYC Health + Hospitals expenses will be covered by HERRC MOU with the Mayor's Office ³



RFP Criteria

➤ Minimum criteria:

- Three years in business performing front end staffing services at a similar scale
- M/WBE status, Utilization Plan, or Waiver Request
- \$3 million in annual revenue for each of the last three years

➤ Evaluation Committee:

- COO, Ambulatory Care
- Program Manager, HERRC
- Senior Consultant, HERRC Finance
- Program Director, HERRC
- Director of Practice Optimization, Ambulatory Care Operations

➤ Substantive Criteria

- 30% Relevant experience
- 25% Readiness to deploy
- 25% Cost
- 10% Cultural competency
- 10% MWBE

Overview of Procurement

- 12/12/23: Application to issue request for proposals approved by CRC
- 01/08/24: RFP Posted on City Record, sent directly to 16 vendors
- 01/12/24: Pre-proposal conference held, 40 vendors attended
- 01/26/24: Proposals due, 18 proposals received
- 02/05/24: Evaluation committee debriefed and submitted final scores. Below are the top 4 proposers:
 - Rapid Reliable Testing NY LLC dba DocGo Inc.
 - Medrite LLC dba Medrite Urgent Care
 - Cherokee Nation Management and Consulting, LLC
 - Essey Group LLC dba The TempPosition Group of Companies

Vendor Performance

Department of Supply Chain Vendor Performance Evaluation RapidReliableTesting DBA DocGo	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Satisfactory
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Satisfactory
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Satisfactory
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)?	Satisfactory
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Satisfactory
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Satisfactory
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Satisfactory
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	Satisfactory
Did the vendor adequately staff the contract?	Satisfactory
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Satisfactory
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?	Satisfactory
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?	Satisfactory
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain
Vendor Performance Evaluation
MedRite

DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Satisfactory
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Satisfactory
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Satisfactory
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)?	Satisfactory
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Satisfactory
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Satisfactory
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Satisfactory
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	Satisfactory
Did the vendor adequately staff the contract?	Satisfactory
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Satisfactory
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?	Satisfactory
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?	Satisfactory
Performance and Overall Quality Rating Satisfactory	Satisfactory

Cost Analysis

- All selected vendors are priced competitively, with the staffing title expected to be most prevalent, administrative generalist, ranging between \$43-50 per hour across all vendors.
- Incumbent vendors saw active cost saving measures or no net increases, with all site administration lines either staying at the same bill rates, or seeing reductions.

Vendor Background

- Cherokee Nation Management and Consulting, LLC
 - Federally licensed Minority Business Enterprise with experience completing over 115 emergency preparedness and response projects
 - Experienced providing direct site administrative staffing for asylum seekers in short term, rapid construction transient settings
 - Have active recruitment pipelines across a variety of specialties and the agility to rapidly scale up or down in response to changing needs

- Essey Group LLC dba The TempPosition Group of Companies
 - Highly experienced with HERRC work through their contract with NYC DHS, where they provide site administrative staffing for a cumulative 53 DHS HERRC sites
 - Working Experience with NYC Health + Hospitals' Arrival Center model and workflows including cot/room assignments and centralized intake

Assignment of Work

- No work is guaranteed under this contract
- Work will be assigned based on operational need, vendor capacity, and financial competitiveness; contract can be sunset at any time with less than 90 day notice, and work can be reassigned from a vendor with 30 day notice
- When new vendors are introduced to a site, the on-site H+H manager is responsible for operational integration and program leadership ensures strategic alignment

Vendor Diversity

Vendor Name	MWBE Vendor	Subcontracted SOW	Certification	UP Goal %
Medrite	Staffing Boutique	Supplemental Staffing	NYC/NYS Non-Minority WBE	35%
	Alliance Supply Inc.	Medical and Office Supplies	NYC Non-Minority WBE	
DocGo	CFF Consulting	Supplemental Staffing	NYC/NYS Hispanic MBE	35%
	Judit, Inc.	Supplemental Staffing	NYC/NYS Non-Minority WBE	
	Nifty Concept, Inc	Medical Supplies	NYC Black MBE	
Cherokee Nation Management & Consulting	Carter Lard	Supplemental Staffing	NYC Black MBE	35%
Essey Group LLC dba The TemPositions Group	Jennifer Temps	Supplemental Staffing	NYC Black M/WBE	35%
	Penda Aiken, Inc	Supplemental Staffing	NYC Black M/WBE	
	Admiral Staffing Inc.	Supplemental Staffing	NYC Asian Male	
	Gainor Temporaries	Supplemental Staffing	NYC Non-Minority WBE	
	Medical Staffing Services	Supplemental Staffing	Certification Pending	
	Cure Staffing	Supplemental Staffing	NYC Non-Minority WBE	
	The Custom Group of Companies	Supplemental Staffing	NYC Non-Minority WBE	

Finance Committee Approval Request

- Office of Ambulatory Care is seeking approval to enter into contract with Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care, Cherokee Nation Management and Consulting, LLC, and Essey Group LLC dba The TempPosition Group of Companies to provide site administrative staffing services at a not to exceed amount of \$192,000,000
- Contract start date: April 1st, 2024 with a term of 12 months with two six-month renewal options
- NYC Health + Hospitals site administrative staffing expenses will be covered by HERRC MOU with the Mayor's Office

RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services for HERRC clinical staffing services at a not to exceed amount of \$211,300,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

WHEREAS, the System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (the “City”); and

WHEREAS, HERRCs provide a range of holistic services to asylum seekers including a place to stay, food, medical care, reconnection services, and connection to social services; and

WHEREAS, the System currently operates multiple HERRCs throughout the City, with dedicated facilities serving families with minor children, single adult women and adult families, or single adult men; and

WHEREAS, the System is currently utilizing Medrite LLC dba Medrite Urgent Care and Rapid Reliable Testing NY LLC dba DocGo Inc to provide HERRC clinical staffing services; and

WHEREAS, the System has identified a need for the continuation of HERRC clinical staffing services that includes capacity to provide medical triage at the Arrival Center, urgent care supports for new arrivals, vaccination efforts, and infectious disease testing and management, as well as, behavioral health services, such as social work and casework services to support guests during their stay at HERRCs; and

WHEREAS, the System conducted an open and competitive RFP process under the supervision and assistance, of Supply Chain to identify additional vendors, in which 28 firms attended a pre-proposal conference and 21 subsequently submitted proposals; and

WHEREAS, of the 21 proposals submitted, the four vendors who received the highest ratings have been selected for award; and

WHEREAS, those awarded vendors will provide services on an as-needed basis without a minimum usage requirement; and

WHEREAS, the Office of Ambulatory Care will be responsible for the management of the proposed contracts.

NOW THEREFORE, be it

RESOLVED, that New York City Health and Hospitals Corporation be and hereby is authorized to execute contracts with Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services for HERRC clinical staffing services at a not to exceed amount of \$211,300,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

EXECUTIVE SUMMARY
HERRC CLINICAL STAFFING SERVICES
AGREEMENTS WITH
MEDRITE LLC DBA MEDRITE URGENT CARE, RAPID RELIABLE TESTING NY LLC DBA
DOCGO INC., ACUITY INTERNATIONAL, LLC (LEGACY: COMPREHENSIVE HEALTH
SERVICES, LLC), AND RCM TECHNOLOGIES (USA), INC., DBA RCM HEALTH CARE
SERVICES

- OVERVIEW:** The System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”). The System currently operates multiple HERRCs throughout the City for the provision of a range of holistic services to asylum seekers. Clinical staffing services are required in order to provide medical triage at the Arrival Center, urgent care support for new arrivals, vaccination efforts, and infectious disease testing and management, as well as, behavioral health services. The proposed contracts will support the asylum-seeker population for the entire duration of their stay at the HERRCs.
- PROCUREMENT:** The System conducted an open and competitive Request for Proposals (“RFP”) to establish a pool of vendors to provide HERRC clinical staffing services to the System on an as-needed basis. The RFP was sent directly to 13 prospective vendors, and 28 prospective vendors attended a pre-proposal conference. A total of 21 firms submitted proposals and, of the proposals submitted, the Evaluation Committee selected the top four rated proposers to provide clinical staffing services to the System.
- COSTS:** The total not-to-exceed cost for the proposed contract over its full, potential two-year term is not to exceed \$211,300,000.
- NYC Health + Hospitals clinical staffing expenses will be covered by HERRC MOU with the Mayor’s Office
- MWBE:** An overall MWBE utilization goal of 35% has been established and accepted by Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services.

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

From: Georgia Tsismenakis Tsismenakis,
Associate Counsel Georgia
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE Status for Board Review of Contract

Contract: RFP No. 2733 HERRC Clinical Staffing Services

Date: March 7, 2024

Digitally signed by Tsismenakis,
Georgia
Date: 2024.03.07 13:38:26 -05'00'

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

<u>Vendor</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
Medrite LLC dba Medrite Urgent Care	Approved	Approved	35%
Rapid Reliable Testing NY LLC dba DocGo Inc.	Pending	Pending	35%
Acuity International, LLC (legacy: Comprehensive Health Services, LLC)	Pending	Pending	35%
RCM Technologies (USA) Inc. dba RCM Health Care Services	Approved	Approved	35%

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.

Humanitarian Emergency Response and Relief Centers (HERRCs)

**Finance Committee
Application to Award Contracts for
Clinical Staffing Services
March 11th, 2024**

**Chris Keeley
Senior Assistant Vice President
Office of Ambulatory Care**

- Authorizing New York City Health and Hospitals Corporation (the “System”) to execute contracts with Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services for HERRC clinical staffing services at a not to exceed amount of \$211,300,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

Clinical Services Scope

- H+H currently operates 15 HERRCs as well as the City's Arrival Center
- All clients coming into the Arrival Center receive medical triage and assessments for short- and long-term physical and behavioral health needs
- Medical teams at the Arrival Center utilize a trauma-focused approach for both physical and behavioral health, provide vaccinations, and set up referrals for clients to the hospital system, when needed
- At HERRC sites, we provide on-site social workers and medical resources as needed, particularly regarding infectious disease

Scope Breadth

- Seeking vendors to continue to provide these clinical services at the Arrival Center and in an ad hoc basis at HERRC facilities
- Two existing contracts
 - DocGo
 - MedRite
- Historical spend since October 2022
 - DocGo: NYC Health + Hospitals has committed \$144.9 million through February 2024 and has paid out \$64.9 million
 - MedRite: NYC Health + Hospitals has committed \$36.3 million through February 2024 and has paid out \$11.4 million
 - Pricing is hourly staff rates with reimbursement for certain supplies or equipment
- No ancillary costs
- RFP was done to competitively bid for these services and identify additional vendors that may be well-suited to this work
- NYC Health + Hospitals expenses will be covered by HERRC MOU with the Mayor's Office

RFP Criteria

➤ Minimum criteria:

- Three years in business performing clinical staffing services at a similar scale
- M/WBE status, Utilization Plan, or Waiver Request
- \$3 million in annual revenue for each of the last three years

➤ Substantive Criteria

- 30% Relevant experience
- 25% Readiness to deploy
- 25% Cost
- 10% Cultural competency
- 10% MWBE

➤ Evaluation Committee:

- COO, Ambulatory Care
- Health & Human Services Program Director, HERRC
- Senior Consultant, HERRC Finance
- Behavioral Health Program Director, HERRC
- Medical Advisor to HERRC and Executive Director NYC Care
- Assistant Director, Community Affairs

Overview of Procurement

- 12/12/23: Application to issue request for proposals approved by CRC
- 01/08/24: RFP Posted on City Record, sent directly to 13 vendors
- 01/12/24: Pre-proposal conference held, 28 vendors attended
- 01/26/24: Proposals due, 21 proposals received
- 02/02/24: Evaluation committee debriefed and submitted final scores. Below are the top 4 proposers:
 - Medrite LLC dba Medrite Urgent Care
 - Rapid Reliable Testing NY LLC dba DocGo Inc.
 - Acuity International, LLC (legacy: Comprehensive Health Services, LLC)
 - RCM Technologies (USA) Inc. dba RCM Health Care Services

Vendor Performance

Department of Supply Chain
Vendor Performance Evaluation
MedRite

DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Satisfactory
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?	Satisfactory
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Satisfactory
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)?	Satisfactory
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Satisfactory
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Satisfactory
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Satisfactory
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	Satisfactory
Did the vendor adequately staff the contract?	Satisfactory
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Satisfactory
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?	Satisfactory
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?	Satisfactory
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain Vendor Performance Evaluation RapidReliableTesting DBA DocGo	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Satisfactory
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Satisfactory
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Satisfactory
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)?	Satisfactory
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Satisfactory
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Satisfactory
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Satisfactory
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	Satisfactory
Did the vendor adequately staff the contract?	Satisfactory
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Satisfactory
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?	Satisfactory
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?	Satisfactory
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain Vendor Performance Evaluation Acuity International, LLC (legacy: Comprehensive Health Services, LLC)	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Satisfactory
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Satisfactory
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Satisfactory
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)?	Satisfactory
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Satisfactory
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Satisfactory
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Satisfactory
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?	Satisfactory
Did the vendor adequately staff the contract?	Satisfactory
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Satisfactory
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?	Satisfactory
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?	Satisfactory
Performance and Overall Quality Rating Satisfactory	Satisfactory

Cost Analysis

- Cost assessments looked at proposed hourly pricing titles for each area of this contract – physical health as well as behavioral health, which includes mental health and casework services
- All selected vendors are priced competitively; for example, Masters of Social Work bill rates range from \$80-95 per hour across all vendors
- Incumbent vendors saw active cost saving measures or minimal hourly rate increases for key roles such as Registered Nurses
- To offset certain increases, incumbents also saw reductions in certain non-clinical hourly lines, such as Caseworkers

Vendor Background

- Acuity International, LLC (legacy: Comprehensive Health Services, LLC)
 - 47 years of experience providing clinical staffing services, including significant experience working with the population and in shelter and transient settings
 - Able to scale at significant rates to meet any reasonable clinical demands, as was highlighted with their work for NYC Health + Hospitals during the early days of COVID
- RCM Technologies (USA) Inc. dba RCM Health Care Services
 - 45 years of experience providing on-site clinical staffing, including experience providing clinical staffing for NYC Health + Hospitals
 - Vendor is also experienced with City government, where they provide behavioral health clinical staff to the NYC Department of Education and NYC Administration for Children's Services

Assignment of Work

- No work is guaranteed under this contract
- Work will be assigned based on operational need, vendor capacity, and financial competitiveness; Contract can be sunset at any time with less than 90 day notice, and work can be reassigned from a vendor with 30 day notice
- When new vendors are introduced to a site the on-site H+H manager is responsible for operational integration and program leadership ensures strategic alignment

Vendor Diversity

Vendor Name	MWBE Vendor	Subcontracted SOW	Certification	UP Goal %
Medrite	Staffing Boutique	Supplemental Staffing	NYC/NYS Non-Minority WBE	35%
DocGo	CFF Consulting	Supplemental Staffing	NYC/NYS Hispanic MBE	35%
	Judit, Inc.	Supplemental Staffing	NYC/NYS Non-Minority WBE	
	Nifty Concept, Inc	Medical Supplies	NYC/NYS Black MBE	
RCM Technologies	Remede Consulting Group Inc.	Supplemental Staffing	NYC/NYS Asian MBE	35%
	Elevation Health Group	Supplemental Staffing	NYC Non-Minority WBE	
Acuity International (legacy: Comprehensive Health Services, LLC)	Alexis Young	Supplemental Staffing	NYC Non-Minority WBE	35%

Finance Committee Approval Request

- Office of Ambulatory Care is seeking approval to enter into contract with Medrite LLC dba Medrite Urgent Care, Rapid Reliable Testing NY LLC dba DocGo Inc., Acuity International, LLC (legacy: Comprehensive Health Services, LLC), and RCM Technologies (USA) Inc. dba RCM Health Care Services to provide to provide clinical staffing services at a not to exceed amount of \$211,300,000
- Contract start date: April 1st, 2024 with a term of 12 months with two six-month renewal options
- NYC Health + Hospitals clinical staffing expenses will be covered by HERRC MOU with the Mayor's Office

RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “System”) to execute an agreement with Gallagher Bassett Services, Inc. for the provision of Medical Malpractice Claims Management Services on behalf of the System for an initial period of three-years with two one-year renewal options, exercisable at the discretion of the System. The not-to-exceed amount for the anticipated five-year term is \$35,850,000.

WHEREAS, the vendor will provide medical malpractice claims management services; and

WHEREAS, the Request for Proposals for the provision of medical malpractice claims management services was released on October 26, 2023 through its Supply Chain Services Unit, followed by a pre-proposal conference, attended by six vendors; and

WHEREAS, of the six vendors that attended the pre-proposal conference, four vendors submitted proposals and were evaluated by the evaluation committee; and

WHEREAS, in conformance with its procurement operating procedure, the System received and evaluated proposals from four vendors and evaluated such proposals among a diverse evaluation committee; and

WHEREAS, the following vendor was selected to receive a contract award: Gallagher Bassett Services, Inc.; and

WHEREAS, the Deputy Counsel, Office of Legal Affairs will be responsible for the administration of the proposed agreements.

NOW THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation, be and hereby is authorized, to execute an agreement with Gallagher Bassett Services, Inc. for medical malpractice claims management services on behalf of the System. The initial term shall be three-years and two one-year renewal options, solely exercisable by the System. The not-to-exceed amount for the anticipated five-year term is \$35,850,000.

**EXECUTIVE SUMMARY
RESOLUTION TO AUTHORIZE CONTRACT
WITH ONE VENDOR**

OVERVIEW	The purpose of this agreement is to provide medical malpractice claims management services.
PROCUREMENT	The System undertook an RFP to procure vendors to provide medical malpractice claims management services. Four vendors provided proposals. After evaluation, one vendor was selected to provide services: Gallagher Bassett Services, Inc.
NEED	The vendor will provide medical malpractice claims management services.
TERM	This agreement shall not exceed \$35,850,000 for the anticipated five-year term.
MWBE	The services procured under this contract will be self-performed by the winning vendor.

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

From: Irmali Rivera-Bazan
Associate Counsel
Office of Legal Affairs

Irmali
Rivera-
Bazan

Digitally signed
by Irmali Rivera-
Bazan
Date: 2024.02.26
13:44:51 -05'00'

Re: Vendor Responsibility, EEO and MWBE status for Board review of Contracts for Medical
Malpractice Claims Services

Date: February 26, 2024

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

<u>Vendor Name</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
Gallagher Bassett Services, Inc.	Approved	Pending	N/A

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.

Medical Malpractice Claims Management Services

Finance Committee Application to Award Contract

March 11, 2024

**David C. Y. Cheung, Deputy Counsel
Office of Legal Affairs**



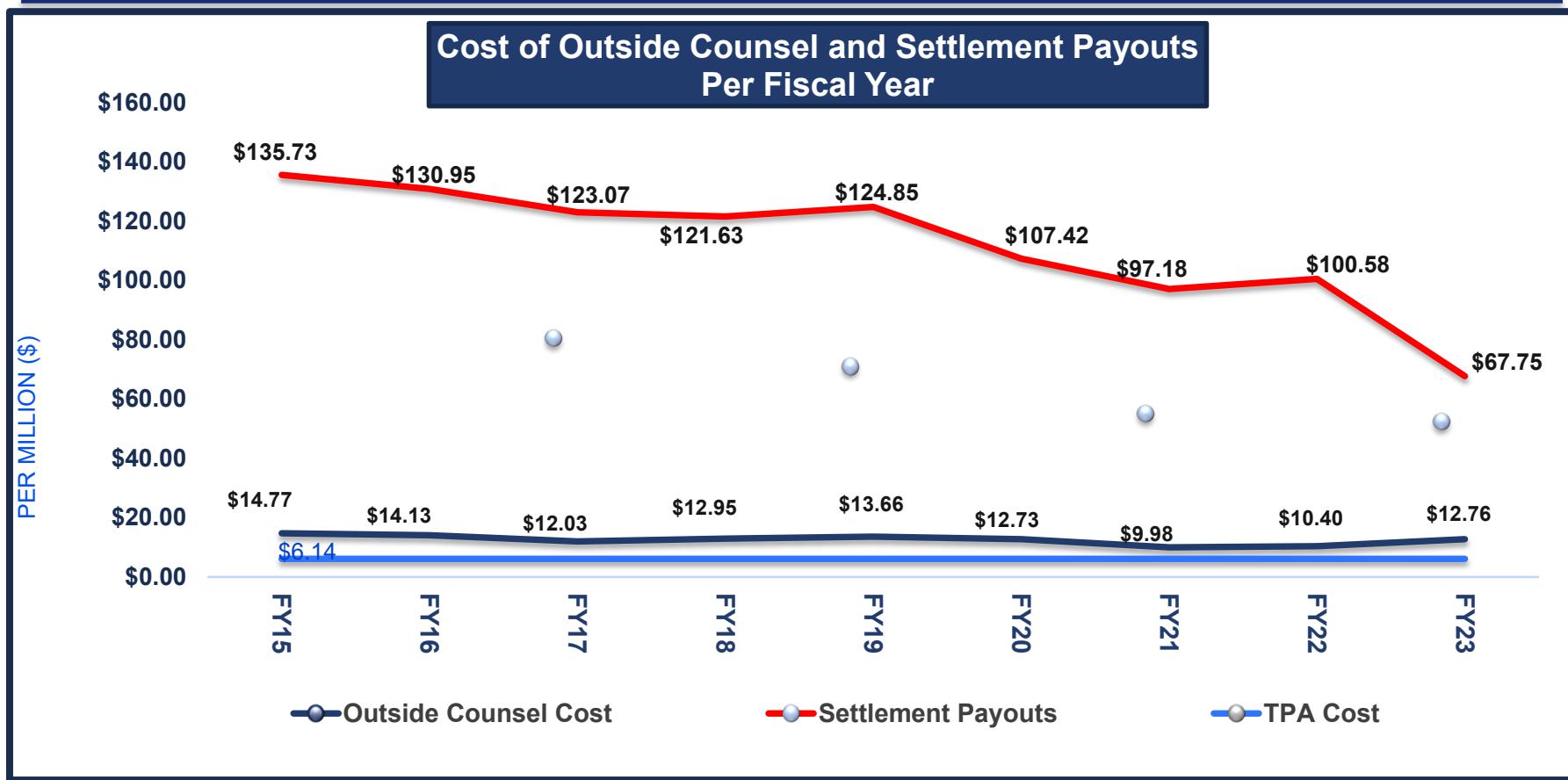
For Finance Committee Consideration

- Authorizing New York City Health and Hospitals Corporation (the “System”) to execute an agreement with Gallagher Bassett Services, Inc. for the provision of Medical Malpractice Claims Management Services on behalf of the System for an initial period of three-years with two one-year renewal options, exercisable at the discretion of the System. The not-to-exceed amount for the anticipated five-year term is \$35,850,000.

Background/Current State

- The Office of Legal Affairs, Claims and Litigation Unit, manages all of the medical malpractice claims against the System
 - 1500-1600 matters at any given time handled in-house and by outside counsel
- Claims Management Services by a Third Party Administrator (TPA) is needed to manage the volume of claims and Medical Malpractice costs
- Largest components of Medical Malpractice costs:
 - Settlements and Payouts
 - Outside Counsel legal fees

TPA Contributes to Management of Outside Counsel and Settlement Costs



- Counsel costs: Relatively flat for the past 9 years (despite increase in rates in FY23)*
- Settlement and Payouts: Reduced from \$135M in FY15 to \$67M in FY23
- TPA costs: \$6.14M annually (FY15 - FY23)

*H+H receives funding from the City for costs related to Medical Malpractice defense as part of longstanding agreement. 4

Overview of Scope of Services

- We have had the same TPA since 2002
 - Annual contract cost is \$6.14M
 - Expiration date of contract is 08/30/2024

- In April 2023, a Request For Information (RFI) was published in the City Register to determine whether other vendors had capacity to provide requested services
 - 5 TPA vendors submitted responses
 - Based upon those responses, we proceeded with an RFP

- Scope of Services from RFP:
 - Early Investigation (Record reviews and interviews)
 - Outside Counsel Supervision
 - Tracking, Monitoring and Reporting
 - Electronic Database Management
 - Regulatory Compliance and Reporting
 - Maintaining indemnity and Expense Reserves

RFP Criteria

➤ Minimum Criteria

- 10 years of experience (claims management services for medical malpractice)
- Insurance - \$5 million
- \$25 million gross operating income

➤ Substantive Criteria

- 40% Subject Matter Expertise (methodology, approach, past experience, and client references)
- 20% Cost
- 20% Implementation Plan
- 20% Technology (support for vendor application)

➤ Evaluation Committee

- Deputy Counsel
- Senior Counsel
- Associate Counsel
- Associate Executive Director Risk Management
- Director Risk Management Quality and Safety
- CMO of H+H/Queens

Vendor Overview

- RFP selection committee chose Gallagher Bassett out of a pool of 4 vendors that submitted proposals
- Annual cost, which remained flat for 10 years, will be a bit higher at approximately \$7million/year
- Advantages of new vendor are also significant
 - Gallagher Bassett will staff with experienced medical malpractice lawyers
 - Monitor outside counsel tasks
 - Audit outside counsel billing
 - Provide strategies for earlier resolution of claims
 - Expand Fast Track Program (early investigations by nurse investigators)
 - Expert databases to assist in formulating defenses
 - Settlement databases to assist in negotiating resolutions
 - Dedicated IT/Technology team to migrate legacy data to new System
 - Modern data system which will allow for data analysis and more insights to emerge from our claims data
 - Reference checks were completed and vendor performed exceptionally well with other systems.

Vendor Diversity

➤ Subcontract Goal Setting

- The services procured under this contract will be self-performed by the winning vendors.
- The only subcontracting potential is related to the captive insurance program, which amounts to a very small portion of the overall contract value (~5%). The winning vendor and our diversity team were unable to identify any MWBE vendors to provide these services.
- Accordingly, without any MWBEs available to perform any of the potentially subcontracted work, no goal was set on this solicitation.

➤ Prime Contractors

- The Vendor Diversity Team reviewed the vendor diversity databases and found no MWBE third party administrator for direct invite.

Finance Committee Approval Request

- The Office of Legal Affairs, Claims and Litigation Unit, is seeking approval to:
 - Award a contract to Gallagher Bassett to provide medical malpractice claims services at a not-to-exceed amount of \$35,850,000
- The proposed contract will be a term of three years with two one-year options to renew.
 - Maximum spend for new contract will be \$7,000,000 each year for the first three years (roughly 15% increase from same rate for last 10 years) and \$7,350,000 in optional years 4 and 5 (roughly 5% increase).
 - One-time cost of \$150,000 in the first year only (migration and implementation of new claims database system).
- The proposed contract will allow us to reduce or remove any category of service provided by the TPA on 30 days' notice.



NYC Health + Hospitals
Finance Committee Meeting
March 11, 2024








FY24 Quarter 2 Highlights

- The system closed January with approximately **\$468 Million (17 days cash-on-hand)**.
- Closed Q2 with a positive **Net Budget Variance of \$63.9M (1%)**
- Direct Patient Care Receipts (I/P and O/P) came in **\$171M higher than the same period in FY23 due to** continued increases in IP and OP services in FY24, and overall improved cash performance.
- IP Patient care volume in FY24 has surpassed pre-COVID levels (1.3%), and OP visits are 9.8% ahead of FY20 pre-COVID levels. Revenue base remains strong and resilient primarily driven by returning volume and higher average collectability rate over the base.
- Strategic Financial Initiatives are ongoing. YTD Q2 performance generated \$573M against an annual target of \$1.08B. Financial updates through this period are still in progress within areas of Revenue Cycle, Growth and System Efficiencies. Initiatives with strong Q2 performance remain as follows:
 - Managed Care Initiatives High Cost Outliers (\$126M);
 - Completed Managed Care Contract Negotiations (\$52M);
 - and Financial Counseling Enhancements (\$35M)

FY24 Cash Projections

- The system is estimated to close February with approximately \$450 Million (16 days cash-on-hand).
- The system expects to close March with approximately \$600 Million (21 days cash-on-hand).
- We continue to work closely with the City on our remaining liabilities due to them as we continue to closely monitor our cash position.

Risk	Status
<p>Staffing Glidepath (Temp and Sessional Costs)</p> <ul style="list-style-type: none"> Full time RN hiring is well ahead of target by 405 RNS, beating the glidepath, and temps will go down to target as soon as orientation is complete (orientation can range from 3 to 6 months), and potentially beating the 18 months glidepath target. A sessional and locum expense reducing glide path has been implemented and is assumed to start in FY24 Q3, reaching target by the end of FY25. 	
<p>Inflationary Pressures</p> <ul style="list-style-type: none"> Inflationary pressures present a strain on and risk to our cost reduction plans as we experience pharmacy and medical/surgical supplies inflationary challenges, pricing increases, higher volume and meeting higher acuity patient needs. 	
<p>City/State Budget</p> <ul style="list-style-type: none"> H+H has released its January Plan. H+H is working with OMB on the upcoming Executive Plan and has been informed there will be no PEGs in this plan. H+H has been reviewing the Governor's Executive Budget and 30-day amendments and preparing for the Legislature's one-house budgets. 	
<p>Medicaid Recertification</p> <ul style="list-style-type: none"> We are currently meeting our budgeted recertification targets and continue to optimize our overall strategies to ensure that we stay on track. 	
<p>Change Healthcare (CHC) Cyberattack</p> <ul style="list-style-type: none"> The incident has national impacts, primarily on health care provider orgs, retail pharmacies, and payors, which use CHC technologies/services. The expected duration based on similar prior events is weeks to over a month. H+H will await guidance, likely to come from FBI, on when it is safe to resume connections to CHC. 	

CHC Mitigation Efforts Underway

- **Cash Flow Management**
 - Working closely with our City, State, and federal partners to expedite approved funding to H+H and prioritize review and approval of pending initiatives and current-year reimbursements.
- **Seeking federal and State directives to direct insurance plans to:**
 - Provide advances to preserve cash flow
 - Waive prior authorization requirements
 - Waive timely filing requirements
 - Extend time frames for appeal
- **Revenue Cycle**
 - Accelerating implementation of previously approved Experian clearinghouse for eligibility and claims
 - Implementing alternative vendor for printing and mailing patient statements
 - Moved up the planned implementation of paperless billing for those MyChart accounts
 - Addressing the increase in eligibility and self-pay work queues in priority order
- **Retail Pharmacy**
 - Impact to roughly 10% of prescriptions; limiting dispensation to 14 day supply
 - Tracking all medications dispensed at risk to rebill when systems are back online

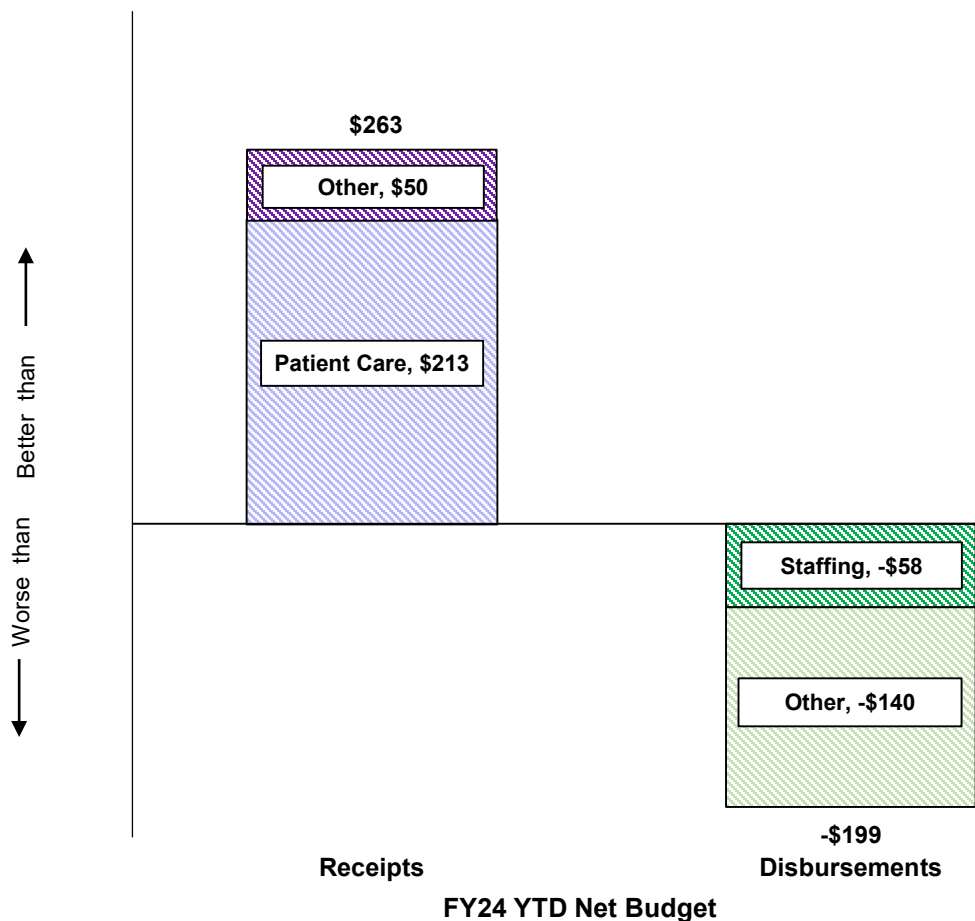
Financial Performance

FY 2024 Quarter 2



Highlights

Ended Dec with a net budget variance of \$63.9M 1% where



- Receipts exceed budget by \$263M Primarily driven by Patient Care Risk Revenue. Risk is higher due to improved PMPM and other PY reconciliations.
- Disbursements exceed budget by \$199M, which includes expenses associated with Temp coverage, Affiliation, and PS/Overtime costs.

Notes:

- Test and Trace not included in the Net Budget Variance.

Cash receipts are 6% ahead of budget. Much of the overage can be attributed to Risk revenue exceeding target due to higher than anticipated PMPM and PY reconciliations

- IP/OP rates, volume, and cash performance **(\$31.9M)** - IP discharges are 2% ahead of budget while rates are slightly down. OP cash ahead of target largely due to Acute site volume, rates, and cash performance exceeding target.
- Risk Pool Performance and Timing **(\$181M)** - ahead of budgeted target by 73% primarily due to CY23 Risk PMPM performance coming in better than planned. 27% of the variance due to unbudgeted reconciliations being collected this year.
- Other revenue exceeding target **(\$49.8M)** – Miscellaneous revenue primarily Retail Pharmacy, interest payments, and other administrative collections.

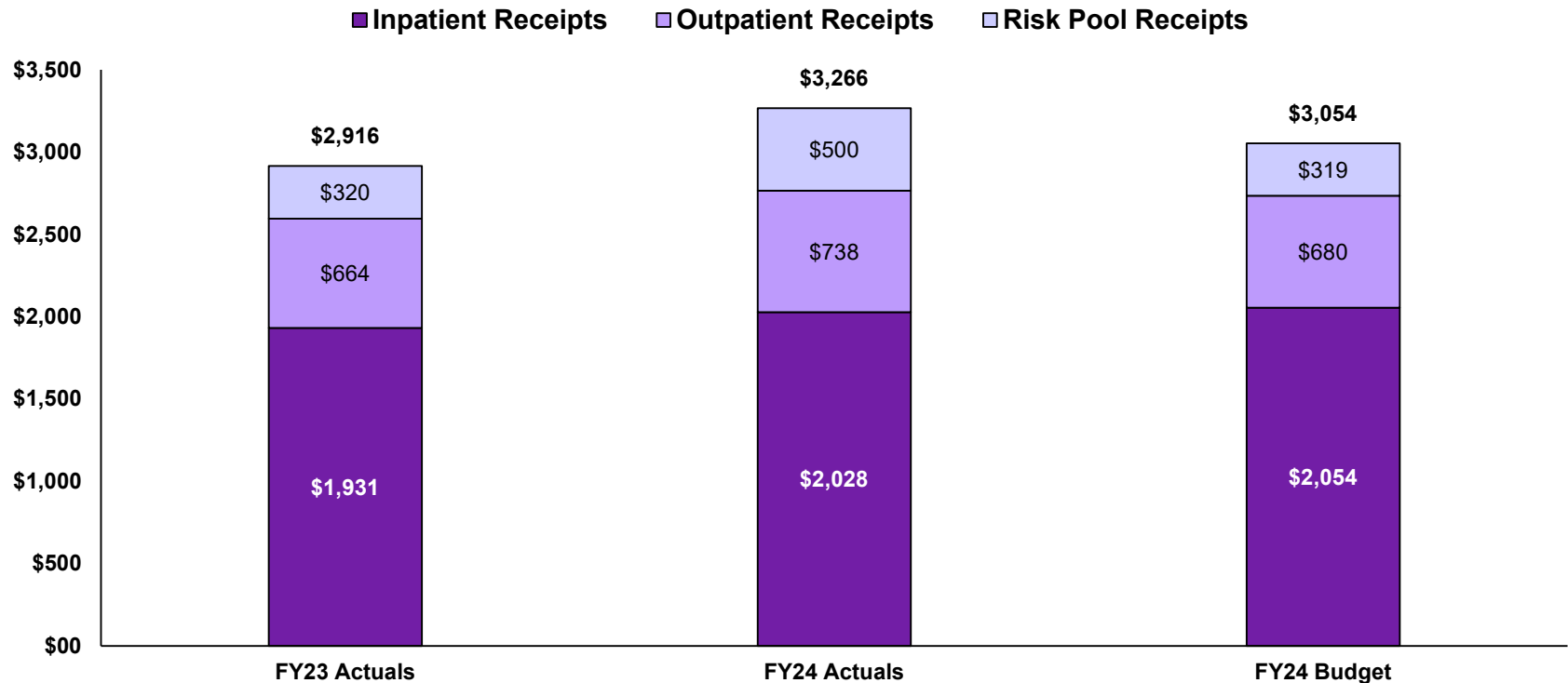
Summary Receipts Performance	YTD Variance against Budget
(FY24 thru Dec)	(\$M)
IP/OP Volume, Rates, and Cash Performance	\$31.9
Risk Pool	\$181.0
Other	\$49.8
Grand Total	\$262.68[+6%]

Cash disbursements are over budget by 4% primarily from Temp spending and Agency costs exceeding target

- The System has redirected its attention to full time recruitment & retention of H+H and Affiliate patient care staff in alignment with established staffing models to support our clinical services and overall volume increases. As the hiring ramps up, excess temp expenses should start to decrease as outlined in the System's glide path. **(-\$153.1M)**
 - Temps **(-\$108.5M)** – Primarily RN
 - Affiliations **(-\$44.6M)** - Sessional and locum usage
- Personnel Services including Overtime **(-\$13.9M)**
- Other Discretionary spend **(-\$31.7M)** – Pharmaceuticals and med surge supplies

Summary Disbursements Performance (FY24 thru Dec)	YTD Variance against Budget (\$M)
Agency Patient Care Temp Staffing Coverage	(\$108.5)
Affiliations	(\$44.6)
PS/OT	(\$13.9)
Other Discretionary Spend	(\$31.7)
Grand Total	(-\$198.7) [-4%]

- FY24 direct patient care revenue (I/P & O/P) is \$170.9M higher than FY23 actuals.
- Patient revenue increases year over year can be attributed to HCW Bonus, approved State Medicaid increases, Federal approved Billing UPL, overall increased volume and cash performance on revenue improvement initiatives.
- Compared to same time last year, discharges are up 1.4%, visits are up 3.3% (excluding testing), and Case Mix Index (CMI) is slightly higher by 0.1%.



Informational Item: Overview of January 25 Financial Plan

- James Cassidy, Senior Director of Fiscal Affairs, Finance

January 25 Financial Plan

(includes COVID/T2/HERRC)

	FY24	FY25	FY26	FY27	FY28
Total Revenues	12,108.9	11,729.8	10,041.5	9,960.1	10,047.5
Total Expenses	12,039.7	11,780.5	10,090.6	10,248.0	10,463.7
<i>Income/(Loss) = Net Margin</i>	69.3	(50.7)	(49.2)	(288.0)	(416.2)
<u>Closing Cash Balance</u>	<u>814.8</u>	<u>764.0</u>	<u>714.9</u>	<u>426.9</u>	<u>10.7</u>

- The City, in conjunction with H+H, released our FY25 January financial plan in early February.
- The system projects a positive operating margin of \$69M in FY24 due in large part to anticipated Outpatient UPL Conversion revenue, favorable SFY23-24 State Budget changes, and Risk Pool performance.
- The system projects negative operating margins in FY25 and FY26 of \$51M and \$49M, respectively, driven by reduced COVID FEMA revenue assumptions and NYSNA Collective Bargaining costs.
- Over each of these three years, the system anticipates stable and relatively consistent ending cash balances between \$715M and \$815M (~25-30 days cash-on-hand).
- The plan includes Strategic Initiatives totaling \$2.2B in FY24, growing to \$2.3B by FY28 in order to partially offset the negative impact of DSH cuts, slated to begin during FFY 2024. Growth in Strategic Initiatives is expected to protect the system in the event that the cuts are not further delayed.
- Finally, this plan includes expenses and partially offsetting funding from the City associated with the NYSNA Collective Bargaining agreement. H+H will continue to advocate for additional City support to fund the bulk of the agreement.

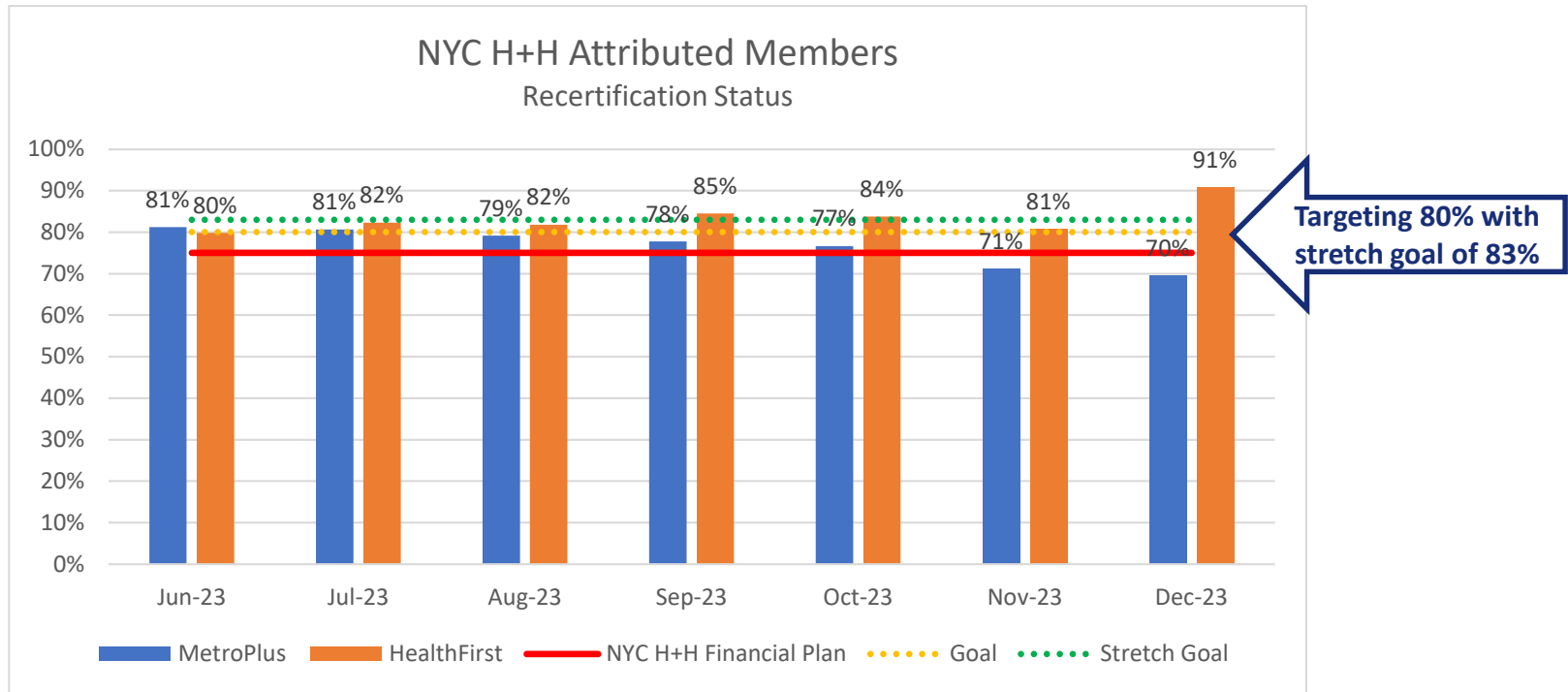
NYC Health + Hospitals
FY 2025 January Financial Plan
Cash Basis
(\$ in millions)

	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028
OPERATING REVENUES					
<u>Third Party Revenue</u>					
Medicaid	2,958.4	2,868.5	2,893.9	2,920.5	2,949.8
Medicare	1,485.0	1,479.7	1,464.4	1,479.2	1,494.0
Other Managed Care	420.2	391.1	396.0	401.2	405.2
Supplemental Medicaid	1,659.1	1,236.7	1,277.5	1,277.5	1,277.5
Disproportionate Share Hospital (DSH)	668.0	774.7	815.5	815.5	815.5
Other Supplemental Payments	991.1	462.0	462.0	462.0	462.0
Subtotal: Third Party Revenue	6,522.6	5,976.0	6,031.8	6,078.4	6,126.4
<u>Other Revenue</u>					
City Services	2,988.6	3,065.1	1,327.4	1,377.2	1,416.7
Grants and Other	682.3	882.3	882.3	682.5	682.5
Subtotal: Other Revenue	3,670.9	3,947.4	2,209.7	2,059.7	2,099.2
<u>Strategic Initiatives</u>					
Supplemental Medicaid Programs	1,152.1	1,027.0	1,004.5	1,004.5	1,004.5
Federal & State Charity Care	62.0	62.0	62.0	62.0	62.0
Revenue Cycle and Managed Care	348.4	351.5	358.5	368.9	368.9
Service Line Improvements	65.1	66.7	69.0	72.5	72.5
Value-Based Payments	53.9	55.1	57.1	60.0	60.0
Growth	234.0	244.0	249.0	254.0	254.0
Subtotal: Strategic Initiatives	1,915.5	1,806.3	1,800.0	1,821.9	1,821.9
TOTAL REVENUES	12,108.9	11,729.8	10,041.5	9,960.1	10,047.5
EXPENSES					
Personal Services	3,682.6	3,780.5	3,930.7	4,006.7	4,084.9
Fringe Benefits	1,912.3	1,910.7	2,008.4	2,077.8	2,140.5
Affiliations	1,668.2	1,654.9	1,703.7	1,720.4	1,737.6
Other Than Personal Services	5,031.6	4,764.3	2,852.9	2,873.1	2,930.6
Subtotal: Expenses	12,294.7	12,110.5	10,495.6	10,678.0	10,893.7
<u>Strategic Initiatives</u>					
System Efficiencies	20.0	20.0	20.0	20.0	20.0
Restructuring and Personnel	235.0	310.0	385.0	410.0	410.0
Subtotal: Strategic Initiatives	255.0	330.0	405.0	430.0	430.0
TOTAL EXPENSES	12,039.7	11,780.5	10,090.6	10,248.0	10,463.7
INCOME/(LOSS)	69.3	(50.7)	(49.2)	(288.0)	(416.2)
OPENING CASH BALANCE	745.5	814.8	764.0	714.9	426.9
CLOSING CASH BALANCE	814.8	764.0	714.9	426.9	10.7

Appendix

Recertification Results Remain in Line with NYC H+H Financial Plan Halfway Through Unwind

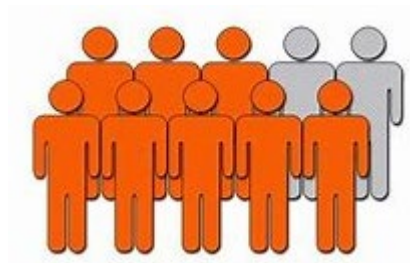
- NYC H+H averaging 80% of June-December 2023 cohorts recertified for biggest health plan partners
 - Recertification rate for MetroPlusHealth members has trended down slightly during this period, which we believe is primarily attributable to a lower recertification rate for certain immigrant populations
- Recertification rates for NYC residents are in line with the rest of NYS



Data from MetroPlus as of 2/7/24 and HealthFirst as of 1/19/24. Please note that members due for recertification can recertify through the end of the following month with no break in coverage if they remain enrolled with the same plan in the same line of business (and selected members with coverage through LDSS/HRA can recertify for an additional 4 months).

NYC H+H and Health Plans Continue to Collaborate and Optimize Workflows

243k+ Managed
Care members attributed
to H+H due for recert
from June to December
2023



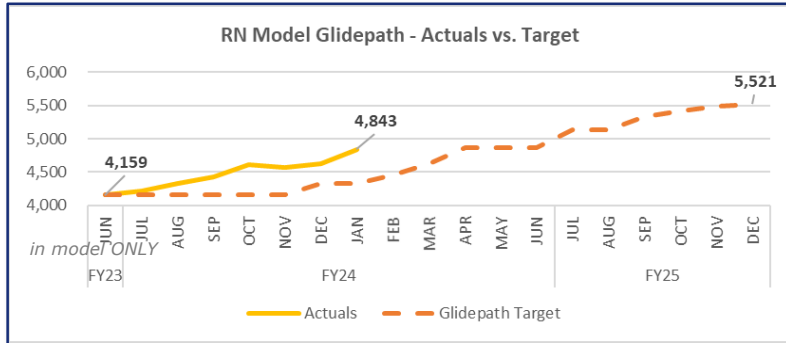
188k renewed so
far

Current Focus	Headwinds
<ul style="list-style-type: none"> Centralized Telephonic Financial Counseling team and Health plans continue to coordinate on proactive outreach to members/patients <ul style="list-style-type: none"> Testing new tools to successfully complete more complex (e.g. LDSS/HRA) renewals over the phone Facility-based Financial Counselors helping patients with care appointments or who need in-person assistance 	<ul style="list-style-type: none"> Certain immigrant populations are not eligible upon renewal because they can't produce documentation to support a qualifying immigration status <ul style="list-style-type: none"> Education/scripting rolled out to Health Plan reps and Financial Counselors Expansion of comprehensive Medicaid Managed Care coverage to undocumented seniors aged 65+ Increase in patient volumes requiring financial counseling

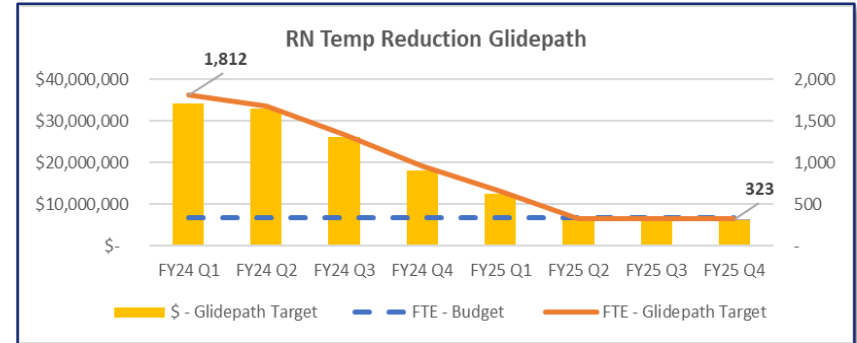
FY24/25 RN & Allied/Non-Clinical Glidepaths Update*

RN Glidepath Update

H+H FTEs



TEMP FTEs



- Net increase of over **900 RNs** system wide.
- 684 RNs** hired in the IP and ED nursing models since June 2023, which is 385 FTEs ahead of the Glidepath target.
- H+H is **ahead of the YTD Glidepath target by over 450 RNs**.

- Since June 2023, there has been a net reduction of **419 RN temps** systemwide (60% reduction within the IP and ED Models).
- H+H is **on track** to reducing a total of **1,489 RN temps** by the second half of FY25.

Allied & Non-Clinical Glidepath Update

- Since June 2023, there has been a decrease of **53 allied temp FTEs** and **129 non-clinical temp FTEs**.
- With successful execution of the allied and non-clinical temp glidepath, **315 excess temp FTEs** will be shed by the beginning of FY25.

*data as of January 2024