

**HHC ACO INC.  
BOARD OF DIRECTORS  
MEETING**

**July 30, 2015**

**At 10:00 a.m.**

**125 Worth Street, 5<sup>th</sup> Floor Board Room  
New York City**

**AGENDA**

**CALL TO ORDER**

**Dr. Ramanathan Raju**

**OLD BUSINESS**

1. Approve and adopt minutes of the HHC ACO Inc. (“ACO”) Board of Directors meeting held on February 25, 2015 (Exhibit A)

**NEW BUSINESS**

1. REPORT by Chief Executive Officer Ross M. Wilson, M.D. on the ACO’s activities and matters related to Medicare Shared Savings Program (“MSSP”) renewal application
2. RESOLUTION authorizing the Chief Executive Officer of the ACO to submit to the Centers for Medicare & Medicaid Services (“CMS”) a renewal application and, if approved by CMS, execute an agreement with CMS to extend the ACO’s participation in the MSSP from January 1, 2016 through December 31, 2018, under the MSSP Track 1 risk arrangement;

AND

Authorizing the Chief Executive Officer of the ACO to execute agreements with ACO Participants and Collaborators either to extend their participation or collaboration in the MSSP from January 1, 2016 through December 31, 2018, or to initiate their participation or collaboration in the MSSP effective as of any January 1 during such period, as applicable.

3. RESOLUTION requesting that NYC Health & Hospitals Corporation (“HHC”) designate an additional Director to represent physicians and other healthcare professionals employed or subcontracted by New York University School of Medicine (“NYU”) to provide services at HHC facilities;

AND

Authorizing that the person specified in a writing by HHC that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO’s Board of Directors, with such appointment to be retroactive to November 3,

2014, subject to such person's earlier death, resignation or removal, in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified.

4. RESOLUTION authorizing the formation of an Advisory Committee to be comprised of members selected by the Non-affiliated Participants, with each Non-affiliated Participant being entitled to select one member of the Advisory Committee as specified in a writing signed by such Non-affiliated Participant that is delivered to the Chairman of the ACO;

AND

Authorizing the number of Directors of the ACO's Board of Directors be fixed at eleven (11), subject to approval and ratification by HHC;

AND

Authorizing that upon such approval and ratification, the person specified in a writing signed by all members of the ACO Advisory Committee that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO's Board of Directors, subject to such person's earlier death, resignation or removal, in accordance with the laws of the State of New York until such person's successor is duly elected and qualified, subject to approval and ratification by HHC;

AND

Authorizing that each member of the Advisory Committee that does not serve as additional Director of the ACO's Board of Directors shall be invited to attend ACO Board of Director meetings as an observer in a non-voting capacity; provided, that such member agrees to hold in confidence all confidential information made available to the ACO's Board of Directors at or in connection with any such meeting and provided further, that the ACO's Board of Directors reserves the right to withhold any information from such observer and to exclude such observer from any meeting or portion thereof to the extent the ACO's Board of Directors concludes in good faith, upon advice of legal counsel, and after taking into account the common interests of the ACO and the Non-affiliated Participants in the subject matter thereof, that access to such information or attendance at such meeting would reasonably be expected to deprive the ACO of the attorney-client privilege between the ACO and its counsel.

5. DISTRIBUTION of a memorandum regarding training required by the New York Public Authority Law (Exhibit B)

**ADJOURNMENT**

**Dr. Ramanathan Raju**

**EXHIBIT A**

**HHC ACO INC.  
MINUTES OF THE  
BOARD OF DIRECTORS MEETING  
February 25, 2015  
125 Worth Street, 5<sup>th</sup> Floor  
Board Room  
New York City**

**ATTENDEES**

**BOARD MEMBERS**

Jeromane Berger-Gaskin  
Andrew Brotman, M.D.  
Balavenkatesh Kanna, M.D.  
Luis R. Marcos, M.D.\*  
Antonio D. Martin  
Jasmine Moshirpur, M.D.  
Ramanathan Raju, M.D.  
Salvatore J. Russo  
Ross M. Wilson, M.D.

**HHC STAFF / OTHER ATTENDEES**

Nancy Barnicle  
Sherry Cirilo  
Megan Cunningham  
Julian John  
Randall Mark  
Nicholas Stine, M.D.  
Jay Weinman

**CALL TO ORDER**

The meeting of the Board of Directors of HHC ACO Inc. (the “Board”) was called to order by Dr. Ramanathan Raju, Chair of HHC ACO Inc. (“ACO”), at 4:05 p.m.

**OLD BUSINESS**

Dr. Raju entertained a motion to adopt the minutes of the November 3, 2014 meeting of the Board. A motion was duly made and seconded. There being no corrections to the minutes

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\* Participated by teleconference and not videoconference, and therefore not considered present for voting purposes

offered by the members of the Board, the motion to adopt the minutes was unanimously approved.

Dr. Raju requested an update regarding the status of an ACO Director to be named by the New York University School of Medicine (“NYU”). Dr. Wilson stated that the Board previously passed a resolution to add an NYU Director, pending approval from the NYC Health & Hospitals Corporation (“HHC”) and the Centers for Medicare & Medicaid Services (“CMS”). Such approval has since been obtained and NYU designated Dr. Andrew Brotman as its representative.

## **NEW BUSINESS**

The next agenda item was a report from Dr. Wilson, Chief Executive Officer of the ACO. Dr. Wilson discussed the performance payment earned by the ACO as a result of achieving savings in its first Medicare Shared Savings Program (“MSSP”) performance year. As discussed and agreed upon at the November 3<sup>rd</sup> Board meeting, a portion of the savings were to be distributed to primary care physicians through their affiliate employers, according to a formula based on CMS guidance and set forth in agreements between the ACO, HHC, and affiliates. The distribution amount would be weighted by the volume of ACO patients served. This model resulted in disparities across facilities and employers.

Distribution was delayed due to negotiations with Doctors Council, which resulted in a revised payment methodology for 2013. Rather than pay primary care physicians variable amounts, the new model provides for even distribution, prorated based on the individual physician’s full-time equivalent (“FTE”) status in 2013. Only physicians currently employed are eligible for a distribution. HHC agreed to pay its employed physicians the same amount that affiliate employed physicians would receive, with such funds to come from HHC’s savings share.

Dr. Wilson read a resolution authorizing the ACO to distribute savings according to the new model, and to amend the ACO agreements with HHC and affiliates. A motion was made and duly seconded to adopt the resolution identified as number two on the agenda:

2. RESOLUTION Authorizing the CEO of the ACO to execute amendments to the ACO’s agreements with the New York City Health & Hospitals Corporation (“HHC”); and Coney Island Medical Practice Plan P.C.; Downtown Bronx Medical Associates P.C.; Harlem Medical Associates P.C.; Metropolitan Medical Practice Plan P.C.; Physician Affiliate Group of New York; Icahn School of Medicine at Mount Sinai, doing business as The Mount Sinai Services Queens Hospital Center; Mount Sinai Elmhurst Faculty Practice Group, doing business as Mount Sinai School of Medicine; and New York University School of Medicine (collectively the “Existing Non-Corporation Shared Savings Distributees”), related to the distribution of Medicare Shared Savings Program (“MSSP”) Performance Payments, as set forth in Exhibit A annexed hereto;

AND

Authorizing the CEO of the ACO to distribute the 2013 MSSP Performance Payment as described in Exhibit A annexed hereto, subject to agreement by the ACO, HHC and the Existing Non-Corporation Shared Savings Distributees.

The motion was unanimously approved. There was no further discussion of the motion.

**ADJOURNMENT**

There being no further business, Dr. Raju adjourned the meeting at 4:27 p.m. *sine die*.

Respectfully submitted,

Salvatore J. Russo  
Secretary

Adopted \_\_\_\_\_

## EXHIBIT B

**To:** HHC ACO Inc. Board of Directors  
**From:** Ross Wilson, CEO, HHC ACO Inc.  
**Date:** July 30, 2015  
**Re:** Board Member Training

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The New York Public Authority Law requires the board members of a public authority to complete training regarding their legal, fiduciary, financial and ethical responsibilities. HHC ACO Inc. (ACO) is a subsidiary of the NYC Health & Hospitals Corporation, a public authority, and as such all ACO board members are subject to this training requirement.

The Authorities Budget Office (ABO) conducts live, interactive training online. Sessions are approximately 3 hours in duration. You will need the following to participate in the training:

- a telephone;
- a quiet setting such as an office where you can close the door; and
- a computer with internet access.

To register for training, visit <http://www.abo.ny.gov/training/onlinetraining.html>. The dates of upcoming sessions are listed at the bottom of the page. Click on the date of the session you wish to attend. Complete the registration form that appears and save it to your computer. Send an email to [info@abo.ny.gov](mailto:info@abo.ny.gov) with the registration form attached.

Due to limited session availability, submitting a form does not guarantee your registration. You will receive an email from the ABO confirming if your registration request was accepted, with instructions on how to access the webinar training. If your preferred session is closed, you will be directed to register for a different session. The next board member training sessions are scheduled for:

- **Wednesday, August 5** from 9:30 a.m. to 12:30 p.m.
- **Wednesday, August 19** from 9:30 a.m. to 12:30 p.m.

You will receive a certificate upon completion of the training. Send the certificate to [Megan.Cunningham@nychhc.org](mailto:Megan.Cunningham@nychhc.org) and save a copy for your personal records.

If you have any questions, difficulty registering for a training session, or otherwise need assistance to meet this requirement, please contact Megan Cunningham, the ACO's Senior Director of Operations, at [Megan.Cunningham@nychhc.org](mailto:Megan.Cunningham@nychhc.org) or call 212-788-3548. I appreciate your cooperation to ensure that the ACO is in full compliance with the New York Public Authority Law.

**HHC ACO INC.  
RESOLUTION**

**Authorizing the Chief Executive Officer of HHC ACO Inc. (the “ACO”) to submit to the Centers for Medicare & Medicaid Services (“CMS”) a renewal application and, if approved by CMS, execute an agreement with CMS to extend the ACO’s participation in the Medicare Shared Savings Program (“MSSP”), from January 1, 2016 through December 31, 2018, under the MSSP Track 1 risk arrangement;**

**AND**

**Authorizing the Chief Executive Officer of the ACO to execute agreements with ACO Participants and Collaborators either to extend their participation or collaboration in the MSSP from January 1, 2016 through December 31, 2018, or to initiate their participation or collaboration in the MSSP effective as of any January 1 during such period, as applicable.**

**WHEREAS** HHC ACO Inc. (the “ACO”) currently participates in the Medicare Shared Savings Program (“MSSP”), pursuant to the terms of a three-year agreement with the Centers for Medicare & Medicaid Services (“CMS”) that expires on December 31, 2015; and

**WHEREAS** the ACO has demonstrated success under the MSSP by both improving health outcomes and reducing the total cost of care for attributed patients; and

**WHEREAS** the ACO Board of Directors wishes to continue participation in the MSSP under the Track 1, upside-only risk arrangement; and

**WHEREAS** the ACO must submit a renewal application to CMS in order to extend its MSSP participation for a subsequent three-year term that commences on January 1, 2016; and

**WHEREAS** the ACO has previously executed agreements with New York City Health & Hospitals Corporation, Coney Island Medical Practice Plan, P.C., Downtown Bronx Medical Assoc. P.C., Harlem Medical Associates, P.C., Metropolitan Medical Practice Plan, P.C., and Mount Sinai Elmhurst Faculty Practice Group, and may choose to execute agreements with other entities identified by the Chief Executive Officer of the ACO for participation therein, pertaining to their participation in the MSSP (collectively “Participants”); and

**WHEREAS** the ACO has previously executed agreements with New York University School of Medicine, Physician Affiliate Group of New York, P.C., and The Mount Sinai Services Queens Hospital Center, and may choose to execute agreements with other entities identified by the Chief Executive Officer of the ACO, which, although not eligible to be ACO participants under applicable federal regulations, agree to comply with applicable MSSP requirements, pertaining to such collaboration in the MSSP (collectively “Collaborators”); and

**WHEREAS** the Chief Executive Officer of the ACO will evaluate any potential additional Participants and Collaborators on the basis of factors including, but not limited to, mission alignment, existing relationships (e.g., MetroPlus network provider, OneCity Health partner), clinical quality and patient satisfaction, sufficient size of Medicare Fee-For-Service patient population, primary care capacity, growth potential, and operational readiness to fulfill MSSP requirements; and

**WHEREAS** ACO agreements with existing Participants and Collaborators shall be re-executed as part of the process by which the ACO renews its participation in the MSSP; and

**WHEREAS** existing ACO agreements with Participants have been modified to incorporate all provisions necessary to satisfy the MSSP regulations as amended on June 9, 2015, and existing ACO agreements with Collaborators have been modified consistent with MSSP regulations.

**NOW, THEREFORE BE IT**

**RESOLVED**, that the ACO Board of Directors hereby authorizes the Chief Executive Officer of the ACO to submit to CMS a renewal application and, if approved by CMS, execute an agreement with CMS to extend the ACO's participation in the MSSP from January 1, 2016 through December 31, 2018, under the MSSP Track 1 risk arrangement;

**AND**

**BE IT FURTHER RESOLVED**, that the ACO Board of Directors hereby authorizes the Chief Executive Officer of the ACO to execute agreements with ACO Participants and Collaborators either to extend their participation or collaboration in the MSSP from January 1, 2016 through December 31, 2018, or to initiate their participation or collaboration in the MSSP effective as of any January 1 during such period, as applicable.



**HHC ACO INC.  
RESOLUTION**

**Requesting that NYC Health & Hospitals Corporation (“HHC”) designate an additional Director to represent physicians and other healthcare professionals employed or subcontracted by New York University School of Medicine (“NYU”) to provide services at HHC facilities;**

**AND**

**Authorizing that the person specified in a writing by HHC that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO’s Board of Directors, with such appointment to be retroactive to November 3, 2014, subject to such person’s earlier death, resignation or removal, in accordance with the laws of the State of New York, until such person’s successor is duly elected and qualified.**

**WHEREAS** the Board of Directors of HHC ACO Inc. (the “ACO”) passed a resolution on November 3, 2014, authorizing New York University School of Medicine (“NYU”) to designate a director (additional “Director”) who would serve on the ACO Board of Directors, subject to approval by NYC Health & Hospitals Corporation (“HHC”) and the Centers for Medicare and Medicaid Services (“CMS”); and

**WHEREAS** CMS subsequently clarified in a communication dated December 31, 2014, that HHC should designate the additional Director to represent physicians and other healthcare professionals employed or subcontracted by NYU to provide services at HHC facilities, in order to meet ACO governing body requirements as set forth in the Medicare Shared Savings Program (“MSSP”) regulations; and

**WHEREAS** HHC shall take the recommendation(s) of NYU senior leadership under advisement in the selection of such a Director; and

**WHEREAS** all members of the ACO governing body are required by MSSP regulations to exercise a fiduciary duty exclusively to the ACO and not to their employers.

**NOW, THEREFORE, BE IT**

**RESOLVED** that the ACO Board of Directors hereby requests that HHC designate an additional Director to represent physicians and other healthcare professionals employed or subcontracted by NYU to provide services at HHC facilities;

**AND**

**BE IT FURTHER RESOLVED**, the person specified in a writing by HHC that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO's Board of Directors, with such appointment to be retroactive to November 3, 2014, subject to such person's earlier death, resignation or removal, in accordance with the laws of the State of New York, until such person's successor is duly elected and qualified.

**HHC ACO INC.  
RESOLUTION**

**Authorizing the formation of an Advisory Committee to be comprised of members selected by the Non-affiliated Participants, with each Non-affiliated Participant being entitled to select one member of the Advisory Committee as specified in a writing signed by such Non-affiliated Participant that is delivered to the Chairman of HHC ACO Inc. (the “ACO”);**

**AND**

**Authorizing the number of Directors of the ACO’s Board of Directors be fixed at eleven (11), subject to approval and ratification by NYC Health & Hospitals Corporation (“HHC”);**

**AND**

**Authorizing that upon such approval and ratification, the person specified in a writing signed by all members of the ACO Advisory Committee that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO’s Board of Directors, subject to such person’s earlier death, resignation or removal, in accordance with the laws of the State of New York until such person’s successor is duly elected and qualified, subject to approval and ratification by HHC;**

**AND**

**Authorizing that each member of the Advisory Committee that does not serve as additional Director of the ACO’s Board of Directors shall be invited to attend ACO Board of Director meetings as an observer in a non-voting capacity; provided, that such member agrees to hold in confidence all confidential information made available to the ACO’s Board of Directors at or in connection with any such meeting and provided further, that the ACO’s Board of Directors reserves the right to withhold any information from such observer and to exclude such observer from any meeting or portion thereof to the extent the ACO’s Board of Directors concludes in good faith, upon advice of legal counsel, and after taking into account the common interests of the ACO and the Non-affiliated Participants in the subject matter thereof, that access to such information or attendance at such meeting would reasonably be expected to deprive the ACO of the attorney-client privilege between the ACO and its counsel.**

**WHEREAS** the staff of physicians and other healthcare professionals employed or subcontracted by ACO Participants contribute to the ACO’s overarching goal of delivering better care at lower cost for ACO attributed patients; and

**WHEREAS** the ACO wishes to form an advisory committee (the “Advisory Committee”) so that ACO Participants other than the NYC Health & Hospitals Corporation (“HHC”) and its physician affiliate organizations (“Non-affiliated Participants”) may share in ACO governance; and

**WHEREAS** the Advisory Committee shall be comprised of members selected by the Non-affiliated Participants, with each Non-affiliated Participant being entitled to select one member of the Advisory Committee; and

**WHEREAS** the members of the Advisory Committee shall collectively nominate a single representative to serve as a Director of the ACO in a voting capacity, while all other members of the Advisory Committee shall be invited to attend ACO Board of Director meetings as an observer in a non-voting capacity; and

**WHEREAS** the ACO previously appointed certain individuals to serve as the ACO’s Board of Directors, as specified in the ACO’s Certificate of Incorporation and subsequent Resolutions, and now desires to fix the number of Directors at eleven (11), subject to ratification by the HHC Board of Directors.

**NOW, THEREFORE, BE IT**

**RESOLVED**, that the ACO authorizes the formation of an Advisory Committee to be comprised of members selected by the Non-affiliated Participants, with each Non-affiliated Participant being entitled to select one member of the Advisory Committee as specified in a writing signed by such Non-affiliated Participant that is delivered to the Chairman of the ACO;

**AND**

**BE IT FURTHER RESOLVED**, that the number of Directors of the ACO’s Board of Directors be fixed at eleven (11), subject to approval and ratification by HHC;

**AND**

**BE IT FURTHER RESOLVED**, that upon such approval and ratification, the person specified in a writing signed by all members of the ACO Advisory Committee that is delivered to the Chairman of the ACO is hereby elected to serve as an additional Director of the ACO’s Board of Directors, subject to such person’s earlier death, resignation or removal, in accordance with the laws of the State of New York until such person’s successor is duly elected and qualified, subject to approval and ratification by HHC;

**AND**

**BE IT FURTHER RESOLVED**, that each member of the Advisory Committee that does not serve as additional Director of the ACO’s Board of Directors shall be invited to attend ACO Board of Director meetings as an observer in a non-voting capacity; provided, that such member agrees to hold in confidence all confidential information made available to the ACO’s

Board of Directors at or in connection with any such meeting and provided further, that the ACO's Board of Directors reserves the right to withhold any information from such observer and to exclude such observer from any meeting or portion thereof to the extent the ACO's Board of Directors concludes in good faith, upon advice of legal counsel, and after taking into account the common interests of the ACO and the Non-affiliated Participants in the subject matter thereof, that access to such information or attendance at such meeting would reasonably be expected to deprive the ACO of the attorney-client privilege between the ACO and its counsel.